

September 4, 2024

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 2023-24 and Notice of the Annual General Meeting**  
**NSE Symbol – PANACHE**

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Dear Sir/ Madam,

Pursuant to the requirements of Regulation 34 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2023-24 (“Annual Report”) along with the Notice of the Seventeenth Annual General Meeting (“Notice”) of the Company to be held on Thursday, September 26, 2024 at 3:00 p.m. through electronic mode (video conference or other audio-visual means). In accordance with the circulars issued by Ministry of Corporate Affairs and SEBI, the Annual Report along with the Notice is sent through electronic mode to the Members of the Company.

Further, the aforesaid Annual Report along with Notice has also been uploaded on the website of the Company at [www.panachedigilife.com](http://www.panachedigilife.com).

We request you to take the aforesaid on records.

**For Panache Digilife Limited**

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**Harshil Chheda**  
**Company Secretary & Compliance Officer**

**Encl: as above**

# At an Inflection Point

PANACHE®

*Making Human Life Easy®*

Annual Report 2023-24



# CONTENTS

## Corporate Overview

Introduction	03
Panache at Glance	04
Chairman's Letter	14
Our Team	16

## Financials

Financial Statements	75
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## Statutory Reports

Management Discussion and Analysis Report	20
Notice to 17th Annual General Meeting	28
Board's Report	38
Annexures	46
Report on Corporate Governance	54

# Making Human Life Easy

Panache Digilife is an ICT & IoT devices design, manufacturing, distribution, and services company which is focused on Smart Computing Devices & Virtualization, Smart & Digital Classrooms, Smart & Connected Cars, Smart Asset Management, Retail IoT, Healthy Living Solutions, AV, Display & Pen Display Solutions, Smart Water, and other electronic and contract manufacturing OEM/ODM. As is the case with most businesses, the journey of Panache Digilife Limited began 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 the vision of bringing innovative products for the Indian market, the Company ventured into Small Form Factor computing devices and there has been no looking back. During the last decade, the Company's robust R&D team has developed and manufactured multiple revolutionising products in the computer technology space.

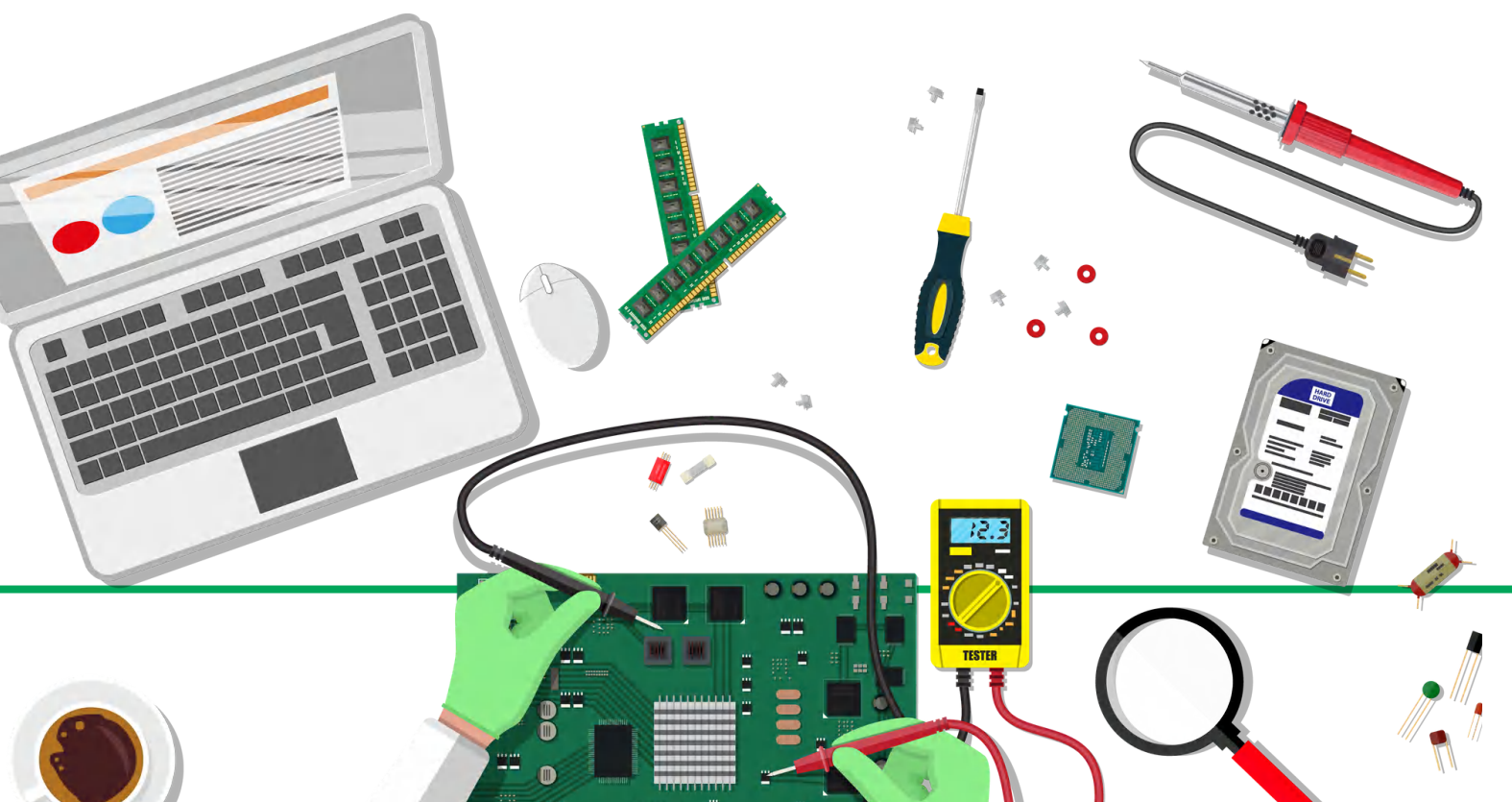
## Key Highlights FY 2023-24

**96.54 Crores**  
Revenue From Operations

**6.12 Crores**  
OPERATING PROFITS

**54.71 Lakhs**  
Profit After Tax

**6.2 %**  
OPM



# Panache at Glance

**Panache plays a pivotal role in the entire ODM process, from product ideation and design to manufacturing and after-sales services.**

We actively support local manufacturing by prioritising the use of locally sourced components in our products.

- Our goals align with the Prime Minister's vision of a self-sustaining nation.
- We specialise in contract manufacturing, producing a range of products including Hybrid PCs, Wireless Landline Phones, CCTVs, Charging Solutions, and more.
- We adhere to strict compliance standards, including BIS, WPC, Environmental, and International Certifications.
- Our manufacturing processes meet ISO 9001:2015 and ISO 14001:2015 standards, ensuring quality at every stage—from Stores and IQC to IPQC, FQC, and Quality Analysis.
- Our experienced team excels in Supply Chain Management, Quality Management, Process Management, and Product Support.
- We provide well-defined Standard Operating Procedures (SOPs) for all stages, including Assembly Line, Quality Assurance, Packaging, and Record Keeping, ensuring thorough documentation and quality control.



# Core Values

## Innovation



We believe innovation is the key to transforming both lives and businesses. We're always on the lookout for new ideas and technologies to create cutting-edge ICT and IoT solutions that meet our customers' evolving needs. Our commitment is to stay ahead of industry trends and continually push the boundaries of what's possible.

## Excellence



We strive for excellence in everything we do. From product design to manufacturing, distribution, and after-sales service, we consistently uphold the highest standards. Our focus on quality ensures that our products and services not only meet but exceed expectations, delivering real value to our customers.

## Customer-Centricity



Our customers are at the heart of everything we do. We take the time to understand their needs and challenges, tailoring our solutions to fit their specific requirements. For us, success is measured by our customers' satisfaction and achievements. We're committed to building lasting relationships based on trust and mutual respect.

## Integrity



Integrity is the foundation of our business. We prioritize honesty, transparency, and accountability in all our operations. By adhering to ethical business practices, we build trust with our customers, partners, employees, and the wider community.

## Collaboration



We believe that collaboration is essential to achieving success. We foster a collaborative environment where we leverage the strengths of our people and partners to reach common goals. We share knowledge, encourage teamwork, and provide mutual support to deliver the best outcomes for our customers.

## Sustainability



We are committed to making a positive impact on society and the environment. Sustainability is a core part of our business operations, from responsible sourcing and manufacturing to designing energy-efficient products. We work to minimize our environmental footprint and contribute to the well-being of the communities where we operate.



# Plant and Machinery



Panache DigiLife Limited operates a manufacturing facility that covers an **expansive area of 50,000 square feet**. This facility is designed to ensure that all production processes are conducted in a controlled, air-conditioned environment, maintaining the highest standards of quality and efficiency. We have a well experienced team who manages the factory very efficiently.

The facility is meticulously organized to manage various critical processes integral to the manufacturing lifecycle. There are designated areas for Stores, In-Coming Quality Check, Kitting, Assembly, Final Quality Check, Packaging, and Quality Assurance.

This facility has been operational for seven years, during which time it has consistently delivered exceptional products that meet or exceed our customers' expectations. The factory's strategic location further enhances its operational efficiency, as it is situated just 38 kilometers from the nearest airport and 65 kilometers from the nearest seaport. This proximity to major transport hubs is highly advantageous for our Just-In-Time (JIT) arrangement, allowing us to optimize logistics, reduce lead times, and respond swiftly to customer demands.



# SWOT Analysis

## Strengths

**Innovative Products/Services:** Offers cutting-edge technology solutions and products that appeal to tech-savvy consumers.

**Strategic Partnerships:** Strong relationships with partners and clients can lead to long-term contracts and expanding market reach.

**Expertise in Digital Lifestyle:** Specialized knowledge in integrating technology into daily life, potentially giving it a competitive edge.

**Customer-Centric Approach:** Emphasis on user experience and customer satisfaction could lead to strong customer loyalty and positive reviews.



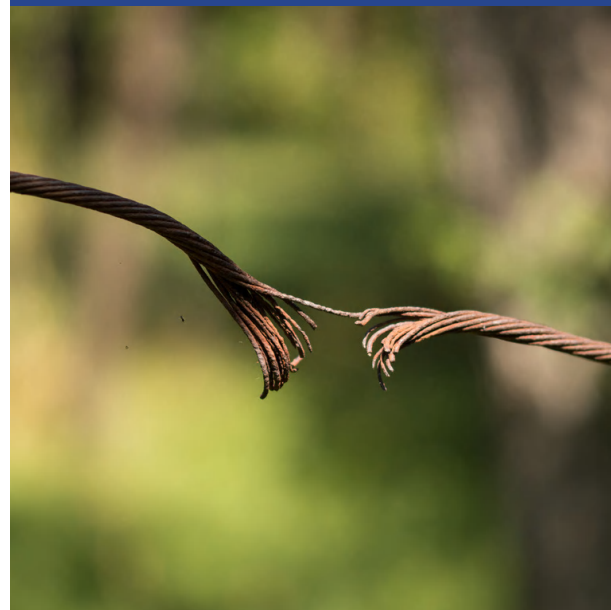
**Growing Tech Trends:** Increased interest in smart home devices, wearable technology, and digital wellness provides new growth opportunities.

**Expansion into New Markets:** Potential to expand product lines or services into emerging markets or geographical regions.

**Partnerships and Collaborations:** Opportunities to collaborate with other tech companies or influencers to reach a broader audience.

**Increased Digital Adoption:** Rising digital adoption across various demographics can boost demand for digital lifestyle products.

## Opportunities



**Operational Costs:** Manufacturing and R&D are capital-intensive activities, and managing these costs while maintaining product quality can be challenging.

**Highly Competitive:** The digital lifestyle market can be highly competitive, with many established players.

**Dependency on Technology Trends:** Rapid changes in technology could require constant updates and innovation, which might strain resources.

**Potential Niche Focus:** If the company targets a specific niche, it could limit its market size and growth potential.

## Weaknesses

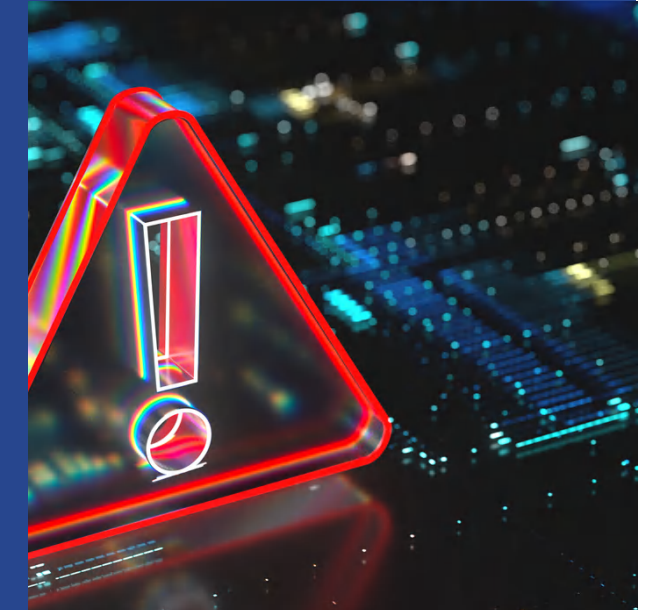
## Threats

**Intense Competition:** The presence of well-established competitors and new entrants in the tech space could pose challenges.

**Technological Changes:** Rapid advancements in technology may require continuous innovation and adaptation, which can be resource-intensive.

**Economic Fluctuations:** Economic downturns could affect consumer spending on non-essential tech products.

**Cybersecurity Risks:** As a digital-focused company, it must be vigilant about cybersecurity threats and data protection.



# PANACHE DIGILIFE LIMITED

## TECHNOFY DIGITAL PRIVATE LIMITED

Date of Incorporation: 04th June, 2019  
Wholly- Owned Subsidiary Company  
(Since Incorporation)

## ICT INFRA TECH SERVICES PRIVATE LIMITED

Date of Incorporation: 08th March, 2007  
Wholly- Owned Subsidiary Company  
(w.e.f. 05th October, 2023)

## NAJ DIGILIFE PRIVATE LIMITED

Date of Incorporation: 13th October, 2023  
Subsidiary Company  
(Since Incorporation)

## CADCORD TECHNOLOGIES PRIVATE LIMITED

Date of Incorporation: 19th January, 2018  
Associate Company  
(w.e.f. 04th November, 2023)



## Our Pillars

### Technological Innovation

Panache Digilife consistently pushes the boundaries of technology, driving innovation in ICT and IoT solutions that meet the ever-evolving demands of the market. This commitment to pioneering advancements positions the company as a leader in delivering smart, efficient, and cutting-edge products.

### Quality Excellence

Quality is at the core of Panache Digilife's operations, with a steadfast focus on maintaining the highest standards across all products and services. This dedication to excellence ensures that customers receive reliable, high-performance solutions that stand the test of time.

### Customer-Centric Approach

A deep understanding of customer needs and challenges drives Panache Digilife's approach to business. The company prioritizes the development of tailored solutions that add value and foster long-term partnerships built on trust and satisfaction.

### Sustainable Practices

Panache Digilife is committed to integrating sustainability into every aspect of its business. From eco-friendly product designs to responsible manufacturing processes, the company takes proactive steps to minimize its environmental impact and contribute positively to society.

### MAJOR MILESTONES IN FY 2023 - 24

SELECTED UNDER PRODUCT LINKED INCENTIVE SCHEME 2.0 FOR IT HARDWARE BY MEITY.

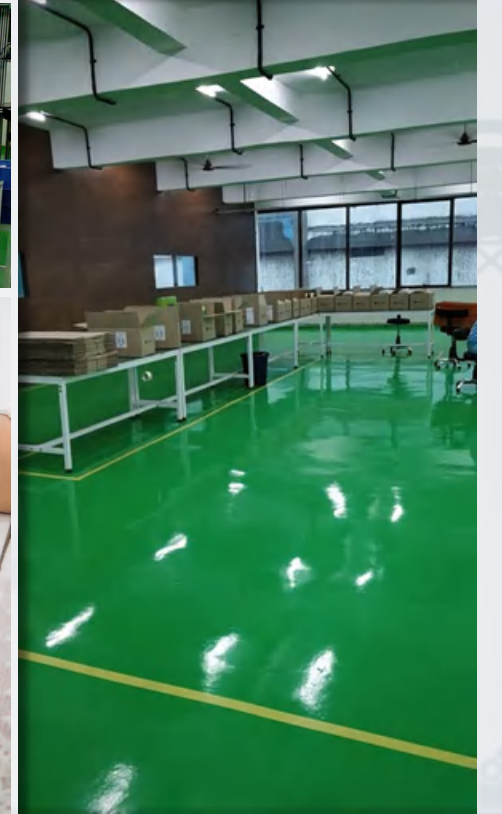
COLLABORATED WITH V.E.S INSTITUTE OF TECHNOLOGY UNDER C2S PROGRAMME OF MEITY.

MANUFACTURING IT HARDWARE FOR SCANNING.

MANUFACTURING OF SOLUTIONS FOR MEDICAL INFRASTRUCTURE.

GOAL







# Chairman's Letter



## Ladies and Gentlemen, Esteemed Shareholders,

I would like to begin by expressing my gratitude for your continued support and trust in our company. It is your belief in our vision that empowers us to constantly evolve and grow within this rapidly changing technological landscape. On behalf of the Panache DigiLife board members and our entire team, I am pleased to welcome you to our 17th Annual General Meeting. Today, I want to give you a clear picture of where we stand, the key industries we are focusing on, and the tremendous opportunities ahead of us.

As we look back on the past year, one industry that continues to drive significant growth for us is the IT hardware sector. The rise in demand for computing power, data storage, and networking solutions has been unprecedented, fueled largely by the digital transformation across industries. The convergence of hardware and software is creating a seamless experience for consumers and businesses alike, and we are well-positioned to meet these demands through our innovative hardware solutions. Compute Devices like Mini PCs to Laptops and devices in Telecom and Networking domain, our hardware portfolio is more diverse and competitive than ever.

In tandem with this, the Internet of Things (IoT) is revolutionizing industries globally, and we are at the forefront of this transformation. IoT devices have expanded into every corner of our lives, from smart homes and connected cars to industrial automation and smart healthcare. We are seeing the massive potential of IoT solutions in driving efficiencies, reducing costs, and unlocking new business models across sectors. Our focus is on developing advanced IoT devices that integrate seamlessly with cloud infrastructure and analytics platforms, enabling organizations to leverage data and insights to make smarter decisions.

To further bolster our manufacturing capabilities and strengthen our market position, we are committed to the government's Production Linked Incentive (PLI) scheme. This initiative provides us with a significant competitive advantage by incentivizing domestic production and enhancing our export capabilities. Through PLI, we have been able to scale our operations, improve our production efficiency, and build high-quality IT and telecom products that meet global standards. We see this as a key pillar of our growth strategy in the years to come.

The rise of Artificial Intelligence (AI) is yet another area where we have seen extraordinary potential. AI is transforming industries by enabling automation, predictive analytics, and real-time decision-making across verticals such as finance, healthcare, logistics, and telecommunications. We are heavily invested in AI research and development, creating AI-powered products and solutions that are not only cutting-edge but also designed to address real-world problems. As AI becomes more embedded in everyday operations, our aim is to lead the charge in delivering solutions that empower businesses to innovate faster and operate more efficiently.

In the telecom industry, our product lines have expanded significantly, with 5G rolling out at an accelerated pace. The advent of 5G technology will lead to increased demand for advanced networking hardware. This shift will also drive the need for edge computing devices, which require specialized hardware to process data closer to the source. As telecommunications become more complex and interconnected, there arises the need for high-speed networks that are secure and scalable. The integration of AI and machine learning into business processes is pushing the demand for powerful computing hardware capable of handling complex algorithms and large data sets.

The increasing usage of embedded devices in medical equipment is transforming the healthcare industry by enhancing the functionality, efficiency, and reliability of medical technologies. By enabling smarter, more efficient, and safer medical technologies, these devices are helping to improve patient care, streamline operations, and reduce healthcare costs. As technology continues to advance, we can expect embedded devices to play an even more critical role in the future of healthcare.

In conclusion, our company is navigating a period of immense technological change with agility and foresight. The opportunities in IT hardware, IoT, AI, telecom products, and medical appliances are vast, and we are taking proactive steps to seize these opportunities while creating long-term value for you, our shareholders. By leveraging initiatives such as the PLI scheme, investing in emerging technologies, and expanding our product offerings, we are well-positioned for sustained growth and profitability.

As we reflect on our journey and the milestones we've achieved, it's clear that our success is a direct result of the exceptional contributions of our employees. Each of them has played a crucial role in driving the growth, and I want to take a moment to express my heartfelt gratitude. Their dedication, innovative thinking, and unwavering commitment have been the backbone of our progress. From overcoming challenges to seizing opportunities, their efforts have not only helped us grow but have also set a standard of excellence that inspires us all. It's this collective drive and resilience that make our company thrive.

We are excited about the future and confident in our ability to continue delivering strong financial performance. Thank you once again for your continued support. We look forward to the next chapter of our journey together.

Thanking you.  
With warm regards,

**Mr. Amit Rambhia**  
Chairman and Managing Director



# Our Team



**Mr. Amit Rambhia**  
(Managing Director)



**Mr. Nikit Rambhia**  
(Joint Managing Director)



**Mr. Nitesh Savla**  
(CFO and Whole Time Director)



**Mr. Harshil Chheda**  
(Company Secretary & Compliance Officer)



**Mr. Jaydeep Jadav**  
(President - Online Sales)



**Mr. Jitendra Deokar**  
(GM - Factory and Operations)



**Mrs. Neha Madiar**  
(GM - R&D)



**Mr. Vikesh Shah**  
(GM- Automation)

# Corporate Information

## Board of Directors & Key Managerial Personnel

**Amit Devchand Rambhia**  
Chairman & Managing Director

**Nikit Devchand Rambhia**  
Joint Managing Director

**Nitesh Manilal Savla**  
CFO & Whole-Time Director

**Harshil Rajesh Chheda**  
Company Secretary & Compliance Officer

**Shailesh Premji Gala**  
Independent Director

**Tejaswini Chandrashekhar More**  
Independent Director

**Jayesh Khimji Rambhia**  
Independent Director

## Audit Committee

**Shailesh Gala**  
Chairperson

**Tejaswini More**  
Member

**Amit Rambhia**  
Member

**Jayesh Rambhia**  
Member

## Nomination and Remuneration Committee

**Tejaswini More**  
Chairperson

**Jayesh Rambhia**  
Member

**Shailesh Gala**  
Member

## Listed on

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

## Banker

Canara Bank

## Stakeholder Relationship Committee

**Jayesh Rambhia**  
Chairperson

**Nikit Rambhia**  
Member

**Shailesh Gala**  
Member

## Statutory Auditors

M/s. Jain Salia & Associates  
Chartered Accountants

## Secretarial Auditor

M/s. D M Zaveri & Co.,  
Company Secretaries

## Cost Auditor

M/s. Kishore Bhatia & Associates  
Cost Accountants

## Internal Auditor

M/s. Sanket Sangoi & Associates,  
Chartered Accountants

## Registered Office & Factory

Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Taluka Bhiwandi, District Thane - 421302, Maharashtra, India  
CIN: L72200MH2007PLC169415  
(T): +9122 2500 7002  
(E): info@panachedigilife.com  
(W): www.panachedigilife.com

## Corporate Office

B-507, Raheja Plaza Premises CSL, L.B.S. Marg, Ghatkopar West, Mumbai - 400 086, Maharashtra, India

## Share Registrars and Transfer Agents

Bigshare Services Private Limited  
Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, Maharashtra  
(T): +9122 6263 8200  
(E): investor@bigshareonline.com  
(W): www.bigshareonline.com

## Corporate Overview



# Management Discussion and Analysis

## 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 FY2023-24 and business outlook for this year:

## Future Growth Outlook

As we look towards the future, Panache Digilife is well-prepared to capitalise on a range of strategic opportunities that promise to drive significant

growth and expansion. Our company's proactive approach to innovation, market exploration, and operational excellence positions us to leverage these future growth triggers effectively, ensuring long-term sustainability and value creation.

One of the key pillars of our growth strategy is the development and launch of new products in the pipeline. We are continuously investing in research and development to bring cutting-edge products to market, designed to meet the evolving needs of our customers and the broader industry. These upcoming products, which encompass a range of advanced technologies and innovative solutions, will not only expand our current portfolio but also solidify our reputation as a leader in the Electronics Manufacturing Services (EMS) sector. The introduction of these new products is expected to open up new revenue streams and enhance our competitive edge in both existing and emerging markets.

In addition to product innovation, Panache Digilife is actively venturing into new segments that align with global trends and industry demands. As technology continues to evolve, new sectors such as Internet of Things (IoT), Artificial Intelligence (AI), and renewable energy solutions are emerging as key areas of focus. By strategically entering these high-growth segments, we aim to diversify our offerings and tap into the substantial potential that these markets present. Our expansion into these areas is not only a testament to our forward-thinking approach but also a critical step in future-proofing our business against market fluctuations and technological disruptions.

Panache Digilife is committed to exploring new markets both domestically and internationally. With the increasing globalisation of the EMS industry, there are numerous opportunities to expand our geographic reach and penetrate markets that have previously been untapped. Our focus on identifying and entering high-potential regions will enable us to diversify our customer base and reduce reliance on any single market. This geographic expansion is supported by our robust distribution network and strategic partnerships, which will facilitate smooth entry into these new territories and ensure we deliver our products and services with the same high standards that our customers have come to expect.

The Production-Linked Incentive (PLI) Scheme introduced by the Government of India presents a significant growth opportunity for Panache Digilife. By qualifying for and benefiting under this scheme, we are positioned to scale our manufacturing

capabilities, enhance our technological infrastructure, and increase our production efficiency. The PLI Scheme is not only expected to contribute to our revenue growth but also to bolster our role in the "Make in India" initiative, further establishing Panache Digilife as a key player in the domestic electronics manufacturing landscape. Additionally, the financial incentives provided under this scheme will allow us to reinvest in our operations, drive innovation, and expand our workforce, contributing to overall economic growth. With these strategic initiatives and a clear vision for the future, Panache Digilife is optimistic about achieving a 30% growth rate in the next 3 years, solidifying our position as a leader in the industry and delivering enhanced value to our stakeholders.

Our commitment to operational excellence and supply chain resilience is central to our growth strategy. As we expand our product portfolio and capabilities, we are simultaneously enhancing our supply chain management processes to ensure we can meet the increasing demand while maintaining cost efficiency and quality standards. By investing in state-of-the-art manufacturing facilities and adopting advanced technologies such as automation and artificial intelligence, we are improving our production processes, reducing lead times, and increasing our capacity to deliver high-quality products on a global scale.



## Industry Overview

The global economy has faced significant challenges over the past three years, marked by a series of events ranging from the pandemic and geopolitical tensions to multi-decade high inflation levels. Despite these hurdles, the global Electronics Manufacturing Services (EMS) market,

valued at USD 880 billion in 2021, is projected to grow at a compound annual growth rate (CAGR) of 5.4%, reaching USD 1,145 billion by 2026.

Historically, the EMS market experienced steady growth up until 2018, driven by increased outsourcing from Original Equipment Manufacturers (OEMs) and a rise in electronics content. EMS companies are integral to the supply chain, offering a wide range of services, including design, assembly, manufacturing, and testing of electronic components. These services can be contracted at various stages of the manufacturing process. While larger EMS providers are capable of delivering comprehensive solutions from design and component sourcing to assembly and testing (commonly known as ODM), smaller and mid-sized companies typically focus on assembly and testing services.

As inflationary pressures begin to ease and supply chain disruptions diminish, particularly with the reopening of China's economy, the outlook for the EMS industry appears optimistic. These developments, coupled with a resilient labor market, are expected to bolster ongoing recovery efforts. Advanced economies have experienced more significant setbacks compared to emerging markets. According to the International Monetary Fund (IMF), Asia-Pacific nations are anticipated to contribute nearly 70% of global growth, with India and China accounting for 50% of that expansion. The IMF forecasts global economic growth of 2.8% in 2023, rising to 3% in 2024.



## Indian Industry Overview

The Electronics Manufacturing Services (EMS) market in India was valued at ₹3,372 billion (USD 45 billion) in FY22 and is projected to expand significantly, reaching ₹7,504 billion (USD 101 billion) by FY26, reflecting an impressive

compound annual growth rate (CAGR) of 22%. India has increasingly positioned itself as a hub for high-quality design work, not just as a cost-effective manufacturing destination. This has attracted numerous multinational companies to establish and expand their captive centers in the country.

The Indian EMS industry is evolving beyond traditional contract manufacturing and Original Equipment Manufacturing (OEM) roles. Many EMS companies are now offering comprehensive design services, aligning with the Original Design Manufacturing (ODM) model. This shift is enabling brands to engage more deeply with EMS providers, allowing them to explore new product segments and enhance their market presence.

The growing demand for high-volume electronics production is driving the localization of the component ecosystem, thereby strengthening domestic capabilities in component sourcing. This development is crucial for building a robust electronics manufacturing ecosystem in India. The country's strong consumer base, coupled with rising demand for both consumer and industrial electronics, has propelled the Indian EMS sector to the forefront of the global market.

Recent years have seen a concerted effort by both industry and government to boost domestic electronics production, largely driven by the need for import substitution. Favorable policy initiatives, such as the Production-Linked Incentive (PLI) scheme, have been instrumental in attracting investment in electronics manufacturing. These policies, alongside shifts in the global manufacturing landscape, have positioned India as a preferred destination for electronics manufacturing investments.

India's EMS sector is poised for substantial growth, supported by the government's focus on "Make in India" and "Digital India" initiatives. The sector is also benefiting from global companies' increasing interest in diversifying their supply chains, especially in light of recent disruptions. As the world's fifth-largest economy, India's vast market potential, skilled workforce, and improving infrastructure make it an attractive destination for electronics manufacturing, promising a bright future for the Indian EMS industry.



## Electronic System Design & Manufacturing (ESDM) Industry in India

### Introduction

The Electronic System Design & Manufacturing (ESDM) industry in India has emerged as one of the fastest-growing sectors, driven by increasing consumer demand, rapid technological advancements, and supportive government policies. The ESDM sector encompasses a broad spectrum of activities, including the design and manufacturing of electronic products and systems for various applications such as consumer electronics, telecommunications, healthcare, industrial automation, and more. As India continues its journey towards becoming a global manufacturing hub, the ESDM industry plays a pivotal role in achieving the country's economic goals and technological aspirations.

India's ESDM industry has gained significant momentum due to the convergence of multiple factors, including a growing domestic market, rising investments, and the government's focused initiatives to promote manufacturing and reduce dependency on imports. The sector is poised to be a key contributor to the "Make in India" vision, which aims to transform India into a global manufacturing powerhouse.

### Market Size

The ESDM industry in India has witnessed robust growth over the past decade. As of 2022, the market size of the ESDM sector was estimated to be around USD 100 billion, with expectations to reach USD 300 billion by 2025. This impressive growth is largely driven by the increasing penetration of electronics in various sectors, the rise of digitalization, and the burgeoning demand for consumer electronics, mobile devices, automotive electronics, and industrial electronics.

The growth trajectory of the ESDM industry is also supported by the expanding middle class and the increasing affordability of electronic products. The proliferation of smartphones, wearables, and smart home devices has further accelerated the demand for electronics, contributing to the industry's exponential growth. Additionally, the shift towards electric vehicles (EVs) and renewable energy solutions has opened up new avenues for the ESDM sector, with a growing need for advanced electronic components and systems.

India's status as a preferred destination for electronics manufacturing is further cemented by the presence of a skilled workforce, a growing ecosystem of suppliers and vendors, and the availability of cost-effective manufacturing capabilities. The country's strategic location, with access to key global markets, also enhances its appeal as a hub for electronics manufacturing.

### Investments

Investment in the ESDM sector in India has been on the rise, driven by both domestic players and global electronics giants. The government's concerted efforts to attract foreign direct investment (FDI) have led to significant inflows into the sector. As of 2022, the ESDM sector attracted FDI worth over USD 20 billion, with major investments coming from companies like Samsung, Foxconn, Wistron, and Pegatron. These investments are not only helping to boost domestic production but also positioning India as a key player in the global electronics supply chain.

Several multinational companies have established manufacturing facilities in India, taking advantage of the favorable investment climate and the growing domestic market. The presence of global companies has also led to the development of ancillary industries, creating a multiplier effect on the overall economy. Additionally, Indian companies are increasingly investing in research and development (R&D) to innovate and create value-added products, further driving the growth of the ESDM industry.

The increasing focus on setting up electronics manufacturing clusters (EMCs) and special economic zones (SEZs) has also played a significant role in attracting investments. These clusters provide the necessary infrastructure, logistics, and incentives to companies, making India an attractive destination for electronics manufacturing.



### Government Initiatives

The Indian government has been proactive in promoting the ESDM sector through various initiatives and policy measures aimed at boosting domestic manufacturing, enhancing exports, and reducing dependency on imports. Some of the key government initiatives include:

- 1. Production-Linked Incentive (PLI) Scheme:** Launched in 2020, the PLI scheme for the ESDM sector provides financial incentives to companies that manufacture electronics components and systems in India. The scheme is designed to encourage large-scale manufacturing and attract global players to set up their production units in the country. The PLI scheme is expected to generate significant employment opportunities and increase India's share in the global electronics market.
- 2. National Policy on Electronics (NPE) 2019:** The NPE aims to position India as a global hub for ESDM by focusing on the development of core components, promoting innovation, and encouraging investments in R&D. The policy outlines strategies to increase domestic manufacturing, enhance exports, and build a robust ecosystem for electronics design and manufacturing.
- 3. Electronics Manufacturing Clusters (EMC) Scheme:** The EMC scheme supports the creation of world-class infrastructure for electronics manufacturing by providing financial assistance for the establishment of EMCs. These clusters are designed to house state-of-the-art facilities and provide a conducive environment for electronics manufacturing companies.
- 4. Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs):** SPECs aims to boost the domestic production of electronic components, semiconductors, and display fabrication units. The scheme provides financial incentives to companies for setting up or expanding manufacturing units, thereby reducing import dependency and enhancing the competitiveness of the Indian ESDM sector.
- 5. Digital India Initiative:** The Digital India initiative has been instrumental in driving the demand for electronics in the country. By promoting digital infrastructure and services, the initiative has created a strong foundation for the growth of the ESDM industry. The government's focus on digitization and the promotion of digital literacy has further fueled the demand for electronic products and services.

## STANDALONE & CONSOLIDATED FINANCIAL OVERVIEW

The Standalone performance of the Company for the financial year ended March 31, 2024 is as follows:

- Total revenue from operations at Rs. 96.50 crore for the year ended March 31, 2024, as against
- Rs. 111.79 crore for the corresponding previous period, a decrease by 13.68%.
- The Cost of Raw Materials for the financial year ended March 31, 2024 were Rs. 81.87 crore as against Rs 98.89 crore for the corresponding previous period, a decrease by 16.53%.
- The Employee expenses for the financial year ended March 31, 2024 were Rs. 3.78 crore as against
- Rs 3.61 crore for the corresponding previous period, increasing by 4.71%.
- The other expenses for the financial year ended March 31, 2024 were Rs 4.33 crore as against Rs 3.69 crore for the corresponding previous period, increasing by 17.34%.
- The EBIDTA (earnings before interest, depreciation and tax) was Rs 6.17 crore for the year ended March 31, 2024 as against Rs 5.60 crore for the corresponding previous period, an increase by 10.10%.
- The depreciation for the financial year ended March 31, 2024 was Rs 0.88 crore, as against Rs 0.79 crore for the corresponding previous period, an increase by 11.69%.
- The EBIT (earnings before interest and tax) were Rs 9.32 crore for the year ended March 31st, 2024 as against Rs 6.24 crore for the corresponding previous period, increasing by 49.31%.
- The PAT (profit after tax) were Rs 0.41 crore for the year ended March 31st, 2024 as against
- Rs 1.85 crore for the corresponding previous period, decreasing by 77.89%.
- The interest for the financial year ended March 31st, 2024 was Rs 4.44 crore as against Rs 3.93 crore for the corresponding previous period, increase of 13.18%.
- The EPS (Earning Per Share) for the financial year ended March 31st, 2024 stood at Rs 0.34 for a face value of Rs 10 per share, as against Rs 1.54 for the corresponding previous period.

The Consolidated Figures for the Company include financials of its Subsidiary Technofy Digital Private Limited, ICT Infratech Private Limited & NAJ Digilife Private Limited and an Associate company viz. Cadcord Technologies Private Limited.

## The Consolidated performance of the Company for the financial year ended March 31, 2024 is as follows:

- Total revenue from operations at Rs. 96.54 crore for the year ended March 31, 2024, as against
- Rs. 111.80 crore for the corresponding previous period, a decrease by 13.64%.
- The Cost of Raw Materials for the financial year ended March 31, 2024 were Rs. 82.25 crore as against Rs 98.89 crore for the corresponding previous period, a decrease by 16.83%.
- The Employee expenses for the financial year ended March 31, 2024 were Rs.3.78 crore as against Rs 3.61 crore for the corresponding previous period, increasing by 4.71%.
- The other expenses for the financial year ended March 31, 2024 were Rs. 4.36 crore as against Rs 3.70 crore for the corresponding previous period, increasing by 17.83%.
- The EBIDTA (earnings before interest, depreciation and tax) was Rs 6.15 crore for the year ended March 31, 2024 as against Rs 5.60 crore for the corresponding previous period, an increase by 9.89%.
- The depreciation for the financial year ended March 31, 2024 was Rs. 0.88 crore, as against Rs 0.79 crore for the corresponding previous period, an increase by 11.69%.
- The EBIT (earnings before interest and tax) were Rs. 8.32 crore for the year ended March 31st, 2024 as against Rs 5.70 crore for the corresponding previous period, increasing by 45.71%.
- The interest for the financial year ended March 31, 2024 was Rs. 4.45 crore as against Rs 3.93 crore for the corresponding previous period, an increase of 13.18%.
- The PAT (profit after tax) from continuing operations were Rs. (0.59) crore for the year ended March 31, 2024 as against Rs 1.32 crore for the corresponding previous period, decreasing by 144.47%.
- The PAT (profit after tax) from discontinuing operations were Rs. 1.12 crore for the year ended March 31, 2024 as against Rs (0.49) crore for the corresponding previous period, an increase in profit by 329.26%.
- The Total PAT for the Company stood at Rs 0.55 crore for the year ended March 31, 2024 as against Rs 0.82 crore for the corresponding previous period.
- The EPS (Earning Per Share) for the financial year ended March 31, 2024 was Rs 0.46 for a face value of Rs 10 per share, as against Rs 0.69 for the corresponding previous period.

## RESOURCES AND LIQUIDITY

- As on March 31, 2024 the standalone net worth stood at Rs 36.78 crore and the standalone debt was at Rs 31.86 crore.
- The cash and cash equivalents at the end of March 31, 2024 were Rs. 0.54 crore.
- The total debt to equity ratio of the Company stood at 0.88 as on March 31, 2024.

### Strengths

1. Diverse Business Models:
  - Flexibility and Resilience: The ability to operate across different business models—such as contract manufacturing, design-led manufacturing, and a subsidiary brand business—provides Panache Digilife with the flexibility to adapt to market changes and customer demands. This diversification reduces dependency on any single revenue stream, enhancing the company's resilience during economic downturns or industry shifts.
  - Cross-Industry Synergies: Operating in multiple business models allows Panache Digilife to leverage synergies between different sectors, such as using insights from contract manufacturing to enhance its own branded products. This cross-pollination of ideas can lead to innovation and improved efficiency.
2. Technological Expertise:
  - Competitive Edge: By prioritizing innovation and technological development, Panache Digilife ensures that it remains competitive in rapidly evolving sectors like digital devices and IT solutions. This focus on technology also allows the company to offer cutting-edge products that meet the latest market demands, potentially commanding premium pricing.
  - In-House R&D Capabilities: The company's investment in research and development not only strengthens its product offerings but also positions it as a leader in technological advancements within its industry.
3. Strategic Partnerships:
  - Long-Term Stability: Strong relationships with partners and clients can lead to long-term contracts, reducing the risk of revenue volatility. These partnerships can also open up opportunities for collaborative innovation and market expansion.
  - Brand Credibility: Well-established partnerships enhance the company's reputation and credibility, making it more attractive to potential clients and investors.
4. Listing on NSE:
  - Capital Access: Being listed on the NSE gives Panache Digilife access to a broad pool of investors, which can be crucial for raising capital for expansion, R&D, and other strategic initiatives.
  - Increased Transparency: Public listing mandates higher levels of transparency and corporate governance, which can build investor confidence and improve the company's market standing.
5. Experienced Leadership:
  - Strategic Vision: A leadership team with deep experience in technology and manufacturing brings a wealth of industry knowledge, enabling the company to make informed strategic decisions and navigate challenges effectively.

### Weaknesses

1. Market Dependency:
  - Revenue Volatility: Relying heavily on a few key markets or clients increases vulnerability to market-specific risks, such as economic downturns, regulatory changes, or competitive pressures. A significant loss in one area could disproportionately impact the company's overall performance.
  - Need for Diversification: The company may need to diversify its client base or geographic presence to mitigate this risk and ensure more stable revenue streams.
2. High Competition:
  - Margin Pressure: In highly competitive industries, maintaining profitability can be challenging as competitors may engage in price wars or offer innovative products that erode market share. The need for constant innovation to stay ahead can also lead to increased R&D expenses.
  - Brand Differentiation: Standing out in a crowded market requires strong brand differentiation, which may demand significant investment in marketing and product development.
3. Operational Costs:
  - Cost Management: Manufacturing and R&D are capital-intensive activities, and managing these costs while maintaining product quality can be challenging. Any inefficiencies in production or delays in bringing new products to market can erode profit margins.
  - Scalability Challenges: As the company grows, scaling operations without a proportional increase in costs will be critical to maintaining profitability.

**Statutory Reports**

**Opportunities**

1. Growing Tech Trends:

- The increasing popularity of smart home devices, wearable technology, and digital wellness solutions presents significant growth opportunities for Panache Digilife. As consumers become more tech-savvy and seek to integrate technology into all aspects of their lives, there is a rising demand for innovative products that offer convenience, connectivity, and enhanced user experiences. By capitalizing on these trends, Panache Digilife can expand its product offerings, attract new customer segments, and establish itself as a leader in these emerging markets.

2. Expansion into New Markets:

- Panache Digilife has the potential to expand its product lines or services into emerging markets or new geographical regions. As digital adoption continues to rise globally, particularly in developing economies, there are numerous opportunities to introduce the company's products to new audiences. Expanding into these markets not only allows Panache Digilife to diversify its revenue streams but also reduces its dependence on existing markets. Strategic partnerships with local distributors and retailers, along with localized marketing efforts, can facilitate successful entry into these new regions.

3. Partnerships and Collaborations:

- Collaborating with other technology companies, influencers, or industry leaders offers Panache Digilife an opportunity to reach a broader audience and enhance its product offerings. Partnerships can lead to the co-creation of innovative products, sharing of technological expertise, and access to new customer bases. Collaborations with influencers or industry experts can also boost brand credibility and visibility, particularly in markets where the company is less established. Leveraging these relationships can accelerate growth and open up new avenues for business development.

4. Increased Digital Adoption:

- The global shift towards increased digital adoption across various demographics provides a favorable environment for Panache Digilife's growth. As more consumers embrace digital solutions for work, entertainment, and daily living, the demand for the company's digital lifestyle products is expected to rise. This trend is particularly pronounced among younger generations who are more inclined to adopt new technologies. Panache Digilife can capitalize on this growing demand by continuously innovating and expanding its product portfolio to cater to diverse customer needs.

**Threats**

1. Intense Competition:

- The technology sector is characterized by intense competition, with both well-established companies and new entrants constantly vying for market share. This competitive landscape poses a significant threat to Panache Digilife, as it must continuously innovate and differentiate itself to stay ahead. Larger competitors with greater resources can invest heavily in marketing, research and development, and pricing strategies that may be difficult for Panache Digilife to match. Additionally, the rapid pace of technological advancements means that competitors may quickly replicate or surpass Panache Digilife's innovations, eroding its competitive advantage.

2. Technological Changes:

- The fast-paced nature of technological advancements presents both opportunities and challenges for Panache Digilife. While staying on the cutting edge of technology is crucial for success, it also requires substantial investment in research and development. The company must be agile enough to adapt to new technologies and market trends, which can be resource-intensive and require continuous learning and innovation. Failure to keep up with technological changes could result in product obsolescence, loss of market share, and decreased customer satisfaction.

3. Economic Fluctuations:

- Economic downturns and fluctuations can significantly impact consumer spending, particularly on non-essential technology products. During periods of economic uncertainty, consumers may prioritize essential goods and services over discretionary purchases, leading to reduced demand for Panache Digilife's products. Additionally, economic challenges can lead to increased costs for raw materials, production, and distribution, further straining the company's profitability. Panache Digilife must be prepared to navigate these economic fluctuations by implementing cost-saving measures, diversifying its product offerings, and maintaining financial resilience.

4. Supply Chain Disruptions:

- **Production Delays:** Global supply chain disruptions, whether due to geopolitical issues, natural disasters, or pandemics, can lead to shortages of components or raw materials. This can result in production delays, increased costs, and potential loss of sales.
- **Risk Mitigation:** Panache Digilife may need to develop more resilient supply chain strategies, such as diversifying suppliers, increasing inventory levels, or investing in local production capabilities.

5. Technological Obsolescence:

R&D Pressure: The rapid pace of technological change means that products can quickly become outdated, requiring continuous investment in R&D to keep up with market demands. Failing to innovate could lead to a loss of market relevance and declining sales

**Internal Control Systems and Their Adequacy**

Panache Digilife Ltd. has established a robust internal control framework designed to ensure the reliability of financial reporting, the effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The Company's internal control systems are structured to safeguard its assets and prevent and detect fraud and other irregularities.

The internal controls at Panache Digilife Ltd. are aligned with best industry practices and have been designed to provide a reasonable assurance of the integrity and accuracy of the financial statements. These systems are regularly reviewed and updated to adapt to the changing business environment and to meet the evolving needs of the Company.

The adequacy and effectiveness of these controls are periodically evaluated by the internal audit team, which operates independently of management. The audit findings and recommendations are reviewed by the Audit Committee, which ensures that corrective actions are taken promptly. The Committee also monitors the implementation of the recommendations to enhance the internal control environment.

Moreover, the Company has adopted a risk management framework that complements the internal control system by identifying, assessing, and mitigating potential risks that could impact the achievement of Panache Digilife Ltd.'s objectives. This integrated approach ensures that risks are managed within acceptable limits and that any deviations from the established controls are promptly addressed.

In conclusion, the Board of Directors is confident that Panache Digilife Ltd.'s internal control systems are adequate and effective, providing a solid foundation for the Company's operations and ensuring the integrity of its financial reporting.

**HUMAN RESOURCES**

Our people strategies are geared towards creating an unparalleled employee experience through diverse learning opportunities, great careers, and a strong brand. We believe in creating an inclusive environment that welcomes everyone and nurtures an overall sense of belonging.

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.

Your Company has maintained its manpower strength which stands at 33 employees in FY'2024 from 39 in FY'2023. Consequently, the Employee benefit expenses were in line with those of the previous year's figures.

**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	2023-24	2022-23	Change (%)
Debt Service Coverage Ratio	1.35 times	1.85 times	(27.24) %
Trade Receivables Turnover Ratio	2.02 times	2.81 Times	(28.37) %
Net Profit Ratio	0.42 %	1.66 %	(74.38) %

Other Ratios & their explanations have been provided in Note 51 of Standalone Financial Statements.



## NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING

**Notice** is hereby given that the **Seventeenth Annual General Meeting** (“AGM”) of the Members of **Panache Digilife Limited** will be held on Thursday, September 26, 2024 at 3.00 p.m. through electronic mode [video conference (“VC”) / other audio - visual means (“OVAM”)] to transact the following business;

### Ordinary Business:

- To consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2024, together with the reports of the Board of Directors and Auditors thereon, and
- To appoint a director in place of Mr. Nikit Rambhia (DIN 00165678), who retires by rotation and being eligible, offers himself for re-appointment.

### Special Business:

- To ratify remuneration of the cost auditor for the financial year ending March 31, 2025.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹1,35,000 (Rupees one lakh Thirty Five thousand only) plus taxes as applicable, to be paid to M/s. Kishore Bhatia & Associates (Firm Registration No. 00294), Cost Auditors of the Company, for the financial year ending March 31, 2025 as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and are hereby authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution.”

- Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013**

To consider and if thought fit, the following resolution as a Special Resolution;

**“RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 as amended from time to time (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of members of the Company be and is hereby accorded for making of loan(s) including loan represented by way of Book Debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by ‘NAJ Digilife Private Limited’, being entity covered under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Subsection 2 of the said Section, of an aggregate outstanding amount not exceeding ₹2,00,00,000/- (Rupees Two Crore only), in one or more tranches, for the principal business activities of Borrower, on such terms and conditions as may be mutually agreed between the Company and Borrower.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan / Guarantee / security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.”

By order of the Board of Directors of  
**Panache Digilife Limited**

**Harshil Chheda**  
Company Secretary  
Membership No. A62645

Date: August 13, 2024  
Place: Mumbai

## NOTES

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”), which sets out details relating to Special Business to be transacted at the Seventeenth AGM, is annexed hereto.
- Ministry of Corporate Affairs (“MCA”) has vide its various circulars issued from time to time (the latest circular being dated September 25, 2023) (“MCA Circulars”) permitted the holding of the AGM through VC / OAVM. In compliance with the provisions of the Act, MCA Circulars and Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”), the Seventeenth AGM is being held through VC / OAVM on Thursday, September 26, 2024 at 3:00 p.m. 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.

- 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.

- Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to [compliance@panachedigilife.com](mailto:compliance@panachedigilife.com) not less than 48 (forty-eight) hours before the commencement of the AGM i.e., by 3.00 P.M. on September 24, 2024.

- Members of the Company, holding shares, as on Friday, August 30, 2024, (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2023-24, through their registered mail id. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Thursday, September 19, 2024 (“cut-off date”), may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company (“RTA”), Bigshare Services Private Limited at e-mail [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com) or to Central Depository Services (India) Limited (“CDSL”) at email [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- Members shall have the option to vote electronically (“e-voting”) either before the AGM (“remote e-voting”) or during the AGM. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings (“SS-2”), Regulation 44 of the 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 CDSL. Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.

- 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 AGM in a fair and transparent manner.

- The Members can join the AGM in the VC / OAVM mode 15 minutes before the scheduled time of the commencement of the AGM and while the AGM is in progress, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first serve 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 serve basis. Institutional Investors who are Members of the Company, are encouraged to attend the AGM and vote.

- 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 Act.

- The Board of Directors have considered and decided to include the resolution no. 3 & 4 given above as Special Business in the forthcoming AGM.

- Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through remote e-voting for the business specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote again.





12. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Members / list of Beneficial Owners maintained by National Securities Depository Limited ("NSDL") and CDSL (NSDL and CDSL collectively referred as "Depositories") as on the cut-off date.
13. A person, whose name is recorded in the Register of Members / list of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
14. Any person who becomes a Member of the Company after sending of Annual Report and holding shares as on the cut-off date shall also follow the procedure stated herein.
15. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
16. 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.
17. Non-Resident Indian Members are requested to inform the RTA immediately about the change in residential status on their return to India, if any.
18. Members holding shares under multiple folios in the identical order of names are requested to consolidate their holdings into one folio by submitting duly filled and signed form ISR-4.
19. As on the date of this Notice all the shares of the Company are held in dematerialised form.
20. Members holding shares in dematerialized form are requested to update the bank account details (account number, 9-digit MICR and 11-digit IFSC), name/ address, e-mail address, mobile number etc. to their respective Depository Participants, any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
21. Members can avail facility of nomination in respect of shares held by them pursuant to Section 72 of the Act.
22. The 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.
23. Additional information of Director seeking re-appointment at the ensuing AGM as required under Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of the SS-2, is annexed to this Notice.
24. In line with MCA Circulars and SEBI circulars, the Notice calling the AGM along with the Annual Report for FY 2023-24 is being sent through the electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The cut-off date for receiving Notice and Annual Report through e-mail is Friday, August 30, 2024. A Member can request for a copy of the Annual Report by sending an e-mail to the Company at [compliance@panachedigilife.com](mailto:compliance@panachedigilife.com). Members may note that the Annual Report will also be available on the website of the Company at <https://www.panachedigilife.com/financials#annualreport> and on the website of the National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The Notice is also disseminated on the website of CDSL (agency providing the remote e-voting facility and e-voting during the AGM) at [www.evotingindia.com](http://www.evotingindia.com).
- For the purpose of receiving the Notice of the AGM and the Annual Report through electronic mode in case the e-mail address is not registered with the respective Depository Participants / Company / RTA, the members may register their e-mail addresses by sending an e-mail to the Company at [compliance@panachedigilife.com](mailto:compliance@panachedigilife.com) with the following details mentioned in e-mail: DP ID & Client ID, name of the shareholder and PAN.
- Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants in case the shares are held in dematerialised form.
25. All the relevant documents referred to in this AGM Notice, Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and other documents are available for inspection from the date of circulation of the notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [compliance@panachedigilife.com](mailto:compliance@panachedigilife.com) from their registered e-mail addresses.
26. Members are requested to note that as per Section 124(5) of the Act, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). The Company requests the Members to

## NOTES

- claim the unclaimed dividends within the prescribed period. Members are requested to contact the RTA / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
27. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified
28. Members are requested to intimate changes, if any pertaining to change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to RTA.
29. All the investor related communication and grievances may be addressed to the Registrar and Transfer Agent of the Company at their following address:

### Bigshare Services Private Limited

Address: - Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093  
Website: [www.bigshareonline.com](http://www.bigshareonline.com) Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Tel No: +9122 6263 8200 / Fax No: +9122 6263 8299

### PROCEDURE FOR REMOTE EVOTING, ATTENDING THE AGM AND E-VOTING DURING THE AGM:

The remote e-voting period begins on Monday, September 23, 2024 from 9:00 a.m. (IST) and ends on Wednesday, September 25, 2024 at 5:00 p.m. (IST). During this period, Members of the Company, holding shares as on the cut-off date, 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.

The Members who have casted their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

#### A. I Procedure and instructions for individual Members holding shares in dematerialised form:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>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 requested to visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and New System Myeasi Tab.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1.If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2.If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3.Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no: 022 - 48867000 and 022 - 24997000

**II. Procedure and instructions for non-individual Members holding shares in dematerialised form and Members holding shares in physical form:**

- i. The user should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on “Shareholders” module.
- iii. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- vi. If you are a first-time user follow the steps given below:

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

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the Electronic Voting Sequence Number (“EVS”) of Panache Digilife Limited.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. 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.
- xvii. Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.



- The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
- 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 mandatory 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](mailto:dmz@dmzaveri.com) and [compliance@panachedigilife.com](mailto: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.

#### B. Procedure and instructions for Members attending the AGM through VC/OAVM:

- The procedure for attending the AGM & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC / OAVM to attend the AGM will be available where the EVSN of the Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Members 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.
- Members are encouraged to join the AGM through laptops / iPads for better experience.
- Members connecting through mobile devices or tablets or laptop connecting via mobile hotspot may experience loss of audio / video due to fluctuation in the network. Members are requested to allow camera and use an internet facility with a good bandwidth to avoid facing any disturbance during the AGM.
- Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / folio no., PAN, mobile number along with their queries at [compliance@panachedigilife.com](mailto:compliance@panachedigilife.com) from Friday, September 20, 2024 from 9:00 a.m. (IST) to Sunday, September 22, 2024, till 5:00 p.m. (IST). Those Members 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.
- Only those Members, who are present at the AGM through VC / OAVM 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 during the AGM.
- If any votes are cast by the Members through the e-voting facility available during the AGM and if the said Members have not participated in the AGM through VC / OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the AGM is available only to the Members attending the AGM.

Member who have any queries or issues regarding AGM or e-voting from the CDSL e-voting system, you can write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

All grievances connected with the e-voting facility may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400 013 or send an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33

#### c. Process for those shareholders whose email/ mobile no. are not registered with the company/ depositories:

- 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.
- For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).

- 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.

#### Declaration of Results:

- 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.
- 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 SEBI Listing Regulations.
- The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.panachedigilife.com](http://www.panachedigilife.com) and on the website of CDSL at [www.evotingindia.com](http://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 of India Limited.
- The resolutions shall be deemed to be passed on the date of the Meeting, i.e., September 26, 2024 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:

In terms of the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 (as amended), the Company is required to maintain cost records with respect to Company's Business and consequently, is required to undertake an audit of such cost records maintained.

The Board of Directors, at its Meeting held on August 13, 2024, upon the recommendation of the Audit Committee, approved the appointment of M/s. Kishore Bhatia & Associates, Cost Accountants having Firm Registration Number 00294, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending March 31, 2025, at a remuneration of ₹1,35,000 (Rupees one lakh thirty five thousand only) plus taxes as applicable.

In terms of the provisions of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (as amended), the remuneration of the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending March 31, 2025.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

### ITEM NO. 4:

As per sub-section (2) of section 185 of the Companies Act, 2013, a company may advance any loan including any loan represented by a book-debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the director of the company is interested, subject to the condition that (a) a special resolution is passed by the company in general meeting and (b) the loans are utilized by the borrowing company for its principal business activities.

NAJ Digilife Private Limited ("NAJ") (CIN - U46511MH2023PTC412138) is a Subsidiary Company wherein your Company holds 60% equity share capital.

NAJ's principal business activities inter alia consists of carrying on the business of trading, distributing, importing, exporting, repairing, buying, selling, maintaining, hiring, letting on hire, providing services including consultancy or otherwise dealing in computer and computer peripherals, accessories, computer parts, laptops, tablets, servers, monitors, All-in-One (AIO) PCs, kiosks, Televisions, and Wearable devices.

NAJ in future may have plans to expand its existing operations and your company may have to render support for the business requirements of its Subsidiary Company in whom the Directors of the Company are interested, from time to time.

Thus, through the proposed resolution the Board decided to seek approval of the shareholders pursuant to the provisions of Section 185 of the Act to advance loan(s) including loan represented by way of Book Debt (the "loan") to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any (the "Loan") taken/ to be taken by NAJ. The said Loan(s)/ guarantee(s)/security(ies) shall be utilised by NAJ for their principal business activities and the matters connected and incidental thereto (the "Principal Business Activities").

Following are the brief particulars of Loan proposed to be given or guarantee to be given or security to be provided by your Company to NAJ.

Name of the Company	Particulars of loans to be given, or guarantee to be given or security to be provided	Purpose
NAJ Digilife Private Limited	Aggregate amount of loans to be given or guarantee to be given or securities to be provided shall not exceed an amount of ₹2,00,00,000/- (Rupees Two Crore Only)	Working capital requirements to support its Principal Business Activities.

NAJ is an entity covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013 and hence consent of the members is being sought by way of a special resolution pursuant to Section 185 of the Companies Act, 2013 for making of Loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/ to be taken by NAJ of an aggregate outstanding amount not exceeding ₹2,00,00,000/- (Rupees Two Crores Only) on the terms mentioned in the resolution set out at item no. 4 and necessary delegation of authority to the Board for this purpose.

Your directors recommend the resolution set out at Item no. 4 to be passed as a special resolution by the members.

Except Mr. Amit Rambhia & Mr. Nikit Rambhia being common Director between the Company and NAJ, none of the other Directors or the Key Managerial Personnel or their relatives are in any way interested or concerned, financially or otherwise in this Resolution.

### Additional Information of directors seeking reappointment at the Seventeenth 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 09, 1978 (45 years)
Nationality	Indian
Qualifications	B. Com from Mumbai University and MBA
Experience / Brief Resume	Mr. Nikit Rambhia is a Joint Managing Director of the Company. He is associated with the Company as Director since inception and was later re-designated as Joint Managing Director. Mr. Nikit Rambhia holds an MBA degree in Marketing from the University of Mumbai and has got over 20 years of experience in handling operations. 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. He is an active member of ASIRT, TAIT and ASSENT.
Nature of his expertise in specific functional area	Management & overall business execution
Terms and conditions of appointment or re-appointment	Tenure as a director is subject to retirement by rotation.
Remuneration proposed to be paid	As per existing approved terms of appointment.
Remuneration last drawn (For FY 2023-24)	Rs. 42,00,000
Date of 1st Appointment on the Board	March 30, 2007 (Since Inception)
No. of Board Meetings attended during the FY 2023-24	No of Board Meetings held - 5 ; No of Board Meetings attended - 4
Shareholding in the Company, including Shareholding as a Beneficial Owner	28,00,000 Equity Shares
Relationship with other Directors, Manager & Key Managerial Personnel	He is a brother of Amit Rambhia (Managing Director).
Directorships held in other companies as on March 31, 2024	ICT Infratech Services Private Limited and NAJ Digilife Private Limited
Names of listed entities from which the director have resigned in the past three years	NIL
Committee Memberships / Chairmanship in other companies as on March 31, 2024	NIL
Information as required pursuant to the National Stock Exchange of India Limited with ref no. NSE/CML/2018/24, dated June 20, 2018.	Not debarred from holding the office of director pursuant to any SEBI order or any such authority

By order of the Board of Directors of  
**Panache Digilife Limited**

**Harshil Chheda**  
Company Secretary  
Membership No. A62645

Date: August 13, 2024  
Place: Mumbai



# BOARD'S REPORT

Dear Members,

The Directors of your Company have the pleasure in presenting the Seventeenth Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2024.

## FINANCIAL RESULTS

The summary of the Company's financial performance, both on a standalone and consolidated basis, for FY 24 as compared to the previous FY i.e., FY 23 is given below:

Particulars	Rs. in Lakhs			
	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	9650.06	11179.60	9654.25	11179.60
Other income	403.73	143.26	304.72	89.91
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments (excluding other income)	616.67	560.08	615.49	560.08
Depreciation and amortization expenses	88.34	79.09	88.34	79.09
Finance Cost	444.84	393.04	444.84	393.04
Profit before Exception Items & tax from continuing operations	487.22	231.21	387.03	177.86
Exceptional Items	(435.13)	-	(435.13)	-
Profit before tax (PBT) from continuing operations	52.10	231.21	(48.09)	177.86
Tax expense	11.15	46.02	10.52	46.02
Profit after tax (PAT) from continuing operations	40.95	185.18	(58.62)	131.83
Share of Profit / (loss) from associate company	-	-	1.23	(0.52)
Profit/(Loss) from discontinuing operations	-	-	112.10	(48.90)
Profit after tax (PAT)	40.95	185.18	54.71	82.41

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

### Standalone Performance

During the year, your Company achieved total revenue of ₹9650.06 Lakhs as compared to ₹11179.60 Lakhs in the previous year.

The Earnings before Interest, Tax, Depreciation and Appropriations (EBITDA) stood at ₹616.67 Lakhs in the current year as compared to ₹560.08 Lakhs during the previous year.

During the year, the Net Profit after Tax stood at ₹40.95 Lakhs as compared to ₹185.18 Lakhs in the previous year.

### Consolidated Performance

Your Company achieved total revenue of ₹9654.25 Lakhs as compared to ₹11179.60 Lakhs in the previous year.

The Earnings before Interest, Tax, Depreciation and Appropriations (EBITDA) stood at ₹615.49 Lakhs in the current year as compared to ₹560.08 Lakhs during the previous year.

The Net Profit after Tax stood at ₹54.71 Lakhs as compared to ₹82.41 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

There were 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 this Report.

### DIVIDEND

The Board of Directors of the Company thought it would be prudent to conserve capital and has not recommended dividend for the FY 2023-24.

### 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

Pursuant to the provisions of Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, dividend/interest/refund of applications which remains unclaimed/unpaid for a period of 7 years is required to be transferred to IEPF. Further, the IEPF Rules mandate the companies to transfer all shares on which dividend remains unclaimed/unpaid for a period of 7 consecutive years to the demat account of the IEPF Authority.

During the period under review, the 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). In the FY 2024-25, the company is required to transfer the funds lying unpaid or unclaimed for a period of seven years for the dividend declared in FY 2016-17 amounting to Rs. 1600.

Any shareholder whose shares or unclaimed dividend have been transferred to the Fund, may claim the shares under provision to Section 124(6) or apply for refund under Section 125(3) or under proviso to Section 125(3) of the Act, as the case may be, to the Authority by making an application in Web Form IEPF - 5 available on website at www.iepf.gov.in.

### CHANGE IN NATURE OF BUSINESS, IF ANY

There was 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, 2024 was ₹12 Crores. There was no change in the share capital during the period.

### DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Further, in compliance with 1st proviso of Rule (2) (1)(c)(viii) 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;

Sr. No.	Name of the person	Relation with the Company	Amount received during the year	Amount Outstanding as on March 31, 2024
1	Amit Rambhia	Managing Director	10,00,000	5,50,000
2	Nikit Rambhia	Joint Managing Director	64,50,000	64,50,000

### SUBSIDIARY & ASSOCIATE COMPANY AND CONSOLIDATION OF FINANCIAL STATEMENT

A list of bodies corporate which are subsidiaries / associates of your Company as on March 31, 2024\* is as follows;

Technofy Digital Private Limited	Wholly Owned Subsidiary
ICT Infratech Services Private Limited	Wholly Owned Subsidiary
NAJ Digilife Private Limited	Subsidiary Company
Cadcord Technologies Private Limited	Associate Company

\*The details with respect to acquisition of associate and subsidiary companies are stated in AOC 1. Other than the Companies mentioned above, no other Company has become or ceased to be a subsidiary or joint venture or associate of the Company during this financial year.

The Board of Directors reviewed the affairs of the Subsidiary and Associate Company. In accordance with Section 129(3) of the Act, 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 Act, 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 <https://www.panachedigilife.com/financials>.

The Policy for determining material subsidiaries, pursuant to the provisions of Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('the SEBI Listing Regulations'), may be accessed on the Company's website at <https://www.panachedigilife.com/corporate-governance#policies>.

## BOARD OF DIRECTOR'S & 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 under review;

- Mr. Amit Rambhia (DIN: 00165919) was liable to retire by rotation and being eligible was re-appointed at the 16th Annual General Meeting held on September 29, 2023.
- Mr. Nitesh Savla (DIN: 05155342), Chief Financial Officer of the Company was appointed as the Whole Time Director for a period of 3 years effective from February 14, 2023 to February 13, 2026 in the Board meeting held on February 14, 2023 and his appointment was approved by the members by way of Postal Ballot on May 4, 2023.
- Mr. Jayesh Rambhia (DIN: 02049473) was appointed as an Additional Independent Director for a period of 5 years effective from February 14, 2023 to February 13, 2028 in the Board meeting held on February 14, 2023, and his appointment as an Independent Director was approved by the members by way of Postal Ballot on May 4, 2023.

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 Rambhia (DIN: 00165678), will retire by rotation at ensuing AGM and being eligible, has offered himself for reappointment.

The terms and conditions of appointment of Independent Director are available on the website of the Company at <https://www.panachedigilife.com/corporate-governance#board>. 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.

### 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, 2024.

1. Mr. Amit Rambhia - Managing Director
2. Mr. Nikit Rambhia - Joint Managing Director
3. Mr. Nitesh Savla\* - CFO & Whole Time Director
4. Mr. Harshil Chheda - Company Secretary & Compliance Officer

\*Mr. Nitesh Savla, Chief Financial Officer of the Company was appointed as the Whole-time Director of the Company with effect from February 14, 2023 and his appointment was approved by the members by way of Postal Ballot on May 4, 2023

### Declaration by Independent Directors

All the Independent Directors have submitted the declaration of independence, pursuant to Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgment and without any external influence.

All Independent Directors of the company have confirmed that they have registered themselves with Independent Directors Database of the Indian Institute of Corporate Affairs (IICA) and have cleared online proficiency test of IICA, as applicable.

### Annual Evaluation of Directors, Committees and Board

Pursuant to the Act and the SEBI Listing Regulations, 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 at its meeting held on February 07, 2024.

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 was very good.

### Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 07, 2024 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI 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 except Mr. Jayesh Rambhia, who had expressed his inability to attend the Meeting and requested for leave of absence.

### 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/corporate-governance#board>.

### Policy on Directors' Appointment and Remuneration

The Nomination and Remuneration Policy of the Company has been formulated in terms of Section 178 of the Act. This Policy governs policy relating to Director's, Key Managerial Personnel's and Senior Management'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/corporate-governance#policies>.

### PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company Securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the Company's website <https://www.panachedigilife.com/corporate-governance>.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT AND CORPORATE GOVERNANCE REPORT

In terms of Regulation 34 of the 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 SEBI Listing Regulations relating to Corporate Governance of the Listing Regulations are set out and form part of this Annual Report.

## AUDITORS

### Statutory Auditor

Pursuant to the provisions of Section 139(2) of the Act and the rules made thereunder, the Members at their 15th AGM held on September 29, 2022 had appointed M/s. Jain Salia & Associates, Chartered Accountants (Firm Registration Number 116291W) as the Statutory Auditors of the Company for a term of five years, i.e., from the conclusion of the 15th AGM till the conclusion of 20th AGM.

There is no qualifications, reservations or adverse remarks made by Statutory Auditors, in their report on Financial Statements of the Company and hence do not call for any further explanation or comments from the Board under Section 134(3) (f) of the Act. Further, there were no frauds reported by the Statutory Auditors as specified under Section 143(12) of the Act.

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

### Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. D. M. Zaveri & Co., Company Secretaries as Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2023-24.

Further, in terms of the regulatory requirements; M/s D. M. Zaveri & Co. has issued the Annual Secretarial Compliance Report, confirming compliance by the Company of the applicable SEBI regulations and circulars / guidelines issued thereunder.

The Secretarial Audit Report is appended as Annexure B to this Report. There is no adverse remark, qualification, reservation or disclaimer in the Secretarial Audit Report. Further, there were no frauds reported by the Secretarial Auditors as specified under Section 143(12) of the Act.

### Cost Records and Cost Audit

Pursuant to Section 148 of the Companies Act read with the Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records is applicable to the Company and accordingly, such accounts and records are being maintained.

The Board of Directors, based on the recommendations of the Audit Committee, appointed Kishore Bhatia & Associates, (Firm Registration No. 00294), Cost Accountants, as Cost Auditors to audit the cost accounts of the Company for the financial year 2024-2025 on agreed remuneration of Rs. 1,35,000/-.

As required under the Act, necessary resolution seeking Members' ratification for the remuneration payable to Kishore Bhatia & Associates for FY 2024-25 is provided in the Notice of the ensuing Annual General Meeting. The Cost Audit Report in respect of the financial year 2023-24 will be filed within the statutory timeline.

### 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 Act 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 confirm that, to the best of their knowledge and belief:

- 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 have prepared the annual accounts on a going concern basis;
- 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.

### SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

### 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 for the FY 2023-24. The Board of Directors at its meeting held on May 28, 2024, upon recommendation of Audit Committee has approved the appointment of M/s. Sanket Sangoi & Associates, Chartered

Accountants, (FRN: 137348W), as the Internal Auditor of the Company for the FY 2024-25. 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 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

During the year, the Board met 5 (Five) times. The details of the Board meetings held during FY 2023-24 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 Act, the SEBI Listing Regulations 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.

1. Audit Committee
2. Nomination & Remuneration Committee
3. 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 FY 2023-24, 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 Act and Regulation 22 of the SEBI 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/corporate-governance#policies>.



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

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company have been disclosed in the Financial Statements.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

All Related Party Transactions that were entered during the financial year 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/corporate-governance#policies>.

## 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/corporate-governance#policies>.

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

The Company has in place a policy for prevention, prohibition and redressal of sexual harassment at workplace. Further, the Company has constituted an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, where complaints in the nature of sexual harassment can be registered. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and the right to work with dignity. During the year under review, the Company has not received any complaints in this regard.

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/corporate-governance#policies>.

## 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/shareholder-information#agm>.

## 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.

## HUMAN RESOURCE / INDUSTRIAL RELATIONS

Human Resource is considered as one of the most critical resources in the business which can be continuously smoothened to maximize the effectiveness of the organization. Human Resource builds the Enterprise and the sense of belonging would inculcate the spirit of dedication and loyalty amongst them towards strengthening the Company's Policies and Systems. All personnel continue to have healthy, cordial and harmonious approach thereby enhancing the contributory value of the Company. The Company has generally enjoyed cordial relations with its personnel.

The engagement with workmen and staff remained cordial and harmonious during the year and the management received full co-operation from employees.

The Company (excluding subsidiaries) had 33 employees on its rolls as on March 31, 2024. 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.

## INSOLVENCY AND BANKRUPTCY

The Company has not made any application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year and hence not being commented upon.

## THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial Year under review, there has been no incident of one-time settlement for loan taken from the banks of financial institutions and hence not being commented upon.

## OTHER INFORMATION / DISCLOSURES

Wherever applicable, refer the Company's website [www.panachedigilife.com](http://www.panachedigilife.com) or relevant details will be provided to the members on written request to the Company Secretary.

## ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the devoted services of the employees, who have largely contributed to the efficient management of your Company. The Directors also place on record their appreciation for the continued support from the shareholders, customers, suppliers, Governments, bankers, lenders and other stakeholders.

By order of the Board of Directors of  
**Panache Digilife Limited**

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

Date: August 13, 2024  
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	Technofy Digital Private Limited
2	The date since when subsidiary was acquired	June 4, 2019
3	Reporting period for subsidiary concerned, if different from holding company's reporting period	N.A.
4	Reporting currency & Exchange rate as on last date of the relevant FY in case of foreign subsidiaries	INR
5	Share capital	INR 1.00
6	Reserves & surplus	INR (355.72)
7	Total assets	INR 391.08
8	Total Liabilities	INR 745.79
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	INR 15.51
12	Provision for taxation	INR 2.42
13	Profit after taxation	INR 13.09
14	Proposed Dividend	NIL
15	% of shareholding	100%

- Name of the subsidiaries which are yet to commence business operations: Nil.
- Name of the subsidiaries which have been liquidated or sold during the year: Nil.

Sr. No.	Particulars	Details
1	Name of the subsidiary	ICT Infratech Services Private Limited
2	The date since when subsidiary was acquired	October 5, 2023*
3	Reporting period for subsidiary concerned, if different from holding company's reporting period	N.A.
4	Reporting currency & Exchange rate as on last date of the relevant FY in case of foreign subsidiaries	INR
5	Share capital	INR 3.00
6	Reserves & surplus	INR (10.65)
7	Total assets	INR 42.81
8	Total Liabilities	INR 35.17
9	Investments	NIL
10	Turnover	INR 4.79
11	Profit before taxation	INR 1.02
12	Provision for taxation	INR 0.15
13	Profit after taxation	INR 1.21
14	Proposed Dividend	NIL
15	% of shareholding	100%

- Name of the subsidiaries which are yet to commence business operations: Nil.
- Name of the subsidiaries which have been liquidated or sold during the year: Nil.

\*Pursuant to the acquisition of balance 15,000 (50%) shares, ICT Infratech Services Private Limited has become Wholly Owned subsidiary from associate company with effect from October 5, 2023.

Sr. No.	Particulars	Details
1	Name of the subsidiary	NAJ Digilife Private Limited
2	The date since when subsidiary was acquired	October 13, 2023*
3	Reporting period for subsidiary concerned, if different from holding company's reporting period	N.A.
4	Reporting currency & Exchange rate as on last date of the relevant FY in case of foreign subsidiaries	INR
5	Share capital	INR 1.00
6	Reserves & surplus	INR (1.66)
7	Total assets	INR 1.69
8	Total Liabilities	INR 2.35
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	INR (2.24)
12	Provision for taxation	INR (0.58)
13	Profit after taxation	INR (1.66)
14	Proposed Dividend	NIL
15	% of shareholding	60%

- Name of the subsidiaries which are yet to commence business operations: Nil.
- Name of the subsidiaries which have been liquidated or sold during the year: Nil.

\*NAJ Digilife Private Limited is incorporated on October 13, 2023

## Part B - Associates and Joint Ventures

### Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Company and Joint Venture)

INR in Lakhs

Sr.No.	Particulars	Details
1	Name	Cadcord Technologies Private Limited
2	Latest audited Balance Sheet	March 31, 2024
3	Date on which the Associate or Joint Venture was associated or acquired	November 4, 2023
4	Shares of Joint Venture held by the Company on the year end	
A	-Number	52,710 Equity Shares
B	-Amount of Investment in Associates/Joint Venture	INR 25.98 lakhs
C	- Extend of Holding %	26%
5	Description of how there is significant influence	Extent of equity holding in the associate company exceeds 20%.
6	Reason why the joint venture is not consolidated	Not Applicable
7	Networth attributable to shareholding as per latest audited Balance Sheet	12.72 lakhs
8	Profit/Loss for the year	4.74 Lakhs
A	-Considered in consolidation	INR 1.23 lakhs
B	-Not Considered in consolidation	INR 3.51 lakhs

Name of the associates or joint ventures which are yet to commence business operations: Nil.  
Name of the associates or joint ventures which have been liquidated or sold during the year: Nil.

By order of the Board of Directors of  
**Panache Digilife Limited**

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

Date: August 13, 2024  
Place: Mumbai

## Annexure B to Directors Report

### Secretarial Audit Report

#### Form No. MR-3

#### For the Financial year ended 31st March 2024

#### [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 31st March 2024, 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 2024 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 (Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the audit period);
- (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 and Sweat Equity) Regulations, 2021; **(Not relevant / applicable to the Company during the year under review)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(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, 2021; **(Not relevant / applicable to the Company during the year under review)**
  - (h) The Securities and Exchange Board of India (Buy-back 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.

**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.

**For D. M. Zaveri & Co**  
Company Secretaries

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

Date: August 13, 2024  
Place: Mumbai

ICSI UDIN: F005418F000915690  
Peer Review Certificate No.: 1187/2021

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.

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.

1. 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.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. 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.

**For D. M. Zaveri & Co**  
Company Secretaries

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

Date: August 13, 2024  
Place: Mumbai

## 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, 2024

### 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 in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
(iii)	(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	NIL
(iv)	the expenditure incurred on Research and Development	NIL

### C. Foreign exchange earnings and Outgo

Particulars	INR in Lakhs	
	March 31, 2024	March 31, 2023
Foreign Exchange earnings	807.11	Nil
Foreign Exchange expenditure	2140.68	2169.35

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

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

Date: August 13, 2024  
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"> <li>Amit Rambhia, Managing Director - 6.48x</li> <li>Nikit Rambhia, Joint Managing Director - 6.48x</li> <li>Nitesh Savla, CFO &amp; Whole- Time Director - 2.28x</li> </ul>
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"> <li>Amit Rambhia, Managing Director - Not increased</li> <li>Nikit Rambhia, Joint Managing Director - Not increased</li> <li>Nitesh Savla, CFO &amp; Whole- Time Director - Not increased</li> <li>Harshil Chheda, Company Secretary - 36.36%</li> </ul>
3	The percentage increase in the median remuneration of employees in the financial year	There has been no change in the median remuneration of the employee in this year as compared to the previous year.
4	The number of permanent employees on the rolls of company	33 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"> <li>Average percentile already made in the salaries of employees other than the managerial personnel in the last financial year - No Change</li> <li>Average percentile increase already made in the salaries of the managerial personnel in the last financial year - 8%</li> <li>There is no material increase in the managerial remuneration</li> </ul>
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 13, 2024  
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 ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the 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 Companies Act, 2013 ("the Act") and the SEBI 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, 2024.

## 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 Act and the SEBI Listing Regulations.

The details of composition of Board and category of directors for the financial year ending March 31, 2024 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	Nitesh Savla	CFO & Whole Time Director	Non-Promoter	Executive	Non-Independent
4	Shailesh Gala	Independent Director	Non-Promoter	Non-Executive	Independent
5	Tejaswini More	Independent Director	Non-Promoter	Non-Executive	Independent
6	Jayesh Rambhia	Independent Director	Non-Promoter	Non-Executive	Independent

### 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 SEBI 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 2023-24, five (5) Board Meetings were held on May 24, 2023, August 10, 2023, September 16, 2023, November 4, 2023 and February 7, 2024.

The details of attendance of each Director at the Board Meetings & 16th AGM are given below;

Sr. No.	Name of the Director	No. of Board Meetings eligible	No. of Board Meetings attended	Attendance at 16th AGM (September 29, 2023)
1	Amit Rambhia	5	5	Present
2	Nikit Rambhia	5	4	Present
3	Nitesh Savla	5	5	Present
4	Shailesh Gala	5	5	Present
5	Tejaswini More	5	4	Present
6	Jayesh Rambhia	5	3	Present

### 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, 2024 (1)				Directorship in other listed entities (1)	
		Board Directorship (2)	Board Chairmanship (2)	Committee Memberships (2) (3)	Committee Chairmanships (2) (3)	Name	Category
1	Amit Rambhia(4)	-	-	-	-	-	-
2	Nikit Rambhia	-	-	-	-	-	-
3	Nitesh Savla	-	-	-	-	-	-
4	Shailesh Gala	1	-	2	2	Panabyte Technologies Limited (formerly known as Panache Innovations Limited)	ID#
5	Tejaswini More	1	-	2	-	Panabyte Technologies Limited (formerly known as Panache Innovations Limited)	ID#
6	Jayesh Rambhia	1	-	1	-	-	-

#### Note(s):

- Details are excluding Panache Digilife Limited
- Excluding Directorships in Private Companies, Foreign Companies and Companies under Section 8.
- Memberships include Chairmanships. Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only has been considered.
- Resigned as a Chairman and Non-Executive Director of Panabyte Technologies Limited (formerly known as Panache Innovations Limited) with effect from May 30, 2023  
# 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, 2024

Dates of Board meeting	Board Strength	No. of Directors Present
May 24, 2023	6	4
August 10, 2023	6	6
September 16, 2023	6	6
November 4, 2023	6	5
February 7, 2024	6	5



##### 5. Disclosure of relationships between Directors inter-se

Director	Other Directors	Relation
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
Tejaswini More	-
Shailesh Gala	-
Jayesh Rambhia	-

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

##### 8. Independent Director's separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 07, 2024 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations.

At the meeting following matters were taken up;

- reviewed the performance of Non-Independent Directors and the Board of Directors as a whole.
- reviewed the performance of the Chairperson of the Company; taking into account the views of Executive Directors and Non-Executive Directors.
- assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties

All Independent Directors of the Company except Mr. Jayesh Rambhia 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- Accounting & Auditing, Corporate Finance, Legal, Secretarial and Compliance, Risk Management and Corporate Governance, Business Strategy	
Human Resource Management & communication	
Information Technology	
Marketing	
Behavioural Competencies- 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 (1)	Amit Rambhia	Nikit Rambhia	Nitesh Savla	Shailesh Gala	Tejaswini More	Jayesh Rambhia
A	Industry Experience & Knowledge	✓	✓	✓	✓	✓	✓
B	Leadership experience and general management	✓	✓	✓	✓	✓	✓
C	Technical skills / experience	✓	✓	✓	✓	✓	✓
-	Accounting & Auditing	✓	✓	✓	✓	✓	✓
-	Corporate Finance	✓	✓	✓	✓	✓	✓

Sr. No.	skills / expertise / competencies (1)	Amit Rambhia	Nikit Rambhia	Nitesh Savla	Shailesh Gala	Tejaswini More	Jayesh Rambhia
-	Corporate Finance	✓	✓	✓	✓	✓	✓
-	Legal, Secretarial and Compliance	✓	✓	✓	✓	✓	✓
-	Risk Management and corporate governance	✓	✓	✓	✓	✓	✓
-	Business Strategy	✓	✓	✓	✓	✓	✓
D	Human Resource Management & communication	✓	✓	✓	✓	✓	✓
E	Information Technology	✓	✓	✓	✓	✓	✓
F	Marketing	✓	✓	✓	✓	✓	✓
G	Behavioural Competencies	✓	✓	✓	✓	✓	✓
-	Integrity and ethical Standards	✓	✓	✓	✓	✓	✓
-	Mentoring abilities	✓	✓	✓	✓	✓	✓
-	Interpersonal relations	✓	✓	✓	✓	✓	✓

##### Note(s):

1. 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 the Act and the SEBI Listing Regulations and all other applicable laws and are independent of the management.

12. There is no such Independent Director who resigned before the expiry of his [/her] tenure.

##### 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 Act, the SEBI Listing Regulations 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 meet 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 SEBI 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. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. 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. Mr. Harshil Chheda, 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 and auditor's report thereon 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 section 134(3)(c) of the Act
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by 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. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management the quarterly 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 / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring 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. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower Mechanism / Vigil Mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate;
20. 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;
21. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
22. Reviewing of information as prescribed under the SEBI Listing Regulations (as amended from time to time); and
23. 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 2023-24, five (5) Audit Committee meetings were held on May 24, 2023, August 10, 2023, September 16, 2023, November 4, 2023 and February 7, 2024.

The Composition of the Audit Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2024 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	Shailesh Premji Gala	Chairperson	5	5
2	Amit Rambhia	Member	5	5
3	Tejaswini More	Member	5	4
4	Jayesh Rambhia	Member	5	3



#### 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 SEBI 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:

- 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;
- 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;
- Formulation of criteria for evaluation of performance of independent directors and Board of Directors;
- Devising a policy on diversity of board of directors;
- 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;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- 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;
- Decide the amount of Commission payable to the Whole time Director / Managing Directors;
- 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.
- To formulate and administer the Employee Stock Option Scheme;
- 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 Act, the SEBI Listing Regulations and any other applicable provision.

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

During the year 2023-24, two (2) Nomination and Remuneration Committee meetings were held on May 24, 2023, August 10, 2023.

The Composition of the Nomination and Remuneration Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2024 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	Tejaswini More	Chairperson	2	1
2	Shailesh Gala	Member	2	2
3	Jayesh Rambhia	Member	2	2

Mr. Harshil Chheda, the Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI Listing Regulations.

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

Pursuant to the Act and SEBI Listing Regulations, 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 a part of the policy. Thereafter Board evaluated every Director including Independent Director on February 07, 2024 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 was 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/corporate-governance#policies>.

##### 2. Remuneration to Directors

The Remuneration paid to Directors for the Financial Year 2023-24 is as follows;

Sr. No.	Particulars of Remuneration	Amit Rambhia	Nikit Rambhia	Nitesh Savla	Shailesh Gala	Tejaswini More	Jayesh Rambhia
		Chairman & Managing Director	Joint Managing Director	CFO & Whole Time Director	Independent Director	Independent Director	Independent Director
1	Salary	42,00,000	42,00,000	14,76,912	-	-	-
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	-	-	-	25,000	20,000	15,000
Total							
9	Service Contract	3 years w.e.f. 17.02.2023	3 years w.e.f. 17.02.2023	3 years w.e.f. 14.02.2023	5 years w.e.f. 29.05.2020	5 years w.e.f. 18.01.2022	5 years w.e.f. 14.02.2023
10	Notice Period	(1)	(1)	(1)	-	-	-
11	Severance Fees	-	-	-	-	-	-

(1) 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 SEBI Listing Regulations which inter alia include:





- 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.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- 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;
- 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;
- Oversee compliances in respect of transfer of unclaimed amounts and shares to and from the Investor Education and Protection Fund;
- 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 Act, the SEBI Listing Regulations and any other applicable provision.

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

During the year 2023-24, one (1) Stakeholders' Relationship Committee meeting was held on February 07, 2024.

The Composition of the Stakeholders' Relationship Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2024 is as follows:

Sr. No.	Name of the Member	Position in the Committee	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Jayesh Rambhia	Chairperson	1	-
2	Shailesh Gala	Member	1	1
3	Nikit Rambhia	Member	1	1

Mr. Harshil Chheda, 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 2023-24 are given in the table below:

Particulars	No. of Complaints
Opening as on April 1, 2023	NIL
Received till March 31, 2024	NIL
Resolved till March 31, 2024	NIL
Closing as on March 31, 2024	NIL

## 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. SENIOR MANAGEMENT

Pursuant to the provisions of para (5B) part C of Schedule V of the SEBI Listing Regulations, the following persons are recognised as Senior management of the Company as on March 31, 2024.

- Mr. Harshil Chheda- Company Secretary & Compliance Officer
- Mr. Jitendra Deokar- GM- Factory & Operations
- Mr. Vikesh Shah- GM - Automation
- Mrs. Neha Madiar- GM - R&D
- Mr. Jaydeep Jadav- President- Online Sales
- Mr. Ashutosh Chudiwale- President- Enterprise Business\*

\* Resigned with effect from May 12, 2023.

## IX. 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)
2022-23	September 29, 2023 3.00 p.m.	-	Held through Video Conferencing
2021-22	September 29, 2022 3.00 p.m.	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Amit Rambhia as Managing Director</li> <li>Re-appointment of Mr. Nikit Rambhia as Joint Managing Director</li> </ul>	Held through Video Conferencing
2020-21	September 28, 2021 3.00 p.m.	-	Held through Video Conferencing

### 2. Postal Ballot conducted during the year and procedure thereof

During the year under review, Postal Ballot exercise was undertaken in the month of May 2023 for Appointment of Mr. Jayesh Rambhia as an Independent Director of the Company and Appointment of Mr. Nitesh Savla as a Whole Time Director of the Company and result of the Postal Ballot was declared on May 5, 2023. The Results were made available on the website of the Company at [www.panachedigilife.com](http://www.panachedigilife.com) and were also communicated to National Stock Exchange of India Limited and CDSL Limited.

The details and voting pattern of the Resolutions passed through the said Postal Ballot exercise are as under:

Sr. No.	Resolution	Special / Ordinary	No. of Valid Votes received	No. and % of Votes in Favour	No. and % of Votes Against
1.	Appointment of Mr. Jayesh Rambhia as an Independent Director of the Company	Special	81,14,488	81,14,468 99.9998%	20 0.0002%
2.	Appointment of Mr. Nitesh Savla as a Whole Time Director of the Company	Special	81,14,488	81,14,468 99.9998%	20 0.0002%

The Board of Directors appointed Mr. Dharmesh Zaveri, Practicing Company Secretary, of M/s. D. M. Zaveri & Co, Company Secretary, as the Scrutinizer to scrutinize the Postal Ballot process in a fair and transparent manner.

The voting period for remote e-voting commenced on Wednesday, April 5, 2023, at 9:00 a.m. and ended on Thursday, May 4, 2023 at 5:00 p.m. (IST). The consolidated report on the result of the Postal Ballot through remote e-voting for approving aforementioned resolutions was provided by the Scrutinizer on Thursday, May 5, 2023.

As on date of this report, there is no proposal envisaged to be passed through Postal Ballot. If a Resolution is passed by way of Postal Ballot, the Company will follow the process as per regulatory requirement.

### Procedure for Postal Ballot

The Postal Ballot was carried out as per the provisions of Sections 110 read with Section 108 and other applicable provisions of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, ('Rules'), Regulation 44 of the SEBI Listing Regulations, Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('SS-2'), each as amended, and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ('MCA') for holding general meetings / conducting postal ballot process through e-voting vide General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022 and Circular No. 11/2022 dated December 28, 2022.

## X. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at [www.panachedigilife.com](http://www.panachedigilife.com) containing information about the Company viz., details of its business, financial information, shareholding pattern, 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](http://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](http://www.panachedigilife.com) and uploaded on the website of NSE at [www.nseindia.com](http://www.nseindia.com).

### 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](http://www.panachedigilife.com) and uploaded on the website of NSE at [www.nseindia.com](http://www.nseindia.com).

### 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](http://www.panachedigilife.com) and uploaded on the website of NSE at [www.nseindia.com](http://www.nseindia.com).

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.

## XI. GENERAL SHAREHOLDER INFORMATION

Sr. No	Salient Items of Interest	Particulars
1	AGM Date, time and venue	Thursday, September 26, 2024 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	Dividend Payment Date	The Board of Directors has not recommended any dividend on equity shares for the year ended March 31, 2024
4	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 2023-24 & 2024-25.
5	NSE SYMBOL	PANACHE
6	Registrar & Share Transfer Agent	Bigshare Services Private Limited Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, Maharashtra.Tel: 022-62638200, Email: investor@bigshareonline.com Website: www.bigshareonline.com

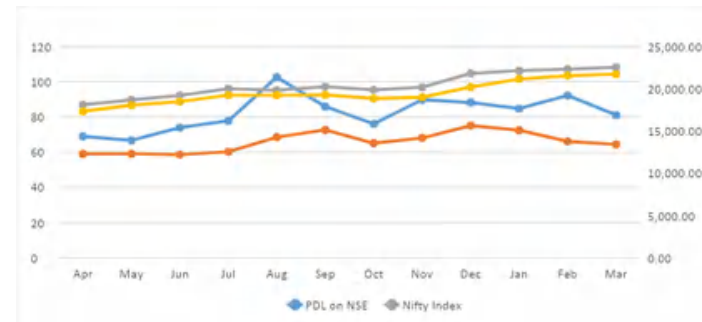
Sr. No	Salient Items of Interest	Particulars										
		Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent.										
7	Share Transfer System	As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, transmission or transposition of securities held in physical form can be effected only in dematerialized form.  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 Company ensures that the yearly Compliance Certificate pursuant to Regulation 40(9) of the SEBI Listing Regulations are filed with Stock Exchange.										
8	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.										
9	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, 2024, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.										
10	Plant Location	Bhiwandi Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane - 421302, Maharashtra, India.										
11	Address for correspondence	Registered Office eBldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane - 421302, Maharashtra, India Corporate Office B-507, Raheja Plaza Premises CSL, LBS Marg, Ghatkopar West, Mumbai - 400 086, Maharashtra, India										
12	In case securities are suspended from trading, the directors report shall explain the reason thereof	Not Applicable										
13	Commodity Price Risk or foreign exchange risk and hedging activities	During the year ended March 31, 2024, 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.										
14	SCORES	A centralised web-based complaints redressal system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports by the concerned company and online viewing by the investors of actions taken on the complaints and its current status.										
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	The details of Credit Ratings as provided by India Ratings and Research Private Limited are as follows: <table border="1"> <thead> <tr> <th>Instrument Type</th> <th>Rating Action</th> </tr> </thead> <tbody> <tr> <td>Fund-based working capital limits</td> <td>IND BB+/Stable/IND A4+;</td> </tr> <tr> <td>Non-fund-based working capital limits</td> <td>IND A4+;</td> </tr> <tr> <td>Proposed fund-based working capital limits</td> <td>IND BB+/Stable/IND A4+;</td> </tr> <tr> <td>Term loans</td> <td>IND BB+/Stable</td> </tr> </tbody> </table>	Instrument Type	Rating Action	Fund-based working capital limits	IND BB+/Stable/IND A4+;	Non-fund-based working capital limits	IND A4+;	Proposed fund-based working capital limits	IND BB+/Stable/IND A4+;	Term loans	IND BB+/Stable
Instrument Type	Rating Action											
Fund-based working capital limits	IND BB+/Stable/IND A4+;											
Non-fund-based working capital limits	IND A4+;											
Proposed fund-based working capital limits	IND BB+/Stable/IND A4+;											
Term loans	IND BB+/Stable											

**Sr. No** **Salient Items of Interest** **Particulars**

16 Market price data- high, low during each month in last financial year in comparison of NSE Index

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	68.90	58.90	18089.15	17312.75
May	66.60	59.00	18662.45	18042.40
June	73.90	58.55	19201.70	18464.55
July	77.75	60.15	19991.85	19234.40
August	102.55	68.45	19795.60	19223.65
September	85.80	72.55	20222.450	19255.70
October	76.00	65.05	19849.75	18837.85
November	89.75	68.00	20158.70	18973.70
December	88.10	75.00	21801.45	20183.70
January	84.65	72.40	22124.15	21137.20
February	92.10	66.05	22297.50	21530.20
March	81.00	64.35	22526.60	21710.20

17 Performance in comparison to broad-based indices- Nifty Index



18 Distribution of shareholding as on March 31, 2024

Category (Shares)	Shareholders		Shareholding	
	Number	%	Number	%
1-500	2419	85.8106	195770	1.6314
501-1000	152	5.3920	125726	1.0477
1001-2000	91	3.2281	133896	1.1158
2001-3000	25	0.8868	61075	0.5090
3001-4000	36	1.2770	123194	1.0266
4001-5000	14	0.4966	66380	0.5532
5001-10000	29	1.0287	221080	1.8423
10001 & Above	53	1.8801	11072879	92.2740
Total	2819	100.00	1,20,00,000	100.00

19. Categories of Shareholders as on March 31, 2024

Category	No. of Shares	%
<b>A. Shareholding of Promoter &amp; Promoter Group</b>		
1. Indian		
a. Individuals/ Hindu Undivided Family	56,00,000	46.66
b. Others Director's Relatives	22,59,200	18.83
Sub Total (A) [1]	78,59,200	65.49
2. Foreign	0	0
Sub Total (A) [2]	0	0
<b>A. Total Shareholding of Promoter &amp; Promoter Group(A) = (A) (1) + (A) (2)</b>	<b>78,59,200</b>	<b>65.49</b>
<b>B. Public Shareholding</b>		
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.	10,00,069	8.33
ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	25,05,994	20.88
b. NBFC registered with RBI	0	0
c. Any Others (Specify)		
i. Trusts	0	0
ii. Overseas Depositories	0	0
iii. Clearing Members	1,51,105	1.26
iv. Hindu Undivided Family	3,51,211	2.93
v. Other Body Corporate	1,06,224	0.89
vi. Non-Resident Indian	26,197	0.22
Sub Total (B) [2]	41,40,800	34.51
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>41,40,800</b>	<b>34.51</b>
<b>Grand Total (A) + (B)</b>	<b>12000000</b>	<b>100</b>

**XII. OTHER DISCLOSURES**

**1. Materially significant related party transactions**

All transactions entered into 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 SEBI 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/corporate-governance#policies>



## 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 Act 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 the 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/corporate-governance#policies>

## 4. Compliance with mandatory requirements

For report on compliance with mandatory requirements, kindly refer point no. XIII 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 following non-mandatory requirements as specified in Part 'E' of Schedule II to the SEBI Listing Regulations have been adopted by the Company:

- a. The Internal Auditors report directly to the Audit Committee
- b. The Auditor's Report does not contain any qualification.

## 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/corporate-governance#policies>.

## 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/corporate-governance#policies>.

## 8. commodity price risks and commodity hedging activities

The Company does not deal in commodities and hence the disclosure is not required to be given.

## 9. Details of utilization of funds

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

## 10. Certificate with respect to disqualification or otherwise of directors

The company 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.

## 11. 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.

## 12. Consolidated fees to the Statutory Auditor

Details relating to fees paid to the Statutory Auditors are given in Note (37.1) to the Standalone Financial Statements and Note (38.1) to the Consolidated Financial Statements.

## 13. 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, 2024 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

## 14. Disclosure of loans and advances by listed entity & its subsidiaries

Details relating to 'loans and advances' by Company and its subsidiaries to firms/companies in which directors are interested are given in Note 48(b) to the Standalone Financial Statements and Note 50(b) to the Consolidated Financial Statements.

## 15. Details of material subsidiaries of the listed entity

The Company does not have a material subsidiary as on the date of this report.

## XIII. DISCLOSURE ON COMPLIANCE WITH REQUIREMENT OF CORPORATE GOVERNANCE

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

## XIV. 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 2023-24. 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.

## XV. 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/corporate-governance#policies>.



## XVI. 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 SEBI 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](http://www.panachedigilife.com).

## XVII. 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, 2024. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is annexed as Annexure III to Corporate Governance Report.

## XVIII. 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.

## XIX. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

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

## XX. DISCLOSURES OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

There are no agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, whether or not the listed entity is a party to such agreements for the year ended March 31, 2024.

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

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

Date: August 13, 2024  
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](http://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 2024 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. Nikit Devchand Rambhia	00165678	30/03/2007
3.	Mr. Nitesh Manilal Savla	05155342	14/02/2023
4.	Mr. Shailesh Premji Gala	01283286	29/05/2020
5.	Mrs. Tejaswini Chandrashekar More	00324922	18/01/2022
6.	Mr. Jayesh Khimji Rambhia	02049473	14/02/2023

Ensuring the eligibility 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  
ICSI UDIN: FO05418F000915723

Place: Mumbai  
Date: 13 August 2024



## 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 Members of,  
**Panache Digilife Limited**  
B-507, Raheja Plaza Premises CSL,  
LBS Marg, Ghatkopar West,  
Maharashtra - 400086

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the 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, 2024.

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

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

Date: May 20, 2024  
Place: Mumbai

## Annexure III to Corporate Governance Report

COMPLIANCE CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,  
The Members of,  
**Panache Digilife Limited**  
B-507, Raheja Plaza Premises CSL,  
LBS Marg, Ghatkopar West,  
Maharashtra - 400086

- A. We have reviewed financial statements and the cash flow statement of Panache Digilife Limited for the Financial year 2023 - 2024 and that to the best of their knowledge and belief, we state that:
  1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the Financial Year 2023 - 2024 which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have not come across any reportable, deficiencies in the design or operation of such internal controls.
- D. We have indicated to the auditors and the Audit committee that:
  1. there were no significant changes in internal control over financial reporting during the aforesaid period;
  2. there were no significant changes in accounting policies during the aforesaid period; and
  3. there were no instances of significant fraud of which they have become aware.

Date: May 20, 2024  
Place: Mumbai

**Amit Devchand Rambhia**  
Chairman & Managing Director  
DIN: 00165919

**Nitesh Savla**  
CFO & Whole Time Director  
DIN: 05155342



## Annexure IV to Corporate Governance Report

### 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 2024, 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").

#### Management's Responsibility

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.

#### Auditor's Responsibility

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.

#### Opinion

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 2024.

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.

#### Restriction on Use

This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

Place: Mumbai  
Date: 13th August 2024

**For D. M. Zaveri & Co.**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS. No.: 5418  
CP No.: 4363  
ICSI UDIN: F005418F000915723

# STANDALONE FINANCIAL STATEMENTS



# Jain Salia & Associates

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

To,  
The Shareholders of  
Panache Digilife Limited,  
Bldg. A3, 102-108 & 201-208,  
Babosa Industrial Park,  
Bhiwandi, Thane – 421302.

#### **Report on the Audit of the Standalone Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of Panache Digilife Limited ("the Company"), which comprises the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS 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 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 Indian Accounting Standards under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and its profit (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

#### **Basis of Our Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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



# Jain Salia & Associates

## Chartered Accountants

India, ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### Key Audit Matters

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

Key Audit Matter	How our audit addressed the Key audit Matter
<b>1. Wholly owned Subsidiary – Technofy Digital Private Limited being a non-going concern</b>	
<p>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 2024, 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. 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</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"><li>• Understood the objective of management behind the considering the subsidiary as not going concern.</li><li>• 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.</li><li>• Considered the liquidity of existing assets on the balance sheet of wholly owned subsidiary</li><li>• Considered the terms of the bank loan and trade finance facilities and the amount available for drawdown of wholly owned subsidiary.</li><li>• Considered potential downside scenarios and the resultant impact on available funds of wholly owned subsidiary.</li><li>• Tested whether the company has complied with the provisions of the companies act while</li></ul>

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<p>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 continues to be inappropriate as previous years.</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 A (9) to the Standalone financial statements</p>	<p>providing such financial assistance to the subsidiary.</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• We analysed financials of subsidiary, where borrowing from NBFC has been paid off out of sales proceeds from lease hold assets.</li> </ul>
<b>2. Import Purchases</b>	
<p>As per Ind AS 2 "Inventories", all direct costs such as transportation cost to bring the inventory to the factory and non-refundable taxes and duties is to be added to the cost of inventory itself.</p> <p>Also, as per Ind AS 21 "The effect of Changes in Foreign Exchange Rate", the foreign currency transactions such as Import Purchases or Payment to such suppliers have to be recorded at spot rate and their outstanding balances (which is a monetary item) is also to be valued at rate as on reporting date.</p>	<p>Our audit procedures include :</p> <p>Assessed and tested the method of adding the freight charges including air, sea and other clearing charges as well as custom duty paid to the authorities to the cost of inventory.</p> <p>Assessed and tested company's application of Ind AS 21 with respect to recording of such purchases and their settlement either in advance or at a later date. We have also tested its application with respect to measurement of Import creditors as on reporting date.</p>

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### **Emphasis of Matter Paragraph**

We draw attention towards Note no. 38 “Exceptional Items”.

*“Exceptional Item includes write-off of an amount receivable due to non-receipt of GST credit, which had to be paid by the company.*

*Additionally, the company had made advance payments to foreign suppliers for the procurement of goods. However, due to disputes over the quality and technical specifications of these goods, the company has been unable to recover the funds or receive the materials. Given the significance and one-time nature of this transaction, it has been disclosed under exceptional items.*

*Classifying these bad debts as an exceptional item allows for clear distinction from the company’s regular operational results, highlighting that this is a one-time, non-recurring event. This write-off, while impacting the net profit ratio for the year, does not reflect the ongoing operational performance or the company’s ability to generate revenue from its core business activities.”*

Our opinion is not modified in respect of this matter.

### **Information other than the Financial Statements and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor’s report thereon. The Annual Report is expected to be made available to us after the date of this auditor’s report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

# **Jain Salia & Associates**

## **Chartered Accountants**

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

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

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

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

### **Auditor's Responsibility for the Audit of Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 aggregate, they could

# Jain Salia & Associates

## Chartered Accountants

reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS 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 Ind AS 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 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 system 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 the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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## Chartered Accountants

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  
  - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of Cash flow dealt with by this report are in agreement with the books of account;
  
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended;
  
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2024 and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2024, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;
  
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

# Jain Salia & Associates

## Chartered Accountants

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:

- (i) The Company does not have any pending litigations which would impact on its financial position.
- (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.

(iv)

- a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

# Jain Salia & Associates

## Chartered Accountants

Funding Party("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under(a)and (b) above, contain any material misstatement.

(v)

- a. No dividend had been proposed in the previous year, which were required to be paid by the Company during the year in accordance with section 123 of Act.
- b. The Board of directors of the company does not intend to propose any final dividend for the year.

- (vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March 2024.

**For Jain Salia & Associates**  
**Chartered Accountants**  
**[ FRNo: 116291W ]**

**Place : Mumbai**  
**Date : 28.05.2024**  
**UDIN: 24044039BKBLWN2100**

**Partner**  
**(CA Jayesh K. Salia)**  
**(Membership No. 044039)**



**Re: PANACHE DIGILIFE LIMITED**  
**ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31<sup>ST</sup> MARCH 2024.**

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**(Referred to in Paragraph (1) of our Report of even date)**

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a) The Company has generally maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment & Intangible Assets and relevant details of Right of Use Assets.
  - b) The Property, Plant and Equipment are physically verified by the management in a phased manner, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, all the 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) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favor of the lessee) has been disclosed in the financial statements are held in the name of the company.
  - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) and Intangible assets during the year.
  - e) In our opinion and according to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii)
- a) Based on the information & explanation given to us and the records examined by us, 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.
  - b) The Company has been availing an Overdraft facility and Guaranteed Emergency credit Line from Canara Bank on the basis of hypothecation of Stock and Book debts of Rs. 73.02 crores.
  - c) The Company files quarterly statements with Canara Bank and they are not in agreement with the books of accounts of the Company with regards to valuation of Stock and Book debts of the company in respect of Cash credit availed.

- **Trade Receivables**

**Reason for Discrepancy :** Discrepancy is on account of non-inclusion of receivables from group companies, customers with discounting facility etc.

(Rs. in Lakhs)

Qtr ended	As per quarterly statement filed with Bank	As per Books of Accounts	Amount of Difference
30.06.2023	3,411.16	3,912.43	(501.27)
30.09.2023	3,544.47	4,300.28	(755.81)
31.12.2023	3,655.95	3,980.83	(324.88)
31.03.2024	4,212.35	4,786.39	(574.04)

- **Stock**

**Reason for Discrepancy :** Discrepancy is primarily on account of details being submitted on the basis of provisional books.

However, Discrepancy for the quarter ended 31.03.2024 is also due to difference in estimation of overheads.

(Rs. in Lakhs)

Qtr ended	As per quarterly statement filed with Bank	As per Books of Accounts	Amount of Difference
30.06.2023	2,836.00	2,458.66	377.34
30.09.2023	2,798.13	2,702.65	95.48
31.12.2023	2,874.07	2,646.86	227.21
31.03.2024	2,685.79	2,520.96	164.83

- (iii) The company has made investments in its Wholly owned subsidiaries and Subsidiaries and Associates as under :

Sr.No.	Particulars	Amount of Investment
1.	Technofy Digital Private Limited	1,00,000/-
2.	ICT Infratech Services Private Limited	3,00,000/-
3.	Cadcord Technologies Private Limited	25,98,603/-
4.	NAJ Digilife Private Limited	60,000/-
5.	Scienotech Inovatics Private Limited	3,000/-

	<b>Total Investment as on 31<sup>st</sup> March 2024</b>	<b>30,58,603/-</b>
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- a. In our opinion and according to the information and explanations given to us, the Company has granted unsecured loans during the year. The details of such loans given are as follows :

<b>Name of the Entity</b>	<b>Aggregate amount of loans (Net of Interest) given during the year</b>
Technofy Digital Private Limited	Rs. 3.18 crore.
Neer Green Private Limited	Rs. 0.31 crore

- b. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of all loans and advances are not prejudicial to the company's interest.
- c. In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest is not stipulated, and repayments are not regular.
- d. In our opinion and according to the information and explanations given to us, there are no amounts overdue for more than ninety days.
- e. During the year, no loan or advance has fallen due during the year, or has been renewed, extended, fresh loan granted to settle the overdue of existing loans given to the same parties.
- f. The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the financial year.

The Company has not provided any guarantee or security or granted any advances in loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except for

- i. Guarantee given to Siemens Financial Services Private Limited (NBFC) for loan of Rs 1.34 Crore granted to Cadcord Technologies Private Limited (An Associate) in the previous financial year.
  - ii. Advances to its employees in respect of which the outstanding amounted to Rs. 19.26 Lakhs as on reporting date.
- (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 Section 186 of the Act.
- (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) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.

(vii)

- a. According to the information and explanations given to us, there were no disputed statutory dues including provident fund, Income tax, GST, custom duty, cess and any other statutory dues with any authority 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 31<sup>st</sup> March 2024 for a period of more than six months from the date they became payable except for following:

<b>NAME OF DUES</b>	<b>AMOUNT (Rs.)</b>
Employee's Contribution to ESIC	20,591/-
Employer's Contribution to ESIC	28,815/-
Employee's Contribution to PF	15,266/-
TDS on Royalty (including Non-Resident deductees)	1,64,861/-
TDS on Salary	23,01,866/-
Interest on Income Tax Payable	14,24,140/-

(viii) On the basis of our examination and according to the information and explanations given to us, there were no such transactions which are unrecorded in the accounts by the Company which have been disclosed or surrendered before the tax authorities as income during the year.

(ix) 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.

(x)

- A. On the basis of our examination and according to the information and explanations given to us, the Company has not raised any money through Initial Public Offer (IPO) or Further Public Offer (FPO) during the year.
- B. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).

- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xii) In our opinion and according to the information and explanation given to us, the company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to our company.
- (xiii) In our opinion and according to the information and explanation given to us, all the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv)
  - (a) The Company has an internal audit system commensurate with the size and nature of its business;
  - (b) The reports of the Internal Auditor for the period under audit were considered by us.
- (xv) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi)
  - (a) In our opinion and according to the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) In our opinion and according to the information and explanation given to us, the Company has not incurred any cash losses in the current year and previous year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year and hence this clause is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an

assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanation given to us, the provisions of Corporate Social Responsibility are not applicable to the Company.
- (xxi) In our opinion and according to the information and explanation given to us, there are no adverse remarks or qualifications observed in the financial statements of any subsidiaries or an associate.

***For Jain Salia & Associates  
Chartered Accountants  
[ FRNo: 116291W ]***

***Place : Mumbai  
Dated : 28.05.2024  
UDIN : 24044039BKBLWN2100***

***Partner  
(CA Jayesh K. Salia)  
(Membership No. 044039)***

**Re: PANACHE DIGILIFE LIMITED**  
**ANNEXURE -B TO THE AUDITOR'S REPORT FOR THE Y. E. 31<sup>ST</sup> MARCH 2024.**

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*(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 31<sup>st</sup> March 2024 in conjunction with our audit of the standalone 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 financial statements, whether due to fraud or error.

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

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

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 31<sup>st</sup> March 2024, 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 Jain Salia & Associates***  
***Chartered Accountants***  
***[ FRNo: 116291W ]***

***Place : Mumbai***  
***Dated : 28.05.2024***  
***UDIN : 24044039BKBLWN2100***

***Partner***  
***(CA Jayesh K. Salia)***  
***(Membership No. 044039)***



**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

SI. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>I. ASSETS</b>				
<b>1 NON-CURRENT ASSETS</b>				
(a)	Property, Plant & Equipments ...	2	787.42	826.29
(b)	Right of Use Assets ...	2	72.27	113.49
(c)	Capital Work-In-Progress ...	2	0.00	0.00
(d)	Investment Properties ...	2	230.50	234.90
(e)	Goodwill ...		0.00	0.00
(f)	Other Intangible Assets ...	2	62.71	0.00
(g)	Intangible Assets Under Development ...		0.00	0.00
(h)	Biological Assets Other than Bearer Plants ...		0.00	0.00
(i)	<u>Financial Assets</u>			
(i)	Investments ...	3	192.49	157.17
(ii)	Loans & Deposits ...	4	20.65	18.79
(iii)	Other Financial Assets ...	5	0.25	0.25
(j)	Deferred Tax Assets ...		0.00	0.00
(k)	Other Non-Current Assets ...	6	0.13	0.64
<b>2 CURRENT ASSETS</b>				
(a)	Inventories ...	7	2,520.96	2,555.73
(b)	<u>Financial Assets</u>			
(i)	Investments ...		0.00	0.00
(ii)	Trade Receivables ...	8	4,780.77	4,794.35
(iii)	Cash and Cash Equivalentents ...	9	54.01	23.27
(iv)	Bank Balances other than Cash & Cash Equivalentents ...	10	0.08	0.08
(v)	Loans & Deposits ...	11	369.33	323.55
(vi)	Other Financial Assets ...	12	46.60	8.65
(c)	Other Current Assets ...	13	604.35	503.69
(d)	Curret Tax Assets (Net) ...	14	16.64	0.00
<b>TOTAL ASSETS</b>			<b>9,759.19</b>	<b>9,560.84</b>

PANACHE DIGILIFE LIMITED

CIN: L72200MH2007PLC169415

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in Lakhs)

SI. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>II. EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>			
(a)	Equity Share Capital ...	15	1,200.00	1,200.00
(b)	Other Equity ...	16	2,508.24	2,469.13
<b>2</b>	<b>LIABILITIES</b>			
<b>A</b>	<b>Non-Current Liabilities</b>			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...	17	138.89	312.35
(ia)	Lease Liabilities ...	18	35.43	77.62
(ii)	<u>Trade Payables</u> ...			
(a)	<i>total outstanding dues of micro enterprises and small enterprises</i>		0.00	0.00
(b)	<i>total outstanding dues of creditors other than micro &amp; small enterprises</i>		0.00	0.00
(iii)	Other Financial Liabilities ...	19	10.94	8.80
(b)	Provisions ...	20	75.34	63.80
(c)	Deferred Tax Liabilities(Net) ...	21	21.16	10.93
(d)	Other Non-Current Liabilities ...	22	6.75	2.35
<b>B</b>	<b>Current Liabilities</b>			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...	23	3,046.90	3,107.24
(ia)	Lease Liabilities ...	24	42.19	37.03
(ii)	<u>Trade Payables</u> ...	25		
(a)	<i>total outstanding dues of micro enterprises and small enterprises</i>		166.57	223.42
(b)	<i>total outstanding dues of creditors other than micro &amp; small enterprises</i>		2,311.15	1,717.61
(iii)	Other Financial Liabilities ...	26	18.39	52.83
(b)	Other Current Liabilities ...	27	119.13	211.71
(c)	Provisions ...	28	58.11	40.75
(d)	Current Tax Liabilities(Net) ...	29	0.00	25.27
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>9,759.19</b>	<b>9,560.84</b>
<b>CONTINGENT LIABILITIES</b> ...		42		
<b>MATERIAL ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b> ...		1		

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

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

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

MR. HARSHIL CHHEDA  
COMPANY SECRETARY

MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN : 24044039BKBLWN2100

PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>I. REVENUE</b>				
	Revenue From Operations ...	30	9,650.06	11,179.60
	Other Income ...	31	403.73	143.26
<b>TOTAL INCOME</b>			<b>10,053.79</b>	<b>11,322.86</b>
<b>II. EXPENSES</b>				
	Cost of Materials Consumed ...	32	8,187.46	9,809.90
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	33	34.77	79.20
	Employee Benefit Expenses ...	34	378.30	360.67
	Finance Costs ...	35	444.84	393.04
	Depreciation and Amortisation Expenses ...	36	88.34	79.09
	Impairment Expenses / Losses ...		0.00	0.00
	Other Expenses ...	37	432.86	369.75
<b>TOTAL EXPENSES</b>			<b>9,566.56</b>	<b>11,091.65</b>
<b>III. Profit Before Exceptional items &amp; Tax</b> ...			<b>487.23</b>	<b>231.21</b>
	Exceptional Items ...	38	(435.13)	0.00
<b>IV. Profit Before Tax From Continuing Operations</b> ...			<b>52.10</b>	<b>231.21</b>
	<u>Income Tax Expense</u>	39		
	-Current Tax ...		0.30	33.60
	-Deferred Tax ...		10.84	12.42
<b>A. PROFIT FOR THE YEAR</b>			<b>40.95</b>	<b>185.18</b>
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>I. Items that will not be reclassified to Profit or Loss A/c</b>				
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...	39	0.62	4.83
<b>II. Items that will be reclassified to Profit or Loss A/c</b>				
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...		0.00	0.00
<b>B. OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>			<b>(1.84)</b>	<b>18.36</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)]</b>			<b>39.11</b>	<b>203.54</b>
<b>EARNINGS PER SHARE</b>				
	Basic EPS ...	41	0.34	1.54
	Diluted EPS ...		0.34	1.54

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

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PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

**a EQUITY SHARE CAPITAL**

Balance as at 01st April 2022	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in Equity Share Capital During FY 2022-23	Balance as at 31st March 2023
1,200.00	0	1,200.00	0	1,200.00

Balance as at 31st March 2023	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in Equity Share Capital During FY 2023-24	Balance as at 31st March 2024
1,200.00	0	1,200.00	0	1,200.00

**b OTHER EQUITY**

(₹ in Lakhs)

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 2022	0	0	678.00	0.00	1,574.36	0.00	13.23	2,265.59
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Profit for the year	0	0	0.00	0.00	185.18	0.00	0.00	185.18
Comprehensive Income for the Year	0	0	0.00	0.00	0.00	0.00	18.36	18.36
Dividends	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Distribution Tax	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Reserves	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0	0	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31st March 2023</b>	<b>0</b>	<b>0</b>	<b>678.00</b>	<b>0.00</b>	<b>1,759.54</b>	<b>0.00</b>	<b>31.59</b>	<b>2,469.13</b>
Profit for the year	0	0	0.00	0.00	40.95	0.00	0.00	40.95
Total Comprehensive Income for the Year	0	0	0.00	0.00	0.00	0.00	(1.84)	(1.84)
Dividends	0	0	0.00	0.00	0.00	0.00	0.00	0.00
TDS on Dividend	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Reserves	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Utilised	0	0	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31st March 2024</b>	<b>0</b>	<b>0</b>	<b>678.00</b>	<b>0.00</b>	<b>1,800.50</b>	<b>0.00</b>	<b>29.75</b>	<b>2,508.24</b>

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
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(MEM NO. 044039)

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PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN : 24044039BKBLWN2100

PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit Before Tax as per Profit & Loss A/c	52.10	231.21
<u>Adjustments for Non-cash Items</u>		
Depreciation on Property, Plant & Equipment, Investment Property & Intangible Assets	47.12	43.63
Depreciation of Right of Use Assets	41.22	35.47
Finance Charges on Financial Instruments (unwinding of Discount income)	(0.77)	(0.91)
Amortisation of Fair Value Changes of Asset income	(0.59)	(0.35)
Provision for Gratuity	12.18	6.60
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	7.31	13.68
Guarantee Premium	(57.43)	(43.74)
Finance charges on Lease Liabilities	8.89	4.14
Miscellaneous Expenses Written Off	1.55	1.55
	59.47	60.06
	111.57	291.27
<u>Adjustments for Non-Operating Items</u>		
Profit on sale of Assets	(0.22)	0.00
Interest Income	(46.93)	(45.78)
Interest on Income Tax payment	0.00	10.95
Interest Paid	405.32	364.84
Rent Income	(24.92)	(15.11)
Bank Charges on Finance	0.00	0.56
Processing charges	28.21	12.55
	361.46	328.01
Operating Profit before Working Capital Changes	473.03	619.29
<u>Adjusted for Change in Working Capital:</u>		
Inventories	34.77	79.20
Trade Receivable	6.26	(1,656.23)
Other Current Assets	(101.83)	440.47
Other Financial Assets	(37.95)	(8.40)
Trade Payable	536.70	479.05
Other Non current Liabilities	0.00	2.82
Other Financial Liabilities	(32.94)	26.64
Provisions	14.26	(9.62)
Other Current Liability	(37.25)	(205.59)
	382.02	(851.65)
Cash Generated from Operations	855.04	(232.37)
Taxed Paid	(42.21)	(90.65)
Net Cash Flow from Operations <b>( A )</b>	812.83	(323.02)
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
<u>Cash Inflow</u>		
Sale of Fixed Asset	0.41	0.00
Interest Income	46.93	45.78
Rent Income from Investment Property	24.92	15.11
	72.26	60.89
<u>Cash Outflow</u>		
Purchase of Fixed Assets	(66.75)	(111.54)
Acquisition of Shares	(28.12)	0.00
Electricity Deposit	(0.46)	0.00
Loans & Deposits Given	(45.79)	(312.09)
	(141.11)	(423.63)
Net Cash Flow from Investing Activities <b>( B )</b>	(68.85)	(362.74)

Continued .....

**PANACHE DIGILIFE LIMITED**  
**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
<u>Cash Inflow</u>		
Long Term Borrowing	0.00	0.00
Short Term Borrowing	0.00	0.00
	0.00	0.00
<u>Cash Outflow</u>		
Long Term Borrowing Settled	(173.46)	(172.89)
Short Term Borrowing Settled	(34.31)	(305.76)
Repayment of Lease Liabilities	(45.91)	(43.73)
Interest Paid	(405.32)	(364.84)
Bank Charges	0.00	(0.56)
Processing charges	(28.21)	(12.55)
	(687.21)	(900.32)
Net Cash Flow from Financing Activities (C)	(687.21)	(900.32)
<b><u>CASH FLOW FROM ALL ACTIVITIES (A+B+C)</u></b>		
	56.77	(1,586.08)
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	4.42	6.56
Balance in Bank	(2,840.29)	(1,256.35)
	(2,835.87)	(1,249.79)
<u>Cash and Cash Equivalents at the End</u>	(2779.10)	(2835.87)
<u>Closing Balance as per accounts</u>		
Cash in Hand	3.89	4.42
Balance in Bank	(2,782.99)	(2,840.29)
	(2,779.10)	(2,835.87)

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Cash balance Disclosed under Cash & Cash Equivalents- Note No.9	3.89	4.42
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Cash & Cash Equivalents - Note No.9	49.44	16.63
Current Deposits with Bank Disclosed under Cash & Cash Equivalents - Note No.9	0.68	2.22
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents - Note No. 10	0.08	0.08
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.23	(2,833.19)	(2,859.23)
<b>Cash &amp; Cash Equivalents as per Balance Sheet</b>	(2,779.10)	(2,835.87)

**4 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 2024	AS AT 31ST MARCH 2023
Cash and Cash Equivalents	54.01	23.27
Borrowings (including overdraft)	(3,185.79)	(3,419.59)
Lease liabilities	(77.62)	(114.65)
<b>Net Debt</b>	<b>(3,209.40)</b>	<b>(3,510.97)</b>
Cash and liquid investments	54.01	23.27
Gross debts- fixed interest rates	(147.62)	(187.45)
Gross debts- variable interest rates	(3,115.79)	(3,346.79)
<b>Net Debt</b>	<b>(3,209.40)</b>	<b>(3,510.97)</b>

## 5 Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2023

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF NON CURRENT BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2022	485.23	381.10	172.67	30.58
Changes from Financing Cash Flows	(49.47)	(348.61)	(172.67)	(43.73)
Interest Accrued	51.80	40.31	0.00	4.14
Transfer within categories	(175.22)	0.00	175.22	0.00
Other Changes	0.00	0.00	0.00	123.65
<b>Closing Balance as on 31st March 2023</b>	<b>312.35</b>	<b>72.79</b>	<b>175.22</b>	<b>114.65</b>

For the Year Ended 31st March 2024

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF NON CURRENT BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2023	312.35	72.79	175.22	114.65
Changes from Financing Cash Flows	(29.75)	(6.78)	(213.54)	(45.91)
Interest Accrued	0.00	3.99	38.32	8.89
Transfer within categories	(143.71)	0.00	143.71	0.00
Other Changes	0.00	0.00	0.00	0.00
<b>Closing Balance as on 31st March 2024</b>	<b>138.89</b>	<b>70.00</b>	<b>143.71</b>	<b>77.62</b>

Amounts reported in the statement of cash flow under financing activities

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Proceeds from Non-current Borrowings	0.00	0.00
(Repayment) of Non-current Borrowings	(29.75)	(172.89)
(Repayment) / Proceeds from current Borrowings	(178.01)	(305.76)
Repayment of Lease Liabilities	(45.91)	(43.73)
<b>Net Movement in Financing Activities</b>	<b>(253.68)</b>	<b>(522.37)</b>

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

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PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN : 24044039BKBLWN2100

PLACE: MUMBAI  
DATED: 28th May, 2024

**NOTE NO. 1**  
**GENERAL NOTES TO ACCOUNTS ON STANDALONE FINANCIAL STATEMENTS**

**A Material Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2024**

**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 31st March, 2024, the Statement of Profit and Loss for the year ended 31st March 2024, the Statement of Cash Flows for the year ended 31st March 2024 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 28th May, 2024.

**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, if identified are 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 Valuation of Property, Plant & Equipments & Intangible Assets & Depreciation/Amortisation policy**

**8.1 Method Of Valuation Of Property, Plant & Equipments.**

Property, Plant & Equipments (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.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

**Depreciation**

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of PPE less the residual value over its useful lives specified in Schedule- II of the Companies Act, 2013. In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60
Investment Property	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
Lift	5
Networking Devices	6
Motor Car	8
Computers & Laptop	3 - 6
Right of Use Asset (Building)	3

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

**8.2 Method of Valuation of Intangible Assets**

Intangible Assets are recognized only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life as decided by the management. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

**Amortisation**

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

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Technical Know How	5

**8.3 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.

**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.

**9 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. Any 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 2024.

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.

## 10 Employee Benefits

### 10.1 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.

### 10.2 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.

## 11 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.

### 11.1 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

A 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.

## 11.2 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.

## 12 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.

## 13 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

## 14 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.

## 15 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.

## 16 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.

#### 17 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.

##### 17.1 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.

##### 17.2 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 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.

#### 18 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:-**

(₹ in Lakhs)

SALES MADE TO MAJOR CUSTOMER	TOTAL SALES MADE DURING THE YEAR	% OF SALES MADE TO MAJOR CUSTOMERS
Rs. 5,227.74	Rs. 9650.06	54.17%

#### 19 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.

#### 20 Provisions, Contingent Liabilities and Contingent Assets.

Provisions are recognised only when:

- a) The Company 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.

Accordingly, Contingent liability related to the Corporate Guarantee given to one of its Associate (Cadcord Technology Private Limited) has been disclosed in Note No.42.

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.

**21 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.

**22 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, 2024 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, 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 2023-24 aggregating to Rs. 98,76,912/-

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

NOTE NO. 2

PROPERTY, PLANT & EQUIPMENTS, RIGHT OF USE ASSETS, CAPITAL WORK-IN-PROGRESS, INVESTMENT PROPERTY & INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Tangible Assets (Owned)													Leased Assets	Capital WIP	Investment Property	Intangible Assets	Grand Total
	Office Premises	Furniture & Fixtures - Class I	Furniture & Fixtures - Class II	Air Conditioner	Plant & Machinery	Leasehold Improvements	Mould	Office Equipment	Mobile Handset	Lift	Networking Devices	Motor Car	Computers & Laptops	Right of Use Asset (Building)	Additional Office Premises at Raheja Plaza	Additional Office at Raheja - 002	Technical Know - How	
<b>Gross Block</b>																		
As at 1st April 2022	278.03	18.96	42.06	29.39	52.91	30.94	7.00	11.70	4.31	3.43	1.02	42.20	22.14	209.06	629.82	0.00	4.64	1,387.60
Additions	661.32	59.67	0.00	13.08	10.59	0.00	0.00	0.14	0.00	0.00	0.20	0.00	0.33	123.65	0.00	278.03	0.00	1,147.02
Disposals/Reclassification	278.03	3.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	209.06	629.82	0.00	0.00	1,120.89
Impairment of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	,00
<b>As at 31st March 2023</b>	661.32	74.65	42.06	42.47	63.50	30.94	7.00	11.84	4.31	3.43	1.22	42.20	22.47	123.65	0.00	278.03	4.64	1,413.73
Additions	0.00	0.22		0.00	3.16	0.00	0.00	0.00	0.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62.79	66.75
Disposals/Reclassification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.78	0.00	0.00	0.00	0.00	0.00	3.78
Impairment of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>As at 31st March 2024</b>	661.32	74.87	42.06	42.47	66.65	30.94	7.00	11.84	4.89	3.43	1.22	38.42	22.47	123.65	0.00	278.03	67.44	1,476.71
<b>Depreciation/Amortisation</b>																		
As at 1st April 2022	38.73	7.78	15.39	19.78	18.95	11.48	3.90	7.00	4.09	1.20	0.98	32.73	18.63	183.76	0.00	0.00	4.64	369.02
Additions due to reclassification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.98	0.00	39.98
Charge for the year	8.66	4.52	4.99	5.89	3.96	3.67	0.92	1.20	0.00	0.65	0.02	4.56	1.43	35.47		3.15	0.00	79.09
Depreciation on disposal	39.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	209.06	0.00	0.00	0.00	249.05
<b>As at 31st March 2023</b>	7.41	12.29	20.38	25.67	22.91	15.16	4.82	8.20	4.09	1.85	1.00	37.29	20.06	10.16	0.00	43.13	4.64	239.05
Charge for the year	10.47	6.61	4.99	6.21	4.18	3.67	0.92	1.12	0.09	0.65	0.03	2.77	0.92	41.22	0.00	4.40	0.08	88.34
Depreciation on disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.59	0.00	0.00	0.00	0.00	0.00	3.59
<b>As at 31st March 2024</b>	17.88	18.91	25.38	31.87	27.09	18.83	5.75	9.32	4.18	2.49	1.03	36.46	20.97	51.38	0.00	47.53	4.72	323.80
<b>Net Block</b>																		
<b>As at 31st March 2023</b>	653.92	62.35	21.68	16.81	40.59	15.78	2.18	3.64	0.22	1.58	0.22	4.91	2.42	113.49	0.00	234.90	0.00	1,174.68
<b>As at 31st March 2024</b>	643.45	55.96	16.68	10.60	39.56	12.11	1.25	2.52	0.71	0.93	0.19	1.95	1.50	72.27	0.00	230.50	62.71	1,152.91

**Notes:**

1. Impairment Loss : No Provision for Impairment loss is made during the year.
2. For Method of Valuation of Assets and Depreciation/Amortisation refer Clause 8 & 16 of Note No.1 of General Notes to Financial Statements.
3. The title deeds, comprising of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the company. In respect of assets given as collateral for loans from banks, the title deeds are in the custody of the banks.

**Disclosure requirements for Capital WIP**

As at 31st March 2024

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
<b><u>As at 31st March 2024</u></b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
<b><u>As at 31st March 2023</u></b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
Total					0

**Disclosure requirements for Intangible Assets**

As at 31st March 2024

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
<b><u>As at 31st March 2024</u></b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
<b><u>As at 31st March 2023</u></b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
Total					0

**NOTE NO. 3**  
**INVESTMENTS (NON CURRENT)**

**(a) List of Subsidiaries/Associates/Joint Ventures**

NAME	RELATION WITH THE COMPANY	COUNTRY	INCORPORATION DATE	METHOD OF VALUATION	% HOLDING
Technofy Digital Private Limited	Subsidiary	India	04 <sup>th</sup> June 2019	Cost	100%
ICT Infratech Services Private Limited	Subsidiary	India	08 <sup>th</sup> March 2007	Cost	100%
NAJ Digilife Private Limited	Subsidiary	India	13 <sup>th</sup> October 2023	Cost	60%
Cadcord Technologies Private Limited	Associate	India	19th January 2018	Cost	26%

**(b) Value of Investments**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Technofy Digital Private Limited	1.00	1.00
ICT Infratech Services Private Limited	3.00	1.50
Cadcord Technologies Private Limited	25.99	0.00
NAJ Digilife Private Limited	0.60	0.00
Scienotech Innovatics Private Limited	0.03	0.00
Notional Value of Guarantee Provided to Associate / Subsidiary	161.87	154.67
	192.49	157.17
<u>Less:</u> Provision for Impairment of Investments	0.00	0.00
	192.49	157.17

**NOTE NO. 4**  
**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
Factory Deposit	8	Government Bonds	7.75%
Electricity Deposit	8	Government Bonds	7.75%

**(b) Value of Loans & Deposits**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Rent Deposits	17.84	16.56
Electricity Deposit	2.82	2.23
	20.65	18.79

**NOTE NO. 5**  
**OTHER FINANCIAL ASSETS (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Other Deposits	0.25	0.25
	0.25	0.25





**Trade Receivables - Ageing Schedule as on 31st March, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	1,835.54	938.36	785.75	98.60	1,136.09	4,794.35
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	9.70	0.00	0.44	0.76	0.01	10.91
(iii) Undisputed Trade Receivables - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

**NOTE NO. 9**

**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.

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Balance with Banks	0.68	2.22
Cash on Hand	3.89	4.42
Fixed Deposits with Bank	49.44	16.63
	54.01	23.27

**NOTE NO. 10**

**BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Unclaimed Dividends	0.08	0.08
	0.08	0.08

**NOTE NO. 11**  
**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.

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Secured, Considered good	...	...	0.00	0.00
Unsecured, Considered good	...	...	369.33	323.55
Significant Increase in Credit Risk	...	...	0.00	10.00
Credit impaired	...	...	0.00	0.00
			369.33	333.55
<u>Less:</u> Provision for Expected Credit Losses on Loans	...	...	0.00	10.00
			369.33	323.55

**Note :**

The Outstanding amounts of unsecured loans given include balance of loans given to wholly owned subsidiary - Technofy Digital Private Limited during the year amounting to Rs. 3,17,94,484 at interest rate of 9%. The financial statements of Technofy Digital Private Limited are prepared on 'non-going concern' basis. However, the management is of the opinion that the loans given to the subsidiary would be recovered and accordingly, no provision for expected credit loss has been provided for this loan.

**NOTE NO. 12**  
**OTHER FINANCIAL ASSETS (CURRENT)**

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Interest Receivable	...	....	46.60	8.65
			46.60	8.65

**NOTE NO. 13**  
**OTHER CURRENT ASSETS**

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Prepaid Expenses & Others	...	....	59.76	86.00
Advances To Creditors	...	....	268.65	206.01
Input Credit of GST	...	....	274.18	209.60
Miscellaneous Expenses	...	....	0.39	1.55
Advance Recoverable Other than in Cash	...	....	0.12	0.12
MEIS Duty Scrips	...	....	0.01	0.01
Unrealised DD	...	....	0.41	0.41
Tender Registration Deposit	...	....	0.50	0.00
Deposit with Customs	...	....	0.34	0.00
			604.35	503.69

**NOTE NO. 14**  
**CURRENT TAX ASSETS (NET)**

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Income Tax Refundable	....	....	16.64	0.00
			16.64	0.00

**NOTE NO. 15**  
**EQUITY SHARE CAPITAL**

**a. Capital Structure of the Company**

(₹ in Lakhs)

PARTICULARS OF CAPITAL	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
<b><u>AUTHORISED</u></b>				
Equity Shares of Rs.10/- each	1,30,00,000	1,300.00	1,30,00,000	1,300.00
	1,30,00,000	1,300.00	1,30,00,000	1,300.00
<b><u>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP :</u></b>				
Equity Shares of Rs.10/- each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
	1,20,00,000	1,200.00	1,20,00,000	1,200.00
<b><u>ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :</u></b>				
	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00

**b. Details of Shareholding**

**Shareholders holding more than 5% of Equity Shares :**

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.24	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.23	PERCENTAGE HOLDING
A.	<b><u>EQUITY SHARES</u></b>				
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 Lalji 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 2024	AS AT 31ST MARCH 2023
Number of Shares at the beginning of the year :	1,20,00,000	1,20,00,000
(+) Bonus shares issued ...	0.00	0.00
(+) Fresh issue made ...	0.00	0.00
(-) Shares forfeited ...	0.00	0.00
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. Promoter Share Holding**

Shares held by promoters at the end of the year :

SR. NO	NAME OF PROMOTER	NO.OF SHARES AS ON 31.03.24	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.23	PERCENTAGE HOLDING
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%

**f. 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 2024	AS AT 31ST MARCH 2023
Gross Debt	3,263.41	3,534.24
<u>Less:</u> Liquid Assets	54.01	23.27
Net Debt	3,209.40	3,510.97
Total Equity (As Per Balance Sheet)	3,708.24	3,669.13
Net Gearing Ratio	<b>0.87</b>	<b>0.96</b>

*\* Liquid Assets Comprises of Cash & Cash Equivalents only.*

**NOTE NO. 16**  
**OTHER EQUITY**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b><u>Securities Premium</u></b>		
Opening Balance	678.00	678.00
<u>Add:</u> Premium Collected on Issue of Shares	0.00	0.00
<u>Less:</u> Utilised	0.00	0.00
<b>Closing Balance</b>	<b>678.00</b>	<b>678.00</b>
<b><u>Retained Earnings</u></b>		
Opening Balance	1,759.54	1,574.36
<u>Add:</u> Surplus As per Profit & Loss Account	40.95	185.18
<u>Less:</u> <u>Appropriations</u>		
Dividends Paid	0.00	0.00
TDS on Dividend	0.00	0.00
<b>Closing Balance</b>	<b>1800.50</b>	<b>1759.54</b>
<b><u>Other Comprehensive Income</u></b>		
a) <u>Actuarial Gains or Losses on Defined Benefit Plans</u>		
Opening Balance	31.59	13.23
<u>Add/(Less):</u> Changes for the Year	(1.84)	18.36
<b>Closing Balance</b>	<b>29.75</b>	<b>31.59</b>
	<b>2,508.24</b>	<b>2,469.13</b>

**NOTE NO. 17**  
**BORROWINGS (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Secured Borrowings	138.89	312.35
	<b>138.89</b>	<b>312.35</b>

**Terms of Repayment of Secured Borrowings**

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, 2024 is repayable in 5 monthly repayment of Rs.7.41 Lakhs. Interest to be serviced as and when debited. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan.

Term Loan (Guaranteed Emergency Credit Line) 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, 2024 is repayable in 3 equated monthly installments of Rs 7,91,500/- each. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan.

Term Loan (Guaranteed Emergency Credit Line) 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, 2024 is repayable in 33 monthly installments of Rs 6,94,444/- each. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan

**NOTE NO. 18**  
**LEASE LIABILITIES (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Payables towards Lease Liability	35.43	77.62
	<b>35.43</b>	<b>77.62</b>

**NOTE NO. 19**  
**OTHER FINANCIAL LIABILITIES (NON CURRENT)**

**(a) Measurement**

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

The Discount rate used to different deposits is as follows:-

DEPOSIT	PERIOD	SOURCE	RATE
Deposit for Rent	5	Company's assumed effective rate of interest	7.75%

**(b) Value of Loans & Deposits**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Deposit against Goods on Rent	....	....
Deposit for Immovable Property on Rent	....	....
	1.10	0.60
	9.84	8.20
	10.94	8.80

**NOTE NO. 20**  
**PROVISIONS (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Provision for Gratuity	....	....
	75.34	63.80
	75.34	63.80

**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.47

**NOTE NO. 21**  
**DEFERRED TAX LIABILITIES(NET)**

(₹ in Lakhs)

PARTICULARS	AS AT		AS AT	
	31ST MARCH 2024		31ST MARCH 2023	
	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS & OCI	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS & OCI
Carrying Value of Property Plant & Equipment	211.52	53.23	164.61	41.43
Provision for Gratuity	(80.68)	(20.31)	(68.38)	(17.21)
Actuarial Gains on Employee Benefit Expenses	0.00	0.00	(30.72)	(7.73)
Expected Credit Losses	(5.61)	(1.41)	(10.91)	(2.75)
Expected Credit Losses on Loans	0.00	0.00	(10.00)	(2.52)
Measurement of Lease Liability & Asset as per Ind AS 116	(5.35)	(1.35)	(1.16)	(0.29)
Carry forward business losses	(35.80)	(9.01)		
		21.16		10.93

Reconciliation of Deferred Tax Liabilities / (Assets), Net

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Opening Balance as on 1st April	....	....
Deferred Tax expense/(income) during the period recognised in profit or loss	....	....
Deferred Tax expense/(income) during the period recognised in OCI	....	....
	10.93	3.34
	10.84	12.42
	(0.62)	(4.83)
Closing Balance as on 31st March	21.16	10.93

**NOTE NO. 22**  
**OTHER NON-CURRENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Advances payable other than in Cash	1.65	2.35
Deferred Guarantte Premium	5.10	0.00
	6.75	2.35

**NOTE NO. 23**  
**BORROWINGS (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Secured Borrowings</u>		
Cash Credit	2,833.19	2,859.23
Current Maturities of Long Term Borrowings	143.71	175.22
Other borrowings	0.00	0.00
<u>Unsecured Borrowings</u>		
Short Term loans & advances from Related Parties	70.00	26.29
Short Term loans & advances from Others	0.00	46.50
	3,046.90	3,107.24

**Note :**

- The Cash Credit is secured by first charge by way of hypothecation of Stock and book debts. Further, it is secured by way personal guarantee provided by Mr. Amit Rambhia - Promoter, Mr. Nikit Rambhia - Promoter, Mr. Devchand Rambhia - Promoter Group.
- Quarterly returns or Statements of Current assets filed with bank are not in agreement with the books of accounts. Disclosed below are the details provided by the company to the Lender Bank - Canara Bank and Valuation of Book debts & Stock as per books of accounts and reasons of their discrepancies.
- The Company has registered all details of Registration or satisfaction of charge with ROC within the prescribed time limit from the execution of document.
- The company has not been declared wilful defaulter by any Banks / Financial Institutions.

Name of bank	Qtr ended	Particulars	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference
Canara Bank	30th June, 2023	Trade Receivable	3,411.16	3,912.43	(501.27)
		Stock	2,836.00	2,458.65	377.34
Canara Bank	30th September, 2023	Trade Receivable	3,544.47	4,300.28	(755.81)
		Stock	2,798.13	2,702.65	95.48
Canara Bank	31st December, 2023	Trade Receivable	3,655.95	3,980.83	(324.88)
		Stock	2,874.07	2,646.86	227.21
Canara Bank	31st March, 2024	Trade Receivable	4,212.35	4,786.39	(574.04)
		Stock	2,685.79	2,520.96	164.83

**Note for discrepancies :**

- Discrepancy in Inventory is primarily on account of the details being submitted on the basis of provisional books of accounts & due to estimated over head rate considered while valuing FG given to the bank and the actual over head rate.
- Discrepancy in trade receivable is on account of non inclusion of receivables from group companies, customers with discounting facility etc.



**NOTE NO. 24**  
**LEASE LIABILITIES**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Payables towards Lease Liabilities	42.19	37.03
	42.19	37.03

**NOTE NO. 25**  
**TRADE PAYABLES (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Trade payables to Other than Related Parties</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	166.57	223.42
Other Trade Payables	2,296.49	1,708.77
<u>Trade Payables to Related Parties (Refer Note No 48)</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	0.00	0.00
Other Trade Payables	14.66	8.84
	2,477.72	1,941.02

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs. 10,11,205/- stands overdue as on 31st March 2024. However, no interest is due or payable on such balance, pursuant to mutual agreement between the parties.

**Trade Payables ageing schedule: As at 31st March,2024**

PARTICULARS	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	166.57	0.00	0.00	0.00	166.57
(ii) Others	1,656.14	632.86	6.04	16.11	2,311.15
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

**Trade Payables ageing schedule: As at 31st March,2023**

PARTICULARS	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	209.54	22.72	0.00	0.00	232.26
(ii) Others	1,685.37	1.35	8.42	13.63	1,708.77
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

**NOTE NO. 26**  
**OTHER FINANCIAL LIABILITIES (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Interest payable	4.15	38.59
Interest on Income Tax Payable	14.24	14.24
	18.39	52.83

**NOTE NO. 27**  
**OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Statutory Liabilities	37.78	80.26
Advances From Debtors	73.92	73.31
Deferred Guarantee Premium	2.10	57.43
Advances payable other than in Cash	0.71	0.71
Others	4.62	0.00
	119.13	211.71

**NOTE NO. 28**  
**PROVISIONS (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Electricity Charges Payable	0.85	0.97
Professional Fees Payable	6.80	5.01
Audit Fees Payable	2.25	3.15
Salary Payable	42.78	26.96
Dividend Payable	0.08	0.08
Provision for Gratuity	5.34	4.58
	58.11	40.75

**NOTE NO. 29**  
**CURRENT TAX LIABILITIES(NET)**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Direct Taxes	0.00	25.27
	0.00	25.27

**NOTES FORMING PART OF PROFIT & LOSS ACCOUNT**

**NOTE NO. 30**  
**REVENUE FROM OPERATIONS**

**(a) Recognition of Revenue**

The company derives revenue primarily from sale of IT Hardware & its peripherals, Alkaline Water Ionizers, 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.

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Net Sales	9569.88	11062.85
Service Charges	80.56	46.15
Marketing Fund	(0.38)	70.61
	9650.06	11179.60

**(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 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>Contract Liability</u></b>		
Opening Balance	73.31	328.35
<u>Less:</u> Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(64.34)	(307.83)
<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.	64.95	52.79
<b>Closing Balance</b>	73.92	73.31
<b><u>Contract Assets</u></b>		
Opening Balance	206.01	528.88
<u>Less:</u> Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(57.70)	(349.95)
<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.	120.34	27.08
<b>Closing Balance</b>	268.65	206.01

**NOTE NO. 31**  
**OTHER INCOME**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Rental Income	24.92	15.11
Support Service Charges	11.92	18.40
Finance Charges (Income)	1.41	1.31
Amortisation of Fair Value Changes of Liability	0.71	0.47
Marketing Incentives	0.00	10.38
Notional value of Guarantee Premium	57.43	43.74
Liabilities no Longer Payable	0.00	3.10
Interest Income	307.12	45.78
Other Income	0.00	4.97
Profit on Sale of Assets	0.22	0.00
	<b>403.73</b>	<b>143.26</b>

**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 company becomes entitled to receive the amount as per the agreement between the contracting parties.

**NOTE NO. 32**  
**COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Net Purchase	8,168.63	9,707.43
Service Charges	16.21	102.25
Consumables & Others	2.61	0.21
	<b>8,187.46</b>	<b>9,809.90</b>

**NOTE NO. 33**  
**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Opening Stock / Inventories	2,555.73	2,634.93
<u>Less:</u> Closing Stock / Inventories	(2,520.96)	(2,555.73)
	<b>34.77</b>	<b>79.20</b>

**NOTE NO. 34**  
**EMPLOYEE BENEFIT EXPENSES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Director's Remuneration	98.70	73.88
Salary & Bonus to Employees	259.49	265.72
Employers Contribution to PF, ESIC & Other Funds	3.09	3.19
Staff Welfare Expenses	4.85	5.61
Contribution to and Provision for Gratuity	12.18	12.28
	<b>378.30</b>	<b>360.67</b>

**NOTE NO. 35**  
**FINANCE COSTS**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Bank Charges on Finance	0.00	0.56
Interest Expenses	405.32	364.84
Interest on Income Tax Payment	2.43	10.95
Finance Charges on Lease Liabilities	8.89	4.14
Processing & Other Charges	28.21	12.55
	444.84	393.04

**NOTE NO. 36**  
**DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Depreciation on Property, Plant & Equipment	42.64	40.48
Depreciation on Right of use Assets	41.22	35.47
Depreciation on Investment Property	4.40	3.15
Amortisation of Intangible Assets	0.08	0.00
	88.34	79.09

**NOTE NO. 37**  
**OTHER EXPENSES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Administrative Expenses	10.14	9.26
Advertisement & Sales Promotion	78.56	0.14
Bank Charges	7.60	7.66
Certification Charges	20.63	6.37
Cloud Services	1.01	1.51
Commission Expenses	0.00	11.61
Donation	0.05	0.05
Electricity Charges	8.91	10.30
E waste Charges	0.85	0.00
Finance Charges (Expenses)	0.64	0.40
Goods Lost in Transit	2.30	0.00
Insurance Charges	7.41	8.73
Duties & Taxes Paid	23.25	9.34
(Profit) / Loss Due To Foreign Exchange Fluctuation	11.63	33.96
Manpower Services	86.99	101.07
Manufacturing Expenses	2.00	2.83
Preliminary Expenditure W/off	1.55	1.55
Office & Factory Maintenance Charges	6.22	7.93
Payment to Auditor's	4.45	4.25
PLI Application Fees	1.00	0.00
Printing & Stationery	1.57	2.84
Professional Fees	59.20	61.52
Provision for Expected Credit Losses	7.31	13.68
Amortisation of Fair Value Changes of Asset	0.12	0.12
R&D Expenses	1.69	0.00
Rent, Rates & taxes	0.82	3.42
Repairs & Maintenance	7.16	6.89
Royalty Paid	12.03	6.76
Service Expenses	6.91	10.38
Software Expenses	0.22	0.37
Sundry Expenses	4.74	3.67
Telephone & Mobile Charges	0.18	0.32
Tender Registration Fees	0.00	0.34
Transportation Charges	19.32	23.78
Travelling Expenses & Conveyance	36.42	18.70
	432.86	369.75

**NOTE NO. 37.1**

**DETAILS OF PAYMENTS TO AUDITORS**

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<u>Payment to Auditors</u>		
Statutory Audit	2.50	2.50
Tax Audit	0.75	0.75
Internal Audit	1.20	1.00
<b>Total Payments to Auditors</b>	<b>4.45</b>	<b>4.25</b>

**NOTE NO. 38**

**EXCEPTIONAL ITEMS**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Bad Debts Written off	(435.13)	0.00
	<b>(435.13)</b>	<b>0.00</b>

Exceptional Item includes write-off of an amount receivable due to non receipt of GST credit, which had to be paid by the company. Additionally, the company had made advance payments to foreign suppliers for the procurement of goods. However, due to disputes over the quality and technical specifications of these goods, the company has been unable to recover the funds or receive the materials. Given the significance and one-time nature of this transaction, it has been disclosed under exceptional items.

Classifying these bad debts as an exceptional item allows for clear distinction from the company's regular operational results, highlighting that this is a one-time, non-recurring event. This write-off, while impacting the net profit ratio for the year, does not reflect the ongoing operational performance or the company's ability to generate revenue from its core business activities.

**NOTE NO. 39**

**INCOME TAX EXPENSE**

**A. Disclosure Pursuant to Ind AS 12**

**(a) Major Components of Income Tax**

(₹ in Lakhs)

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>(a)</b>	<b><u>Tax on Items Routed Through Profit or Loss Section</u></b>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	0.00	36.59
	Adjustments in respect of income tax of previous years.	0.30	(2.99)
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	10.84	12.42
	<b>Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]</b>	<b>11.15</b>	<b>46.03</b>
<b>(b)</b>	<b><u>Tax on Items Routed Through Other Comprehensive Income</u></b>		
	(i) Income Tax	0.00	0.00
	(ii) Deferred Tax	0.62	(4.83)
	<b>Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]</b>	<b>0.62</b>	<b>(4.83)</b>

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

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Profit Before Tax	(A)	52.10	231.21
Corporate Tax Rate as per Income Tax Act,1961	(B)	25.17%	25.17%
<b>Tax on Accounting Profit</b>	<b>[(A)*(B)]</b>	13.11	58.19
<u>Adjustments as per Income Tax</u>			
Add: Depreciation as per Companies Act		88.34	79.09
Add: Disallowances U/s 37		0.00	32.49
Add: Disallowance of Gratuity Provision		12.18	12.28
Add: Disallowance of Contributions to statutory Funds		1.29	0.87
Add/(Less): Other Additions / (Deductions)		(95.75)	(114.44)
Less: Depreciation as per Income Tax Act		(93.96)	(96.12)
Tax payable on income after adjustments as per Income Tax Act,1961		(87.90)	(85.82)
Corporate Tax rate as per Income Tax Act		25.17%	25.17%
Tax on Gross Adjustments as per Income Tax		(22.12)	(21.60)
Transferred to Deferred Tax		9.01	0
<b>Net Income Tax Payable by the company</b>	<b>(C)</b>	0.00	36.59
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits & Expected Credit Losses		10.84	12.42
Incremental Deferred Tax Liability/(Asset) due to Defined Benefit Obligations		0.62	(4.83)
<b>Net Deferred Tax Expense/(Benefit)</b>	<b>(D)</b>	11.46	7.59
<b>Total Tax Expense Recognised for the Year</b>	<b>(E) = [(C)+(D)]</b>	11.46	44.18
<b>Effective Tax Rate</b>	<b>[(E)/(A)*100]</b>	22.00%	19.11%

**C. Calculation of Corporate Tax Rate**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Basic Tax Rate Applicable to the Company as per Income Tax Act	22%	22%
Surcharge Applicable	10%	10%
Education Cess	4%	4%
<b>Corporate Tax Rate as per Income Tax Act,1961</b>	<b>25.17%</b>	<b>25.17%</b>

NOTE NO. 40

**OTHER COMPREHENSIVE INCOME**

(₹ in Lakhs)

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Remeasurement of Defined Benefit Obligations	....	(2.46)	13.52
		(2.46)	13.52

**NOTE NO. 41**  
**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 :-

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>Calculation of Basic EPS</b>		
A. Profit From Continuing Operations (Numerator)	40.95	185.18
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Basic Earnings Per Share(EPS)      [( A ) / ( B )]</b>	<b>0.34</b>	<b>1.54</b>
<b>Calculation of Diluted EPS</b>		
A. Profit From Continuing Operations (Numerator)	40.95	185.18
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
b. Potential Equity shares	0.00	0.00
Total Equity Shares for Calculation of Diluted EPS (Denominator)	120.00	120.00
<b>Diluted Earnings Per Share(EPS)      [( A ) / ( B )]</b>	<b>0.34</b>	<b>1.54</b>

**NOTE NO. 42**  
**CONTINGENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Corporate guarantees for performance given on behalf of group companies to Financial Institution	133.94	600.00
	133.94	600.00

**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 five 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. 43**  
**DISCLOSURE OF CURRENT ASSETS & LIABILITIES**

**A. Basis of classification of Current Assets**

The company classifies an asset as current asset when :-

- (i) it expects to realise the asset or intends to sell or consume it, in its normal operating cycle;
- (ii) it holds the asset primarily for the purpose of trading;
- (iii) it expects to realise the asset within twelve months after the reporting period; or
- (iv) 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:-

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024			AS AT 31ST MARCH 2023		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Loans & Deposits	369.33	0	369.33	323.55	0	323.55
Inventories	2,520.96	0	2,520.96	2,555.73	0	2,555.73
Trade Receivables	4,780.77	0	4,780.77	4,794.35	0	4,794.35
Other Financial Assets	46.60	0	46.60	8.65	0	8.65
Other Current Assets	604.35	0	604.35	503.69	0	503.69
Current Tax Assets	16.64	0	16.64	0.00	0	0.00

**B. Basis of classification of Current Liabilities**

The company classifies a liability as current liability when :-

- (i) it expects to settle the liability in its normal operating cycle;
- (ii) it holds the liability primarily for the purpose of trading;
- (iii) the liability is due to be settled within twelve months after the reporting period; or
- (iv) 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:-

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024			AS AT 31ST MARCH 2023		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Borrowings (Current)	3,046.90	0	3,046.90	3,107.24	0	3,107.24
Trade Payables	2,477.72	0	2,477.72	1,941.02	0	1,941.02
Lease Liabilities	42.19	0	42.19	37.03	0	37.03
Other Financial Liabilities	18.39	0	18.39	52.83	0	52.83
Other Current Liabilities	119.13	0	119.13	211.71	0	211.71
Provisions	58.11	0	58.11	40.75	0	40.75
Current Tax Liabilities	0.00	0	0.00	25.27	0	25.27

**NOTE NO. 44**  
**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 2024			
	(\$ / ₹ in Lakhs)			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	0.01	0.42	0.00	0.00
Trade Receivables	5.28	440.18	0.00	0.00
Trade Payables	10.91	909.46	0.00	0.00

PARTICULARS	AS AT 31ST MARCH 2023			
	(\$ / ₹ in Lakhs)			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	0.01	0.41	0.00	0.00
Trade Payables	12.93	1,063.06	0.00	0.00

**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
<b><u>As at 31st March 2024</u></b>			
US DOLLAR	1%	3.51	(3.51)
<b><u>As at 31st March 2023</u></b>			
US DOLLAR	1%	7.95	(7.95)

**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 RLLR (Repo Linked Lending Rate).

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

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Cash Credit	2,833.19	2,859.23
Term Loan	37.04	125.93
Other Working Capital Loans	245.56	361.64
	3,115.79	3,346.79

**Sensitivity Analysis**

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

(₹ in Lakhs)

SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2024		
	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	(2.83)	2.83
Term Loan *	10 bps	(0.04)	0.04
Other Working Capital Loans *	10 bps	(0.25)	0.25
		(3.12)	3.12
<u>Less:</u> Tax Effect on Interest Cost		0.78	(0.78)
Net Effect on Profit & Loss Account		(2.33)	2.33

\* Holding all other variables constant

SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2023		
	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	(2.86)	2.86
Term Loan *	10 bps	(0.13)	0.13
Other Working Capital Loans *	10 bps	(0.36)	0.36
		(3.35)	3.35
<u>Less:</u> Tax Effect on Interest Cost		0.84	(0.84)
Net Effect on Profit & Loss Account		(2.50)	2.50

\* 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	(₹ in Lakhs)	
	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Opening Balance	10.91	13.43
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	7.31	13.68
Write Off as Bad Debts	12.61	16.20
Closing Balance reported under Note No.8	5.61	10.91

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	(₹ in Lakhs)	
	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Opening Balance	10.00	10.00
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	0.00	0.00
Write Off as Bad Debts	10.00	0.00
Changes in Foreign Exchange	0.00	0.00
Closing Balance reported under Note No.11	0.00	10.00

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 2024

NON-DERIVATIVE FINANCIAL LIABILITIES	(₹ in Lakhs)		
	PAYABLE WITHIN ONE YEAR	CONTRACTUAL CASH FLOWS PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	3,046.90	138.89	3,185.79
Trade Payables	2,477.72	0.00	2,477.72
Lease Liabilities	42.19	35.43	77.62
Other Financial Liabilities	18.39	10.94	29.33

**As at 31st March 2023**

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	3,107.24	312.35	3,419.59
Trade Payables	1,941.02	0.00	1,941.02
Lease Liabilities	37.03	77.62	114.65
Other Financial Liabilities	52.83	8.80	61.64

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. 45**  
**LEASES**

**i) Where the Company is a Lessor :-**

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

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Lease Rentals Received	24.92	15.11

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 01st April 2023 & balance of lease liability in Financial Statements as on 31st March 2024, is as follows:

PARTICULARS	(₹ in Lakhs)	
	AMOUNT	
Opening balance of Lease Liability in the Financial Statements as on 1st April 2023	114.65	
<u>Add:</u> Recognition of Finance Lease liability in FY 2023-24	0.00	
<u>Add:</u> Interest Accrued for the FY 2023-24	8.89	
<u>Less:</u> Lease Payments Made	(45.91)	
Closing balance of Lease Liability in the Financial Statements as on 31st March 2024	<u>77.62</u>	

Details with respect to Right-of-Use Assets :

PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2023	ADDITIONS DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2024
Buildings	113.49	0.00	41.22	72.27

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

- i) Interest Expense on Lease liabilities amounts to Rs 8,88,556/-
- ii) Total cash outflow for leases amounts to Rs 45,91,485/- during the year including cash outflow of short-term and low value leases.

**NOTE NO. 46**  
**ASSETS PLEDGED AS SECURITY**

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

(₹ in Lakhs)

PARTICULARS	NOTES	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>CURRENT ASSETS</b>			
<i>Fixed Charge Asset</i>			
Assets		0.00	0.00
<i>Floating Charge</i>			
Trade Receivables	Note No . 8	4,780.77	4,794.35
Inventory	Note No . 7	2,520.96	2,555.73
<b>Total current assets pledged as security</b>		<b>7,301.74</b>	<b>7,350.08</b>
<b>NON-CURRENT ASSETS</b>			
<i>Fixed Charge Asset</i>			
Office Premises (Property, Plant & Equipment)	Note No . 2	643.45	653.92
<i>Floating Charge</i>			
Office Premises (Investment Property)	Note No . 2	230.50	234.90
<b>Total non-current assets pledged as security</b>		<b>873.95</b>	<b>888.82</b>
<b>Total assets pledged as security</b>		<b>8,175.68</b>	<b>8,238.90</b>

**NOTE NO. 47**  
**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 :-

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Employer's Contribution to Provident Fund & ESIC	3.09	3.19

**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 2024	AS AT 31ST MARCH 2023
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	0.00	0.00
Wholly Unfunded	80.68	68.38
	80.68	68.38
<u>Less:</u> Fair Value of Plan Assets	0.00	0.00
Amounts recognised as Liability (See Note No.20 & Note No.28)	80.68	68.38

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Current Service Cost	7.33	6.64
Interest Cost	4.85	5.65
Past Service Cost	0.00	0.00
Expenses included in Employee Benefits (See Note No.34)	12.18	12.28

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Actuarial (Gains) / Losses	2.46	(13.52)
Expenses included in Other Comprehensive Income (See Note No.40)	2.46	(13.52)

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Opening Balance of present value of Defined Benefit Obligation	68.38	75.30
<u>Add:</u> Current Service Cost	7.33	6.64
<u>Add:</u> Interest Cost	4.85	5.65
<u>Add:</u> Past Service Cost	0.00	0.00
<u>Add/(less):</u> Actuarial Losses/(gains)	2.46	(13.52)
	83.02	74.06
<u>Less:</u> Defined Benefit Claims Settled	2.34	5.68
	80.68	68.38

(e) Breakup of Other Comprehensive Income

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Actuarial losses / (gains) arising from change in financial assumptions	3.13	(5.36)
Actuarial losses / (gains) arising from change in Demographic assumptions	0.00	0.00
Actuarial losses / (gains) arising from change in experience adjustments	(0.67)	(8.15)
	2.46	(13.51)

(f) Actuarial Assumptions

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

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Discount Rate (per anum)	7.10%	7.50%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	58 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 2024	AS AT 31ST MARCH 2023
Within 1 Year	5.34	4.58
Year 1 to Year 2	2.63	2.33
Year 2 to Year 3	2.54	2.25
Year 4 to Year 5	5.67	2.17
Year 5 to Year 6	5.20	5.02
Year 6 to Year 10	28.86	26.19
After 10 Years	30.45	25.84



**NOTE NO. 48**  
**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
Technofy Digital Private Limited	Subsidiary
ICT Infratech Services Private Limited	Subsidiary
NAJ Digilife 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
Nitesh M Savla**	CFO & Whole-Time Director
Harshil Chheda	CS & Compliance Officer

\* Ceased as a Whole-Time Director of the Company pursuant to completion of tenure with effect from February 16, 2023

\*\* Appointed as a Whole-Time Director of the Company with effect from February 14, 2023

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

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY
Technofy Digital Private Limited	Subsidiary
ICT Infratech Services Private Limited	Subsidiary
Panabyte Technologies Limited	Company having Common Director
Rambhia IPR Services LLP	Firm in which Director is a Partner
Cadcord Technologies Private Limited	Associate Company
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand L. Rambhia	Whole-Time Director
Nitesh M. Savla	CFO & Whole-Time Director
Harshil Chheda	CS & Compliance Officer
Deepa A. Rambhia	Relative of Director
Kavita N. Rambhia	Relative of Director

**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:-

(₹ in Lakhs)

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 2023-24 (NET OF TAX)
Amit D. Rambhia	Managing Director	Remuneration	42.00
Nikit D. Rambhia	Joint Managing Director	Remuneration	42.00
Nitesh M. Savla	CFO & Whole-Time Director	Remuneration	14.77
Deepa A. Rambhia	Relative of Director	Short Term Employee Benefits	18.00
Harshil Chheda	CS & Compliance Officer	Short Term Employee Benefits	8.63
Amit D. Rambhia	Managing Director	Loan Repaid	5.50
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	0.71
Nikit D. Rambhia	Joint Managing Director	Loan Taken	58.91
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	0.96

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 2023-24 (NET OF TAX)
Devchand L. Rambhia	Whole-Time Director	Loan Repaid	20.70
Devchand L. Rambhia	Whole-Time Director	Interest on Unsecured Loan	1.11
Technofy Digital Private Limited	Subsidiary	Loan Given	5.47
Technofy Digital Private Limited	Subsidiary	Interest on Loan Given	41.58
Panabyte Technologies Limited	Company having Common Director	Purchase	0.16
Panabyte Technologies Limited	Company having Common Director	Sales	52.30
Panabyte Technologies Limited	Company having Common Director	Services Provided	0.44
ICT Infratech Services Private Limited	Subsidiary	Sales	0.60
Cadcord Technologies Private Limited	Associate Company	Purchase	4.12
Cadcord Technologies Private Limited	Associate Company	Sales	402.31
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	12.03

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 2024	AS AT 31ST MARCH 2023
<b><u>Amounts Receivable from Related Parties</u></b>			
<b><u>Receivables for Sales &amp; Services Provided</u></b>			
Panabyte Technologies Limited	Company having Common Director	296.71	279.74
Cadcord Technologies Private Limited	Associate Company	141.13	0.00
ICT Infratech Services Private Limited	Subsidiary	39.28	57.32
		477.12	337.06
<b><u>Loans &amp; Advances Recoverable</u></b>			
Technofy Digital Private Limited	Subsidiary	317.94	312.47
Technofy Digital Private Limited (Interest Receivable)	Subsidiary	46.07	8.65
		364.02	321.12
<b>Total Receivables from Related Parties</b>		<b>841.14</b>	<b>658.18</b>
<b><u>Amounts Payable to Related Parties</u></b>			
<b><u>Payables for Purchases &amp; Services Availed</u></b>			
Rambhia IPR Services LLP	Firm in which Director is a Partner	14.66	8.84
		14.66	8.84
<b><u>Payable towards Borrowings Taken</u></b>			
Amit D. Rambhia	Managing Director	5.50	0.00
Amit D. Rambhia (Interest Payable)	Managing Director	0.64	0.00
Nikit D. Rambhia	Joint Managing Director	64.50	5.55
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	0.86	0.49
Devchand L. Rambhia	Whole-Time Director	0.00	19.84
Devchand L. Rambhia (Interest Payable)	Non- Executive Director	0.00	8.63
		66.00	34.51

PARTICULARS	RELATION WITH THE COMPANY	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Payables to KMP and their Relatives as Remuneration/ Expenses</u>			
Amit D. Rambhia	Managing Director	3.97	1.60
Nikit D. Rambhia	Joint Managing Director	4.90	2.13
Deepa A. Rambhia	Relative of Director	3.73	1.27
Kavita N. Rambhia	Relative of Director	0.00	1.00
Nitesh M. Savla	CFO & Whole-Time Director	3.40	1.04
Harshil Chheda	CS & Compliance Officer	0.60	0.41
		16.60	7.44
Total Payables to Related Parties		97.27	50.78
<u>Other Contributions &amp; Commitments</u>			
<u>Corporate Guarantee Given</u>			
Technofy Digital Private Limited	Subsidiary	133.94	600.00

**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 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Short Term Benefits	107.40	84.37
Post Employment Benefits	38.31	34.57
Other Long-Term Benefits	0.00	0.00
Share Based Payments	0.00	0.00
Termination Benefits	0.00	0.00
<b>Total</b>	145.72	118.94

**NOTE NO. 49**

**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.

	(₹ in Lakhs)	
PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b><u>Financial Assets</u></b>		
<b><u>Measured at Amortised Cost</u></b>		
Loans	389.99	342.33
Trade Receivables	4,780.77	4,794.35
Other Financial Assets	46.85	8.90
Cash & Cash Equivalents	54.01	23.27
Bank Balances Other Cash & Cash Equivalents	0.08	0.08
Total financial Assets Measured at Amortised Cost (I)	5,271.71	5,168.94
Measured at Fair Value Through Other Profit & Loss Account (FVTPL)	161.87	154.67
Total Value of Financial Assets [(I)+(II)]	5433.58	5323.60
<b><u>Financial Liabilities</u></b>		
<b><u>Measured at Amortised Cost</u></b>		
Borrowings	3,185.79	3,419.59
Trade Payables	2,477.72	1,941.02
Lease Liabilities	77.62	114.65
Other Financial Liabilities	29.33	61.64
Total of Financial Liabilities Measured at Amortised Cost	5,770.47	5,536.90
<b><u>Measured at Fair Value Through Other Profit &amp; Loss Account (FVTPL)</u></b>		
Other Financial Liabilities	0.00	0.00
Total Value of Financial Liabilities	5,770.47	5,536.90

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

	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>Net gains/(losses) on financial assets and Financial liabilities measured at amortised cost :-</b>		
(i) Exchange Difference Gains/ (Losses) on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	(11.63)	(33.96)
(ii) Amortisation of Fair Value Changes of Asset	(0.12)	(0.12)
(iii) Amortisation of Fair Value Changes of Liability	0.71	0.47
(iv) Finance Charges (Net)	(1.41)	(1.31)
(v) Interest Income	307.12	45.78
(vi) Interest Expense	(405.32)	(364.84)
(vii) Finance Charges on Lease Liabilities	(8.89)	(4.14)
(viii) Bank Charges on Finance	0.00	(0.56)
(ix) Processing Charges	(28.21)	(12.55)
(x) Provision for Expected Credit Losses	(7.31)	(13.68)
Total	(155.05)	(384.91)
<b>Net gains/(losses) on financial liabilities measured at Fair Value Through Profit &amp; Loss Account (FVTPL) :-</b>		
Total	0	0

**NOTE NO. 50**

**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 2024	AS AT 31ST MARCH 2023	NATURE OF ASSISTANCE	PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECEIPT
Technofy Digital Private Limited	317.94	312.47	Inter Corporate Loan	Short Term Working Capital
Technofy Digital Private Limited	0.00	600.00	Corporate Guarantee	Equipment Financing
Cadcord Technologies Private Limited	133.94	0.00	Corporate Guarantee	Advance for Purchase of Property
Shree Rajlaxmi Textiles	0.00	10.00	Advance	

**NOTE NO. 51**

**ADDITIONAL REGULATORY INFORMATION**

**A. Disclosure where Loans or Advances in the nature of loans are granted to promoters, directors, KMP's and the related parties, either severally or jointly with any other person, that are :**

- a. repayable on demand; or  
b. without specifying any terms or period of repayment.

Type of Borrower	Amount of Loans or advances in the nature of loan outstanding	Percentage to the Total loans and Advances in the nature of loans
Promoters	NIL	N.A.
Directors	NIL	N.A.
KMP's	NIL	N.A.
Related Parties	NIL	N.A.

**B. Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions Act), 1988 (45 of 1988) and rules made thereunder.

**C. Disclosure relating to company being declared as Wilful defaulter**

The company has not been declared as wilful defaulter by any Banks or Financial Institution or other lender.

**D. Transactions with Struck-off Companies**

There were no transactions with any struck-off companies during the year.

**E. Disclosure relating to Registration of charge or Satisfaction with ROC beyond Statutory period**

All the Charges (be it Fixed or Floating Charge created on the assets of the Company by way of Cash credit or Car Loan or Property Loan or Term loans) have been registered with ROC within statutory period.

**F. Disclosure relating to compliance with number of layers of companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of Companies Act, 2013.

**G. Financial Ratios**

The Financial ratios for the years ended March 31, 2024 and March 31, 2023 are as follows :

Sr No.	Particulars	Numerator	Denominator	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	1.46	1.52	-3.91%
2	Debt Equity Ratio	Total Debt (incl. Lease Liabilities)	Shareholder's Equity	0.88	0.96	-8.64%
3	Debt Service Coverage Ratio (a)	Earnings available for Debt service	Debt Service (Interest)	1.35	1.85	-27.24%
4	Return on Equity (b)	Net Profit after Taxes	Average Shareholder's Equity	1.11%	5.19%	-78.61%
5	Inventory Turnover Ratio	Revenue	Average Inventory	3.80	4.31	-11.74%
6	Trade Receivables Turnover Ratio (c)	Revenue	Average Trade Receivables	2.02	2.81	-28.37%
7	Trade Payables Turnover Ratio (d)	Purchases of Goods/ Services	Average Trade Payables	3.71	5.77	-35.72%
8	Net Capital Turnover Ratio	Revenue	Working Capital	3.67	4.00	-8.33%
9	Net Profit Ratio (b)	Net Profit	Revenue	0.42%	1.66%	-74.38%
10	Return on Capital Employed	EBIT	Capital Employed	11.89%	14.97%	-20.58%

**Reasons for variance :**

- (a) Reduction in Profit available for debt service compared to previous year.  
(b) Reduction in Net profit after tax for the year compared to previous year.  
(c) Reduction in revenue from operation whereas average trade receivables remained stable compared to previous year.  
(d) Reduction in purchase on account of reduction in revenue from operations whereas average trade payables increased compared to previous year.

**H. Note on Undisclosed Income If any**

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also none of the previously unrecorded income and related assets have been recorded in the books of account during the year.

**I. Disclosure relating to Compliance with approved scheme of Arrangements**

The company has not applied for any Schemes of Arrangements to any Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

**J. Disclosure relating to reporting under rule 11( e ) of the companies (audit and auditors) rules, 2014 , as amended.**

- 1 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 2 No funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

\_\_\_\_\_  
MR. AMIT D. RAMBHIA  
MANAGING DIRECTOR  
DIN:- 00165919

\_\_\_\_\_  
MR. NIKIT D. RAMBHIA  
JOINT MANAGING DIRECTOR  
DIN:- 00165678

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

\_\_\_\_\_  
MR. HARSHIL CHHEDA  
COMPANY SECRETARY

\_\_\_\_\_  
MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN : 24044039BKBLWN2100

PLACE: MUMBAI  
DATED: 28th May, 2024

# CONSOLIDATED FINANCIAL STATEMENTS



# Jain Salia & Associates

## Chartered Accountants

### **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
Panache Digilife Limited,  
Bldg. A3, 102-108 & 201-208,  
Babosa Industrial Park,  
Bhiwandi, Thane – 421302

### **Report on the Audit of the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Financial statements of Panache Digilife Limited ('hereinafter referred to as the Parent Company'), its subsidiary - Technofy Digital Private Limited' 'ICT Infratech Services Private Limited' and 'NAJ Digilife Private Limited' and its associate – 'Cadcord Technologies Private Limited' ('hereinafter together referred to as "the Group"), which comprise the `Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024 and the Consolidated Statement of Profit and Loss (Including other Comprehensive Income), the Consolidated Cash Flow Statement and the consolidated statement of change in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind AS 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 Group, 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 Indian Accounting Standards under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31<sup>st</sup> March 2024, and its profit (including Other Comprehensive Income), changes in equity and statement of cash flows for the year ended on that date.



# Jain Salia & Associates

## Chartered Accountants

### **Basis of Our Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matters**

1. We draw attention towards Note No.40 of the Notes to Statement of Consolidated Audited results for year ended 31<sup>st</sup> March 2024.

*"Technofy Digital Private Limited"*

*"Due to inappropriateness of going concern assumption of Wholly Owned 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"*

2. We also draw attention towards Note No.38 of the Notes to Statement of Consolidated Audited results for year ended 31<sup>st</sup> March 2024.

*"Exceptional Items"*

*"Exceptional Item includes write-off of an amount receivable due to non-receipt of GST credit, which had to be paid by the company.*

*Additionally, the company had made advance payments to foreign suppliers for the procurement of goods. However, due to disputes over the quality and technical*

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## Chartered Accountants

*specifications of these goods, the company has been unable to recover the funds or receive the materials. Given the significance and one-time nature of this transaction, it has been disclosed under exceptional items.*

*Classifying these bad debts as an exceptional item allows for clear distinction from the company's regular operational results, highlighting that this is a one-time, non-recurring event. This write-off, while impacting the net profit ratio for the year, does not reflect the ongoing operational performance or the company's ability to generate revenue from its core business activities."*

Our opinion is not modified in respect of these matters.

### **Other Matters**

In respect of investment in an Associate viz. Cadcord Technologies Private Limited of Rs.25,98,603/- being acquisition of 26% stake in the said company. We state that we did not audit the financial statements of an associate. The financial statements of an associate has been audited by the other auditor whose reports have been furnished to us by the Management of the Company and our opinion in so far as it relates to the amounts and disclosures included in the financial statements of an associate and our report in terms of subsection (3) of section 143 of the Act, is based solely on the reports of such auditor and the procedure performed by us as stated under Auditor's responsibilities section above.

Our opinion is not modified in respect of this matter.

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

The respective Board of Directors of the companies included in the Group is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information, and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether

# Jain Salia & Associates

## Chartered Accountants

the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The respective Board of Directors of the companies included in the Group are responsible for the matters in Section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position and financial performance (including other comprehensive income), statement of changes in equity and statement of Cash flows of the Group in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Ind AS 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 Ind AS Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Companies included in the Group 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 the Group's financial reporting process.

# Jain Salia & Associates

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### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Ind AS 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 Ind AS 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 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 Group has adequate internal financial controls system in place and the operating effectiveness of such controls and operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# Jain Salia & Associates

## Chartered Accountants

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

1. 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 of the aforesaid consolidated Ind AS financial statements;
  - b. In our opinion, proper books of account as required by law have been kept by the Group 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 Statement of Cash flow dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended;

# Jain Salia & Associates

## Chartered Accountants

- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2024, and taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March 2024, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion, and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
  - (i) The Group has disclosed that there are no pending litigations which would impact on its financial position.
  - (ii) The Group did not have any long-term contracts for which there were any material foreseeable losses;
  - (iii) The Group is not required to transfer any amount to the Investor Education and Protection Fund by the Group.
  - (iv)

# Jain Salia & Associates

## Chartered Accountants

- (a) The respective managements of the companies included in the Group has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective managements of the companies included in the Group has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v)
- a. No dividend had been proposed in the previous year, which were required to be paid by the Group during the year in accordance with section 123 of Act.
  - b. The respective board of directors of the companies included in the Group does not intend to propose any dividend for the year.

# Jain Salia & Associates

## Chartered Accountants

(vi) Based on our examination which included test checks, the companies included in the group have used accounting software for maintaining its books of account for the financial year ended 31<sup>st</sup> March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1<sup>st</sup> April 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31<sup>st</sup> March 2024.

**For Jain Salia & Associates**  
**Chartered Accountants**  
**[ FRNo: 116291W ]**

**Place : Mumbai**  
**Date : 28.05.2024**  
**UDIN: 24044039BKBLWO6255**

**Partner**  
**(CA Jayesh K. Salia)**  
**(Membership No. 044039)**



**Re: PANACHE DIGILIFE LIMITED**  
**ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31<sup>ST</sup> MARCH 2024.**  

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**(Referred to in Paragraph 1 (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”) and its subsidiaries, (collectively referred to as “the Group”), which are incorporated in India, as of 31<sup>st</sup> March 2024 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 Parent, 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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Parent’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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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 Parent 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 company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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, to the best of our information and according to the explanations given to us, the Group have, 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 31<sup>st</sup> March 2024, based on the internal control over financial reporting criteria established by the Group 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 Jain Salia & Associates  
Chartered Accountants  
[ FRNo: 116291W ]***

***Place : Mumbai  
Dated : 28.05.2024  
UDIN : 24044039BKBLWO6255***

***Partner  
(CA Jayesh K. Salia)  
(Membership No. 044039)***

**PANACHE DIGILIFE LIMITED**  
CIN: L72200MH2007PLC169415  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>I. ASSETS</b>				
<b>1 NON-CURRENT ASSETS</b>				
	(a) Property, Plant & Equipments	...	787.42	826.29
	(b) Right of use assets	2	72.27	113.49
	(c) Capital Work-in-Progress	...	0.00	0.00
	(d) Investment Properties	...	230.50	234.90
	(e) Goodwill	...	0.00	0.00
	(f) Other Intangible Assets	...	62.71	0.00
	(g) Intangible Assets Under Development	...	0.00	0.00
	(h) Biological Assets Other than Bearer Plants	...	0.00	0.00
	(i) <u>Financial Assets</u>			
	(i) Investments Accounted for Using the equity method	...	27.22	0.08
	(ii) Other Investments	...	7.23	0.00
	(iii) Loans & Deposits	...	20.65	18.79
	(iv) Other Financial Assets	...	0.25	0.25
	(j) Deferred Tax Assets	...	0.00	0.00
	(k) Other Non-Current Assets	...	0.13	0.64
<b>2 CURRENT ASSETS</b>				
	(a) Inventories	...	2,520.96	2,555.73
	(b) <u>Financial Assets</u>			
	(i) Investments	...	0.00	0.00
	(ii) Trade Receivables	...	4,771.02	4,794.35
	(iii) Cash and Cash Equivalents	...	59.39	23.27
	(iv) Bank Balances other than Cash & Cash Equivalents	...	0.08	0.08
	(v) Loans & Deposits	...	52.38	11.08
	(vi) Other Financial Assets	...	46.60	0.00
	(c) Other Current Assets	...	604.38	503.69
	(d) Current Tax Assets	...	16.47	0.00
	(e) Assets of Disposal Group classified as held for sale	...	391.08	1,130.92
<b>TOTAL ASSETS</b>			<b>9,670.76</b>	<b>10,213.55</b>

**PANACHE DIGILIFE LIMITED**  
CIN: L72200MH2007PLC169415  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024**

(₹ in Lakhs)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 EQUITY</b>				
	(a) Equity Share Capital	...	1,200.00	1,200.00
	(b) Other Equity	...	1,987.44	1,944.23
	<b>Equity attributable to the owners of the company</b>		<b>3,187.44</b>	<b>3,144.23</b>
	<b>Non-Controlling Interest</b>		<b>(0.26)</b>	<b>0.00</b>
<b>2 LIABILITIES</b>				
<b>A Non-Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
	( i ) Borrowings	...	138.89	312.35
	(ia) Lease Liabilities	...	35.43	77.62
	( ii ) <u>Trade Payables</u>	...		
	(a) total outstanding dues of micro enterprises and small enterprises		0.00	0.00
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		0.00	0.00
	( iii ) Other Financial Liabilities	...	10.94	8.80
	(b) Provisions	...	75.34	63.80
	(c) Deferred Tax Liabilities(Net)	...	20.26	10.93
	(d) Other Non-Current Liabilities	...	6.75	2.35
<b>B Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
	( i ) Borrowings	...	3,048.90	3,107.24
	(ia) Lease Liabilities	...	42.19	37.03
	( ii ) <u>Trade Payables</u>	...		
	(a) total outstanding dues of micro enterprises and small enterprises		166.57	223.42
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,312.52	1,717.61
	( iii ) Other Financial Liabilities	...	18.66	52.83
	(b) Other Current Liabilities	...	120.46	154.28
	(c) Provisions	...	58.81	40.75
	(d) Current Tax Liabilities(Net)	...	0.00	25.27
	(e) Liabilities Associated with Disposal Group classified as held for sale	...	427.85	1235.04
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>9,670.76</b>	<b>10,213.55</b>
<b>MATERIAL ACCOUNTING POLICIES &amp; NOTES TO ACCOUNTS</b>			<b>1</b>	

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

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

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

MR. HARSHIL CHHEDA  
COMPANY SECRETARY

MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN: 24044039BKBLWO6255

PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>CONTINUING OPERATIONS</b>				
<b>I. REVENUE</b>				
	Revenue From Operations	31	9,654.25	11,179.60
	Other Income	32	304.72	89.91
	Other Gains / (Losses) - net	...	0.00	0.00
<b>TOTAL INCOME</b>			<b>9,958.97</b>	<b>11,269.51</b>
<b>II. EXPENSES</b>				
	Cost of Materials Consumed	33	8,190.07	9,809.90
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods	34	34.77	79.20
	Employee Benefit Expenses	35	378.31	360.67
	Finance Costs	36	444.84	393.04
	Depreciation and Amortisation Expenses	37	88.34	79.09
	Other Expenses	38	435.61	369.75
<b>TOTAL EXPENSES</b>			<b>9,571.94</b>	<b>11,091.65</b>
<b>III. Profit Before Exceptional items &amp; Tax</b>			<b>387.03</b>	<b>177.86</b>
	Exceptional Items	39	(435.13)	0.00
<b>IV. Profit Before Tax From Continuing Operations</b>			<b>(48.09)</b>	<b>177.86</b>
	<u>Income Tax Expense</u>	40		
	-Current Tax	...	0.58	33.60
	-Deferred Tax	...	9.95	12.42
<b>A. PROFIT FROM CONTINUING OPERATIONS</b>			<b>(58.62)</b>	<b>131.83</b>
	Add: Share of Profit/(loss) from Joint Venture	...	1.23	(0.52)
<b>TOTAL PROFIT FROM CONTINUING OPERATIONS</b>			<b>(57.39)</b>	<b>131.31</b>
<b>DISCONTINUING OPERATIONS</b>				
	<b>V. Profit / (loss) from Discontinuing Operations</b>	41	114.52	(48.90)
	Tax Expense of Discontinuing Operations	...	2.42	0.00
<b>B. TOTAL PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS</b>			<b>112.10</b>	<b>(48.90)</b>
<b>TOTAL PROFIT/(LOSS) FOR THE PERIOD [(A)+(B)]</b>			<b>54.71</b>	<b>82.41</b>

**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>C. OTHER COMPREHENSIVE INCOME</b>				
	<b>I. Items that will not be reclassified to Profit or Loss A/c</b>			
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c	42	(2.46)	13.52
		42	0.62	4.83
	<b>II. Items that will be reclassified to Profit or Loss A/c</b>			
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c		0.00	0.00
			0.00	0.00
<b>C. OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>			(1.84)	18.36
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)+(C)]</b>			52.87	100.77
<u>Profit for the year attributable to :</u>				
	(a) Owners of the Parent Company		55.38	131.83
	(b) Non-Controlling Interest		(0.66)	0.00
			54.71	131.83
<u>Other Comprehensive Income for the year attributable to :</u>				
	(a) Owners of the Parent Company		(1.84)	18.36
	(b) Non-Controlling Interest		0.00	0.00
			(1.84)	18.36
<u>Total Comprehensive Income for the year attributable to :</u>				
	(a) Owners of the Parent Company		53.54	100.77
	(b) Non-Controlling Interest		(0.66)	0.00
			52.87	100.77
<b>EARNINGS PER SHARE</b>				
	Basic EPS	1	0.46	0.69
	Diluted EPS		0.46	0.69

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
IICAI FRNo. 116291W1

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

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

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

MR. HARSHIL CHHEDA  
COMPANY SECRETARY

MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN: 24044039BKBLWO6255

PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit Before Tax as per Profit & Loss A/c	66.43	128.96
<b><u>Adjustments for Non-cash Items</u></b>		
Depreciation on Property, Plant & Equipment, Investment	47.16	43.66
Depreciation of Right of Use Assets	41.22	35.47
Finance Charges on Financial Instruments (unwinding of Discount)	(0.77)	(0.91)
Amortisation of Fair Value Changes	(0.59)	(0.35)
Provision for Gratuity	12.18	6.60
Notional Fair Valuation Gain on Investment	(4.29)	(3.50)
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	7.31	13.68
Finance charges on Lease Liabilities	8.89	4.14
Miscellaneous Expenses Written Off	1.55	1.55
	112.65	100.34
	179.08	229.30
<b><u>Adjustments for Non-Operating Items</u></b>		
Profit / Loss on Sale of Fixed Assets	(188.73)	(69.10)
Interest Income	(5.36)	(10.92)
Interest on Income Tax Payment	0.00	10.95
Interest Paid	453.20	474.64
Rent Income from Investment Property	(24.92)	(15.11)
Bank Charges on Finance	0.00	0.56
Profit on Sale of Investments	(0.39)	0.00
Processing charges	42.24	12.22
	276.05	403.24
Operating Profit before Working Capital Changes	455.13	632.54
<b><u>Adjusted for Change in Working Capital:</u></b>		
Inventories	34.77	79.20
Trade Receivable	44.71	(1,660.07)
Other Current Assets	(84.45)	437.92
Other Financial Assets	(37.95)	0.25
Trade Payable	500.62	482.90
Other Non Current Liabilities	0.00	2.82
Other Financial Liabilities	9.91	26.64
Provisions	13.28	(8.59)
Other Current Liability	(405.17)	(561.54)
	75.73	(1,200.47)
Cash Generated from Operations	530.85	(567.93)
Taxed Paid	(47.46)	92.81
Net Cash Flow from Operations <b>( A )</b>	483.39	(660.74)
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
<b><u>Cash Inflow</u></b>		
Interest Income	5.36	10.92
Rent Income from Investment Property	24.92	15.11
Sale of Fixed Assets	876.38	659.60
Sale of Investments	83.30	0.00
	989.96	685.63
<b><u>Cash Outflow</u></b>		
Purchase of Fixed Assets	(66.75)	111.54
Acquisition of Shares	(27.52)	0.00
Electricity Deposit	(0.46)	0.00
Loans & Deposits Given	(41.36)	0.00
	(136.09)	111.54
Net Cash Flow from Investing Activities <b>( B )</b>	853.87	574.09

Continued .....



**PANACHE DIGILIFE LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<u>Cash Inflow</u>		
Share Capital Issued	0.40	0.00
Short Term Borrowing	2.00	0.00
	2.40	0.00
<u>Cash Outflow</u>		
Long Term Borrowing Settled	(262.34)	431.45
Short Term Borrowing Settled	(433.53)	540.68
Repayment of Lease Liabilities	(45.91)	43.73
Interest Paid	(453.20)	474.64
Bank Charges	0.00	0.56
Processing charges	(42.24)	12.22
	(1,237.23)	1,503.27
Net Cash Flow from Financing Activities (C)	(1,234.83)	(1,503.27)
<b>CASH FLOW FROM ALL ACTIVITIES (A+B+C)</b>	<b>102.43</b>	<b>(1,589.92)</b>
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	4.42	7.69
Balance in Bank	(2,839.63)	(1,252.97)
	(2,835.21)	(1,245.28)
<u>Cash and Cash Equivalents at the End of the year</u>	<u>(2,732.78)</u>	<u>(2,835.21)</u>
<u>Closing Balance as per accounts</u>		
Cash in Hand	4.01	4.42
Balance in Bank	(2,736.79)	(2,839.63)
	(2,732.78)	(2,835.21)

**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 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Cash balance Disclosed under Current Financial Assets - Note No.10	4.01	4.42
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Current Financial Assets - Note No.10	51.95	16.63
Current Deposits with Bank Disclosed under Current Financial Assets - Note No.10	3.43	2.22
Current Deposits with Bank Disclosed under Current Financial Assets - Note No. 39	40.95	0.66
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents -Note No. 11	0.08	0.08
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.24	(2,833.19)	(2,859.23)
<b>Cash &amp; Cash Equivalents as per Balance Sheet</b>	<b>(2,732.78)</b>	<b>(2,835.21)</b>

**4 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 2024	AS AT 31ST MARCH 2023
Cash and Cash Equivalents	59.39	23.27
Borrowings (including overdraft)	(3,187.79)	(3,902.57)
Lease liabilities	(77.62)	(114.65)
<b>Net Debt</b>	<b>(3,206.03)</b>	<b>(3,993.95)</b>
Cash and liquid investments	59.39	23.27
Gross debts- fixed interest rates	(149.62)	(187.45)
Gross debts- variable interest rates	(3,115.79)	(3,829.78)
<b>Net Debt</b>	<b>(3,206.03)</b>	<b>(3,993.95)</b>

## 5 Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2023

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2022	1,192.50	428.10	442.25	30.58
Changes from Financing Cash Flows	(374.37)	(358.22)	(442.25)	(43.73)
Interest Accrued	152.42	49.92	0.00	4.14
Transfer within categories	(209.50)	0.00	209.50	0.00
Other Changes	0.00	0.00	0.00	123.65
<b>Closing Balance as on 31st March 2023</b>	<b>761.06</b>	<b>119.79</b>	<b>209.50</b>	<b>114.65</b>

For the Year Ended 31st March 2024

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2023	761.06	119.79	209.50	114.65
Changes from Financing Cash Flows	(478.46)	(6.78)	(295.70)	(45.91)
Interest Accrued	0.00	3.99	86.20	8.89
Transfer within categories	(143.71)	0.00	143.71	0.00
<b>Closing Balance as on 31st March 2024</b>	<b>138.89</b>	<b>117.00</b>	<b>143.71</b>	<b>77.62</b>

Amounts reported in the statement of cash flow under financing activities

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Proceeds from Non-current Borrowings	0.00	0.00
(Repayment) of Non-current Borrowings	(262.34)	(431.45)
(Repayment) / Proceeds from current Borrowings	(433.53)	(1,028.09)
(Repayment/Waiver) of Lease Liabilities	(45.91)	(43.73)
<b>Net Movement in Financing Activities</b>	<b>(741.79)</b>	<b>(1,503.27)</b>

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

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

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

MR. HARSHIL CHHEDA  
COMPANY SECRETARY

MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN: 24044039BKBLWO6255

PLACE: MUMBAI  
DATED: 28th May, 2024

**PANACHE DIGILIFE LIMITED**

CIN: L72200MH2007PLC169415

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

**a. EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Balance as at 01st April 2022	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in Equity Share Capital During FY 2022-23	Balance as at 31st March 2023
1,200.00	0	1,200.00	0	1,200.00

Balance as at 01st April 2023	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in Equity Share Capital During FY 2023-24	Balance as at 31st March 2024
1,200.00	0	1,200.00	0	1,200.00

**b OTHER EQUITY**

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 2022	0	0	678.00	0.00	1,152.23	0.00	13.23	1,843.46
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Profit for the year	0	0	0.00	0.00	82.41	0.00	0.00	82.41
Comprehensive Income for the Year	0	0	0.00	0.00	0.00	0.00	18.36	18.36
Transfer to Reserves	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Issue of Bonus Shares	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0	0	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31st March 2023</b>	<b>0</b>	<b>0</b>	<b>678.00</b>	<b>0.00</b>	<b>1,234.65</b>	<b>0.00</b>	<b>31.59</b>	<b>1,944.23</b>
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0	0	0.00	0.00	(10.33)	0.00	0.00	(10.33)
Profit for the year	0	0	0.00	0.00	55.38	0.00	0.00	55.38
Total Comprehensive Income for the Year	0	0	0.00	0.00	0.00	0.00	(1.84)	(1.84)
Transfer to Reserves	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0	0	0.00	0.00	0.00	0.00	0.00	0.00
Utilised	0	0	0.00	0.00	0.00	0.00	0.00	0.00
<b>Balance as at 31st March 2024</b>	<b>0</b>	<b>0</b>	<b>678.00</b>	<b>0.00</b>	<b>1,279.70</b>	<b>0.00</b>	<b>29.75</b>	<b>1,987.44</b>

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
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DATED: 28th May, 2024

**NOTE NO. 1**

**GENERAL NOTES TO ACCOUNTS ON CONSOLIDATED FINANCIAL STATEMENTS**

**A Material Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2024**

**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 31st March 2024, the Statement of Profit and Loss for the year ended 31st March 2024, the Statement of Cash Flows for the year ended 31st March 2024 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 28th May, 2024.

**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 Valuation of Property, Plant & Equipments & Intangible Assets & Depreciation/Amortisation policy**

**6.1 Method Of Valuation Of Property, Plant & Equipments.**

Property, Plant & Equipments (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.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

**Depreciation**

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of PPE less the residual value over its useful lives specified in Schedule- II of the Companies Act, 2013. In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis

The Useful Life of Assets adopted by the management from Schedule II of Companies Act,2013; for calculating Depreciation to be charged on different classes of Assets for the current year are as follows:-

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Office Premises	60
Investment Property	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 - 15
Mobile Handset	3
Lift	4 - 5
Networking Devices	6
Motor Car	8
Computers & Laptop	3 - 6
Right of Use Asset (Building)	3

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

#### 6.2 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.

##### Amortisation

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

CLASS OF ASSET	USEFUL LIFE ADOPTED (IN YEARS)
Technical Know How	5

#### 6.3 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.

##### 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.

#### 6.4 Manner of Classification of Capital WIP

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

### 7 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.

### 8 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.

#### 8.1 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.

#### **8.2 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.

#### **9 Prior Period Errors**

Prior Period Errors, if identified are 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.

#### **10 Employee Benefits**

##### **10.1 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.

##### **10.2 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.

#### **11 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.

### 11.1 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

A Financial Asset is primarily De-recognized when:-

- i. The right to receive cash flows from the asset has expired, or
- ii. 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.
- 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 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.

### 11.2 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.

### 12 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

### 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 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.

### 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 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.

## 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 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.

## 17 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 2024.

- i. 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 the group.
- ii. The results of operating activities of such disposal group are presented separately in Statement of Profit/Loss under Discontinuing Operations.
- iii. The results of operations of the component previously presented in continuing operations have been reclassified and included in income from Discontinuing operations.



**18 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:-**

(₹ in Lakhs)		
SALES MADE TO MAJOR CUSTOMER	TOTAL SALES MADE DURING THE YEAR	% OF SALES MADE TO MAJOR CUSTOMERS
Rs. 5,227.74	Rs. 9,654.25	54.15%

**19 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.

**20 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.

**21 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.

**22 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, 2024 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 2023-24 aggregating to Rs. 98,76,912/-

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

NOTE NO. 2  
PROPERTY, PLANT & EQUIPMENTS, RIGHT OF USE ASSETS, CAPITAL WORK-IN-PROGRESS, INVESTMENT PROPERTY & INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Tangible Assets (Owned)												Leased Assets	Capital WIP	Investment Property	Intangible Assets	Grand Total	
	Office Premises	Furniture & Fixtures - Class I	Furniture & Fixtures - Class II	Air Conditioner	Plant & Machinery	Leasehold Improvements	Mould	Office Equipments	Mobile Handset	Lift	Networking Devices	Motor Car	Computers & Laptops	Right of Use Asset (Building)	Office Premises at Raheja Plaza	Additional Office Premises at Raheja - 002		Technical Know How
<b>Gross Block</b>																		
As at 1st April 2022	278.03	18.96	42.06	29.39	52.91	30.94	7.00	11.70	4.31	3.43	1.02	42.20	22.14	209.06	629.82	0.00	4.64	1,387.60
Additions	661.32	59.67	0.00	13.08	10.59	0.00	0.00	0.14	0.00	0.00	0.20	0.00	0.33	123.65	0.00	278.03	0.00	1,147.02
Disposals	278.03	3.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	209.06	629.82	0.00	0.00	1,120.89
Impairment of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>As at 31st March 2023</b>	661.32	74.65	42.06	42.47	63.50	30.94	7.00	11.84	4.31	3.43	1.22	42.20	22.47	123.65	0.00	278.03	4.64	1,413.73
Additions	0.00	0.00	0.22	0.00	3.16	0.00	0.00	0.00	0.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62.79	66.75
Disposals/Reclassification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.78
Impairment of Assets																		0.00
<b>As at 31st March 2024</b>	661.32	74.65	42.28	42.47	66.65	30.94	7.00	11.84	4.89	3.43	1.22	38.42	22.47	123.65	0.00	278.03	67.44	1,476.71
<b>Depreciation/Amortisation</b>																		
As at 1st April 2022	38.73	7.77	15.41	19.78	18.93	11.48	3.90	6.99	4.09	1.20	0.98	32.73	18.63	183.76	0.00	0.00	4.64	369.02
Additions due to reclassification	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.98	0.00	39.98
Charge for the year	8.66	4.52	4.99	5.89	3.96	3.67	0.92	1.20	0.65	0.02	4.56	1.43	35.47			3.15	0.00	79.09
Depreciation on disposal	39.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	209.06	0.00	0.00	0.00	249.05
<b>As at 31st March 2023</b>	7.41	12.29	20.41	25.67	22.89	15.16	4.82	8.20	4.09	1.85	1.00	37.29	20.06	10.16	0.00	43.13	4.64	239.05
Charge for the year	10.47	6.61	4.99	6.21	4.18	3.67	0.92	1.12	0.09	0.65	0.03	2.77	0.92	41.22	0.00	4.40	0.08	88.34
Depreciation on disposal												3.59						3.59
<b>As at 31st March 2024</b>	17.88	18.90	25.40	31.87	27.07	18.83	5.75	9.32	4.18	2.49	1.03	36.46	20.97	51.38	0.00	47.53	4.72	323.80
<b>Net Block</b>																		
<b>As at 31st March 2023</b>	653.92	62.36	21.65	16.81	40.61	15.78	2.18	3.65	0.22	1.58	0.22	4.91	2.42	113.49	0.00	234.90	0.00	1,174.68
<b>As at 31st March 2024</b>	643.45	55.74	16.88	10.60	39.58	12.11	1.25	2.52	0.71	0.93	0.19	1.95	1.50	72.27	0.00	230.50	62.71	1,152.91

Notes:

1. Impairment Loss : No Provision for Impairment loss is made during the year.
2. For Method of Valuation of Assets and Depreciation/Amortisation refer Clause 6 & 15 of Note No.1 of General Notes to Financial Statements.
3. The title deeds, comprising of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Group. In respect of assets given as collateral for loans from banks, the title deeds are in the custody of the banks.

**Disclosure requirements for Capital WIP**

a. As at 31st March 2024

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
<b>As at 31st March 2024</b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
<b>As at 31st March 2023</b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
Total					0

**Disclosure requirements for Intangible Assets**

a. As at 31st March 2024

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
<b>As at 31st March 2024</b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
<b>As at 31st March 2023</b>					
Projects in progress	0	0	0	0	0
Projects temporarily suspended	0	0	0	0	0
Total					0

**NOTE NO. 3**  
**INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
ICT Infratech Services Private Limited	0.00	0.08
Cadcord Technologies Private Limited	27.22	0.00
	27.22	0.08

**NOTE NO. 4**  
**OTHER INVESTMENTS (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Scienotech Innovatics Private Limited	0.03	0.00
Notional Value of Guarantee Provided to Associate	7.20	0.00
	7.23	0.00

**NOTE NO. 5**  
**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
Factory Deposit	8	Government Bonds	7.75%
Electricity Deposit	8	Government Bonds	7.75%

**(b) Value of Other Financial Assets**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Rent Deposits	17.84	16.56
Electricity Deposit	2.82	2.23
	20.65	18.79

**NOTE NO. 6**  
**OTHER FINANCIAL ASSETS (NON CURRENT)**

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Other Deposits	0.25	0.25
	0.25	0.25

**NOTE NO. 7**  
**OTHER NON-CURRENT ASSETS**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Advances Recoverable other than in Cash	0.13	0.25
Miscellaneous Expenditure	0.00	0.39
	0.13	0.64



**Trade Receivables - Ageing Schedule as on 31st March, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - considered good	1,835.54	938.36	785.75	98.60	1,136.09	4,794.35
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	9.70	0.00	0.44	0.76	0.01	10.91
(iii) Undisputed Trade Receivables - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables - considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables - credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

**NOTE NO. 10**  
**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.

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Balance with Banks	3.43	2.22
Cash on Hand	4.01	4.42
Fixed Deposits with Bank	51.95	16.63
	59.39	23.27

**NOTE NO. 11**  
**BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Unclaimed Dividends	0.08	0.08
	0.08	0.08

**NOTE NO. 12**  
**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 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.

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Secured, Considered good	0.00	0.00
Unsecured, Considered good	52.38	11.08
Significant Increase in Credit Risk	0.00	10.00
Credit impaired	0.00	0.00
	52.38	21.08
Less: Provision for Expected Credit Loss on Loans	0.00	10.00
	52.38	11.08

**NOTE NO. 13**  
**OTHER FINANCIAL ASSETS**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Interest Receivable	46.60	0.00
	46.60	0.00

**NOTE NO. 14**  
**OTHER CURRENT ASSETS**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Prepaid Expenses & Others	59.76	86.00
Advances To Creditors	268.68	206.01
Input Credit of GST	274.18	209.60
Miscellaneous Expenses	0.39	1.55
Advance Recoverable Other than in Cash	0.12	0.12
MEIS Duty Scrips	0.01	0.01
Unrealised DD	0.41	0.41
Tender Registration Deposit	0.50	0.00
Deposit with Customs	0.34	0.00
	604.38	503.69

**NOTE NO. 15**  
**CURRENT TAX ASSETS**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Income Tax Refundable	16.47	0.00
	16.47	0.00

**NOTE NO. 16**  
**EQUITY SHARE CAPITAL**

**a. Capital Structure of the Group**

(₹ in Lakhs)

PARTICULARS OF CAPITAL	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
<b><u>AUTHORISED</u></b>				
Equity Shares of Rs.10/- each	1,30,00,000	1,300.00	1,30,00,000	1,300.00
	<u>1,30,00,000</u>	<u>1,300.00</u>	<u>1,30,00,000</u>	<u>1,300.00</u>
<b><u>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP :</u></b>				
Equity Shares of Rs.10/- each	1,20,00,000	1,200.00	1,20,00,000	1,200.00
	<u>1,20,00,000</u>	<u>1,200.00</u>	<u>1,20,00,000</u>	<u>1,200.00</u>
<b><u>ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :</u></b>				
	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

**b. Details of Shareholding**

**Shareholders holding more than 5% of Equity Shares :**

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.24	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.23	PERCENTAGE HOLDING
A.	<b><u>EQUITY SHARES</u></b>				
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 2024	AS AT 31ST MARCH 2023
Number of Shares at the beginning of the year :	1,20,00,000	1,20,00,000
(+) Bonus shares issued ...	0.00	0.00
(+) Fresh issue made ...	0.00	0.00
(-) Shares forfeited ...	0.00	0.00
Number of Shares at the end of the year	<u>1,20,00,000</u>	<u>1,20,00,000</u>

**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. Promoter Share Holding**

**Shares held by promoters at the end of the year :**

SR. NO	NAME OF PROMOTER	NO.OF SHARES AS ON 31ST MARCH 2024	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31ST MARCH 2023	PERCENTAGE HOLDING
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%



**f. Capital Management**

The Group 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 Group 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 2024	AS AT 31ST MARCH 2023
Gross Debt	3,312.41	4,064.23
<u>Less:</u> Liquid Assets	100.34	23.94
Net Debt	3,212.08	4,040.29
Total Equity (As Per Balance Sheet)	3,187.44	3,144.23
Net Gearing Ratio	<b>1.01</b>	<b>1.28</b>

\* Liquid Assets Comprises of Cash & Cash Equivalents only.

**NOTE NO. 17**  
**OTHER EQUITY**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Securities Premium</u>		
Opening Balance	678.00	678.00
<u>Add:</u> Premium Collected on Issue of Shares	0.00	0.00
<u>Less:</u> Utilised	0.00	0.00
<b>Closing Balance</b>	<b>678.00</b>	<b>678.00</b>
<u>Retained Earnings</u>		
Opening Balance	1,234.65	1,152.23
<u>Add/(Less):</u> Opening Ind AS Adjustments	(10.33)	0.00
<u>Add:</u> Surplus As per Profit & Loss Account	54.71	137.62
<u>Less:</u> Minority Interest	0.66	
<u>Less: Appropriations</u>		
Dividends Paid	0.00	0.00
Dividend Distribution Tax Paid	0.00	0.00
<b>Closing Balance</b>	<b>1,279.70</b>	<b>1,289.86</b>
<u>Other Comprehensive Income</u>		
<u>a) Actuarial Gains or Losses on Defined Benefit Plans</u>		
Opening Balance	31.59	13.23
<u>Add/(Less):</u> Changes for the Year	(1.84)	18.36
<b>Closing Balance</b>	<b>29.75</b>	<b>31.59</b>
	<b>1,987.44</b>	<b>1,999.44</b>

**NOTE NO. 18**  
**BORROWINGS (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Secured Borrowings	138.89	312.35
	<b>138.89</b>	<b>312.35</b>

**Terms of Repayment of Secured Borrowings**

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, 2024 is repayable in 5 monthly repayment of Rs.7.41 Lakhs. Interest to be serviced as and when debited. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan.

Term Loan (Guaranteed Emergency Credit Line) 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, 2024 is repayable in 3 equated monthly installments of Rs 7,91,500/- each. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan.

Term Loan (Guaranteed Emergency Credit Line) 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, 2024 is repayable in 33 monthly installments of Rs 6,94,444/- each. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan

**NOTE NO. 19**  
**LEASE LIABILITIES (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Payables towards Lease Liabilities	35.43	77.62
	<b>35.43</b>	<b>77.62</b>

**NOTE NO. 20**  
**OTHER FINANCIAL LIABILITIES (NON CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Deposit against Goods on Rent	1.10	0.60
Deposit for Rent	9.84	8.20
	10.94	8.80

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

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Provision for Gratuity	75.34	63.80
	75.34	63.80

**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. 22**  
**DEFERRED TAX LIABILITIES(NET)**

(₹ in Lakhs)

PARTICULARS	AS AT		AS AT	
	31ST MARCH 2024		31ST MARCH 2023	
	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS & OCI	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS & OCI
Carrying Value of Property Plant & Equipment	211.52	53.23	164.61	41.43
Provision for Gratuity	(80.68)	(20.31)	(68.38)	(17.21)
Actuarial Gains on Employee Benefit Expenses	0.00	0.00	(30.72)	(7.73)
Expected Credit Losses	(5.61)	(1.41)	(10.91)	(2.75)
Expected Credit Losses on Loans	0.00	0.00	(10.00)	(2.52)
Measurement of Lease Liability & Asset	(5.35)	(1.35)	(1.16)	(0.29)
Carry forward business losses	(39.25)	(9.91)	0.00	0.00
		20.26		10.93

Reconciliation of Deferred Tax Liabilities / (Assets), Net

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Opening Balance as on 1st April	10.93	3.34
Deferred Tax expense/(income) during the period recognised in profit or loss	9.95	12.42
Deferred Tax expense/(income) during the period recognised in OCI	(0.62)	(4.83)
Closing Balance as on 31st March	20.26	10.93

**NOTE NO. 23**  
**OTHER NON-CURRENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	AS AT	
	31ST MARCH 2024	31ST MARCH 2023
Advances payable other than in Cash	1.65	2.35
Deferred Guarante Premium	5.10	0.00
	6.75	2.35

**NOTE NO. 24**  
**BORROWINGS (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Secured Borrowings</u>		
Cash Credit	2,833.19	2,859.23
Current Maturities of Long Term Borrowings	143.71	175.22
Other borrowings	0.00	0.00
<u>Unsecured Borrowings</u>		
Short Term loans & advances from Related Parties	72.00	26.29
Short Term loans & advances from Others	0.00	46.50
	3048.90	3107.24

**Note :**

- The Cash Credit is secured by first charge by way of hypothecation of Stock and Book debts. Further, it is secured by way personal guarantee provided by Mr. Amit Rambhia & Mr. Nikit Rambhia - Promoters, Mr. Devchand Rambhia - Promoter Group
- Quarterly returns or Statements of Current assets filed with bank are not in agreement with the books of accounts. Disclosed below are the details provided by the company to the Lender Bank - Canara Bank and Valuation of Book debts & Stock as per books of accounts and reasons of their discrepancies.
- The Group has registered all details of Registration or satisfaction of charge with ROC within the prescribed time limit from the execution of document.
- The Group has not been declared wilful defaulter by any Banks / Financial Institutions.

Name of bank	Qtr ended	Particulars	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference
Canara Bank	30th June, 2023	Trade Receivable	3,411.16	3,912.43	(501.27)
		Stock	2,836.00	2,458.65	377.34
Canara Bank	30th September, 2023	Trade Receivable	3,544.47	4,300.28	(755.81)
		Stock	2,798.13	2,702.65	95.48
Canara Bank	31st December, 2023	Trade Receivable	3,655.95	3,980.83	(324.88)
		Stock	2,874.07	2,646.86	227.21
Canara Bank	31st March, 2024	Trade Receivable	4,212.35	4,786.39	(574.04)
		Stock	2,685.79	2,520.96	164.83

**Note for discrepancies :**

- Discrepancy in Inventory is primarily on account of the details being submitted on the basis of provisional books of accounts & due to estimated over head rate considered while valuing FG given to the bank and the actual over head rate.
- Discrepancy in trade receivable is on account of non inclusion of receivables from group companies, customers with discounting facility etc.

**NOTE NO. 25**  
**LEASE LIABILITIES (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Payables towards Lease Liability	42.19	37.03
	42.19	37.03

**NOTE NO. 26**  
**TRADE PAYABLES (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>Trade payables to Other than Related Parties</b>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	166.57	223.42
Other Trade Payables	2,312.52	1,708.77
<b>Trade Payables to Related Parties (Refer Note No 50)</b>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	0.00	0.00
Other Trade Payables	14.66	8.84
	2493.76	1941.02

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs. 10,11,205/- stand overdue as on 31st March 2024. However, no interest is due or payable on such balance, pursuant to mutual agreement between the parties.

**Trade Payables ageing schedule: As at 31st March, 2024**

PARTICULARS	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	166.57	0.00	0.00	0.00	166.57
(ii) Others	1,666.97	636.69	6.04	17.48	2,327.19
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

**Trade Payables ageing schedule: As at 31st March, 2023**

PARTICULARS	Outstanding for following periods from bill date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	209.54	22.72	0.00	0.00	232.26
(ii) Others	1,685.37	1.35	8.42	13.63	1,708.77
(iii) Disputed dues- MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

**NOTE NO. 27**  
**OTHER FINANCIAL LIABILITIES (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Interest Payable	4.15	38.59
Interest on Income Tax Payable	14.24	14.24
Rent Payable	0.27	0.00
	18.66	52.83

**NOTE NO. 28**  
**OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Statutory Liabilities	37.90	80.26
Advances From Debtors	75.13	73.31
Deferred Guarantee Premium	2.10	0.00
Advances payable other than in Cash	0.71	0.71
Others	4.63	0.00
	120.46	154.28

**NOTE NO. 29**  
**PROVISIONS (CURRENT)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Electricity Charges Payable	0.85	3.15
Professional Fees Payable	6.90	5.01
Audit Fees Payable	2.85	0.97
Salary Payable	42.78	26.96
Dividend Payable	0.08	0.08
Provision for Gratuity	5.34	4.58
	58.81	40.75

**NOTE NO. 30**  
**CURRENT TAX LIABILITIES(NET)**

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Direct Taxes	0.00	25.27
	0.00	25.27

**NOTES FORMING PART OF PROFIT & LOSS ACCOUNT**

**NOTE NO. 31  
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.

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Net Sales	9,574.07	11,062.85
Service Charges	80.56	46.15
Marketing Fund	(0.38)	70.61
	9,654.25	11,179.60

**(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 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>Contract Liability</u></b>		
Opening Balance	73.31	328.35
<u>Less:</u> Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(64.34)	(307.83)
<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.	66.17	52.79
<b>Closing Balance</b>	<u>75.13</u>	<u>73.31</u>
<b><u>Contract Assets</u></b>		
Opening Balance	206.01	528.88
<u>Less:</u> Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(57.70)	(349.95)
<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.	120.37	27.08
<b>Closing Balance</b>	<u>268.68</u>	<u>206.01</u>

**NOTE NO. 32**  
**OTHER INCOME**

(₹ in Lakhs)

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Rental Income	....	24.92	15.11
Support Service Charges	....	11.92	18.40
Finance Charges (Income)	....	1.41	1.31
Amortisation of Fair Value Changes of Liability	....	0.71	0.47
Marketing Incentives	....	0.00	10.38
Liabilities no Longer Payable	....	0.00	3.10
Interest Income	....	265.54	36.17
Other Income	....	0.00	4.97
Profit on Sale of Assets	....	0.22	0.00
		304.72	89.91

**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. 33**  
**COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Net Purchase	....	8,171.25	9,707.43
Service Charges	....	16.21	102.25
Consumables & Others	....	2.61	0.21
		8,190.07	9,809.90

**NOTE NO. 34**  
**CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS**

(₹ in Lakhs)

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Opening Stock / Inventories	....	2,555.73	2,634.93
<u>Less:</u> Closing Stock / Inventories	....	(2,520.96)	(2,555.73)
		34.77	79.20

**NOTE NO. 35**  
**EMPLOYEE BENEFIT EXPENSES**

(₹ in Lakhs)

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Director's Remuneration	....	98.70	73.88
Salary & Bonus to Employees	....	259.49	265.72
Employers Contribution to PF & ESIC & Other Funds	....	3.10	3.19
Staff Welfare Expenses	....	4.85	5.61
Contribution to and Provision for Gratuity	....	12.18	12.28
		378.31	360.67



**NOTE NO. 36**  
**FINANCE COSTS**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Bank Charges on Finance	0.00	0.56
Interest Expenses	405.32	364.84
Interest on Income Tax Payment	2.43	10.95
Finance Charges on lease Liabilities	8.89	4.14
Processing Charges	28.21	12.55
	444.84	393.04

**NOTE NO. 37**  
**DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Depreciation on Property, Plant & Equipment	42.64	40.48
Depreciation on Right to Use Assets	41.22	35.47
Depreciation on Investment Property	4.40	3.15
Amortisation of Intangible Assets	0.08	0.00
	88.34	79.09

**NOTE NO. 38**  
**OTHER EXPENSES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Administrative Expenses	10.22	9.26
Advertisement & Sales Promotion	78.56	0.14
Bank Charges	7.74	7.66
Certification Charges	20.63	6.37
Cloud Services	1.01	1.51
Commission Expenses	0.00	11.61
Conveyance	1.95	3.11
Donation	0.05	0.05
Electricity Charges	8.91	10.30
E waste Charges	0.85	0.00
Finance Charges (Expenses)	0.64	0.40
Goods Lost in Transit	2.30	0.00
Insurance Charges	7.41	8.73
Duties & Taxes Paid	23.27	9.34
(Profit) / Loss Due To Foreign Exchange Fluctuation	11.63	33.96
Manpower Services	86.99	101.07
Manufacturing Expenses	2.00	2.83
Preliminary Expenditure W/off	1.55	1.55
Office & Maintenance Charges	6.22	7.93
Payment to Auditor's	5.05	4.25
PLI Application Fees	1.00	0.00
Printing & Stationery	1.57	2.84
Professional Fees	59.35	61.52
Provision for Expected Credit Losses	7.31	13.68
Amortisation of Fair Value Changes of Asset	0.12	0.12
R&D Expenses	1.69	0.00
Rent, Rates & taxes	2.49	3.42
Repairs & Maintenance	7.16	6.89
Royalty Paid	12.03	6.76
Service Expenses	6.91	10.38
Software Expenses	0.22	0.37
Sundry Expenses	4.74	3.67
Telephone & Mobile Charges	0.18	0.32
Tender Registration Fees	0.00	0.34
Transportation Charges	19.40	23.78
Travelling Expenses	34.48	15.58
	435.61	369.75

**NOTE NO. 38.1****DETAILS OF PAYMENTS TO AUDITORS**

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<u>Payment to Auditors</u>		
Statutory Audit	3.10	2.50
Tax Audit	0.75	0.75
Internal Audit	1.20	1.00
<b>Total Payments to Auditors</b>	<b>5.05</b>	<b>4.25</b>

**NOTE NO. 39  
EXCEPTIONAL ITEMS**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Bad Debts Written off	(435.13)	0.00
	(435.13)	0.00

Exceptional Item includes write-off of an amount receivable due to non receipt of GST credit, which had to be paid by the company.

Additionally, the company had made advance payments to foreign suppliers for the procurement of goods. However, due to disputes over the quality and technical specifications of these goods, the company has been unable to recover the funds or receive the materials. Given the significance and one-time nature of this transaction, it has been disclosed under exceptional items.

Classifying these bad debts as an exceptional item allows for clear distinction from the company's regular operational results, highlighting that this is a one-time, non-recurring event. This write-off, while impacting the net profit ratio for the year, does not reflect the ongoing operational performance or the company's ability to generate revenue from its core business activities.

**NOTE NO. 40  
INCOME TAX EXPENSE****A. Disclosure Pursuant to Ind AS 12****(a) Major Components of Income Tax**

(₹ in Lakhs)

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b>(a)</b>	<b><u>Tax on Items Routed Through Profit or Loss Section</u></b>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	0.28	36.59
	Adjustments in respect of income tax of previous years.	0.30	(2.99)
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	9.95	12.42
	<b>Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]</b>	<b>10.53</b>	<b>46.03</b>
<b>(b)</b>	<b><u>Tax on Items Routed Through Other Comprehensive Income</u></b>		
	(i) Income Tax	0.00	0.00
	(ii) Deferred Tax	0.62	(4.83)
	<b>Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]</b>	<b>0.62</b>	<b>(4.83)</b>

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Profit Before Tax	(48.10)	177.86
Corporate Tax Rate as per Income Tax Act,1961	23.98%	25.17%
<b>Tax on Accounting Profit (A)</b>	<b>(11,53,161)</b>	<b>44,76,392</b>
<b>Adjustments as per Income Tax</b>		
<u>Add:</u> Depreciation as per Companies Act	88.34	87.43
<u>Add:</u> Disallowances U/s 37	0.00	85.84
<u>Add:</u> Notional Guarantee Premium Expense	0.00	5.33
<u>Add:</u> Disallowance of Gratuity Premium	12.18	12.28
<u>Add:</u> Disallowance of Contribution to statutory Funds	1.29	0.87
<u>Less:</u> Depreciation as per Income Tax	(95.75)	(96.14)
<u>Less:</u> Other Additions / (Deductions)	(93.96)	(116.07)
Corporate Tax Rate as per Income Tax Act,1961	(87.90)	(20.46)
Tax on Gross Adjustments as per Income Tax <b>(B)</b>	<b>(22.12)</b>	<b>(5.15)</b>
Tax after adjustments as per Income Tax Act,1961 <b>[(A)+(B)]</b>	<b>(8.73)</b>	<b>39.72</b>
<u>Less:</u> Transferred to Deferred Taxes	9.01	(3.12)
<u>Less:</u> Brought Forward business loss	0	0
<b>Net Income Tax Payable by the Group (C)</b>	<b>0.28</b>	<b>36.59</b>
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits, Expected Credit Losses & Carried forward Losses	9.95	12.42
Incremental Deferred Tax Liability/(Asset) due Defined Benefit Obligations	0.62	(4.83)
<b>Net Deferred Tax Expense/(Benefit) (D)</b>	<b>10.57</b>	<b>7.59</b>
<b>Total Tax Expense Recognised for the Year (E) = [(C)+(D)]</b>	<b>10.84</b>	<b>44.18</b>
<b>Effective Tax Rate [(E)/(A)*100]</b>	<b>-22.54%</b>	<b>24.84%</b>

**C. Calculation of Corporate Tax Rate**

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Basic Tax Rate Applicable to the Group as per Income Tax Act	22%	22%
Surcharge Applicable	10%	10%
Education Cess	4%	4%
<b>Corporate Tax Rate as per Income Tax Act,1961</b>	<b>25.17%</b>	<b>25.17%</b>

NOTE NO. 41

**PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS****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**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Revenue	0	0
Other Income	193.23	72.60
Expenses	78.71	121.49
<b>Profit Before Tax</b>	114.52	(48.90)
Income Tax Expense	2.42	0.00
<b>Total Profit from Discontinued Operations</b>	112.10	(48.90)
Other Comprehensive Income From discontinued Operations	0.00	0.00
<b>Total Comprehensive Income from Discontinued Operations</b>	112.10	(48.90)

**The Cash inflows incurred by Technofy Digital Private Limited :**

CASH FLOWS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Net Cash Flow from Operating Activities	(332.86)	(370.79)
Net Cash inflow / (outflows) from investment Activities	959.27	659.60
Net Cash flow from Financing Activities	(586.13)	(292.65)
	40.29	(3.84)

**c) Assets and Liabilities of Disposal Group classified as held for Sale**

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<u>Assets classified as held for sale</u>		
Furniture & Fixtures	0.24	0.28
Right of Use Asset	335.04	1,022.50
Investments	0.00	78.62
Loans & Deposits	1.10	1.10
Cash & Cash Equivalents	40.95	0.66
Current Tax Assets (Net)	5.60	2.77
Other Current Assets	8.14	24.99
<b>Total Assets of Disposal Group held for Sale</b>	391.08	1,130.92
<u>Liabilities associated with assets classified as held for sale</u>		
Loan from Non Banking Financial Institution	0.00	482.99
Loan from Related Parties	47.00	47.00
Other Financial Liabilities	0.60	0.59
Other Current Liabilities	333.49	702.80
Provisions	0.69	1.66
<b>Total Liabilities of Disposal Group held for Sale</b>	427.85	1,235.04

NOTE NO. 42

**OTHER COMPREHENSIVE INCOME**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<u>Items That will not be reclassified to Profit/Loss Account</u>		
Actuarial Gains/Losses on Employee Benefit Expenses	(2.46)	13.52
	(2.46)	13.52

**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 :-

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<b><u>Calculation of Basic EPS</u></b>		
<b><u>Continuing Operations</u></b>		
A. Profit From Continuing Operations (Numerator)	(57.39)	131.31
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Basic Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>(0.48)</b>	<b>1.09</b>
<b><u>Discontinuing Operations</u></b>		
A. Profit From Discontinuing Operations (Numerator)	112.10	(48.90)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Basic Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>0.93</b>	<b>(0.41)</b>
A. Profit/Loss for the Period	54.71	82.41
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Basic Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>0.46</b>	<b>0.69</b>
<b><u>Calculation of Diluted EPS</u></b>		
<b><u>Continuing Operations</u></b>		
A. Profit From Continuing Operations (Numerator)	(57.39)	131.31
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
b. Potential Equity shares	0.00	0.00
Total Equity Shares for Calculation of Diluted EPS (Denominator)	120.00	120.00
<b>Diluted Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>(0.48)</b>	<b>1.09</b>
<b><u>Discontinuing Operations</u></b>		
A. Profit From Discontinuing Operations (Numerator)	112.10	(48.90)
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
b. Potential Equity shares	0.00	0.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Diluted Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>0.93</b>	<b>(0.41)</b>
A. Profit/Loss for the Period	54.71	82.41
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	120.00	120.00
b. Potential Equity shares	0.00	0.00
Total Equity Shares for Calculation of Basic EPS (Denominator)	120.00	120.00
<b>Diluted Earnings Per Share(EPS) [( A ) / ( B )]</b>	<b>0.46</b>	<b>0.69</b>

**NOTE NO. 44**  
**DISCLOSURE OF CURRENT ASSETS & LIABILITIES**

**A. Basis of classification of Current Assets**

The Group classifies an asset as current asset when :-

- (i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) it holds the asset primarily for the purpose of trading;
- (iii) it expects to realise the asset within twelve months after the reporting period; or
- (iv) 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:-

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024			AS AT 31ST MARCH 2023		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Loans & Deposits	53.48	0.00	53.48	12.18	0.00	12.18
Inventories	2,520.96	0.00	2,520.96	2,555.73	0.00	2,555.73
Trade Receivables	4,771.02	0.00	4,771.02	4,794.35	0.00	4,794.35
Other Financial Assets	46.60	0.00	46.60	0.00	0.00	0.00
Other Assets	612.52	0.00	612.52	528.67	0.00	528.67
Current Tax Assets	16.47	0.00	16.47	0.00	0.00	0.00

**B. Basis of classification of Current Liabilities**

The Group classifies a liability as current liability when :-

- (i) it expects to settle the liability in its normal operating cycle;
- (ii) it holds the liability primarily for the purpose of trading;
- (iii) the liability is due to be settled within twelve months after the reporting period; or
- (iv) 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:-

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024			AS AT 31ST MARCH 2023		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Borrowings (Current)	3,095.90	0.00	3,095.90	3,637.23	0.00	3,637.23
Trade Payables	2,479.10	0.00	2,479.10	1,941.02	0.00	1,941.02
Lease Liabilities	42.19	0.00	42.19	37.03	77.62	114.65
Other Financial Liabilities	19.26	0.00	19.26	53.42	0.00	53.42
Other Liabilities	453.96	0.00	453.96	857.07	2.35	859.43
Provisions	59.50	0.00	59.50	42.41	0.00	42.41
Current Tax Liabilities	0.00	0.00	0.00	25.27	0.00	25.27

**NOTE NO. 45**  
**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 2024		AS AT 31ST MARCH 2023	
			PROPORTION OF EFFECTIVE OWNERSHIP (%)	PROPORTION OF VOTING POWER HELD (%)	PROPORTION OF EFFECTIVE OWNERSHIP (%)	PROPORTION OF EFFECTIVE OWNERSHIP (%)
Technofy Digital Private Limited	Subsidiary	India	100%	100%	100%	100%
ICT Infratech Services Private Limited	Subsidiary	India	100%	100%	50%	50%
NAJ Digilife Private Limited	Subsidiary	India	60%	100%	N.A	N.A
Cadcord Technologies Private Limited	Associate	India	26%	26%	N.A	N.A

B. Salient Features of Parent & Subsidiary in the Group Financial Statements for the year ended 31st March 2024

(₹ in Lakhs)

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 COMPREHENSIVE INCOME	AMOUNT	% OF GROUP'S TOTAL COMPREHENSIVE INCOME	AMOUNT
<b>Parent Group</b>								
Panache Digilife Limited	116.34%	3,708.24	74.85%	40.95	100.00%	(1.84)	73.97%	39.11
<b>Subsidiaries</b>								
Technofy Digital Pvt Ltd	-11.13%	(354.72)	23.92%	13.09	0.00%	0.00	24.76%	13.09
ICT Infratech Services Private Limited	-0.24%	(7.65)	2.21%	1.21	0.00%	0.00	2.29%	1.21
NAJ Digilife Private Limited	-0.02%	(0.66)	-3.03%	(1.66)	0.00%	0.00	-3.14%	(1.66)
<b>Associate</b>								
Cadcord Technology Private Limited	0.039%	1.23	2.25%	1.23	0.00%	0.00	2.33%	1.23
CFS Adjustments	104.99%	3,346.45	100.20%	54.82	100.00%	(1.84)	100.21%	52.98
	-4.99%	(159.01)	-0.20%	(0.11)	0.00%	0.00	-0.21%	(0.11)
<b>Total</b>	<b>100.00%</b>	<b>3,187.44</b>	<b>100.00%</b>	<b>54.71</b>	<b>100.00%</b>	<b>(1.84)</b>	<b>100.00%</b>	<b>52.87</b>

C. Disclosure of Interest in other entities - An Associate.

a) Summarised Balance Sheet of an associate

PARTICULARS	CADCORD TECHNOLOGIES PRIVATE LIMITED		CADCORD TECHNOLOGIES PRIVATE LIMITED	
	AS AT 31ST MARCH 2024		AS AT 31ST MARCH 2023	
Total Non - Current Assets		9.76		0.33
<b>Current Assets</b>				
Trade Receivables	151.76		26.45	
Cash & Cash Equivalents	15.92		1.62	
Other Assets	76.06	243.73	46.97	75.04
<b>Total Assets</b>		<b>253.50</b>		<b>75.37</b>
<b>Non - Current Liabilities</b>				
Financial Liabilities (excluding trade Payables)	30.85		29.31	
Other Liabilities (including Trade Payables)	0.00	30.85	0.00	29.31
<b>Current Liabilities</b>				
Financial Liabilities (excluding trade Payables)				
Other Liabilities (including Trade Payables)	173.74	173.74	41.89	41.89
<b>Total Liabilities</b>		<b>204.59</b>		<b>71.20</b>
<b>NET ASSETS</b>		<b>48.91</b>		<b>4.17</b>

b) Summarised Statement of Profit and Loss of an associate

PARTICULARS	CADCORD TECHNOLOGIES PRIVATE LIMITED		CADCORD TECHNOLOGIES PRIVATE LIMITED	
	FOR THE YEAR ENDED 31ST MARCH 2024		FOR THE YEAR ENDED 31ST MARCH 2023	
Revenue		517.36		98.69
<u>Other Income</u>				
Interest income on loan	0.00		0.00	
Others	0.00	0.00	0.02	0.02
<b>Total Income</b>		517.36		98.72
<u>Expenses</u>				
Purchase of Stock in Trade (net off closing stock)	462.29		62.40	
Depreciation & Amortisation Expenses	0.16		0.23	
Other Expenses	48.77		34.91	
Income Tax Expense	1.41	512.62	0.00	97.55
<b>Total Expenses</b>		512.62		97.55
Profit/(loss) for the Year		4.74		1.17
Other Comprehensive Income		0.00		0.00
<b>TOTAL COMPREHENSIVE INCOME</b>		4.74		1.17

c) Reconciliation of carrying amounts of an associate

PARTICULARS	CADCORD TECHNOLOGIES PRIVATE LIMITED		CADCORD TECHNOLOGIES PRIVATE LIMITED	
	FOR THE YEAR ENDED 31ST MARCH 2024		FOR THE YEAR ENDED 31ST MARCH 2023	
Opening Net Assets		4.17		3.00
<u>Adjustments for the year</u>				
Profit/(loss) for the year	4.74		1.17	
Share Issued	19.27		0.00	
Securities Premium	20.73		0.00	
Other Comprehensive Income for the Year	0.00	44.74	0.00	1.17
<b>Closing Net Assets</b>		48.91		4.17
% Share of the Group		26%		0%
Group's Share		12.72		0.00
Goodwill		14.50		0.00
<b>CARRYING AMOUNT</b>		27.22		0.00



**NOTE NO. 46**  
**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:-

(₹ / \$ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2024			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	0.01	0.42	0.00	0.00
Trade Receivables	5.28	440.18	0.00	0.00
Trade Payables	10.91	909.46	0.00	0.00

PARTICULARS	AS AT 31ST MARCH 2023			
	USD	EQUIVALENT IN INR	GBP	EQUIVALENT IN INR
Dollars in Hand	0.01	0.41	0.00	0.00
Trade Payables	12.93	1,063.06	0.00	0.00

**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
<b>As at 31st March 2024</b>			
US DOLLAR	1%	6.80	(6.80)
<b>As at 31st March 2023</b>			
US DOLLAR	1%	7.33	(7.33)

**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 Repo Linked Lending Rate (RLLR) 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 :-

(₹ in Lakhs)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2024	31ST MARCH 2023
Cash Credit	2,833.19	2,859.23
Term Loans	37.04	608.91
Other Working Capital Loans	245.56	361.64
	3,115.79	3,829.78

**Sensitivity Analysis**

A hypothetical 10 basis point shift in MCLR/RLLR 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 2024		
	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	(2.83)	2.83
Term Loans *	10 bps	(0.04)	0.04
Other Working Capital Loans *	10 bps	(0.25)	0.25
		(3.12)	3.12
<u>Less: Tax Effect on Interest Cost</u>		0.78	(0.78)
Net Effect on Profit & Loss Account		(2.33)	2.33

\* Holding all other variables constant

SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2023		
	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	(2.86)	2.86
Term Loans *	10 bps	(0.61)	0.61
Other Working Capital Loans *	10 bps	(0.36)	0.36
		(3.83)	3.83
<u>Less: Tax Effect on Interest Cost</u>		0.96	(0.96)
Net Effect on Profit & Loss Account		(2.87)	2.87

\* 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	(₹ in Lakhs)	
	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Opening Balance	10.91	13.43
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	7.31	13.68
Write Off as Bad Debts	12.61	16.20
Closing Balance reproted under Note No.9	5.61	10.91

**Expected Credit loss for Loans & Advances Given:**

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 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 2024	AS AT 31ST MARCH 2023
Opening Balance	10.00	10.00
<b>Changes in Loss Allowance</b>		
Loss Allowance for the year, based on ECL Model.	0.00	0.00
Write Off as Bad Debts	10.00	0.00
Changes in Foreign Exchange	0.00	0.00
Closing Balance reproted under Note No.12	0.00	10.00

**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 2024**

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS			(₹ in Lakhs)
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL	
	Borrowings	3,095.90	138.89	3234.79
Trade Payables	2,479.10	0.00	2479.10	
Lease Liabilities	42.19	35.43	77.62	
Other Financial Liabilities	19.26	10.94	19.26	

**As at 31st March 2023**

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS			
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL	
	Borrowings	3,637.23	312.35	3,949.57
Trade Payables	1,941.02	0.00	1,941.02	
Lease Liabilities	37.03	77.62	114.65	
Other Financial Liabilities	53.42	8.80	62.23	

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 Group is a Lessor :-**

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
	Lease Rentals Received	24.92

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 01st April 2023 & balance of lease liability in Financial Statements as on 31st March 2024, is as follows:

PARTICULARS	AMOUNT
Opening balance of Lease Liability in the Financial Statements as on 1st April 2023	114.65
<u>Add:</u> Recognition of Finance Lease liability in FY 23-24	0.00
<u>Add:</u> Interest Accrued for the Year	8.89
<u>Less:</u> Lease Payments Made	(45.91)
Closing balance of Lease Liability in the Financial Statements as on 31st March 2024	77.62

Details with respect to right of use Assets :

PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2023	CHANGES DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2024
Buildings	113.49	0.00	41.22	72.27

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

- i) Interest Expense on Lease liabilities amounts to Rs 8,88,556/-
- ii) Total cash outflow for leases amounts to Rs 45,91,485/- 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 :

(₹ in Lakhs)

PARTICULARS	NOTES	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>CURRENT ASSETS</b>			
<u>Fixed Charge Asset</u>			
Assets		0.00	0.00
<u>Floating Charge</u>			
Trade Receivables	Note No. 8	4,771.02	4,794.35
Inventory	Note No. 7	2,520.96	2,555.73
<b>Total current assets pledged as security</b>		7,291.98	7,350.08
<b>NON-CURRENT ASSETS</b>			
<u>First Mortgage</u>			
Right of Use Asset	Note No . 2	0.00	1,022.50
Office Premises (Property, Plant & Equipment)	Note No . 2	643.45	653.92
<u>Floating Charge</u>			
Office Premises (Investment Property)	Note No . 2	230.50	234.90
Financial assets at fair value through profit/loss	Note No. 38	0.00	78.62
<b>Total non-current assets pledged as security</b>		873.95	1,989.94
<b>Total assets pledged as security</b>		8,165.93	9,340.02

**NOTE NO. 49**  
**EMPLOYEE BENEFIT EXPENSES**

**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 :-

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Employer's Contribution to Provident Fund & ESIC	3.10	3.19

**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 2024	AS AT 31ST MARCH 2023
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	0.00	0.00
Wholly Unfunded	80.68	68.38
	80.68	68.38
<u>Less: Fair Value of Plan Assets</u>	0.00	0.00
Amounts recognised as Liability (See Note No.21 & Note No.29)	80.68	68.38

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Current Service Cost	7.33	6.64
Interest Cost	4.85	5.65
Past Service Cost	0.00	0.00
Expenses included in Employee Benefits (See Note No.35)	12.18	12.28

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Actuarial (Gains) / Losses	2.46	(13.52)
Expenses included in Other Comprehensive Income (See Note No.42)	2.46	(13.52)

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Opening Balance of present value of Defined Benefit Obligation	68.38	75.30
<u>Add:</u> Current Service Cost	7.33	6.64
<u>Add:</u> Interest Cost	4.85	5.65
<u>Add:</u> Past Service Cost	0.00	0.00
<u>Add/(less):</u> Actuarial Losses/(gains)	2.46	(13.52)
	83.02	74.06
<u>Less:</u> Defined Benefit Claims Settled	2.34	5.68
	80.68	68.38

(e) Breakup of Other Comprehensive Income

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Actuarial losses / (gains) arising from change in financial assumptions	3.13	(5.36)
Actuarial losses / (gains) arising from change in Demographic assumptions	0.00	0.00
Actuarial losses / (gains) arising from change in experience adjustments	(0.67)	(8.15)
	2.46	(13.51)

(f) Actuarial Assumptions

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

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Discount Rate (per anum)	7.10%	7.50%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	58 Years	58 Years
<u>Attrition Rate</u>		
Younger Ages	5%	5%
Older Ages	1%	1%

(h) Maturity profile of defined benefit obligation

PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
Within 1 Year	5.34	4.58
Year 1 to Year 2	2.63	2.33
Year 2 to Year 3	2.54	2.25
Year 4 to Year 5	5.67	2.17
Year 5 to Year 6	5.20	5.02
Year 6 to Year 10	28.86	26.19
After 10 Years	30.45	25.84

**NOTE NO. 50**  
**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
Technofy Digital Private Limited ICT Infratech Services Private Limited NAJ Digilife Private Limited	Wholly Owned Subsidiary Wholly Owned Subsidiary Subsidiary

**ii) Key Managerial Personnel**

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Amit D. Rambhia Nikit D. Rambhia Devchand Rambhia* Nitesh M Savla** Harshil Chheda Devchand Rambhia Jayachandran Sunderamoorthy	Managing Director Joint Managing Director Whole-Time Director CFO & Whole-Time Director CS & Compliance Officer Director (Technofy Digital Private Limited) Director (Technofy Digital Private Limited)

\* Ceased as a Whole-Time Director of the Company pursuant to completion of tenure with effect from February 16, 2023

\*\* Appointed as a Whole-Time Director of the Company with effect from February 14, 2023

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

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Technofy Digital Private Limited Amit D. Rambhia Nikit D. Rambhia Nitesh M. Savla Harshil Chheda Panabyte Technologies Limited ICT Infratech Services Private Limited Cadcord Technologies Private Limited Rambhia IPR Services LLP Kavita N. Rambhia Deepa A. Rambhia	Wholly Owned Subsidiary Managing Director Joint Managing Director CFO & Whole-Time Director CS & Compliance Officer Company having Common Director Joint Venture Associate Company Firm in which Director is a Partner Relative of Director Relative of Director

**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:-

(₹ in Lakhs)

NAME OF THE PERSON / ENTITY	RELATION WITH THE GROUP	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 23-24
Amit D. Rambhia	Managing Director	Remuneration	42.00
Nikit D. Rambhia	Joint Managing Director	Remuneration	42.00
Nitesh M. Savla	CFO & Whole-Time Director	Remuneration	14.77
Deepa A. Rambhia	Relative of Director	Short Term Employee Benefits	18.00
Harshil Chheda	CS & Compliance Officer	Short Term Employee Benefits	8.63
Amit D. Rambhia	Managing Director	Loan Repaid	5.50
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	0.71
Nikit D. Rambhia	Joint Managing Director	Loan Taken	58.91
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	0.96
Devchand L. Rambhia	Whole time Director	Loan Repaid	19.84
Devchand L. Rambhia	Whole time Director	Interest on Unsecured Loan	1.11
Panabyte Technologies Limited	Company having Common Director	Sales	52.30
Panabyte Technologies Limited	Company having Common Director	Purchase	0.16
Panabyte Technologies Limited	Company having Common Director	Services Provided	0.44
Cadcord Technologies Private Limited	Associate Company	Purchase	4.12
Cadcord Technologies Private Limited	Associate Company	Sales	402.31
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	12.03

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 2024	AS AT 31ST MARCH 2023
<b><u>Amounts Receivable from Related Parties</u></b>			
<b><u>Receivables for Sales &amp; Services Provided</u></b>			
Panabyte Technologies Limited	Company having Common Director	296.71	279.74
Cadcord Technologies Private Limited	Associate Company	141.13	0.00
<b>Total Receivables from Related Parties</b>		<b>437.84</b>	<b>279.74</b>
<b><u>Amounts Payable to Related Parties</u></b>			
<b><u>Payables for Purchases &amp; Services Availed</u></b>			
Rambhia IPR Services LLP	Firm in which Director is a Partner	14.66	8.84
		14.66	8.84
<b><u>Payable towards Borrowings Taken</u></b>			
Amit D. Rambhia	Managing Director	5.50	0.00
Amit D. Rambhia (Interest Payable)	Managing Director	0.64	0.00
Nikit D. Rambhia	Joint Managing Director	64.50	5.54
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	0.86	0.49
Devchand L. Rambhia	Whole Time Director	0.00	19.84
Devchand L. Rambhia	Whole Time Director	0.00	8.63
Devchand L. Rambhia	Director (Technofy Digital Private Limited)	47.00	47.00
		118.50	81.50
<b><u>Payables to KMP and their Relatives as Remuneration</u></b>			
Amit D. Rambhia	Managing Director	3.97	1.60
Nikit D. Rambhia	Joint Managing Director	4.90	2.13
Deepa A. Rambhia	Relative of Director	3.73	1.27
Kavita N. Rambhia	Relative of Director	0.00	1.00
Nitesh M. Savla	CFO & Whole-Time Director	3.40	1.04
Harshil Chheda	CS & Compliance Officer	0.60	0.41
		16.60	7.44
<b>Total Payables to Related Parties</b>		<b>149.77</b>	<b>97.78</b>
<b><u>Other Contributions &amp; Commitments</u></b>			
<b><u>Corporate Guarantee Given</u></b>			
Cadcord Technologies Private Limited	Associate Company	133.94	0.00

**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 2024	FOR THE YEAR ENDED 31ST MARCH 2023
Short Term Benefits	107.40	94.02
Post Employment Benefits	38.31	34.57
Other Long-Term Benefits	0.00	0.00
Share Based Payments	0.00	0.00
Termination Benefits	0.00	0.00
<b>Total</b>	<b>145.72</b>	<b>128.59</b>

**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.

	(₹ in Lakhs)	
PARTICULARS	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023
<b>Financial Assets</b>		
<u>Measured at Amortised Cost</u>		
Loans	74.14	30.96
Trade Receivables	4,771.02	4,794.35
Other Financial Assets	46.85	0.25
Cash & Cash Equivalents	100.34	23.94
Bank Balances Other Cash & Cash Equivalents	0.08	0.08
Total financial Assets Measured at Amortised Cost (I)	4,992.43	4,849.58
<u>Measured at Fair Value Through Profit and Loss Account (FVTPL)</u>		
Investment in Quoted Instruments	0.00	78.62
Investment in Unquoted Instruments	7.23	0.00
	7.23	78.62
Total Value of Financial Assets [(I)+(II)]	4,999.66	4,928.20
<b>Financial Liabilities</b>		
<u>Measured at Amortised Cost</u>		
Borrowings	3,234.79	3,949.57
Trade Payables	2,479.10	1,941.02
Lease Liabilities	77.62	114.65
Other Financial Liabilities	30.19	62.23
Total of Financial Liabilities Measured at Amortised Cost	5,821.70	6,067.48
Total Value of Financial Liabilities	5,821.70	6,067.48

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

	FOR THE YEAR ENDED 31ST MARCH 2024	FOR THE YEAR ENDED 31ST MARCH 2023
<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.)	(11.63)	(33.96)
(ii) Liabilities no Longer Payable	0.00	3.10
(iv) Amortisation of Fair Value Changes of Asset	(0.12)	(0.12)
(v) Finance Charges (Net)	1.41	1.31
(vi) Interest Income	265.54	36.17
(vii) Interest Expense	(494.78)	(460.51)
(viii) Finance Charges on Lease Liabilities	(8.89)	(4.14)
(ix) Bank Charges on Finance	0.00	(0.56)
(x) Processing Charges	(28.21)	(12.55)
(xi) Provision for Expected Credit Losses	(7.31)	(13.68)
Total	(283.98)	(484.93)
<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	0.00	3.57
	0.00	3.57

B. Disclosure pursuant to Ind AS 113 "Fair Value Measurement"- Fair Value Hierarchy of Financial assets and Financial Liabilities :-

AS AT 31ST MARCH 2024	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	-	-	--	--

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. 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 2024	AS AT 31ST MARCH 2023	NATURE OF ASSISTANCE	(₹ in Lakhs)
				PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECEIPIENT
Shree Rajlaxmi Textiles	0.00	10.00	Advance	Advance for Purchase of Property
Cadcord Technologies Private Limited	133.94	0.00	Corporate Guarantee	Equipment Financng

**NOTE NO. 53**  
**ADDITIONAL REGULATORY INFORMATION**

**A. Disclosure where Loans or Advances in the nature of loans are granted to promoters, directors, KMP's and the related parties, either severally or jointly with any other person, that are :**

- a. repayable on demand; or
- b. without specifying any terms or period of repayment.

Type of Borrower	Amount of Loans or advances in the nature of loan outstanding	Percentage to the Total loans and Advances in the nature of loans
Promoters	NIL	N.A.
Directors	NIL	N.A.
KMP's	NIL	N.A.
Related Parties	NIL	N.A.

**B. Details of Benami Property held**

No proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibitions Act), 1988 (45 of 1988) and rules made thereunder.

**C. Disclosure relating to Group being declared as Wilful defaulter**

The Group has not been declared as wilful defaulter by any Banks or Financial Institution or other lender.

**D. Transactions with Struck-off Companies**

There were no transactions with any struck-off companies during the year.

**E. Disclosure relating to Registration of charge or Satisfaction with ROC beyond Statutory period**

All necessary charges or satisfaction are registered with ROC within the statutory period.

**F. Disclosure relating to compliance with number of layers of companies**

The Group has complied with the number of layers prescribed under clause (87) of section 2 of Companies Act, 2013.

**G. FINANCIAL RATIOS**

The Financial Ratios for the Group for the FY 2023-24 and FY 2022-23 are as follows :

Sr No.	Particulars	Numerator	Denominator	AS AT 31ST MARCH 2024	AS AT 31ST MARCH 2023	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	1.37	1.37	-0.15%
2	Debt Equity Ratio (a)	Total Debt (incl. Lease Liabilities)	Shareholder's Equity	0.52	1.29	59.80%
3	Debt Service Coverage Ratio (b)	Earnings available for Debt service	Debt Service (Interest)	1.96	1.56	25.39%
4	Return on Equity (c)	Net Profit after Taxes	Average Shareholder's Equity	0.86%	2.66%	-67.56%
5	Inventory Turnover Ratio	Revenue	Average Inventory	3.80	4.31	-11.71%
6	Trade Receivables Turnover Ratio (d)	Revenue	Average Trade Receivables	2.02	2.81	-28.26%
7	Trade Payables Turnover Ratio (e)	Purchases of Goods/Services	Average Trade Payables	3.69	5.77	-35.94%
8	Net Capital Turnover Ratio*	Revenue	Working Capital	4.26	4.61	-7.58%
9	Net Profit Ratio	Net Profit	Revenue	0.57%	0.74%	-23.12%
10	Return on Capital Employed (c)	EBIT	Capital Employed	7.96%	17.18%	-53.68%

**Reasons for huge variance :**

- (a) Repayment of borrowings leading to reduction in debt as compared to previous year.
- (b) Reduction in Profit available for debt service compared to previous year.
- (c) Reduction in Net profit after tax for the year compared to previous year.
- (d) Reduction in revenue from operation whereas average trade receivables remained stable compared to previous year.
- (e) Reduction in purchase on account of reduction in revenue from operations whereas average trade payables increased compared to previous year.

**H. Note on Undisclosed Income If any**

The Group does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also none of the previously unrecorded income and related assets have been recorded in the books of account during the year.

**I. Disclosure relating to Compliance with approved scheme of Arrangements**

The Group has not applied for any Schemes of Arrangements to any Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

**J. Disclosure relating to reporting under rule 11( e ) of the companies (audit and auditors) rules, 2014 , as amended.**

- 1 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 2 No funds have been received by the Group from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

AS PER OUR REPORT OF EVEN DATE  
FOR JAIN SALIA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
[ICAI FRNo. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS  
PANACHE DIGILIFE LIMITED

CA JAYESH K. SALIA  
PARTNER  
(MEM NO. 044039)

\_\_\_\_\_  
MR. AMIT D. RAMBHIA  
MANAGING DIRECTOR  
DIN:- 00165919

\_\_\_\_\_  
MR. NIKIT D. RAMBHIA  
JOINT MANAGING DIRECTOR  
DIN:- 00165678

\_\_\_\_\_  
MR. HARSHIL CHHEDA  
COMPANY SECRETARY

\_\_\_\_\_  
MR. NITESH M. SAVLA  
CFO & WHOLE TIME DIRECTOR  
DIN:- 05155342

PLACE: MUMBAI  
DATED: 28th May, 2024  
UDIN: 24044039BKBLWO6255

PLACE: MUMBAI  
DATED: 28th May, 2024