

September 7, 2022

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 2021-22 and Notice of the Annual General Meeting
NSE Symbol – PANACHE

Dear Sir/ Madam,

Pursuant to the requirements of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2021-22 ("Annual Report") along with the Notice of the Fifteenth Annual General Meeting ("Notice") of the Company to be held on Thursday, September 29, 2022 at 3:00 p.m. through electronic mode (video conference or other audio visual means). In accordance with 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.

We request you to take the aforesaid on records.

For Panache Digilife Limited

Harshil Chheda
Company Secretary & Compliance Officer

Encl: as above

**ANNUAL
REPORT**
2022

PANACHE DIGILIFE LIMITED

PANACHE®

Making Human Life Easy®



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Corporate Information

Board of Directors & Key Managerial Personnel


 **Amit Devchand Rambhia**
Chairman & Managing Director

 **Nitesh Savla**
Chief Financial Officer


 **Nikit Devchand Rambhia**
Joint Managing Director

 **Meeta K. Mehta**
Independent Director
(till October 21, 2021)


 **Devchand Lalji Rambhia**
Whole-Time Director

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


 **Bhavin Vinod Adani**
Independent Director

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


 **Shailesh Premji Gala**
Independent Director

 **Tejaswini Chandrashekhar More**
Independent Director
(w.e.f. January 18, 2022)

Audit Committee

 **Shailesh Gala**
Chairperson


 **Tejaswini More**
Member

 **Amit Rambhia**
Member

 **Bhavin Adani**
Member


Nomination and Remuneration Committee

 **Bhavin Adani**
Chairperson

 **Tejaswini More**
Member

 **Shailesh Gala**
Member

Stakeholders Relationship Committee

 **Shailesh Gala**
Chairperson

 **Nikit Rambhia**
Member

 **Bhavin Adani**
Member

Corporate Information

Statutory Auditors

KPB & Associates
Chartered Accountant

Secretarial Auditor

D M Zaveri & Co.,
Company Secretaries

Internal Auditor

SSPK & Associates

Registered Office

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

Corporate Office

B-507, Raheja Plaza Premises CSL,
LBS Marg, Ghatkopar West,
Mumbai – 400 086,
Maharashtra, India

Factory

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

Share Registrars and Transfer Agents

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai - 400093, Maharashtra
(T): 022 – 62638200
(E): investor@bigshareonline.com
(W): www.bigshareonline.com

Listed on

The National Stock Exchange of India Limited

(Symbol - PANACHE)

Banker

Canara Bank

About us

Project Specific Approach - ODM

Panache strongly contributes in the entire ODM model right from Product Ideation, Designing, Prototype, Manufacturing to After Sales Services.

- ◆ In favor of local manufacturing we have always promoted usage of locally made components in our products
- ◆ Our goal in line with our PM's Vision of a self-sustainable nation
- ◆ Contract Manufacturing is our strong focus where we manufacture a variety of products such as Hybrid PCs, Wireless Landline Phones, CCTVs, Charging Solutions and many more
- ◆ We have an experienced team with expertise in Supply Chain Management, Quality Management, Process Management and Product Support
- ◆ We also comply with the various compliances such as: BIS, WPC, Environment, International Certifications / Compliances
- ◆ All the manufacturing processes at various stages are taken care of as per ISO 9001: 2015 & ISO 14001:2015 standards: Stores, IQC, IPQC, FQC, Quality Analysis
- ◆ Well defined SOPs are made available to the people working on the Assembly Line, QA, Packaging, Stores and Record keeping is done at every stage and reports are maintained for at all stages

Journey So Far

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

- Launched Intel Atom based SFF PC with Win XP Embedded
- Launched Small Form Factor PC Solutions
- Rugged Tablet on Intel Architecture
- 15.6 and 21.5 All In One launched

2011-13

2013-15

- Launch of Panache Air PC
- Launch of Telematics Solution
- Microsoft L-OEM Partner since 2014
- Panache IPC range of products launched

- Formed Wemart Global FZE, Wholly Owned Subsidiary in Ajman Free Zone to expand trade presence in Middle East & Africa Markets
- Conversion of Company from Private to Public
- Change of name of the Company to Panache Digilife Limited

2016-17

2017-19

- Launch of consumer product range under the brand name of Panache
- NSE Listing on SME Emerge Platform
- Commenced commercial production at new factory in Bhiwandi
- Launch of AquaTatva Smart water solution

- Listed on NSE Mainboard
- Launched IFPD & OPS
- Rated in Education World India Eduresources Star Rating 2020 with 7 stars (Max.) under the parameters of User Interface Design, Value for Money & Innovation
- Signed Partnership for distribution of OPS in India with JWIPC, China
- Exclusive distribution rights from Viewsonic, Taiwan for Pen Display Products across India
- UKAS Accredited ISO 14001:2015

2019-20

2020-21

- Launch of Lyf-Lyn Range of Products
- Launched Ai4 Youth Product Range
- Launch of Embedded Laptops
- Signed Partnership with Shuttle Inc.

- Mobileye
- Vaccine tracking
- Media IP Set top Box
- Payment Kiosk
- Content Delivery Network
- IT Hardware PLI
- Telecom PLI
- Closure of Wemart Global FZE, Wholly Owned Subsidiary

2021-22

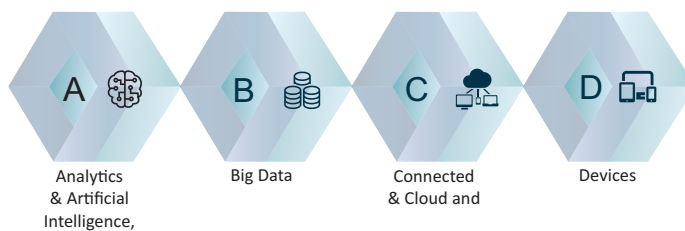
2022-On Going

- Introduced Embedded and secure Laptops for work from home solutions
- Health Safety Kiosk
- Agri Kiosk
- Ai4Youth

Design Philosophy

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

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



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

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

Awards & Accolades

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

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



CRN Excellence Award in Big Data & Analytics in 2018



Intel IoT Group Partner Performance Award in 2017



Edge Innovation award in 2014 by Information Week, UBM



Best System Builder award in 2010, 2011, 2012 & 2013 by CRN



Intel Embedded Hero Award in 2012

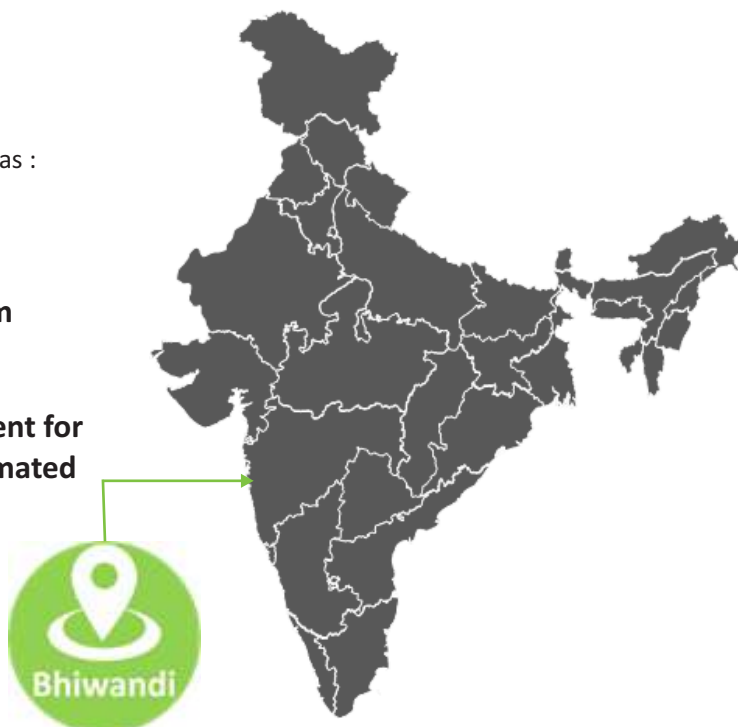


SME National Award for Excellence in IT in 2011

About the Factory



-  Manufacturing facility :
Bhiwandi
-  Manufacturing facility areas :
57,000 Sq.ft.
-  Manufacturing Capacity :
5 Lac units per annum
-  Safety Measures :
Anti-static environment for assembly Semi Automated
-  Certified :
ISO 9001:2015
ISO 14001:2015

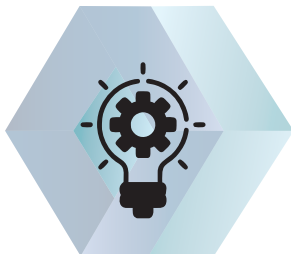


Our Core Values



Customer Focus

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



Innovative Approach

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



Global Scalability

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



Transparency & Accountability

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

Products Portfolio

Smart Compute Devices

Panache's focus is always on designing Compute Devices that are Smart and Innovative; and also helps it to work towards saving energy and carbon footprint by being low powered and small in size. The Company's gamut of products in Compute comes in different form factors including Laptops that are ideal for Education, Work from Home, etc.; Tablet PC for Education; Servers for SMBs and Education; and All in One PCs for Education, SMB, etc. Most of these are IoT enabled devices which can form the medium of communication between Cloud and the Data.

Panache has also forayed into Telecom products such as Wireless Landline Phones, Switches, Routers, Firewall, 4G/5G/Wireless Devices, etc.

IT Products



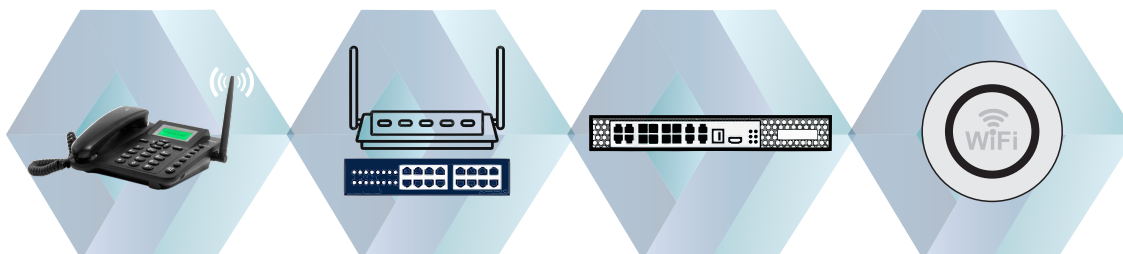
Laptops

Tablets

Servers & Workstation

AIO PC

Telecom



Phones

Routers & Switches

Firewall

4G/5G/Wifi Devices

Retail IOT

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



POS Terminal

Thermal Printer

Information Kiosk

Self Checkout Kiosk

Products Portfolio

Education

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



OPS



IFPD



AI 4 YOUTH



Tablet PC

Healthy Living Solutions

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



AQUATATVA

Making Human Life Easy And Healthy



NEER 3



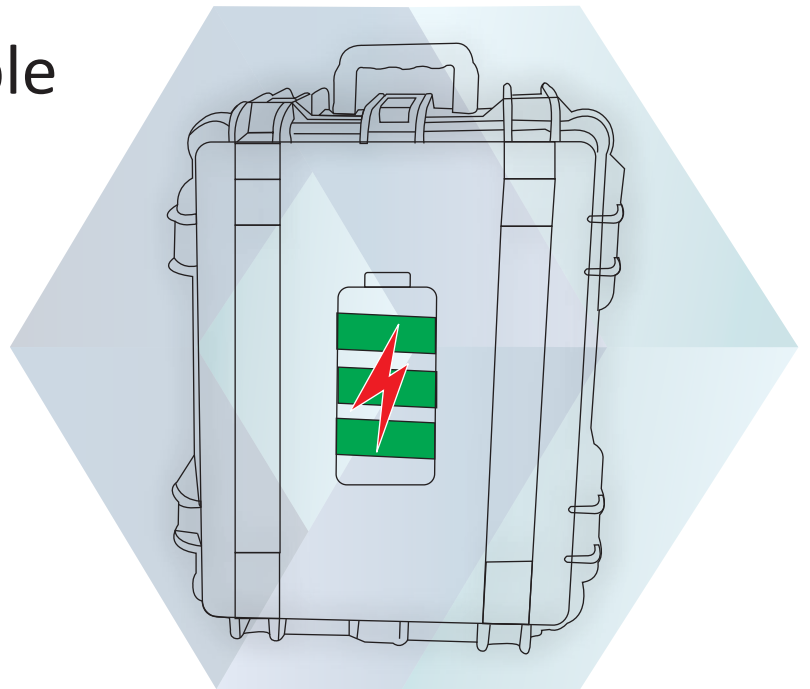
NEER 5



Ultra Silm

Compact & Portable Charging Solution

PITARA



Features:



10 in 1 Charging :

Simultaneously charge up to 10 devices. You can Charge 10 devices in the same amount of time as charging 1 device independently.



Contact Based Charging :

Pitara is designed for wire free charging, based on tablet ports making it clutter free.



Hassle Free :

Since there is no cable used for charging the devices, the design is hassle free with least cable management.



Portable :

Due to its compact and bag like structure, it is easily transportable and can be carried anywhere.



LED indication for charging status :

There are led indication status to check charging and battery levels of the charging devices.

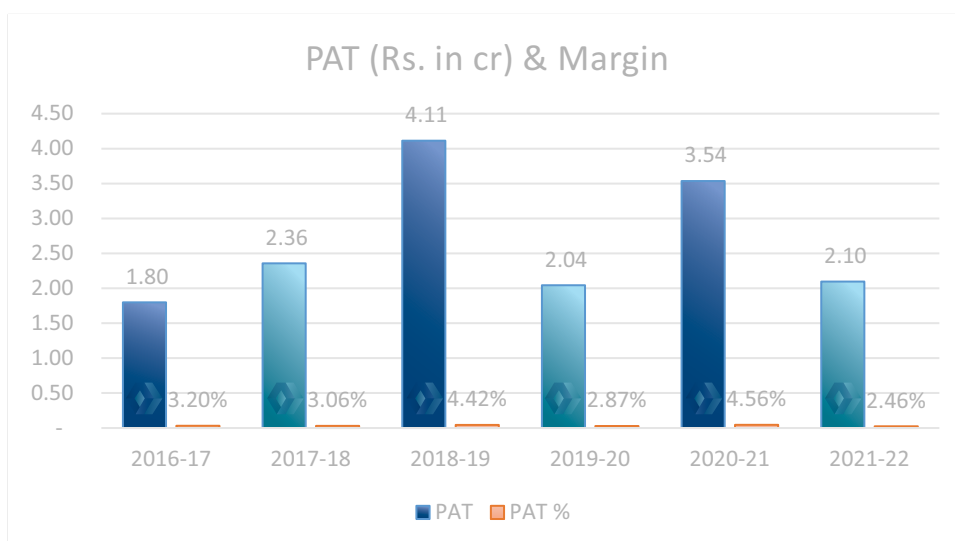
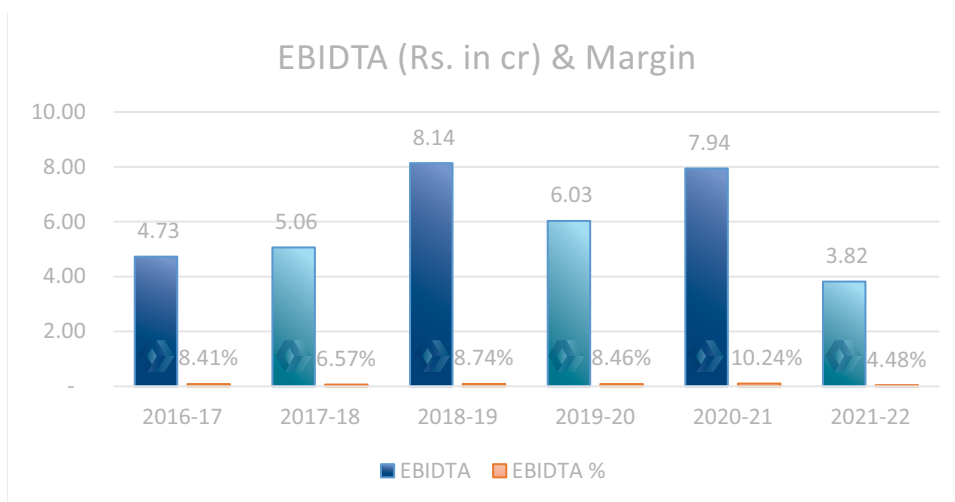
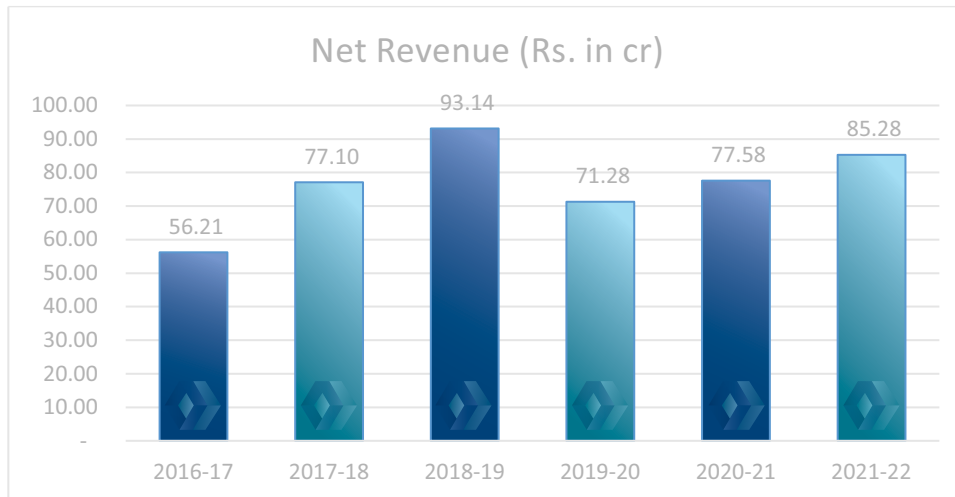


Secure :

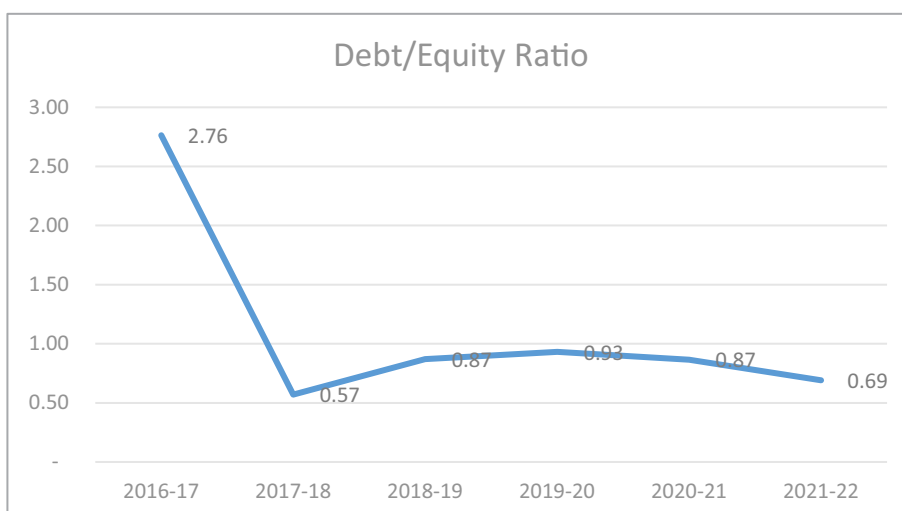
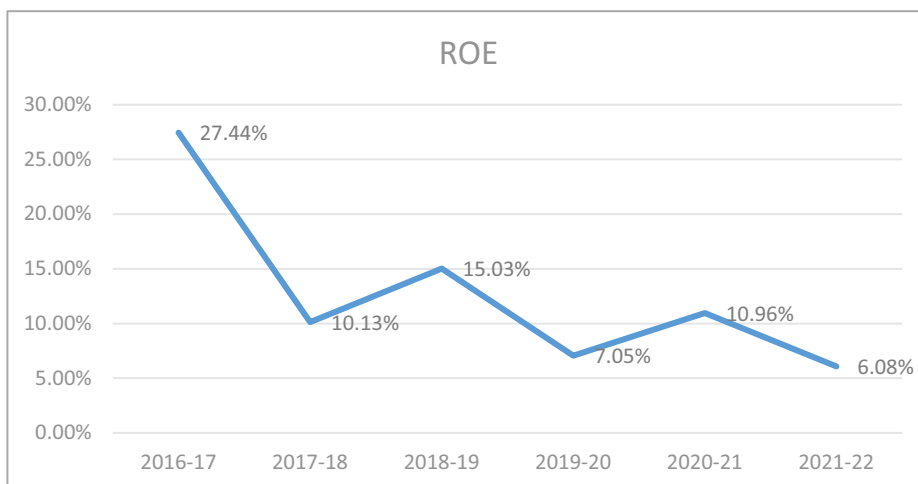
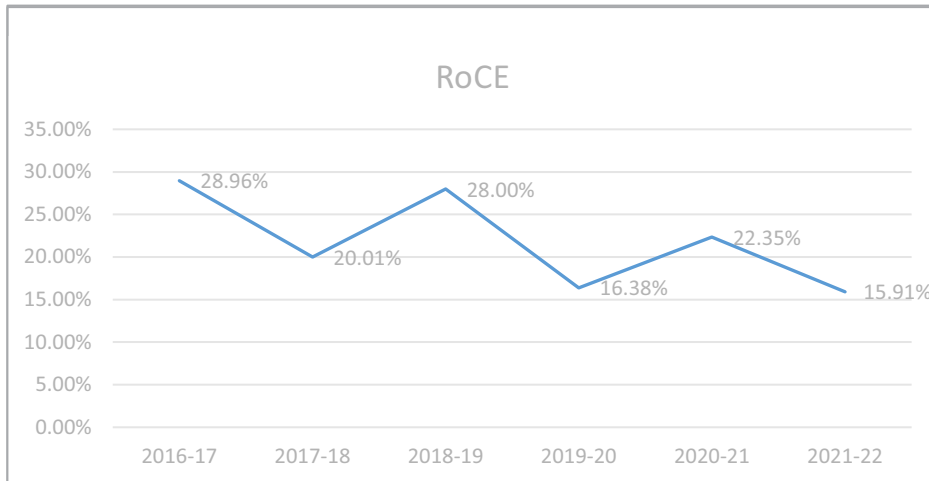
Pitara is available with security locks to prevent any kind of theft and manage your assets easily.



Annual Financial Highlights



Key Return Ratios



Chairman's Letter

Esteemed Shareholders, my colleagues on the Board, distinguished ladies and gentlemen. Once again, a very warm welcome to all of you. We hope you and your families are healthy and safe. On behalf of all the Panache DigiLife board members and the Panache team, I would like to welcome you to the 15th Annual General Meeting.

Before we share the company update with you, I would like to take this opportunity to welcome your company's new members, Mrs. Tejaswini More, who has been appointed as Independent Director to the board of your company with effect from January, 2022 and Mr. Harshil Chheda appointed as Company Secretary with effect from July, 2021.



During a year where most businesses were impacted by pandemic induced challenges as well as global supply chain disruption, we persevered and effectively served our customers throughout the year thereby achieving a revenue growth of around 10% over previous year. This performance can be attributed to our adaptability, determination, extraordinary commitment and unwavering support from all our stakeholders.

Ever since inception, your company has strived to be an innovative player in the ICT & IoT technology-backed devices manufacturing, distribution, and services space. The Company is proud to have taken significant strides in the areas of Smart Computing Devices & Virtualization, Smart & Digital Classrooms, Retail IOT, AV & Display, Smart Water, and Digital Wellness. Having said that, we are still a young Company; we must fathom many more miles. The current situation that we are surrounded with, is the most opportune time for the business development. Govt. of India's initiatives like 'Make in India' with announcements of Various PLI Schemes and concept of 'Atmanirbhar Bharat' are effectively contributing towards making our country a global manufacturing hub. These measures will facilitate employment generation, fostering innovations, infusing of more investment, enhancing skill development, and helping in protection of the intellectual property. The new reforms are expected to enhance the ease of doing business, boosting of local manufacturing, development of local markets and tuning-up of local supply-chain. The changed environment will also provide opportunity your company to be competitive and lead transformation in coming times.

I'm extremely excited and happy to inform that your organization has been selected by the Government of India's as one of the beneficiaries for two PLI Schemes IT Hardware & Telecom and thereby we will be having a mammoth opportunity of contributing towards "Atmanirbhar Bharat". We are extremely excited to avail an opportunity to serve our nation and work towards making India proud in coming times. The PLI initiatives will result in further Capital Investments in the Business which will also lead to creation of new job opportunities. In addition, we are pleased to inform you that we have already begun working on multiple designs to manufacture laptops intended for education and work from home applications. All these devices are AI enabled and are way ahead of older generation products our new designs for are high performance & power efficient with PLI scheme your company will be able to deliver latest technology at competitive prices. The fortune of your company has changed upon bagging of two PLI schemes and your company has also started receiving many opportunities & offers which will be game-changing for future of your company.

Today, we are living in a world, connected with each other through billions of physical devices around the world via web. Data is collected and exchanged with the help of concepts like Artificial Intelligence and Internet of Things which is making the devices talk to each other. It would not be wrong to say that our digital and physical universe has nearly merged; and this change has made the world around us smarter and more responsive. More and more people and devices are now actively connected to the Internet through desk PC/Laptops, smart gadgets, M2M/IOT-hardware & software. This has resulted in generation of huge volume of information & digital data which is gets shared on social media network. In other words, though the pandemic situation created lot many problems in the areas of health, education, environment, and social behavior but it also resulted in revolutionizing the use of information technology and the very concept of adaption to the new systems. It has cleared ways for accelerating Digital India in coming times, more and more gadgets and systems will be deployed taking advantages and use of the revolutionary Information Technology and thereby fulfilling dream of true Digital India.

Your company has used latest technologies in making of products in the space used for Education and Digital Signage. We have till date impacted more than 45000 Smart Classroom, implemented Solar Solutions for Telecom infrastructure in more than 8000 Villages, have provided compute power to more than 10000 retail there by touching more than 100 million Indians on regular basis. Your company always looks forward to serving customers and society with simplified advanced technology solutions, thus working towards our vision of 'Making Human Life Easy'.

All these are a part of our new plan called "Panache 2.0", post pandemic; and in furtherance of "Making Human Life Easy". The Company has a decent order book, and the management is optimistic about this financial year. We did, however, continue to re-structure our business and build the skills necessary to address the growing opportunities in Emerging Technologies like IoT, Artificial Intelligence (AI) and Smart Devices. We have restored our investment plans in FY22-23 and will strengthen our manufacturing footprint to cover IT Hardware and Telecom Hardware products. We will continue to achieve deeper market penetration with more unique products, improving operational and financial efficiency, and constant innovation. These are the very parameters that has enabled to Company to walk on the desired path which will lead to the realization of our vision. We look forward to the future with renewed enthusiasm.

I extend my gratitude to the various Government and Regulatory authorities, Company's valued customers, suppliers, vendors, investors, bankers and shareholders for their consistent and resolute co-operation and trust. Thank you for placing your confidence in the Company and its management; and in Panache's growth potential. I raise a toast to all my extraordinary colleagues, who, over many years, have given this Company of yours, the highest possible levels of commitment, dedication, and unqualified support. My heartfelt thanks to the Members of Board of Directors, whose guidance, advice and support has been invaluable. We at Panache DigiLife, eagerly look forward to a year of achieving new milestones and unlocking shareholders value.

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

With warm regards,
Mr. Amit Rambhia
Chairman and Managing Director

Management Discussion & Analysis Report

Forward looking statement –

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

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

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

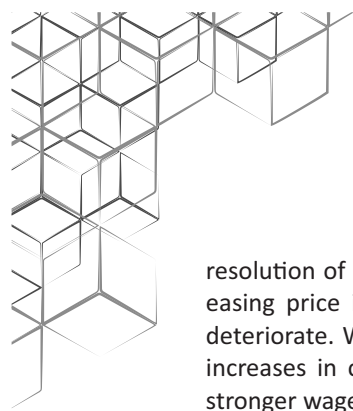
We are pleased to present our performance highlights for FY2021-22 and business outlook for this year:

WORLD ECONOMIC OUTLOOK: WAR SETS BACK THE GLOBAL RECOVERY

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022. A severe double-digit drop in GDP for Ukraine and a large contraction in Russia are more than likely, along with worldwide spillovers through commodity markets, trade, and financial channels. Even as the war reduces growth, it will add to inflation. Fuel and food prices have increased rapidly, with vulnerable populations—particularly in low-income countries—most affected. Although many parts of the world appear to be moving past the acute phase of the COVID-19 crisis, deaths remain high, especially among the unvaccinated. Moreover, recent lockdowns in key manufacturing and trade hubs in China will likely compound supply disruptions elsewhere.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. With a few exceptions, employment and output will typically remain below pre-pandemic trends through 2026. Scarring effects are expected to be much larger in emerging market and developing economies than in advanced economies—reflecting more limited policy support and generally slower vaccination—with output expected to remain below the pre-pandemic trend throughout the forecast horizon. Moreover, the war in Ukraine has increased the probability of wider social tensions because of higher food and energy prices, which would further weigh on the outlook.

Inflation is expected to remain elevated for longer than in the previous forecast, driven by war-induced commodity price increases and broadening price pressures. For 2022, inflation is projected at 5.7 percent in advanced economies and 8.7 percent in emerging market and developing economies. Although a gradual



resolution of supply-demand imbalances and a modest pickup in labor supply are expected in the baseline, easing price inflation eventually, uncertainty again surrounds the forecast. Conditions could significantly deteriorate. Worsening supply-demand imbalances— including those stemming from the war—and further increases in commodity prices could lead to persistently high inflation, rising inflation expectations, and stronger wage growth. If signs emerge that inflation will be high over the medium term, central banks will be forced to react faster than currently anticipated—raising interest rates and exposing debt vulnerabilities, particularly in emerging markets.

Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic remain essential. The adverse consequences from the current geopolitical conflict are a reminder of the importance of global cooperation. This extends from addressing the immediate needs of war refugees to the eventual great effort to rebuild Ukraine. As countries contend with higher volatility, spending pressures from humanitarian response needs, and tighter financial market conditions, the likelihood that some countries will become financially constrained increases. On climate, advanced economies must make real progress toward their COP26 climate summit pledges. Emerging market and developing economies must extend their ambition to reduce emissions. And as the pandemic is not yet over, governments must use all tools at their disposal to combat the virus, both by meeting vaccination targets and by ensuring equitable access to tests and treatment.

*(Source: WORLD ECONOMIC OUTLOOK: WAR SETS BACK THE GLOBAL RECOVERY
International Monetary Fund | April 2022)*

INDIA ECONOMIC OUTLOOK

As 2021 was coming to a close, there was optimism in the air. India was gearing up for a strong economic recovery—several forecasters such as the International Monetary Fund expected growth to exceed 9% this fiscal. This optimism received a jolt early this year as a wave of omicron infections swept through the country (which, thankfully, did not last long), and then in February, Russia invaded Ukraine. These events aggravated the preexisting challenges such as surging inflation, supply shortages, and shifting geopolitical realities across the world with no definite end in sight. And the subsequent confluence of headwinds such as surging commodity prices and disruption in trade and financial transactions quickly deteriorated economic fundamentals that were trending up a few months back. Consequently, this has compelled us to temper our growth expectations.

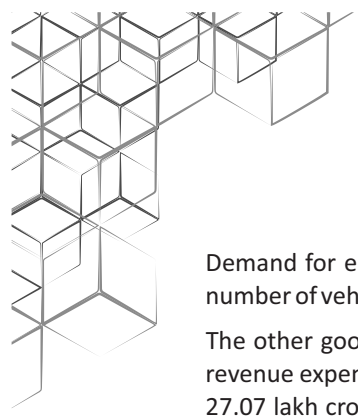
However, we believe the risks are not strong enough to deny India an economic rebound given the domestic demand potential. We expect India to grow by 7.1%–7.6% in FY22–23 and 6%–6.7% in FY23–24. This will ensure that India reigns as the world's fastest-growing economy over the next few years, driving world growth even as several major economies brace themselves for a slowdown or possibly a recession.

So, why are we optimistic?

India is primarily a domestic demand-driven economy with consumption and investments contributing to 70% of the economic activity. According to the Reserve Bank of India (RBI) analysis of 10,000 listed companies, businesses have seen a steady net profit-to-sales growth over the past year and are sitting on piles of cash (as evident from the cash coverage ratio).

Although investments are growing sporadically partly because of supply chain disruptions and global uncertainties, industry and service activities remain robust. Inflation, like in many other countries, has been hard on Indian consumers, with low-income households getting disproportionately impacted. That said, consumer confidence is improving with the easing of mobility restrictions.

There is an appetite for spending among the top 10 income percentile of the population that has not spent for more than a year and thus is onto revenge buying and traveling. The number of flights taking off and hotel reservations have enthused travel industrialists. Revival in business travels and in-person client interactions have also helped the hospitality sector. Furthermore, the number of foreign tourists visiting India almost doubled between January and April this year.



Demand for electricity in the first six months of the year has been higher than in the past three years. The number of vehicles registered, meanwhile, has reached pre-pandemic levels.

The other good news is that the government's capital spending share is going up even as it is cutting down revenue expenses. India's gross tax collection has beaten all expectations. The total tax collection reached INR 27.07 lakh crore (US\$356.82 billion) in FY21–22, surpassing the government's revised target by a substantial margin.

Improved economic activity and better compliance efforts in taxation have aided in better revenues. The tax buoyancy (which is a measure of growth in tax revenues compared to GDP growth), the simplified tax regime with low rates, comprehensive review and rationalization of the tariff structure, and digitization of tax filing are likely to support further capital spending in the future. Higher capital spending on infrastructure and asset-building projects is likely to boost growth multipliers in the medium term.

Last, but not least, exports, in terms of their contribution to GDP, performed exceptionally well during the pandemic and bolstered recovery when all other growth engines were losing steam. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness economic slowdown. That said, the opportunity to boost services exports on the back of the global digitization wave is promising. Similarly, India's manufacturing sector growth looks encouraging as several multinational companies will look for resilience and cost-effectiveness in light of the China Plus One strategy.

Moreover, if an expectation of a global economic slowdown results in a fall in commodity prices, which is what commodity indices currently indicate, Indian import bills will also come down. That may improve India's current as well as fiscal accounts.

Global headwinds weigh on.

Inflation—which began after the pandemic led to supply chain disruptions, and then exacerbated due to the war in Ukraine and the subsequent sanctions on Russia—has emerged as the toughest challenge for economies around the world.

Inflation remained a persistent problem in India throughout the pandemic. A large part of it was earlier driven by high food prices, followed by fuel prices that started rising in 2021. Lately, a surge in demand for services has contributed to inflationary pressures. Most importantly, rising prices of commodities and raw materials globally have also seeped into the economy through imports. According to our estimates, the contribution of high import prices to domestic inflation remained significant throughout the pandemic.

The danger of persistent and prolonged inflation is that it reinforces inflation expectations. It then pushes up core prices (those excluding food and fuel prices, which are highly volatile) that often tend to be sticky-down. For instance, once a restaurant increases the menu prices, it rarely revises the prices down even if food inflation has eased off. In short, what started as food and fuel inflation has become more broad-based.

Till late 2021, a majority of the central banks believed inflation to be transitory. Cognizant of the fact that a tighter monetary policy cannot address supply-side issues but impact demand instead, banks globally hesitated in raising policy rates to anchor rapidly accelerating inflation. Finally, after reassessing the risks, several advanced nations decided to take the plunge; over the past six months, the central banks of the United States and the United Kingdom have been aggressively hiking policy rates, while the European Central Bank has recently hinted at similar actions. Moreover, many central banks are correcting their balance sheets. The possible consequences of such actions on global liquidity have unnerved investors, leading to capital flight, especially from emerging nations. These nations have seen their currency, external accounts, and borrowing cost conditions deteriorate, and to soften the blow, they have been forced to incur a higher fiscal deficit.

With banks globally tightening their monetary policy stance and domestic inflation remaining above the comfort zone (of 4%+2%) for several months, the RBI was left with very few policy choices. It sprang into action and raised the policy rates by 90 basis points within a month. It also has started reducing liquidity in the market, although it has kept the monetary-policy stance accommodative so far.

The challenge is that the aggressive rate hikes may not result in taming inflation immediately. The rate hikes and liquidity squeeze are expected to raise borrowing costs and reduce demand, which, in turn, will ease price pressures. Therefore, the likely consequence of a tighter monetary policy everywhere will be a slowing down of economic activity. Concerns about a recession in the United States and the EU are imminent, and the questions



being asked are “Not if, but when.” China's outlook for the rest of the year, meanwhile, remains uncertain as it continues to rely on lockdowns and other restrictions to contain the spread of the virus. Activities in the property and auto sectors have also seen moderations in the region. In short, the combination of geopolitical developments and global exigencies (such as the pandemic) are stressing supply chains, creating logistics bottlenecks, influencing trade relationships, and constantly changing the trade basket and competitive advantages.

What lies ahead for India?

According to our baseline, FY22–23 will likely witness the strongest rebound. Despite global risks, consumer and investment demand picks up. The buoyancy impact of the government spending (the infrastructure spending and production-linked incentive schemes) coincides with the economic recovery. Global economic slowdown, geopolitical conflicts, and rising global wages possibly enhance India's status as a preferred alternate investment and outsourcing destination. We also expect several of the stressed economic indicators to likely improve as soon as global risks recede and recovery gains momentum.

That said, we expect inflation to remain stubbornly high despite rate hikes in FY22–23 unless the global slowdown causes oil and commodity prices to fall.

The domestic currency recovers some lost ground against the US dollar, but not before early next year. India's relatively strong recovery and global slowdown improve INR's strength. The fiscal deficit deteriorates marginally because of higher subsidies (for fertilizers) and reduced excise duty revenues from oil. However, there are no long-term implications on the government's consolidation targets as higher tax collections and returns from capital investments partially offset the expenses.

Under the highly pessimistic assumptions, we expect the economy to experience a remarkable slowdown throughout our forecast period. Stagflation is a strong possibility under this scenario.

To conclude, it is true that uncertainties in the global business ecosystem will send crippling headwinds toward India. Inflation and supply chain disruptions will remain entrenched for some time. However, domestic demand and the desire of global businesses to look for more resilient and cost-effective investment and export destinations, among other factors, will help India ride this tide of headwinds. The optimism about India's economic recovery, although slightly bruised, remains intact.

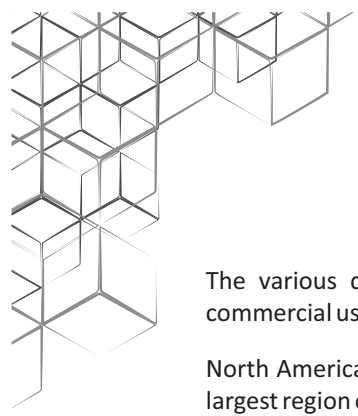
(source: <https://www2.deloitte.com/xe/en/insights/economy/asia-pacific/india-economic-outlook.html>)

Computer Hardware Global Market Report 2022

The global computer hardware market is expected to grow from \$1,129.39 billion in 2021 to \$1,215.76 billion in 2022 at a compound annual growth rate (CAGR) of 7.6%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social distancing, remote working, and the closure of commercial activities that resulted in operational challenges. The market is expected to reach \$1,568.25 billion in 2026 at a CAGR of 6.6%.

The computer hardware market consists of sales of computer hardware and related services by entities (organizations, sole traders and partnerships) that provide computer hardware including personal computers (PCs), laptops and tablets, computer storage devices, peripheral equipment, etc. The computer hardware market includes servers and processors but does not include embedded systems used in automobiles and manufacturing plants.

The main types of computer hardware are computer peripheral equipment, computer storage devices and servers and computers. Computer peripheral equipment are devices (including sensors) used to enter information and instructions into a computer for storage or processing and to deliver the processed data to the operator or to a machine controlled by the computer.



The various distribution channels include online and offline. The various end-user are household and commercial users.

North America was the largest region in the computer hardware market in 2021. Asia Pacific was the second largest region of the computer hardware market.

Africa was the smallest region in the global computer hardware market. The regions covered in the computer hardware market are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East and Africa.

The computer hardware market is expected to be aided by rapid growth in investments in smart city projects in many countries globally. Smart city technologies use information and communication technologies to efficiently manage and operate urban services including transportation systems, water supply and law and order.

These technologies are enabled through IoT technology. IoT is a convergence of computing devices, mechanical and digital objects.

This system facilitates the transfer of data over a network without human interaction and minimal human to computer interaction. Smart cities use computers and related hardware, thereby benefitting the companies operating in this market.

The concept of smart cities is becoming more popular in developing nations too. For instance, more than 1,000 smart city pilot projects are either ready for or are under construction globally and around 500 of these projects are in China.

Electrical and electronic waste (e-waste) is currently the largest growing waste stream and rising regulations regarding its recycle and disposal are likely to hinder the growth of the computer hardware market. E-waste is hazardous and expensive to treat in an environmentally sound manner, and there is a general lack of standardized legislation or enforcement regarding e-waste.

Close to 50 million tons of e-waste is generated globally every year and this e-waste is generally discarded in the general waste stream. Within these regions, e-waste is recycled using rudimentary techniques.

E-waste has adverse environmental and health implications, for example, e-waste represents only 2% of solid waste in landfill globally but it accounts for up to 70% of the hazardous materials. Safety and health issues, labor issues and regulatory frameworks related to the management of e-waste can be a threat to this market going forward.

Many technology companies are introducing tablets to replace laptop computers. Portability, ability to connect to 3G and 4G networks, and the light weight of these devices are the major reasons for individuals increasingly opting for tablets.

According to a Nielsen study less than one-third of tablet owners surveyed indicated that their desktop usage will be limited or not at all. This decreasing usage of desktop computers is encouraging computer hardware manufacturers to design and produce tablet computers.

(source : https://www.reportlinker.com/p06246413/?utm_source=GNW)

IT Spending in India to Reach \$100 Billion in 2022

IT spending in India is forecast to total \$101.8 billion in 2022, an increase of 7% from 2021, according to the latest forecast by Gartner, Inc.

“The digital transformation trajectory that began as a pandemic response is here to stay for the next few years,” said Arup Roy, research vice president at Gartner. “India has experienced one of the fastest recoveries despite being one of the worst hit regions in the second wave of the pandemic in early 2021. In 2022, CIOs in India will build on renewed interest in technology from the business to gain funding for new IT projects.”

Indian CIOs are likely to increase their spending towards projects that drive innovation and modernizing legacy systems. Hiring a workforce that can deliver on these needs will also be a key priority. Next year, Indian CIOs are prioritizing a move away from rigid and monolithic ways of doing business to a more composable business and IT architecture where they will be able to better respond to disruptions.

In 2022, all segments of IT spending in India are expected to grow, with software emerging as the highest growing segment. Spending on software is forecast to total \$10.5 billion in 2022, up 14.4% from 2021 (see Table 1). While experiencing a slower growth rate than 2021, spending on software in 2022 is forecast to be nearly double of what it was pre-pandemic.

Table 1. India IT Spending Forecast (Millions of U.S. Dollars)

	2020 Spending	2020 Growth (%)	2021 Spending	2021 Growth (%)	2022 Spending	2022 Growth (%)
Communication Services	22,999	11	24,000	4.4	24,551	2.3
Data Center Systems	2,614	-11.3	2,764	5.7	2,859	3.4
Devices	36,014	-5.8	41,040	14	44,132	7.5
IT Services	16,352	3	18,119	10.8	19,768	9.1
Software	7,852	17	9,188	17	10,507	14.4
Overall IT	85,831	1.5	95,110	10.8	101,817	7

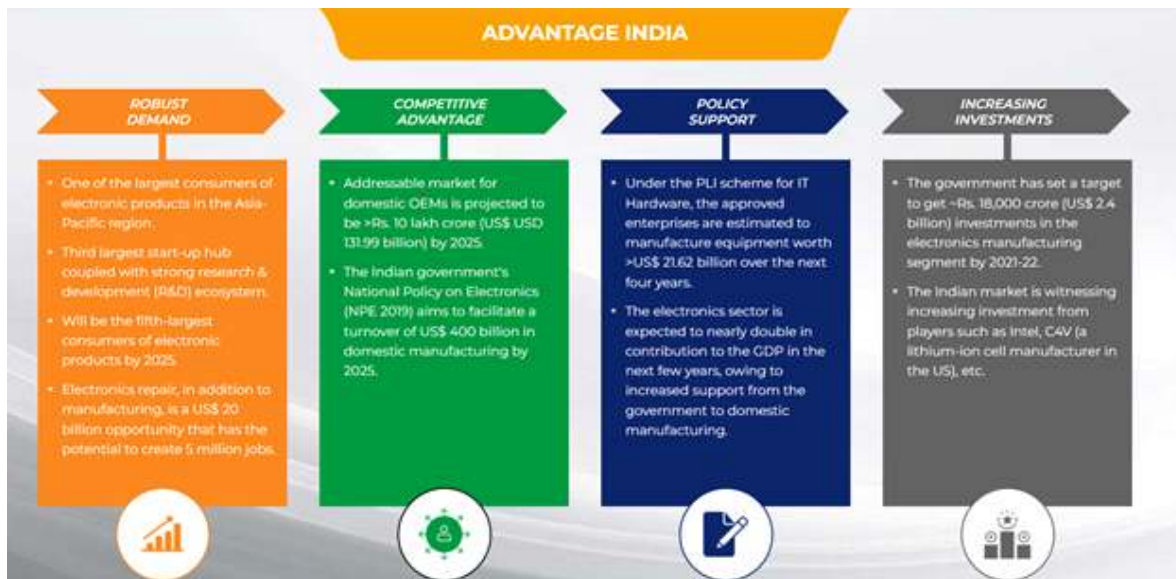
Source: Gartner (December 2021)

As hybrid work adoption increases in the country, there will be an uptick in spending on devices in 2022, reaching \$44 billion, an increase of 7.5% from 2021. “The growth in devices is a combination of two components – hybrid work and pent-up demand from 2020 for device upgrades,” said Roy. “Spending on devices will make up 43% of total IT spending next year.”

(source: <https://www.gartner.com/en/newsroom/press-releases/2021-12-01-india-it-spending-forecast-2022>)

Electronics System Design & Manufacturing (ESDM) Industry in India

India is the second largest mobile handsets manufacturer in the world with regards to volume produced amounting to 30 crore (300 million) in FY21.



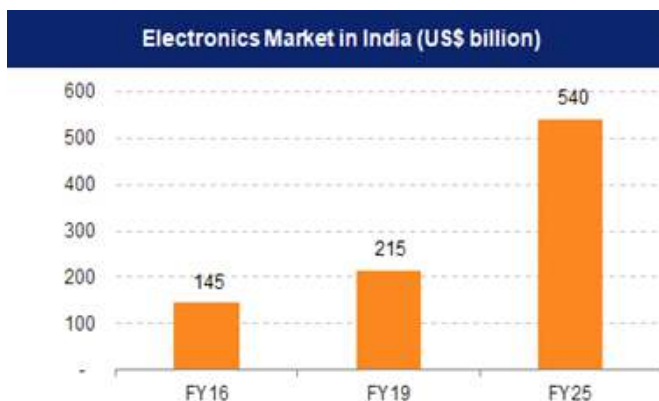
INTRODUCTION

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

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

MARKET SIZE

The Indian electronics manufacturing industry is projected to reach US\$ 520 billion by 2025. The demand for electronic products is expected to rise to US\$ 400 billion by 2025 from US\$ 33 billion in FY20. Electronics market has witnessed a growth in demand with market size increasing from US\$ 145 billion in FY16 to US\$ 215 billion in FY19—the market witnessed a growth of 14% CAGR from 2016-19. Electronics system market is expected to witness 2.3x demand of its current size (FY19) to reach US\$ 160 billion by y25



In India, smartphone shipments from India crossed 168 million units in CY 2021, and in 2022, smartphone shipments from India are expected to reach ~190 million. 5G device shipments are expected to increase by 129% YoY, from 28 million in CY 2021 to about 64 million in CY 2022. Electronics design segment, growing at 20.1%, was 22% of the ESDM market size in FY19; it is anticipated to be 27% of the ESDM market size in FY25.

INVESTMENTS

Some of the investments/ developments in the Electronics System Design & Manufacturing (ESDM) sector in the recent past are as follows:

- ◆ FDI inflows in the Electronics and Electrical Equipments sector reached US\$ 14.28 billion between April 2000-March 2022.
- ◆ In FY 2021-22, imports of electronics goods stood at US\$ 73.3 billion, whereas exports stood at US\$ 15.67 billion.
- ◆ In March 2022, Reliance announced that it would invest US\$ 220 million in a joint venture with Sanmina Corp, a US- listed company for making electronic products in the Asian countries.
- ◆ According to sources, Apple Inc. in 2021 manufactures 70% of mobile phones sold in India, a sharp increase from 30% recorded two years ago. This is a significant push towards the “Make in India” initiative, following the government's Production-linked Incentive (PLI) plan, which began in FY21.
- ◆ In September 2021, tech giant Lenovo announced plans to ramp up manufacturing capabilities in India across various product categories, such as PCs, notebooks and smartphones, due to rising consumer demand. However, details of the investment were not disclosed.
- ◆ Intel has invested over US\$ 7 billion in design and R&D facilities in the country to date.
- ◆ The Tata Group announced plans to enter the semiconductor manufacturing business as of August 2021—seeking a proportion of the US\$ 1 trillion high-tech electronics manufacturing sector.
- ◆ The government has set a target to get ~Rs. 18,000 crore (US\$ 2.4 billion) investments in the electronics manufacturing segment by 2021-22.

GOVERNMENT INITIATIVES

The Government of India has adopted few initiatives for the ESDM sector in the recent past, some of these are as follows:

- ◆ Ministry of Electronics & Information Technology (MeitY) has announced “Scheme for Promotion of Semiconductor Eco-System” in India with a massive outlay of Rs. 76,000 crore (US\$ 9.48 billion) in 2022.
- ◆ As per Union Budget 2022-23, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 14,300 crore (US\$ 1.85 billion).
- ◆ In the allocated budget, revenue expenditure allocation is Rs. 13,911.99 crore (US\$ 1.8 billion) and capital expenditure allocation is Rs. 388.01 crore (US\$ 50.4 million).
- ◆ About 80% of the Production-Linked Incentive scheme (PLI) to encourage manufacturing in the country, which covers 14 industries and has a total investment of Rs 3 lakh crore (US\$ 38.99 billion), is concentrated in only three sectors: electronics, automobiles, and solar panel production.
- ◆ PLI scheme for large scale electronics manufacturing launched by Ministry of Electronics and Information Technology (MeitY) in April 2020 has been extended from existing five years band (FY21-FY25) to six years (FY21-FY26).
- ◆ In September 2021, the Indian Institute of Technology Indore and the Confederation of Indian MSME in Electronics System Design and Manufacturing (ESDM) and Information Technology (CIMEI), signed a Memorandum of Understanding (MoU) to collaborate and share knowledge and best practices as well as offer technological support for the growth of Indian start-ups and SMEs.
- ◆ The key government initiatives such as 'Make in India' and 'Digital India' improved the country's EoDB. In 2021-22, the total budget allocation towards the 'Digital India' programme is Rs. 6,806.33 crore (US\$ 936.19 million).
- ◆ In January 2021, the India Cellular and Electronics Association (ICEA) proposed a RoDTEP rate of 2% on smartphones, 2.4% on feature phones, 2% on tablets/laptops, 3.4% on battery chargers and 1.48% on battery packs.

- ◆ On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.
- ◆ Under the PLI scheme for IT Hardware, the approved enterprises are estimated to manufacture equipment worth >US\$ 21.62 billion over the next four years. Of the total production, foreign companies have suggested production worth US\$ 11.38 billion, whereas domestic enterprises have planned a production of US\$10.20 billion.

ROAD AHEAD

Fueled by strong policy support, huge investments by public and private stakeholders and a spike in demand for electronic products, the ESDM sector in India is predicted to reach US\$ 220 billion by 2025, expanding at 16.1% CAGR between 2019 and 2025.

References: Media reports, Ministry of Electronics and Information Technology (MeitY), Make in India, Invest India, Union Budget, 2022-23

(Source: <https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm>)

PRODUCTION-LINKED INCENTIVE (PLI) SCHEME FOR TELECOM & NETWORKING PRODUCTS

Introduction

India is the second-largest telecommunications market in the world (after China) in terms of subscribers and internet users. As per the Telecom Regulatory Authority of India (TRAI) data, subscriber base in the country stood at ~1.2 billion (as of August 2021), while internet users stood at ~825.30 million (as of March 2021). According to IAMAI (Internet and Marketing Association of India) and Kantar Research, the number of internet users in India is expected to reach ~900 million by 2025 on the back of rising demand. Affordable mobile data plans have enabled internet access to a majority population in the country and the rising number of internet users offer a huge opportunity for businesses and entrepreneurs to scale up and contribute to the overall economic growth. As per a McKinsey report, India is expected to have a digital economy of US\$ 1 trillion by 2025, up from US\$ 200 billion in 2018.

The telecom sector will likely play a significant role in this journey. The sector has catalysed the Indian digital economy and is projected to contribute 8% to the gross domestic product (GDP) by 2022, from ~6.5% in 2020. With smartphone users estimated at ~600 million in India (in 2020-21) and data consumption at ~14.6 gigabytes per user per month (in 2020-21), the telecom sector has contributed significantly to the country's digital transformation by empowering citizens.

The Indian government aims to further strengthen the telecom sector by boosting domestic manufacturing, investments and exports of telecom & networking products.

Need for Production-linked Incentive (PLI) Scheme in the Telecom Sector

The telecom industry relies heavily on imports from foreign equipment vendors to cater to the domestic demand. As per TRAI data, in FY20, exports of telecom instruments from India stood at US\$ 4.8 billion, while imports stood at US\$ 14.2 billion. In the third quarter of 2021, ~80% of the Indian smartphones market was dominated by key foreign vendors such as Xiaomi, Samsung, Vivo, Realme, Apple and others. Key players such as Samsung led the mid- to upper-tier price segment (Rs. 10,000-30,000 or US\$ 134.80-404.39) with a 25% market share, while Apple led the premium smartphones market (>Rs. 30,000 or US\$ 404.39) with a 44% share. For other foreign vendors such as Ericsson and Nokia, India is one of the top five revenue-generating countries. In the first half of 2021, Ericsson's share of sale from the Indian market doubled from 2% to 4%.

In February 2021, the government introduced a PLI scheme for telecom and networking products to reduce import dependency and boost domestic production and exports. The scheme aims to transform India into a global manufacturing hub for telecom equipment by encouraging telecom players (including networking products manufacturers) to invest in India and incentivising investments made by foreign and domestic players.

The scheme aligns with India's 'Atmanirbhar Bharat' (self-reliant India) and 'Make in India' initiatives. As telecom products play a significant role in the vision of 'Digital India', the PLI scheme is also expected to help online infrastructure.

Details of the PLI Scheme for the Telecom Sector

The production-linked incentive (PLI) scheme for telecom & networking products was announced with an outlay of Rs. 12,195 crore (US\$ 1.65 billion) for a period of five years until FY26. It aims to form global champions in the Indian telecom sector that can potentially scale up by leveraging cutting-edge technologies and penetrate the global value chain.

The scheme will incentivise industry players to incrementally invest in India, effective from April 1, 2021. Investments made from April 1, 2021 to FY25 will be eligible to get support under the scheme until FY26.

The government encourages both MSME and non-MSME firms—including domestic and global companies—and players that manufacture products (e.g., networking products manufacturers) with indigenously developed technologies to apply for the scheme and benefit from it.

Impact of the PLI Scheme

The approved 31 applicants have committed to investments worth Rs. 3,345 crore (US\$ 452.73 million) in the next four years in India. This is expected to generate incremental production of ~Rs. 1.82 lakh crore (US\$ 24.63 billion) and employment of >40,000 individuals over the scheme period. Also, the scheme is expected to enhance domestic research & development of new products, which is expected to attract ~15% of the total committed investment.

As per the Department of Telecommunications (DoT), full utilisation of the scheme funds is expected to result in an incremental production value of ~Rs. 2.4 lakh crore (US\$ 32.01 billion) and exports worth ~Rs. 2 lakh crore (US\$ 26.67 billion) over the next five years.

The Road Ahead...

The PLI scheme for the telecom sector has been well-received by global players. In addition, the Indian government has been taking measures to boost foreign investments in the sector. For instance, as of October 2021, 100% foreign direct investment (FDI) in the telecommunications sector is allowed through the automatic route compared with the previous 49%. The telecommunications sector in India is the third-largest recipient of FDI inflow. Between April 2000 and June 2021, FDI inflow in the telecom sector stood at US\$ 37.98 billion, contributing ~7% to the total FDI inflow in the country. The 100% FDI allowance is expected to ease approval procedure and reduce time taken by foreign firms to invest in any telecom services provider in India.



The PLI scheme also aligns with the 'Atmanirbhar Bharat' (self-reliant India) and 'Make in India' initiatives. Key Indian players, such as Bharat Sanchar Nigam Limited (BSNL), Bharti Airtel and Reliance Jio, are focusing on homegrown solutions to expand 4G networks and implement 5G networks in line with these initiatives.

Backed by supportive initiatives taken by the government and private players, the PLI scheme for telecom is expected to not only establish a vibrant ecosystem for domestic vendors, but also benefit global players. This is likely to create a win-win situation for all and contribute to further growth of the Indian economy.

(Source: <https://www.ibef.org/blogs/production-linked-incentive-pli-scheme-for-telecom-networking-products-manufacturing-in-india>)

STANDALONE & CONSOLIDATED FINANCIAL OVERVIEW

The Standalone performance of the Company for the financial year ended March 31, 2022 is as follows:

-  Total revenue from operations at Rs. 85.28 crore for the year ended March 31, 2022, as against Rs. 77.58 crore for the corresponding previous period, an increase by 9.92%.
-  The Cost of Raw Materials for the financial year ended March 31, 2022 were Rs 74.43 crore as against Rs. 62.73 crore for the corresponding previous period, an increase by 18.65%.

- ◆ The Employee expenses for the financial year ended March 31, 2022 were Rs 3.68 crore as against Rs 3.85 crore for the corresponding previous period, decreasing by 4.41%.
- ◆ The other expenses for the financial year ended March 31, 2022 were Rs 3.34 crore as against Rs 3.05 crore for the corresponding previous period, increasing by 9.51%.
- ◆ The EBIDTA (earnings before interest, depreciation and tax) was Rs 3.82 crore for the year ended March 31, 2022 as against Rs 7.94 crore for the corresponding previous period, decreasing by 51.91%.
- ◆ The depreciation for the financial year ended March 31, 2022 was Rs 0.70 crore, as against Rs 1.08 crore for the corresponding previous period, a decrease of 35.18%.
- ◆ The EBIT (earnings before interest and tax) were Rs 6.40 crore for the year ended March 31st, 2022 as against Rs 8.42 crore for the corresponding previous period, decreasing by 23.99%.
- ◆ The PAT (profit after tax) were Rs 2.10 crore for the year ended March 31st, 2022 as against Rs 3.54 crore for the corresponding previous period, decreasing by 40.70%.
- ◆ The interest for the financial year ended March 31st, 2022 was Rs 3.27 crore as against Rs 3.45 crore for the corresponding previous period, decrease of 5.22%.
- ◆ The EPS (Earning Per Share) for the financial year ended March 31st, 2022 stood at Rs 1.75 for a face value of Rs 10 per share, as against Rs 2.95 for the corresponding previous period.

The Consolidated Figures for the Company include financials of its Subsidiary Technofy Digital Private Limited and an Associate company ICT Infratech Private Limited.

Wemart Global FZE (UAE) - was liquidated on January 17, 2021. However, its formal cancellation certificate was issued by the Ajman Free Zone authorities on May 30, 2021. Pursuant to the formal closure of Wemart Global FZE (UAE), there was no contribution in terms of any financial figures to the Consolidated figures.

Technofy Digital Pvt Ltd – As decided during the previous year the underlying Land Assets are being monetized for which the Subsidiary had to get various legal and compliance clearances from the authorities. The Land Asset had to be subdivided into 50 smaller plots so that those could be sold to prospective buyers. During FY 2021-22, a total of 15 plots were sold and the funds received from such sales were used to repay the debts of financial creditors. The process of selling the remaining plots is underway and the management expects to sell the remaining plots in FY 2022-23 and to repay all the Loans taken by the Subsidiary. Technofy Digital Pvt Ltd is still categorized as not a going concern.

ICT Infratech Pvt Ltd - The operations in FY 2021-22 were nominal resulting in a contribution of a nominal profit of Rs 0.0042 Crore for FY 2021-22.

The Consolidated performance of the Company for the financial year ended March 31, 2022 is as follows:

- ◆ Total revenue from operations at Rs 85.28 crore for the year ended March 31, 2022 as against Rs 77.58 crore for the corresponding previous period, an increase of 9.92%.
- ◆ The cost of Raw Materials for the financial year ended March 31, 2022 were Rs 74.43 crore as against Rs 62.73 crore for the corresponding previous period, an increase by 18.65%.
- ◆ The Employee expenses for the financial year ended March 31, 2022 were Rs 3.68 crore as against Rs 3.85 crore for the corresponding previous period, decreasing by 4.41%.
- ◆ The other expenses for the financial year ended March 31, 2022 were Rs 3.34 crore as against Rs 3.05 crore for the corresponding previous period, increasing by 9.51%.
- ◆ The EBIDTA (earnings before interest, depreciation and tax) was Rs 3.82 crore for the year ended March 31, 2022 as against Rs 7.94 crore for the corresponding previous period, decreasing by 51.91%. The depreciation for the financial year ended March 31, 2022 was Rs 0.70 crore, as against Rs 1.07 crore for the corresponding previous period, a decrease of 34.58%.
- ◆ The EBIT (earnings before interest and tax) were Rs 5.76 crore for the year ended March 31, 2022 as against Rs 7.75 crore for the corresponding previous period, a decrease of 25.73%.
- ◆ The interest for the financial year ended March 31, 2022 was Rs 3.27 crore as against Rs 3.45 crore for the corresponding previous period, a decrease of 5.19%.

- ◆ The PAT (profit after tax) from continuing operations were Rs. 1.46 crore for the year ended March 31, 2022 as against Rs 2.86 crore for the corresponding previous period, decreasing by 48.95%.
- ◆ The PAT (profit after tax) from discontinuing operations were Rs. (0.66) crore for the year ended March 31, 2022 as against Rs (2.50) crore for the corresponding previous period, a significant decrease in loss by 73.60%.
- ◆ The Total PAT for the Company stood at Rs 0.80 crore for the year ended March 31, 2022 as against Rs 0.36 crore for the corresponding previous period.
- ◆ The EPS (Earning Per Share) (from continuing operations) for the financial year ended March 31, 2022 was Rs 1.21 for a face value of Rs 10 per share, as against Rs 2.38 for the corresponding previous period.

RESOURCES AND LIQUIDITY

- ◆ As on March 31, 2022 the standalone net worth stood at Rs 34.66 crore and the standalone debt was at Rs 23.79 crore.
- ◆ The cash and cash equivalents at the end of March 31, 2022 were Rs. 0.90 crore.
- ◆ The total debt to equity ratio of the Company stood at 0.69 as on March 31, 2022.

BUSINESS PERFORMANCE

Key Developments during the year

In furtherance to the “Panache 2.0” strategy which revolves around the Make in India initiative promoted by the Govt. of India the company has focused its operations in the manufacturing of IT Hardware and Electronic devices. This is suitably aided by the Production Linked Incentive Schemes promoted by the Govt. of India in various sectors. Your company has applied for and has been successful to be selected under the Productions Linked Incentive scheme for IT Hardware as well as the Production Linked Incentive scheme for Telecom & Networking Products.

During FY 2021-22, Q1 and Q2 were still under the effects of the second wave of the Covid-19 led Lockdowns and other restrictions which effectively resulted in curtailed business. Businesses, which had just started moving back to normalcy after the end of the first wave, were hit hard by the second wave. To break the chain of transmission, unlike last year when the country went into a national lockdown, this time state governments prioritised micro-containment zones and localised lockdowns based on the evolving situation on the ground. While such measures were necessary, these did have an impact on economic activities.

The learnings of FY21 proved pivotal at this time, as we leveraged the strong support of our stakeholder ecosystem and limited the impact on business continuity in FY22. However, the combination of Covid and other geopolitical events resulted in severe supply constraints across categories and created an uncertain business environment through the year.

We have consolidated on our FY 21 performance and have launched products in the Laptop and All in One PC category which are covered in the PLI scheme for IT Hardware. This has resulted in a few tie-ups with some customers for whom we will manufacture the products under their Brands and will now cater into the consumer segment.

These tie-ups have resulted in increased order flows which have been executed in Q4 of FY 2021-22 effectively increasing the turnover to Rs 85.27 crores as against Rs 77.58 crores.

Some of the important developments, launches and tie-ups entered into by the company during the year are as:

- ◆ Panache DigiLife Limited (“Panache”) has been **selected under the Production Linked Incentive (PLI) Scheme for IT Hardware by the Ministry of Electronics and Information and Technology (MeitY)** as declared by honorable Shri Ravi Shankar Prasad, Union Minister for Electronics & IT, Communications, Law and Justice, Government of India on July 01, 2021.

- ◆ Panache Digilife announces new product in 4G/5G compatible Classroom Education Learning Solution Panache.
- ◆ Panache Digilife Limited (“Panache”) has been **selected under the Telecom – Production Linked Incentive (PLI) (Scheme for Telecom and Networking Products) by the Ministry of Communications** as declared by honourable Shri Devusinh Chauhan, Minister of State in the Ministry of Communications, Government of India on October 14, 2021.
- ◆ Panache DigiLife Limited (“Panache”) has entered into tie-ups in the capacity of contract manufacturer for “All-in-One PC” and Servers from renowned and reputed organizations. These tie-ups will obviously enable Panache in achieving the significantly enhanced, high volumes which will direct Panache to move in a direction of devising and realizing the plans for volume expansions and formalization of new investments plans. **The higher manufacturing volumes will also enable Panache achieving a state of sustained quality manufacturer of IT & IOT products.**
- ◆ **Panache Digilife Signs Distribution Agreement with Israel based Mobileye Vision Technologies Ltd.** For Retrofit Safety Devices for the Indian Market. **Mobileye is an industry-leading software supplier that develops Advanced Driver Assistance Systems (ADAS).** Mobileye has innovated many distinctive products & technologies such as Mobileye SuperVision™, self-driving vehicles, Vision based FCW, Highbeam systems, Mobileye traffic sign recognition systems, lane departure warning systems, Vision-only forward collision warning system and EyeQ chip.

RISKS AND CONCERNS

Global financial conditions have tightened notably and downside risks to the economic outlook have increased as a result of the war in Ukraine. This has occurred just as most of the world was slowly bringing the pandemic under control and the global economy was recovering from COVID-19. The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. Economic damage from the conflict will contribute to a significant slowdown in global growth in 2022.

The high-tech industry in general, and the computer hardware segment in particular, is a risky one. Intense price competition, short product life cycles, volatile demand, and the large investments required to stay on the cutting edge place hardware makers in a vulnerable position. Research and development costs are high, markets shift quickly, and margins are thin.

Apart from the Socio Economic Risk which has arisen due to the effects of Covid-19 Pandemic there is an added dimension of Geo-Political Risk which leads to increase in commodity prices and inflation.

Every day during the course of our day-to-day operations and in pursuit of our long-term objectives, we face both internal and external risks. The Company has robust risk management procedures to identify and evaluate risks on an on-going basis. The Company has a detailed risk management policy in place.

The Company faces the following risks and concerns:

Economic Risk

Hardware sales tend to rise and fall with economic cycles, booming during periods of rapid expansion and plummeting as growth cools. Business customers account for the vast majority of computer hardware sales, and their demand is strongly influenced by current economic conditions and their own profitability. When profits are rising, companies are eager to expand and invest in new IT equipment to support their growth. When profits are declining, they see IT spending as an area that can be cut with relatively little consequence to their current cash flow.

While economic downturns affect all areas of the IT business, they tend to hit computer hardware vendors harder than others. Hardware purchases require a large, upfront payment and are easily postponed, particularly if the system they are replacing is performing adequately for now.

Competition Risk

There is stiff competition from established as well as unorganised players. There are minimum entry barriers for manufacturing and assembling of Information technology hardware products. The industry is highly

competitive with presence of both organised and unorganised players, which restricts the bargaining power with large customers and passing on of increase in prices to customers, thus constraining profitability.

Supply Chain Disruption Risk






The Russia-Ukraine conflict, wider geopolitical implications and renewed COVID-19 lockdowns in China have compounded an already bleak global supply chain situation. Existing restrictions imposed on Russia and the potential for further restrictions continue to impact fuel costs, contributing to the wider supply chain crisis. Worker shortages have affected every aspect of the global IT business, from raw materials to manufacturing to the ability to ship out finished product.

Credit Risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. We periodically assess the financial reliability of customers, considering the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly

Technology Related Risk

Any organization including your company faces various Technology related Risks such as

-  Technical obsolescence.
-  Functional obsolescence.
-  Architectural obsolescence.
-  Inventory obsolescence.
-  Style obsolescence.

Technological obsolescence is very intricate to our industry as it is ever evolving. Given the dynamic technology environment, it is critical for the Company's survival and growth, to be in tune with changing technology paradigms; and keep upgrading resources and processes at all times.

The Company has diversified this risk well and thus is not dependent on any single technology or platform. At the same time, the Company has a range of technologies and has developed competencies on various platforms and operating environments. It thus offers a wide range of technology options to clients to choose from, for their business needs.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Panache Digilife has robust internal control systems and further these are evaluated from time to time in order to take additional measures if necessary, in consonance with the changes in the Companies Act, 2013. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of its business, including safeguarding of its assets, prevention and detection of fraud, error reporting mechanism and ensuring accuracy and completeness of financial statements. Based on the results of assessments carried out by Management, no reportable material weaknesses or significant deficiencies in the design or operation of internal financial controls were observed. The Board opines that the internal controls adopted and implemented by the Company for preparation of financial statements are adequate and sufficient.

For the year 2021-22, M/s. SSPK & Associates, Chartered Accountants were appointed as the Internal Auditors by the Board of Directors. The Audit Committee reviews reports submitted by Internal Auditor. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management. The Internal Auditor report directly reports to Audit Committee.

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 43 employees in FY'2022 from 45 in FY'2021. Consequently, the Employee benefit expenses were in line with those of the previous year's figures.

OUTLOOK

On the backdrop of your company being selected under the Production Linked Incentive Schemes under IT Hardware and Telecom & Networking Products, we are now focusing on the development of products and introduction of new devices in categories covered under the respective PLI schemes. These schemes entail significant investment in Production Capacities over the next few years which will enable us to increase the localization content and ensure Import substitution for those products.

We are now focusing on catering to end consumer IT products segment like the laptops and All in One Pc's which is a fast moving category with significantly higher volumes. Our focus in the next few years is to consolidate our manufacturing experience and concentrate on the Consumer oriented products while still catering to our B2B customer segments. Further, in line with the Telecom PLI Products your company has plans to introduce Telecom products like Routers, PoE Switches to start off with.

The new fiscal year FY2022-23 has begun on a very strong note with the start of the execution of the first order in the Laptop category. We are vying to tie-up with further parties to enlarge our customer base and to gradually increase the capacity utilization of our manufacturing facility.

The Company is also evaluating the option of setting up of manufacturing facility for further vertical integration in the production of components at a completely new setup or at the current manufacturing facility at Bhiwandi.

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	2021-22	2020-21	Change (%)	Reason for change
Return on Equity / Net worth	6.25 %	11.52 %	(45.72) %	Increased cost of materials, components due to chip shortage, supply chain concerns has led to decrease in margins.
Trade Payables Turnover Ratio	6.06 times	2.36 times	157.05 %	Improved payments to suppliers and increase in purchases which are monetised in F.Y.2022 -23 has led to improvement in ratios.
Net Profit Ratio	2.46 %	4.56 %	(46.06) %	Due to decrease in operating margins.

BOARD'S REPORT

Dear Members,

The Directors of your Company have the pleasure in presenting the Fifteenth Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The standalone and consolidated financial statements of the company for the financial year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

The summary of the Company's financial highlights, both on a standalone and consolidated basis, for FY 2021-22 as compared to the previous FY 2020-21 is given below:

(₹in lakhs)

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021
Revenue from operations (net)	8527.60	7758.05	8527.60	7758.05
Other income	327.87	155.88	263.85	88.98
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments (excluding other income)	381.92	794.13	381.92	794.13
Depreciation and amortization expenses	69.82	107.61	69.82	107.61
Finance Cost	327.49	345.43	327.49	345.43
Profit before tax (PBT) from continuing operations	297.52	496.97	233.50	430.07
Profit/(Loss) from discontinuing operations	-	-	(66.13)	(250.22)
Profit after tax and minority interest (PAT)	209.63	353.54	79.90	35.91

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

Standalone Performance

During the year, your Company achieved total revenue of ₹8527.60 Lakhs as compared to ₹7758.05 Lakhs in the previous year.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹ 381.92 Lakhs in the current year as compared to ₹ 794.13 Lakhs during the previous year.

During the year, the Net Profit after Tax stood at ₹209.63 Lakhs as compared to ₹ 353.54 Lakhs in the previous year.

Consolidated Performance

Your Company achieved total revenue of ₹ 8527.60 Lakhs as compared to ₹ 7758.05 Lakhs in the previous year.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹ 381.92 Lakhs in the current year as compared to ₹ 794.13 Lakhs during the previous year.

The Net Profit after Tax stood at ₹ 79.90 Lakhs as compared to ₹ 35.91 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 are no other material changes and commitment affecting financial position which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Directors Report.

DIVIDEND

Considering the current economic scenario, the Board of Directors of the Company, at its meeting held on May 23, 2022, has considered it prudent to currently not propose dividend for the financial year ended March 31, 2022.

TRANSFER TO RESERVE

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

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

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

CHANGE IN NATURE OF BUSINESS, IF ANY

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

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2022 was ₹12 Crores. There was no change in the share capital during the period.

DEPOSITS

There were no public deposits accepted during the year or any amount of principal or interest thereof was outstanding in terms of section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, for the Financial Year ended on March 31, 2022.

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;

(Amount in ₹)

Sr. No.	Name of the person	Relation with the Company	Amount received during the year	Amount Outstanding as on March 31, 2022
1	Amit Rambhia	Managing Director	50,70,000	84,70,000
2	Devchand Rambhia	Whole-Time Director	1,79,00,000	1,93,00,000
3	Nikit Rambhia	Joint Managing Director	37,45,000	81,90,000

SUBSIDIARY & ASSOCIATE COMPANY AND CONSOLIDATION OF FINANCIAL STATEMENT

A list of bodies corporate which are subsidiaries/associates/joint ventures of your Company as on March 31, 2022 is as follows;

Technofy Digital Private Limited	Wholly Owned Subsidiary
ICT Infratech Services Private Limited	Associate Company

Wemart Global FZE (UAE), Wholly Owned Subsidiary ("WOS") of the Company was liquidated on January 17, 2021 and subsequently, the Ajman Free Zone authorities issued a Certificate for cancellation of license w.e.f. May 30, 2021. During the year, there was no contribution made by the WOS in Consolidated financial statements of the Company.

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

The Policy for determining material subsidiaries, pursuant to the provisions of Listing Regulations, may be accessed on the Company's website at <https://www.panachedigilife.com/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, Mr. Nikit Rambhia (DIN: 00165678) was liable to retire by rotation and being eligible was re-appointed at the 14th Annual General Meeting held on September 28, 2021. Mrs. Tejaswini More (DIN: 00324922) was appointed as Additional Independent Director by Board of Directors vide circular resolution w.e.f. January 18, 2022, for a period of 5 years and her appointment was approved by the members by way of Postal Ballot on April 7, 2022 in accordance with the Section 152 and 161 of the Companies Act, 2013 and Listing Regulations. 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.

During the year, Mrs. Meeta K. Mehta (holding DIN: 07515717) resigned from the post of Independent Director of the company with effect from October 21, 2021.

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. Devchand Rambhia (DIN: 00165851), will retire by rotation at ensuing AGM and being eligible, has offered himself for reappointment.

Key Managerial Personnel

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with the Rules framed thereunder, the following persons are the Key Managerial Personnel of the Company as on March 31, 2022

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

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

Declaration by Independent Directors

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure) Regulations, 2015 ("SEBI Listing Regulations") including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the provisions of the Act and SEBI Listing Regulations 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. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

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 Companies Act, 2013 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 part of the policy. Thereafter Board evaluated every Director including Independent Director on February 4, 2022.

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

Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 4, 2022 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations.

At the meeting following matters were taken up;

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

All Independent Directors of the Company except Mr. Bhavin Adani attended the Meeting of Independent Directors.

Familiarization Programme

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

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

AUDITORS

Statutory Auditor

In line with the requirements of the Companies Act, 2013, Statutory Auditors, M/s. KPB & Associates, Chartered Accountants (ICAI Firm Registration Number 114841W) was appointed as Statutory Auditor of the Company at the 10th Annual General Meeting ('AGM') to hold office from the conclusion of the said AGM till the conclusion of the 15th AGM of the Company. The Board at its meeting held on August 10, 2022, upon recommendation of Audit Committee has approved and recommended to the shareholders, appointment of M/s. Jain Salia & Associates, Chartered Accountants, (FRN: 116291W), as Statutory Auditor of the Company for a period of five years from the conclusion of the ensuing 15th Annual General Meeting (AGM) till the conclusion of 20th AGM of the Company.

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

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 Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. D. M. ZAVARI & CO., Company Secretaries as Secretarial Auditor to undertake the Secretarial Audit of the Company for the year 2021-22.

Further, in terms of the provisions of Regulation 24A of the SEBI Listing Regulations and Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI; 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.

Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board of Directors of the Company have appointed M/s. SSPK & Associates, to conduct internal audit for the Company for the financial year 2021-22. The Internal Auditor reports to Audit Committee. The Audit Committee reviews reports submitted by Internal Auditors. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management.

Reporting of Fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

Cost Records and Cost Audit

During the year, Company was not required to carry out Cost Audit pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014. However, pursuant to the said provisions, maintenance of cost records is applicable to the Company and accordingly, such accounts and records are being maintained by the Company.

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

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

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in respect of the year ended March 31, 2022, confirm that:

- A.** in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- B.** the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- C.** the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- D.** the directors have prepared the annual accounts for the financial year ended March 31, 2022 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. SSPK & Associates, Chartered Accountants were appointed as the Internal Auditors by the Board of Directors. The Audit Committee reviews reports submitted by Internal Auditor. Suggestions for improvement are considered and the Audit Committee reviews on the corrective actions taken by the Management. The Internal Auditor report directly reports to Audit Committee.

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

BOARD MEETINGS

During the year, the Board met 5 (Five) times. The details of the Board meetings held during FY 2021-22 are disclosed in the Corporate Governance Report appended to this Report.

COMMITTEES OF THE BOARD:

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI 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.

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

For the financial year 2021-22, the provisions of Section 135 of the Companies Act, 2013 w.r.t. Corporate Social Responsibility are not applicable to the Company.

VIGIL MECHANISM

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

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

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

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

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

The Policy on related party transactions, as formulated by the Board is available on the Company's website at <https://www.panachedigilife.com/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 zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual

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

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

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

POLICIES AND DISCLOSURE REQUIREMENTS

Pursuant to provisions of the Companies Act, 2013 and provisions of the SEBI Listing Regulations, the Company has adopted various applicable policies. The policies are available on Company's website at <https://www.panachedigilife.com/corporate-governance#policies>.

The Nomination and Remuneration Policy of the Company has been formulated in terms of Section 178 of the Companies Act, 2013 ("the Act"). This Policy governs policy relating to Director's, Key Managerial Personnel's and other employee's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director. The complete disclosure of the said policy is available on the Company's website at <https://www.panachedigilife.com/corporate-governance#policies>.

HUMAN RESOURCE / INDUSTRIAL RELATIONS

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

The employee relations remained cordial throughout the year. The Company (excluding subsidiaries) had 43 employees on its rolls as on March 31, 2022. The Board places on record its sincere appreciation for the valuable contribution made by the employees across all levels whose enthusiasm, team efforts, devotion and sense of belonging has always made the Company proud. Material disclosures in the Human Resource front have been detailed under the head "Human Resource" in the Management Discussion & Analysis which forms a part of the Annual Report.

OTHER INFORMATION / DISCLOSURES

No disclosures are required in respect of sub rule xi & xii of Rule 8(5) of The Companies (Accounts) Rules, 2014 read with Section 134(3)(q) as the same is not applicable to the Company during the financial year.

Wherever applicable, refer the Company's website 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.

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

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 10, 2022
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 (266.56)
7	Total assets	INR 1818.13
8	Total Liabilities	INR 2083.69
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	INR (130.15)
12	Provision for taxation	NIL
13	Profit after taxation	INR (130.15)
14	Proposed Dividend	NIL
15	% of shareholding	100%
<ul style="list-style-type: none"> None of the subsidiaries of the Company as on March 31, 2022 are yet to commence business operations. Wemart Global FZE (WOS) have been liquidated w.e.f. January 17, 2021 and subsequently during the year company has received a certificate of cancellation of licence w.e.f. May 30, 2021. 		

Part B - Associates and Joint Ventures

INR in lakhs except face value

Sr. No.	Particulars	Details
1	Name	ICT Infratech Services Private Limited
2	Latest audited Balance Sheet	March 31, 2022
3	Date on which the Associate or Joint Venture was associated or acquired	January 7, 2019
4	Shares of Joint Venture held by the Company on the year end	
A	-Number	15,000 Equity Shares of Face Value ₹10/-
B	-Amount of Investment in Associates/Joint Venture	INR 1.50
C	-Extend of Holding %	50%
5	Description of how there is significant influence	Extent of equity holding in the associate company exceeds 20% along with Joint Venture Agreement
6	Reason why the joint venture is not consolidated	Not Applicable
7	Profit/Loss for the year	INR 0.85
A	-Considered in consolidation	INR 0.42
B	-Not Considered in consolidation	INR 0.43
<ul style="list-style-type: none"> None of the associates or joint ventures of Company as on March 31, 2022 are yet to commence business operations. None of associates or joint ventures of Company have been liquidated or sold during the period 2021-22. 		

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

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 10, 2022
Place: Mumbai

Secretarial Audit Report

Form No. MR-3

For the Financial year ended 31st March, 2022

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

To,
The Members,
Panache Digilife Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panache Digilife Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Panache Digilife Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and 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

Place: Mumbai
Date: 10th August 2022
ICSI UDIN: F005418D000747711
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.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the pandemic caused by Covid-19 and prevailing lockdowns/restrictions on movement of people imposed by the Government, for the purpose of issuing this report, we have conducted our audit remotely based on the records and information made available to us by the Company electronically.

For D. M. Zaveri & Co
Company Secretaries

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

Place: Mumbai
Date: 10th August 2022

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, 2022

A. Conservation of Energy

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

B. Technology absorption

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

C. Foreign exchange earnings and Outgo

INR in lakhs

Particulars	31 st March 2022	31 st March 2021
Foreign Exchange earnings	113.13	Nil
Foreign Exchange expenditure	2152.99	2285.53

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

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 10, 2022
Place: Mumbai

Annexure D to Directors Report

DETAILS OF DIRECTORS AND EMPLOYEE REMUNERATION

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

Sr. No.	Particulars	Details
1	The ratio of the remuneration of each director to the median employees of the Company for the financial year	<ul style="list-style-type: none"> ➤ Amit Rambhia, Managing Director – 8.97x ➤ Nikit Rambhia, Joint Managing Director – 8.97x ➤ Devchand Rambhia, Whole-Time Director – 3.20x
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<ul style="list-style-type: none"> ➤ Amit Rambhia, Managing Director – Not increased ➤ Nikit Rambhia, Joint Managing Director – Not increased ➤ Devchand Rambhia, Whole-Time Director – Not increased ➤ Nitesh Savla, CFO – Not increased ➤ Jinkle Khimsaria, Company Secretary – Not increased ➤ Harshil Chheda, Company Secretary – Not increased
3	The percentage increase in the median remuneration of employees in the financial year	There has been an increase in the median remuneration of the employee in this year by 20.57% as compared to the previous year
4	The number of permanent employees on the rolls of company	43 employees
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration	<ul style="list-style-type: none"> ➤ Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year – Nil ➤ Average percentile increase already made in the salaries of the managerial personnel in the last financial year – Nil ➤ There is no material increase in the managerial remuneration
6	Remuneration is as per the remuneration policy of the company.	➤ It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

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

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: August 10, 2022

Place: Mumbai

CORPORATE GOVERNANCE REPORT

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

As a Company which believes in implementing corporate governance practices in letter and in spirit, the Company has adopted practices mandated by the Act and the Listing Regulations and has established procedures and systems to remain compliant with it. This report provides the Company's compliance with these provisions as on March 31, 2022.

II. BOARD OF DIRECTORS

1. Composition and category of directors

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

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

The details of composition of Board and category of directors for the financial year ending March 31, 2022 are given below:

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

Note(s):

(1) Appointed as an independent director with effect from January 18, 2022

(2) Resigned as an independent director with effect from October 21, 2021

2. Board Meetings, Procedure and Attendance of Directors

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

During the year 2021-22, Five (5) board meetings were held on June 10, 2021, June 29, 2021, August 12, 2021, November 12, 2021, and February 4, 2022.

The details of attendance of each Director at the Board Meetings & 14th AGM are given below;

Sr. No.	Name of the Director	No. of Board Meetings eligible	No. of Board Meetings attended	Attendance at 14 th AGM (September 28, 2021)
1	Amit Rambhia	5	4	Yes
2	Nikit Rambhia	5	5	Yes
3	Devchand Rambhia	5	5	Yes
4	Tejaswini More ⁽¹⁾	1	1	N.A.
5	Bhavin Adani	5	4	Yes
6	Shailesh Premji Gala	5	5	Yes
7	Meeta K. Mehta ⁽²⁾	3	1	No

Note(s):

(1) Appointed as an independent director with effect from January 18, 2022

(2) Resigned as an independent director with effect from October 21, 2021

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, 2022 ⁽¹⁾				Directorship in other listed entities ⁽¹⁾	
		Board Directorship	Board Chairmanship	Committee Memberships ^{(2) (3)}	Committee Chairmanships ^{(2) (3)}	Name	Category
1	Amit Rambhia	2	1	2	-	Panache Innovations Limited	NED [#]
2	Nikit Rambhia	1	-	-	-	-	-
3	Devchand Rambhia	1	-	-	-	-	-
4	Tejaswini More ⁽⁴⁾	1	-	2	-	Panache Innovations Limited	ID [#]
5	Bhavin Adani	1	-	-	-	-	-
6	Shailesh Premji Gala	1	-	2	2	Panache Innovations Limited	ID [#]
7	Meeta K. Mehta ⁽⁵⁾	1	-	2	1	Panache Innovations Limited	ID [#]

Note(s):

(1) Details are excluding Panache Digilife Limited

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

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

(4) Appointed as an independent director and member of the committee with effect from January 18, 2022

(5) Resigned as an independent director and member of the committee with effect from October 21, 2021

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

4. Number of meetings of the board of directors held and dates on which held during financial year ending on March 31, 2022:

Dates of Board meeting	Board Strength	No. of Directors Present
June 10, 2021	6	6
June 29, 2021	6	5
August 12, 2021	6	5
November 12, 2021	5	5
February 4, 2022	6	4

5. Disclosure of relationships between directors inter-se

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

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

Non-executive director	No. of Shares / convertible instruments
Tejaswini More	-
Bhavin Adani	-
Shailesh Gala	-

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

8. Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on February 4, 2022 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations.

At the meeting following matters were taken up;

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

All Independent Directors of the Company except Mr. Bhavin Adani attended the Meeting of Independent Directors.

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

10. Skills, Expertise and Competencies of the Board

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

Skills, expertise and competencies	Industry Experience & Knowledge
	Leadership experience and general management
	Technical skills/experience;
	<ul style="list-style-type: none"> - Accounting & Auditing - Corporate Finance - Legal, Secretarial and Compliance - Risk Management and corporate governance - Business Strategy
	Human Resource Management & communication
	Information Technology
	Marketing
	Behavioural Competencies <ul style="list-style-type: none"> - Integrity and ethical Standards - Mentoring abilities - Interpersonal relations

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

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

*The Board as a whole possesses the identified skills, expertise and competencies as are required in the context of business of the Company. However, these skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied

combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein at the same scale.

11. The Board is of the opinion that the independent directors fulfil the conditions required for independent directors as per the provisions of Companies Act, 2013 and SEBI Listing Regulations and all other applicable laws and are independent of the management.
12. Mrs. Meeta K. Mehta was re-appointed as the Independent Director for a period of 5 years effective from February 17, 2018 to February 18, 2023. She has tendered her resignation as Independent Director effective from October 21, 2021 pursuant to her other professional and personal commitments and she has provided a confirmation to the company that there are no other material reasons other than those mentioned above.

COMMITTEES OF THE BOARD

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI 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 Listing Regulations.

2. The Audit Committee has the following powers;

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

3. The Audit Committee mandatorily reviews the following information;

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

- iv. Internal audit reports relating to internal control weaknesses; and
- v. the appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

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

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

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

Composition of Audit Committee and attendance of Members

During the year 2021-22, Five (5) Audit Committee meetings were held on June 10, 2021, June 29, 2021, August 12, 2021, November 12, 2021, and February 4, 2022.

The Composition of the Audit Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2022 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	4
3	Bhavin Adani	Member	5	4
4	Tejaswini More ⁽¹⁾	Member	1	1
5	Meeta K. Mehta ⁽²⁾	Member	3	1

Note(s):

(1) Appointed as an independent director and member of the committee with effect from January 18, 2022

(2) Resigned as an independent director and member of the committee with effect from October 21, 2021

During the year 2021-22, pursuant to Changes in the Directors, the Audit Committee was reconstituted on August 12, 2021 and January 18, 2022 as follows:

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

IV. NOMINATION AND REMUNERATION COMMITTEE

1. Brief description of terms of reference:

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

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

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

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

During the year 2021-22, two (2) Nomination and Remuneration Committee meetings were held on June 29, 2021, and February 4, 2022.

The Composition of the Nomination and Remuneration Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2022 is as follows:

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

Note(s):

(1) Appointed as an independent director and member of the committee with effect from January 18, 2022

(2) Resigned as an independent director and member of the committee with effect from October 21, 2021

During the year 2021-22, pursuant to Changes in the Directors, the Nomination and Remuneration Committee was reconstituted on January 18, 2022 as follows;

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

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

Pursuant to Companies Act, 2013 and SEBI 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, which format forms a part of the policy. Thereafter Board evaluated every Director including Independent Director on February 4, 2022 except for the Directors who are subject to evaluation.

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

V. REMUNERATION OF DIRECTORS

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

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

2. Remuneration to Directors

The Remuneration paid to Directors for the Financial Year 2021-22 is as follows;

Sr. No.	Particulars of Remuneration	Amit Rambhia	Nikit Rambhia	Devchand Rambhia	Tejaswini More ⁽¹⁾	Bhavin Adani	Shailesh Gala	Meeta Mehta ⁽²⁾ K.
		Chairman and Managing Director	Joint Managing Director	Whole Time Director	Independent Director	Independent Director	Independent Director	Independent Director
1	Salary	42,00,000	42,00,000	15,00,000	-	-	-	-
2	Benefits	-	-	-	-	-	-	-
3	Bonus	-	-	-	-	-	-	-
4	Stock Option	-	-	-	-	-	-	-
5	Pension	-	-	-	-	-	-	-
6	Others, please specify	-	-	-	-	-	-	-
7	Performance linked incentives	-	-	-	-	-	-	-
8	Sitting fees for attending board / committee meetings	-	-	-	5,000	20,000	25,000	5,000
	Total	42,00,000	42,00,000	15,00,000	5,000	20,000	25,000	5,000
9	Service Contract	3 years w.e.f. 17.02.2020	3 years w.e.f. 17.02.2020	3 years w.e.f. 17.02.2020	5 years w.e.f. 18.01.2022	5 years w.e.f. 17.02.2018	5 years w.e.f. 29.05.2020	5 years w.e.f. 17.02.2018
10	Notice Period	⁽³⁾	⁽³⁾	⁽³⁾	-	-	-	-
11	Severance Fees	-	-	-	-	-	-	-

Note(s):

- (1) Appointed as an independent director with effect from January 18, 2022
- (2) Resigned as an independent director with effect from October 21, 2021
- (3) Unless otherwise agreed for no notice period, by Company-1 month; by Director-3 months

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

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

1. Brief description of terms of reference

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

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

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

During the year 2021-22, one (1) Stakeholders' Relationship Committee meeting was held on February 4, 2022.

The Composition of the Stakeholders' Relationship Committee, meetings and attendance of the members thereat during the financial year ending as on March 31, 2022 is as follows:

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

During the year 2021-22, there were no changes made in the composition of Stakeholders' Relationship Committee

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 2021-22 are given in the table below:

Particulars	No. of Complaints
Opening as on April 1, 2021	NIL
Received till March 31, 2022	NIL
Resolved till March 31, 2022	NIL
Closing as on March 31, 2022	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. 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)
2020-21	September 28, 2021 3.00 p.m.	-	Held through Video Conferencing
2019-20	September 29, 2020 3.00 p.m.	<ul style="list-style-type: none"> Alteration of Object Clause of Memorandum of Association 	Held through Video Conferencing
2018-19	September, 20, 2019 3.00 p.m.	<ul style="list-style-type: none"> Re-appointment of Mr. Amit Rambhia as Managing Director Re-appointment of Mr. Nikit Rambhia as Joint Managing Director Re-appointment of Mr. Devchand Rambhia as Whole-Time Director Approval of Related Party Transactions Approval of limits for the Loans, Guarantees and Investment by the Company as per Section 186 of the Companies Act, 2013 Approval of Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) Approval for grant of options to the employees of the holding and subsidiary company (ies) under Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) Approval for grant of options equal to or exceeding 1% of the issued capital of the company under Panache Digilife Limited – Employee Stock Option Scheme, 2019 (PDL-ESOS 2019) 	Shangrila Resort, Mumbai - Nashik Highway, Bhiwandi, By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane - 421302, Maharashtra, India

2. Postal Ballot conducted during the year and procedure thereof

During the year under review, Postal Ballot exercise was undertaken in the month of March & April 2022 for Appointment of Mrs. Tejaswini More as an Independent Director of the Company and result of the Postal Ballot was declared on April 8, 2022. The Results were made available on the website of the Company at 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 Mrs. Tejaswini More as an Independent Director of the Company	Special	96,20,919	96,20,508 99.9957%	411 0.0043%

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

The voting period for remote e-voting commenced on Wednesday, March 9, 2022, at 9:00 a.m. and ended on Thursday, April 7, 2022 at 5:00 p.m. (IST). The consolidated report on the result of the Postal Ballot through remote e-voting for approving aforementioned Resolution was provided by the Scrutiniser on Friday, April 8, 2022.

Procedure for Postal Ballot

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, 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 and Circular No. 20/2021 dated December 8, 2021.

IX. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at www.panachedigilife.com containing information about the Company viz., details of its business, financial information, shareholding pattern, details of the policies approved by the Company, contact information of the designated official of the Company, who is responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

1. Quarterly results

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

2. Newspapers wherein results normally published

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

3. Any website, where displayed

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

4. Whether it also displays official news releases

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

5. Presentations made to institutional investors or to the analysts

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

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

X. GENERAL SHAREHOLDER INFORMATION

Sr. No	Salient Items of Interest	Particulars
1	AGM Date, time and venue	Thursday, September 29, 2022 at 3.00 pm (IST). The Company is conducting AGM through VC / OAVM pursuant to the MCA / SEBI Circulars, hence there is no requirement to have a venue for the AGM. For details, please refer to the Notice of AGM separately provided in this Annual Report.
2	Financial year	April 1 – March 31
3	Date of Book closure	September 23, 2022 to September 29, 2022 (both days inclusive)
4	Dividend Payment Date	The Board of Directors has not recommended any dividend on equity shares for the year ended March 31, 2022
5	The name and address of the stock exchange at which the listed entity's share are listed and a confirmation about payment of annual listing fee to each of such stock exchange	National Stock Exchange of India. Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra East, Mumbai — 400 051 The Company has paid the listing fees to the Stock Exchange for the FY 2021-22 & 2022-23.
6	NSE SYMBOL	PANACHE
7	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
8	Share Transfer System	Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent, however, on the date of this report 100% of the total issued, subscribed and paid-up equity share capital of the Company is in Dematerialized form. Also, as per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form. Effective April 1, 2019, transfer of shares in physical form has ceased. The Company ensures that the half yearly Compliance Certificate pursuant to Regulation 40(9) and 40(10) of Listing Regulations are filed with Stock Exchange.
9	Dematerialization of shares and liquidity	As on the date of this report 100% of the total issued, subscribed and paid-up equity share capital of the Company is in Dematerialized form. The equity shares of the Company are traded on the Main Board of NSE Limited.

10	Outstanding GDRs / ADRs / warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2022, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.														
11	Plant Location	Bhiwandi Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane – 421302, Maharashtra, India.														
12	Address for correspondence	Registered Office Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai-Nashik Highway NH3, Saravali Village, Bhiwandi, Thane – 421302, Maharashtra, India Corporate Office* Unit No. 002, Raheja Plaza – 1, LBS Marg, Ghatkopar West, Mumbai – 400 086 Maharashtra, India *The Corporate Office of the company was changed w.e.f July 15, 2022 as B-507, Raheja Plaza Premises CSL, LBS Marg, Ghatkopar West, Mumbai – 400 086 Maharashtra, India.														
13	In case securities are suspended from trading, the directors report shall explain the reason thereof	N.A.														
14	Commodity Price Risk or foreign exchange risk and hedging activities	During the year ended March 31, 2022, the Company had managed the foreign exchange risk. The Company, whenever required, enters into forward contracts for hedging foreign exchange exposures against imports. The details of foreign currency exposure are disclosed in Notes to the Standalone and Consolidated financial statements. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required to be given.														
15	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	*Ratings Published on March 24, 2021 <table><tr><td>Long Term Rating</td><td>ICRA BB+/Stable</td></tr><tr><td>Short Term Rating</td><td>ICRA A4+</td></tr></table> *For further details about the rating, it is available at the website of ICRA Limited. However, the company has been assigned the below stated rating by India Ratings and Research Private Limited vide its publication dated 4 th August, 2022* <table><tr><th>Instrument Type</th><th>Rating Action</th></tr><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></table> *For further details about the rating, it is available at the website of website of India Ratings and Research Private Limited	Long Term Rating	ICRA BB+/Stable	Short Term Rating	ICRA A4+	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
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Term loans	IND BB+/Stable															

16	Market price data- high, low during each month in last financial year in comparison of NSE Index																																																																					
	<table><tr><th rowspan="2">Month</th><th colspan="2">National Stock Exchange of India Limited –Main Board</th><th colspan="2">NSE Nifty 50</th></tr><tr><th>Month’s High Price</th><th>Month’s Low Price</th><th>Month’s High Price</th><th>Month’s Low Price</th></tr><tr><td>April</td><td>65.80</td><td>53.10</td><td>15,044.35</td><td>14,151.00</td></tr><tr><td>May</td><td>64.00</td><td>55.30</td><td>15,606.35</td><td>14,416.25</td></tr><tr><td>June</td><td>71.00</td><td>55.55</td><td>15,915.65</td><td>15,450.90</td></tr><tr><td>July</td><td>94.80</td><td>60.00</td><td>15,962.25</td><td>15,513.45</td></tr><tr><td>August</td><td>75.00</td><td>55.00</td><td>17,153.50</td><td>15,834.65</td></tr><tr><td>September</td><td>61.45</td><td>53.50</td><td>17,947.65</td><td>17,055.05</td></tr><tr><td>October</td><td>69.95</td><td>55.00</td><td>18,604.45</td><td>17,452.90</td></tr><tr><td>November</td><td>67.55</td><td>57.40</td><td>18,210.15</td><td>16,782.40</td></tr><tr><td>December</td><td>76.90</td><td>56.30</td><td>17,639.50</td><td>16,410.20</td></tr><tr><td>January</td><td>74.00</td><td>62.05</td><td>18,350.95</td><td>16,836.80</td></tr><tr><td>February</td><td>72.00</td><td>39.90</td><td>17,794.60</td><td>16,203.25</td></tr><tr><td>March</td><td>54.90</td><td>46.35</td><td>17,559.80</td><td>15,671.45</td></tr></table>	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	65.80	53.10	15,044.35	14,151.00	May	64.00	55.30	15,606.35	14,416.25	June	71.00	55.55	15,915.65	15,450.90	July	94.80	60.00	15,962.25	15,513.45	August	75.00	55.00	17,153.50	15,834.65	September	61.45	53.50	17,947.65	17,055.05	October	69.95	55.00	18,604.45	17,452.90	November	67.55	57.40	18,210.15	16,782.40	December	76.90	56.30	17,639.50	16,410.20	January	74.00	62.05	18,350.95	16,836.80	February	72.00	39.90	17,794.60	16,203.25	March	54.90	46.35	17,559.80	15,671.45
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October	69.95	55.00	18,604.45	17,452.90																																																																		
November	67.55	57.40	18,210.15	16,782.40																																																																		
December	76.90	56.30	17,639.50	16,410.20																																																																		
January	74.00	62.05	18,350.95	16,836.80																																																																		
February	72.00	39.90	17,794.60	16,203.25																																																																		
March	54.90	46.35	17,559.80	15,671.45																																																																		
17	Performance in comparison to broad-based indices- Nifty Index																																																																					
	<div><div>Chart Title</div><div><table><thead><tr><th>Month</th><th>PDL on NSE</th><th>Nifty Index</th><th>Other Index</th></tr></thead><tbody><tr><td>Apr</td><td>65.80</td><td>15,044.35</td><td>53.10</td></tr><tr><td>May</td><td>64.00</td><td>15,606.35</td><td>55.30</td></tr><tr><td>Jun</td><td>71.00</td><td>15,915.65</td><td>55.55</td></tr><tr><td>Jul</td><td>94.80</td><td>15,962.25</td><td>60.00</td></tr><tr><td>Aug</td><td>75.00</td><td>17,153.50</td><td>55.00</td></tr><tr><td>Sep</td><td>61.45</td><td>17,947.65</td><td>53.50</td></tr><tr><td>Oct</td><td>69.95</td><td>18,604.45</td><td>55.00</td></tr><tr><td>Nov</td><td>67.55</td><td>18,210.15</td><td>57.40</td></tr><tr><td>Dec</td><td>76.90</td><td>17,639.50</td><td>56.30</td></tr><tr><td>Jan</td><td>74.00</td><td>18,350.95</td><td>62.05</td></tr><tr><td>Feb</td><td>72.00</td><td>17,794.60</td><td>39.90</td></tr><tr><td>Mar</td><td>54.90</td><td>17,559.80</td><td>46.35</td></tr></tbody></table></div></div>	Month	PDL on NSE	Nifty Index	Other Index	Apr	65.80	15,044.35	53.10	May	64.00	15,606.35	55.30	Jun	71.00	15,915.65	55.55	Jul	94.80	15,962.25	60.00	Aug	75.00	17,153.50	55.00	Sep	61.45	17,947.65	53.50	Oct	69.95	18,604.45	55.00	Nov	67.55	18,210.15	57.40	Dec	76.90	17,639.50	56.30	Jan	74.00	18,350.95	62.05	Feb	72.00	17,794.60	39.90	Mar	54.90	17,559.80	46.35																	
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18. Distribution of shareholding as on March 31, 2022

Category (Shares)	Shareholders		Shareholding	
	Number	%	Number	%
1-500	2,765	86.0299	2,65,494	2.2125
501-1000	185	5.7561	1,52,000	1.2667
1001-2000	93	2.8936	1,41,958	1.1830
2001-3000	32	0.9956	81,309	0.6776
3001-4000	37	1.1512	1,23,859	1.0322
4001-5000	13	0.4045	62,088	0.5174
5001-10000	32	0.9956	2,23,663	1.8639
10001 & Above	57	1.7735	1,09,49,629	91.2469
Total	3,214	100.00	1,20,00,000	100.00

19. Categories of Shareholders as on March 31, 2022

Category				No. of Shares	%	
A. Shareholding of Promoter & Promoter Group						
	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	
A.	Total Shareholding of Promoter & Promoter Group (A) = (A) (1) + (A) (2)			78,59,200	65.49	
B. Public Shareholding						
	1.	Institutions		0	0	
		a.	Mutual Funds	0	0	
		b.	Foreign Institutions / Banks	0	0	
		c.	Venture Capital Fund /Alternate Investment Funds	0	0	
		d.	Insurance Companies	0	0	
		e.	Foreign Institutional Investors	0	0	
		f.	Provident Funds/ Pension Funds	0	0	
		g.	Central / State Government	0	0	
		Sub Total (B) [1]		0	0	
	2.	Non – Institutions				
		a.	Resident Individuals			
			i.	Individual shareholders holding nominal share capital upto Rs. 2 lakhs.	11,30,286	9.42
			ii.	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	23,58,965	19.66
		b.	NBFC registered with RBI	0	0	
		c.	Any Others (Specify)			
			i.	Trusts	0	0
			ii.	Overseas Depositories	0	0
			iii.	Clearing Members	32,224	0.27
			iv.	Hindu Undivided Family	3,90,339	3.25
			v.	Other Body Corporate	1,98,597	1.66
			vi.	Non-Resident Indian	30,389	0.25
			Sub Total (B) [2]		41,40,800	34.51
	Total Public Shareholding (B) = (B) (1) + (B) (2)			41,40,800	34.51	
Grand Total (A) + (B)				12000000	100	

XI. OTHER DISCLOSURES

1. Materially significant related party transactions

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

Related party transactions have been disclosed in the notes to the financial statements in accordance with Ind AS 24. As required under Regulation 23 of the Listing Regulations the Company has formulated a policy on related party transactions. The Policy is available on the Company's website at <https://www.panachedigilife.com/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 Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal.

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

The Whistle Blower Policy has been posted on the Company's website at <https://www.panachedigilife.com/corporate-governance#policies>.

4. Compliance with mandatory requirements

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

5. Compliance with non-mandatory requirements:

The 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. Details of utilization of funds

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

9. Certificate with respect to disqualification or otherwise of directors

The 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.

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

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

11. Consolidated fees to the Statutory Auditor

Details relating to fees paid to the Statutory Auditors are given in Note (35.1) to the Standalone Financial Statements and Note (35.1) to the Consolidated Financial Statements.

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

The Company has complied with the provisions relating to constitution of Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and disclosure under the said Act for the year ended March 31, 2022 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

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

The Company and its subsidiaries have not given 'loans and advances' to firms/companies in which directors are interested.

XII. 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 Listing Regulation.

XIII. CODE OF CONDUCT

The Company has adopted a Code of Conduct for the members of Board, KMP and Senior Management Personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirms to equitable treatment of all stakeholders, and to avoid practices like bribery, corruption and anti-competitive practices.

All members of the Board, KMP and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board, KMP and Senior Management for the financial year 2021-22. The declaration to

this effect signed by Mr. Amit Rambhia, Managing Director of the Company is annexed to this report as Annexure II to Corporate Governance Report.

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

XIV. PREVENTION OF INSIDER TRADING

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

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

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

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

XVI. CEO AND CFO CERTIFICATION

Pursuant to Regulation 17 (8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2022. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is annexed as Annexure III to Corporate Governance Report.

XVII. SECRETARIAL AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE

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

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

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

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

**Date: August 10, 2022
Place: Mumbai**

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

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

To,
The Members of,
Panache Digilife Limited
Bldg. A3, 102-108 & 201-208, Babosa Industrial Park
Mumbai-Nashik Highway NH3, Saravali Village Bhiwandi
Thane - 421302

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Amit Devchand Rambhia	00165919	30/03/2007
2.	Mr. Devchand Lalji Rambhia	00165851	30/03/2007
3.	Mr. Nikit Devchand Rambhia	00165678	30/03/2007
4.	Mr. Bhavin Vinod Adani	02919483	17/02/2017
5.	Mr. Shailesh Premji Gala	01283286	29/05/2020
6.	Mrs. Tejaswini Chandrashekhar More	00324922	18/01/2022

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

Place: Mumbai
Date: 10th August 2022

ICSI UDIN: F005418D000747654

Annexure II to Corporate Governance Report

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

To,
The Board of Directors
Panache Digilife Limited

In accordance with Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Directors and Senior Management Personnel of the Company have affirmed compliance with Code of Conduct, as applicable to them, for the financial year ended March 31, 2022.

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

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Place: Mumbai
Date: May 23, 2022

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

To
The Board of Directors
Panache Digilife Limited

1. We have reviewed financial statements and the cash flow statement of Panache Digilife Limited for the Financial Year ended March 31, 2022 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - ii. these statements present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2022 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and Audit Committee that:
 - i. there were no significant changes in internal control over financial reporting during the aforesaid period;
 - ii. there were no significant changes in accounting policies during the aforesaid period; and
 - iii. there were no instances of significant fraud of which we have become aware.

Amit Rambhia
Managing Director

Nitesh Savla
Chief Financial Officer

Place: Mumbai
Date: May 23, 2022

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 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended 31st March 2022.

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

For D. M. Zaveri & Co.
Company Secretaries

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

Place: Mumbai
Date: 10th August 2022

ICSI UDIN: F005418D000747687

Peer Review Certificate No.: 1187/2021

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

UDIN: 22106451AJLNB4632

INDEPENDENT AUDITOR REPORT

To the Shareholders of
M/s. Panache Digilife Limited

We have audited the accompanying Standalone Ind AS financial statements of **M/s Panache Digilife Limited**, (the "Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "Standalone Financial Statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us by the management of the Company, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including Other Comprehensive Income), changes in equity and statement of cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matters

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

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2022, due to the Covid-19 pandemic, the operations were not considered feasible by the Company due to low demand and simultaneous high costs for setting up of business.

Our opinion is not modified in respect of this matter.

We draw attention towards the Note No. 3(b) of the Standalone Financial statements.

The Company has received liquidator's report of Wholly owned Foreign Subsidiary- Wemart Global FZE during the financial year. Effective date of liquidation is 17th January, 2021. Subsequently company has received cancellation of license certificate dated 30th May 2021 from Ajman Free Zone. Accordingly, the company has written off its investments in the subsidiary against provision created in previous years.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report

Key Audit Matter	How our audit addressed the Key audit Matter
Wholly owned Subsidiary- Technofy Digital Private Limited being a non-going concern	
<p>In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2022, due to reason :</p> <p>The subsidiary company has a single and significantly important asset i.e Leasehold Land situated in Bilimora Industrial Area, GIDC, Gujarat upon which it had planned to operate its business, by way of either leasing Part of the area to other entities and/or setting up an IT Industry leading to expansion of its Parent's business.</p> <p>However, due to lockdown - alike situations across the country due to the Covid-19 pandemic, these operations were not considered feasible by the Company due to low demand and simultaneous high costs for setting up of business.</p> <p>The Management is of the view that the company may establish / carry out / change / plan its business activity in future, which will be time tested. But as far as current year's Financial Statements are concerned, the fundamental accounting assumption of Going Concern seems inappropriate.</p> <p>However, The Management has determined that although the Subsidiary's Going concern assumption is inappropriate, there is high probability of these amount getting recovered in future. Thus, no Provision for Impairment has been created since its estimated recoverable amount has not diminished to the extent lower than its Carrying value.</p> <p>Refer Note-1(8) to the Standalone financial statements</p>	<p>We have carried out the following audit procedures to address our Key audit considerations with respect to the said matter;-</p> <ul style="list-style-type: none"> • Understood the objective of management behind the considering the subsidiary as not going concern. • Evaluated the financials of the wholly owned subsidiary and assessed the ability of the subsidiary to repay the loan provided by the company, thereby determining whether any provision for credit losses were required on such loan provided. • Considered the liquidity of existing assets on the balance sheet of wholly owned subsidiary • Considered the terms of the bank loan and trade finance facilities and the amount available for drawdown of wholly owned subsidiary • Considered potential downside scenarios and the resultant impact on available funds of wholly owned subsidiary • Tested whether the company has complied with the provisions of the companies act while providing such financial assistance to the subsidiary. • Made enquiries to administrators to understand the factual content of subsidiary been non-going concern We went through analyses prepared by management and verified the facts in these analyses and evaluated the conclusions made. • We read relevant contracts and documents to verify facts and circumstances stated in management's analysis. • We read and assessed the external valuator's reports used by the company, specifically those related to valuation of properties.

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, cash flows and changes in equity of the Company including its joint operation companies in accordance with the Ind AS and accounting principles generally accepted in India.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities included in the standalone financial statements.

Materiality

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we enclose herewith; 'Annexure- A', a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in 'Annexure-B'.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - (i) The Company has disclosed that there are no pending litigations which would impact its standalone financial statements.
 - (ii) The Company did not have any long-term contracts for which there were any material foreseeable losses;
 - (iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

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

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)
Place: Mumbai
Date: 23.05.2022
UDIN: 22106451AJLNBF4632

ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2022
(Referred to in Paragraph (1) of our Report of even date)

Report on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 Issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013

We report that:

- (i) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, in respect of Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right –of-use assets;
 - (B) The company has maintained proper records showing full particulars of intangible assets;
 - (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; 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) or intangible assets or both during the year.
 - (e) There are no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that,
 - (a) physical verification of inventory has been conducted at reasonable intervals by the management with appropriate procedures and no material discrepancies were noticed on such verification.
 - (b) The company has been sanctioned working capital limits in excess of Rs.5 Crores, in aggregate from bank on the basis of security of current assets during the financial year and the statements filed by the company with such are not in agreement with the books of account of the Company. The details of the discrepancies as provided by Management are as follows:

• **Trade receivables**

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

(₹ in Lakhs)

Qtr ended	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference
30.06.2021	2375.57	3499.24	(1123.66)
30.09.2021	2705.85	3631.55	(925.70)
31.12.2021	2967.14	3640.88	(673.74)
31.03.2022	2783.41	3172.98	(389.57)

- **Stock**

Reason for Discrepancy: Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
However, Discrepancy for quarter ended 31.03.2022 is also due to difference in estimation of overheads

(₹ in Lakhs)

Qtr ended	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference
30.06.2021	1788.37	1692.10	96.27
30.09.2021	1913.24	1801.58	111.66
31.12.2021	2636.74	2598.47	38.27
31.03.2022	2720.63	2634.93	85.70

(iii) The Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year ended March 31, 2022 except to its wholly owned Indian Subsidiary, Technofy Digital Private Limited.

a) A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the aggregate amount of Guarantee given during the year is Rs.6 crores, total loan amount granted during the year is Rs.16 lakhs and balance outstanding at on 31.03.2022 is Rs. NIL with respect to such loans or advances given to the subsidiary;

B) Since the Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties other than its subsidiary, joint venture and associate during the year ended March 31, 2022. Hence, Reporting under clause 3(iii)(a)(B) is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular;

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, in respect of loans granted by the company, there is no overdue amount remaining outstanding as on balance sheet date.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, Reporting under clause 3(iii)(f) is not applicable.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company in respect of loans, investments, guarantees, and security has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 except for guarantee given for wholly owned Indian Subsidiary of Rs. 6 crores during the year.

(v) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, the, Company has not accepted deposits, hence clause 3 (v) of the Order is not applicable to the Company;

(vi) According to the information and explanations given to us and on the basis of our examination of the records of the Company we are of the opinion that, the Central Government has not prescribed the maintenance of cost record under sub- section (1) of section 148 of the Companies Act;

(vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employee's State Insurance Corporation, Income tax, VAT, CST, Custom duty, Cess, GST and any other statutory dues with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of such statutory dues were outstanding, as on 31st March, 2022 for a period of more than six months from the date they became payable except for following:

(₹ in Lakhs)		
SR NO	NATURE OF DUES	AMOUNT
1.	Interest on Income Tax	14.24
2.	Employer Contribution to ESIC	0.29
3.	Employee Contribution to ESIC	0.21
4.	Employee Contribution to PF	0.15

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) There are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), hence clause 3 (viii) of the Order is not applicable;

(ix)

- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or other lender;
- (c) Term loans were applied for the purpose for which the loans were obtained;
- (d) Funds raised on short term basis have not been utilised for long term purposes;
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;

- (x)
 - (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year, hence clause 3 (x) of the Order is not applicable to the Company;
 - (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence clause 3 (x)(b) is not applicable to the Company;
- (xi)
 - (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year;
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
 - (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year; hence clause 3 (xi)(c) is not applicable to the Company;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi Company, hence clause 3 (xii) of the Order is not applicable;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, etc., 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) According to the information and explanations given to us, the company has not entered into any non-cash transactions with its directors or persons connected with them, hence clause 3 (xv) of the Order is not applicable;
- (xvi) The Company is not a Core Investment Company (CIC) and also not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence clause 3 (xvi) of the Order is not applicable;
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year, hence clause 3 (xvii) of the Order is not applicable;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause 3 (xviii) is not applicable;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities 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) Corporate Social Responsibility provisions are not applicable to Company and hence clause 3 (xx) of the Order is not applicable;
- (xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)
Place: Mumbai
Date: 23.05.2022
UDIN: 22106451AJLNBF4632

ANNEXURE -B TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2022 **(Referred to in Paragraph 2(f) of our Report of even date)**

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

We have audited the internal financial controls over financial reporting of Panache Digilife Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)
Place: Mumbai
Date: 23.05.2022
UDIN: 22106451AJLNBF4632

Standalone Balance Sheet

as at 31st March, 2022

		(₹ in Lakhs)		
Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
I. ASSETS				
1 NON-CURRENT ASSETS				
(a) Property, Plant & Equipments	...	2	363.46	432.13
(b) Right of Use Assets	...	2	25.30	59.04
(c) Capital Work-In-Progress	...	2	629.82	629.82
(d) Investment Properties	...		0.00	0.00
(e) Goodwill	...		0.00	0.00
(f) Other Intangible Assets	...	2	0.00	0.11
(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	157.17	73.30
(ii) Loans & Deposits	...	4	17.43	16.20
(iii) Other Financial Assets	...	5	0.50	0.25
(j) Deferred Tax Assets	...		0.00	0.00
(k) Other Non-Current Assets	...	6	2.30	3.97
2 CURRENT ASSETS				
(a) Inventories	...	7	2,634.93	1,755.30
(b) <u>Financial Assets</u>				
(i) Investments	...		0.00	0.00
(ii) Trade Receivables	...	8	3,151.79	3,837.62
(iii) Cash and Cash Equivalents	...	9	90.60	80.47
(iv) Bank Balances other than Cash & Cash Equivalents	...	10	0.08	0.07
(v) Loans & Deposits	...	11	11.51	505.71
(vi) Other Financial Assets	...	12	0.00	50.00
(c) Other Current Assets	...	13	944.15	411.54
TOTAL ASSETS			8,029.04	7,855.52
II. EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	...	14	1,200.00	1,200.00
(b) Other Equity	...	15	2,178.19	2,041.86
2 LIABILITIES				
A Non-Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings	...	16	485.23	431.07
(ia) Lease Liabilities		17	0.00	30.59
(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 & small enterprises			0.00	0.00
(iii) Other Financial Liabilities	...	18	0.60	0.00
(b) Provisions	...	19	66.89	66.43
(c) Deferred Tax Liabilities(Net)	...	20	3.34	(2.32)
(d) Other Non-Current Liabilities			0.00	0.00

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
B	Current Liabilities			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...	21	1,894.24	2,360.98
(ia)	Lease Liabilities ...	22	30.58	36.45
(ii)	<u>Trade Payables</u> ...	23		
	(a) total outstanding dues of micro enterprises and small enterprises		185.35	128.48
	(b) total outstanding dues of creditors other than micro & small enterprises		1,276.62	1,158.28
	(iii) Other Financial Liabilities ...	24	33.99	48.46
(b)	Other Current Liabilities ...	25	461.04	194.07
(c)	Provisions ...	26	54.19	46.72
(d)	Current Tax Liabilities(Net) ...	27	65.52	114.44
	TOTAL EQUITY AND LIABILITIES		7,935.79	7,855.52
	CONTINGENT LIABILITIES ...	40		
	SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS ...	1		

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN : 22106451AJLNBF4632

PLACE: MUMBAI
DATED: 23.05.2022

Standalone Statement of Profit & Loss

For the year ended 31st March 2022

(₹ in Lakhs)				
SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
A	CONTINUING OPERATIONS			
	I. REVENUE			
	Revenue From Operations ...	28	8,527.60	7,758.05
	Other Income ...	29	327.87	155.88
	TOTAL INCOME		8,855.47	7,913.93
	II. EXPENSES			
	Cost of Materials Consumed ...	30	8,322.70	5,286.33
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	31	(879.63)	987.20
	Employee Benefit Expenses ...	32	368.41	385.07
	Finance Costs ...	33	327.49	345.43
	Depreciation and Amortisation Expenses ...	34	69.82	107.61
	Other Expenses ...	35	334.19	305.32
	TOTAL EXPENSES		8,542.99	7,416.96
	III. Profit Before Exceptional items & Tax ...		312.48	496.97
	Exceptional Items ...	36	(14.96)	0.00
	IV. Profit Before Tax From Continuing Operations ...		297.52	496.97
	<u>Income Tax Expense</u>	37		
	-Current Tax ...		79.63	146.21
	-Deferred Tax ...		8.26	(2.78)
	A. PROFIT FROM CONTINUING OPERATIONS		209.63	353.54
	B. OTHER COMPREHENSIVE INCOME			
	I. Items that will not be reclassified to Profit or Loss A/c ...	38	11.51	1.96
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...	37	2.60	(1.70)
	II. Items that will be reclassified to Profit or Loss A/c ...		0.00	0.00
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...		0.00	0.00
	B. OTHER COMPREHENSIVE INCOME FOR THE PERIOD		14.11	0.26
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)]		223.73	353.80
	EARNINGS PER SHARE	39		
	Basic EPS ...		1.54	2.95
	Diluted EPS ...		1.54	2.95

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN : 22106451AJLNB4632

PLACE: MUMBAI
DATED: 23.05.2022

Standalone Statement of Cash Flows

For the year ended 31st March, 2022

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax as per Profit & Loss A/c	297.52	496.97
Adjustments for Non-cash Items		
Depreciation on Property, Plant & Equipment, Investment Property & Intangible Assets	36.08	36.87
Depreciation of Right of Use Assets	33.74	70.74
Finance Charges on Financial Instruments	(1.22)	(1.60)
Amortisation of Fair Value Changes	0.12	0.22
Provision for Gratuity	12.42	8.62
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	19.48	19.66
Guarantee Premium	(34.12)	(14.05)
Provision for Interest on Income Tax	1.30	0.00
Office Rent Waiver	0.00	(27.86)
Miscellaneous Expenses Written Off	12.66	14.00
	80.46	106.60
	377.98	603.57
Adjustments for Non-Operating Items		
Loss on Sale of Fixed Asset	14.96	0.00
Interest Income	(29.91)	(60.01)
Interest on Income Tax payment	24.79	17.26
Interest Paid	279.52	304.11
Rent Income	0.00	(16.15)
Finance charges on Lease Liabilities	5.18	10.36
Bank Charges on Finance	1.91	1.91
Processing charges	14.79	11.79
	311.25	269.27
Operating Profit before Working Capital Changes	689.23	872.85
Adjusted for Change in Working Capital:		
Inventories	(879.63)	987.20
Trade Receivable	676.35	72.46
Other Current Assets	(545.43)	324.35
Other Non-Current Assets	0.00	2.02
Other Financial Assets	49.75	(32.52)
Trade Payable	175.21	(1,914.27)
Other Financial Liabilities	(15.17)	10.59
Provisions (Short Term)	7.02	(2.40)
Other Current Liability	217.21	(156.69)
	(314.68)	(709.25)
Cash Generated from Operations	374.54	163.60
Taxed Paid	145.10	106.93
Net Cash Flow from Operations (A)	229.44	56.67
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Cash Inflow		
Sale of Fixed Asset	27.50	0.00
Interest Income	29.91	60.01
Rent Income from Investment Property	0.00	16.15
Loans Repaid by Parties	484.20	128.66
	541.60	204.82
Cash Outflow		
Purchase of Fixed Assets	9.76	60.11
Loans & Deposits Given	0.01	0.00
	9.77	60.11
Net Cash Flow from Investing Activities (B)	531.84	144.70

Continued

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
CASH FLOW FROM FINANCING ACTIVITIES		
<u>Cash Inflow</u>		
Long Term Borrowing	250.00	104.80
Short Term Borrowing	267.15	11.51
	517.15	116.31
<u>Cash Outflow</u>		
Short Term Borrowing Settled	272.40	0.00
Repayment of Lease Liabilities	41.64	60.80
Interest Paid	279.52	304.11
Bank Charges	1.91	1.91
Dividend Paid	0.00	9.67
TDS on Dividend	0.00	0.68
Processing charges	14.79	11.79
	610.26	388.96
Net Cash Flow from Financing Activities (C)	(93.11)	(272.65)
CASH FLOW FROM ALL ACTIVITIES (A+B+C)	668.17	(71.28)
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	6.42	6.33
Balance in Bank	(1,921.97)	(1,850.60)
	(1,915.55)	(1,844.27)
<u>Cash and Cash Equivalents at the End</u>	(1,247.39)	(1,915.55)
<u>Closing Balance as per accounts</u>		
Cash in Hand	6.56	6.42
Balance in Bank	(1,256.35)	(1,921.97)
	(1,249.79)	(1,915.55)

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.

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Cash balance Disclosed under Cash & Cash Equivalents- Note No.9	6.56	6.42
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Cash & Cash Equivalents - Note No.9	81.40	54.99
Current Deposits with Bank Disclosed under Cash & Cash Equivalents - Note No.9	2.64	19.06
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents - Note No. 10	0.08	0.07
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.21	(1,340.47)	(1,996.09)
Cash & Cash Equivalents as per Balance Sheet	(1,249.79)	(1,915.55)

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.

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Cash and Cash Equivalents	90.60	80.47
Borrowings (including overdraft)	(2,379.47)	(2,792.05)
Lease liabilities	(30.58)	(67.04)
Net Debt	(2,319.46)	(2,778.62)
Cash and liquid investments	90.60	80.47
Gross debts- fixed interest rates	(411.68)	(514.85)
Gross debts- variable interest rates	(1,998.37)	(2,344.24)
Net Debt	(2,319.46)	(2,778.62)

5 Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2021

(₹ in Lakhs)

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2020	326.28	260.22	93.15	145.35
Changes from Financing Cash Flows	230.10	(101.98)	(93.15)	(60.80)
Interest Accrued	50.91	45.66	0.00	10.36
Transfer within categories	(160.99)	0.00	160.99	0.00
Other Changes	(15.22)	0.00	0.00	(27.86)
Closing Balance as on 31st March 2021	431.07	203.89	160.99	67.04

For the Year Ended 31st March 2022

(₹ in Lakhs)

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2021	431.07	203.89	160.99	67.04
Changes from Financing Cash Flows	177.11	158.16	(160.99)	(41.64)
Interest Accrued	51.42	19.04	0.00	5.18
Transfer within categories	(172.67)	0.00	172.67	0.00
Other Changes	(1.71)	0.00	0.00	0.00
Closing Balance as on 31st March 2022	485.23	381.10	172.67	30.58

Amounts reported in the statement of cash flow under financing activities

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Proceeds from Non-current Borrowings	250.00	486.00
(Repayment) of Non-current Borrowings	(184.43)	(98.15)
(Repayment) / Proceeds from current Borrowings	177.21	(56.32)
(Repayment/Waiver) of Lease Liabilities	(41.64)	(88.66)
Net Movement in Financing Activities	201.14	242.87

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN : 22106451AJLNB4632

PLACE: MUMBAI
DATED: 23.05.2022

Standalone Statement of Changes in Equity

For the year ended 31st March, 2022

a. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 01st April 2020	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 2020-21	Balance as at 31st March 2021
1,200.00	0	1,200.00	0	1,200.00

Balance as at 01st April 2021	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 2021-22	Balance as at 31st March 2022
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 2020	0.00	0.00	678.00	0.00	1,021.55	0.00	(1.14)	1,698.42
Adjustments for Ind AS 116					0.00			0.00
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit for the year	0.00	0.00	0.00	0.00	353.54	0.00	0.00	353.54
Comprehensive Income for the Year	0.00	0.00	0.00	0.00	0.00	0.00	0.26	0.26
Dividends	0.00	0.00	0.00	0.00	(9.67)	0.00	0.00	(9.67)
TDS on Dividend	0.00	0.00	0.00	0.00	(0.68)	0.00	0.00	(0.68)
Transfer to Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issue of Bonus Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2021	0.00	0.00	678.00	0.00	1,364.74	0.00	(0.88)	2,041.86
Adjustments for Ind AS 116	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit for the year	0.00	0.00	0.00	0.00	185.26	0.00	0.00	185.26
Total Comprehensive Income for the Year	0.00	0.00	0.00	0.00			14.11	14.11
Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TDS on Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilised			0.00					0.00
Balance as at 31st March 2022	0.00	0.00	678.00	0.00	1,550.00	0.00	13.23	2,241.23

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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PLACE: MUMBAI
DATED: 23.05.2022
UDIN : 22106451AJLNB4632

PLACE: MUMBAI
DATED: 23.05.2022

NOTES TO ACCOUNTS

A Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2022

1 Basis of Preparation

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

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 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 23rd May, 2022.

2 Compliance with Ind AS

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

3 System of Accounting :

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

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

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

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

4 Going Concern

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

5 Presentation of Financial Statements

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

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

6 Use of Estimates

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

7 Prior Period Errors

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

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

8 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.

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.

8.2 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 company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated amortisation and cumulative impairment.

Amortisation

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

8.3 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'.

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 (except for foreign subsidiaries, in whose case a provision is made for such impairment). On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company has been prepared based on the assumption that the company is not going concern for the year ended 31st March 2022.

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

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

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
5,968.49	8,527.60	69.99%

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:

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

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

Contingent liability is disclosed in case of:

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

Accordingly, Corporate Guarantee given to one of its subsidiary (Technofy Digital Private Limited) has been disclosed in Note No.40

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, 2022 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 2021-22 aggregating to Rs. 99,00,000/-

C Recent Accounting Pronouncements

a) Amendments to Existing Standards

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

- 1) Ind AS 103 - Business Combination
- 2) Ind AS 16 - Property, Plant & Equipment
- 3) Ind AS 37 – Provisions, Contingent Liabilities & Contingent Assets
- 4) Ind AS 107 & Ind AS 109 - Financial Instruments

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

b) Amendments to Reporting Framework

On 23rd March 2022, the Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 effective from 1st April, 2022. The company has incorporated the amendments in its financial statements.

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

NOTES FORMING PART OF BALANCE SHEET

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

Particulars	Tangible Assets (Owned)										Leased Assets	Capital WIP	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)	Additional Office Premises at Raha Plaza	Software
Gross Block																	
As at 1st April 2020	278.03	13.65	42.06	28.90	45.64	30.94	7.00	7.67	4.31	0.00	1.02	42.20	21.37	209.06	629.82	4.64	1,366.30
Additions	0.00	0.73	0.00	0.34	0.00	0.00	0.00	3.78	0.00	5.93	0.00	48.57	0.77	0.00	0.00	0.00	60.11
Disposals	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
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
As at 31st March 2021	278.03	14.38	42.06	29.23	45.64	30.94	7.00	11.45	4.31	5.93	1.02	90.77	22.14	209.06	629.82	4.64	1,426.42
Additions	0.00	4.58	0.00	0.16	7.27	0.00	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	48.57	0.00	0.00	0.00	0.00	12.26
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	51.07
As at 31st March 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	4.64	1,387.60
Depreciation/Amortisation																	
As at 1st April 2020	32.13	5.40	5.40	11.04	12.94	4.14	2.05	4.66	3.37	0.00	0.97	22.08	12.74	79.28	0.00	3.70	199.91
Charge for the year	2.20	1.16	5.02	4.44	2.90	3.67	0.92	1.02	0.54	0.09	0.01	8.33	3.54	70.74	0.00	0.84	105.41
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	0.00	0.00	0.00	0.00	0.00	0.00
As at 31st March 2021	34.33	6.56	10.42	15.48	15.84	7.81	2.98	5.68	3.90	0.09	0.98	30.41	16.28	150.02	0.00	4.54	305.32
Charge for the year	4.40	1.21	4.99	4.29	3.09	3.67	0.92	1.31	0.19	1.10	0.00	8.43	2.35	33.74	0.00	0.11	69.82
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	6.12	0.00	0.00	0.00	0.00	6.12
As at 31st March 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	4.64	369.02
Net Block																	
As at 31st March 2021	243.70	7.82	31.64	13.75	29.80	23.13	4.02	5.77	0.40	5.83	0.04	60.36	5.86	59.04	629.82	0.11	1,121.09
As at 31st March 2022	239.30	11.18	26.65	9.62	33.98	19.45	3.10	4.70	0.22	2.23	0.04	9.47	3.52	25.30	629.82	0.00	1,018.58

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.
- 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
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)	5
Software	3

Disclosure requirements for Capital WIP

a. As at 31st March 2022

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 years	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended					
Additional Office Premise at Raheja Plaza	0.00	0.00	629.82	0.00	629.82
Total					629.82

a. As at 31st March 2021

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended					
Additional Office Premise at Raheja Plaza	0.00	629.82	0.00	0.00	629.82
Total					629.82

Disclosure requirements for Intangible Assets

a. As at 31st March 2022

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total					0.00

b. As at 31st March 2021

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total					0.00

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 th June 2019	Cost	100%
ICT Infratech Services Private Limited	Joint Venture	India	08 th March 2007	Cost	50%

(b) Value of Investments

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Wemart Global FZE	0.00	32.71
Technofy Digital Private Limited	1.00	1.00
ICT Infratech Services Private Limited	1.50	1.50
Notional Value of Guarantee Provided to Subsidiary	154.67	70.80
	157.17	106.00
<u>Less:</u> Provision for Impairment of Investments	0.00	32.71
	157.17	73.30

Note:

The Company has received liquidator's report of Wholly owned Foreign Subsidiary- Wemart Global FZE during the financial year. Effective date of liquidation is 17th January, 2021. Subsequently company has received cancellation of license certificate dated 30th May 2021 from Ajman Free Zone. Accordingly, the company has written off its investments in the subsidiary against provision created in previous years.

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%

Value of Loans & Deposits

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Rent Deposits	15.36	14.26
Electricity Deposit	2.06	1.94
	17.43	16.20

NOTE NO. 5
OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Other Deposits	0.50	0.25
	0.50	0.25

NOTE NO. 6
OTHER NON-CURRENT ASSETS

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Advances Recoverable other than in Cash	0.36	0.48
Miscellaneous Expenditure	1.94	3.49
	2.30	3.97

NOTE NO. 7
INVENTORIES

(a) Valuation Method

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

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

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Closing Stock of Inventories	2,634.93	1,755.30
	2,634.93	1,755.30

NOTE NO. 8
TRADE RECEIVABLES

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Secured, Considered good	0.00	0.00
Unsecured, Considered good	2,835.59	3,559.27
Significant Increase in Credit Risk	13.43	22.91
Credit Impaired	0.00	0.00
	2,849.02	3,582.18
Less: Allowance for Bad and Doubtful Debts (Expected Credit Losses)	13.43	22.91
	2,835.59	3,559.27
Receivable from related Parties (Refer Note No.46)	316.20	278.35
	3,151.79	3,837.62

Trade Receivables - Ageing Schedule as on 31st March, 2022

(₹ in Lakhs)						
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	957.90	578.50	487.02	665.74	462.63	3,151.79
(ii) Undisputed Trade Receivables - which have significant increase in credit	0.41	0.03	0.76	9.66	2.58	13.43
(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	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

Trade Receivables - Ageing Schedule as on 31st March, 2021

(₹ in Lakhs)

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	1,882.35	369.87	1,099.05	240.59	245.76	3,837.62
(ii) Undisputed Trade Receivables - which have significant increase in credit	0.00	0.00	16.53	5.44	0.94	22.91
(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	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 2022	AS AT 31ST MARCH 2021
Balance with Banks	2.64	19.06
Cash on Hand	6.56	6.42
Fixed Deposits with Bank	81.40	54.99
	90.60	80.47

NOTE NO. 10

BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Unclaimed Dividends	0.08	0.07
	0.08	0.07

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 2022	AS AT 31ST MARCH 2021
Secured, Considered good	0.00	0.00
Unsecured, Considered good	11.51	505.71
Significant Increase in Credit Risk	10.00	10.84
Credit impaired	0.00	0.00
	21.51	516.55
<u>Less:</u> Provision for Expected Credit Losses on Loans	10.00	10.84
	11.51	505.71

Note :

Advance given to Shri Rajlaxmi Textiles amounting Rs. 10.00 Lakhs has been provided for Expected credit loss due to its low recoverability and depicts fair value as on reporting date.

NOTE NO. 12
OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Interest Receivable	0.00	50.00
	0.00	50.00

NOTE NO. 13
OTHER CURRENT ASSETS

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Prepaid Expenses & Others	74.39	75.66
Advances To Creditors	528.88	174.48
Advances for Capital Assets	127.50	127.50
Tender registration Deposit	0.00	2.46
Input Credit of GST	211.10	18.67
Miscellaneous Expenses	1.55	12.66
Advance Recoverable Other than in Cash	0.12	0.12
MEIS Duty Scrips	0.21	0.00
Unrealised DD	0.41	0.00
	944.15	411.54

NOTE NO.14
EQUITY SHARE CAPITAL

a. Capital Structure of the Company

PARTICULARS OF CAPITAL	(₹ in Lakhs)			
	AS AT 31ST MARCH 2022		AS AT 31ST MARCH 2021	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
AUTHORISED				
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
ISSUED, SUBSCRIBED & FULLY PAID-UP :				
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
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :	0	0	0	0
	0	0	0	0

b. Details of Shareholding

Shareholders holding more than 5% of Equity Shares :

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.22	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.21	PERCENTAGE HOLDING
A.	EQUITY SHARES				
1.	Amit Devchand Rambhia	28,00,000	23.33%	28,00,000	23.33%
2.	Nikit Devchand Rambhia	28,00,000	23.33%	28,00,000	23.33%
3.	Devchand Rambhia	22,58,360	18.82%	22,58,360	18.82%

c. Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Number of Shares at the beginning of the year :	1,20,00,000	1,20,00,000
(+) Bonus shares issued ...	0	0
(+) Fresh issue made ...	0	0
(-) Shares forfeited ...	0	0
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 31ST MARCH 2022	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31ST MARCH 2021	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 :-

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

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

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Gross Debt	2,410.06	2,859.09
<u>Less:</u> Liquid Assets	90.60	80.47
Net Debt	2,319.46	2,778.62
Total Equity (As Per Balance Sheet)	3,378.19	3,241.86
Net Gearing Ratio	0.69	0.86

* Liquid Assets Comprises of Cash & Cash Equivalents only.

(v) Dividends

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
i) On Ordinary Shares		
Final Dividend for the year ended 31st March 2021	0.00	9.67
TDS on Dividend declared for the year ended 31st March 2021	0.00	0.68
Total Dividend Paid	0.00	10.35
ii) Dividends not recognised at the end of the reporting Period		
With respect to dividend for the year ended 31st March 2022, the directors have recommended to conserve their reserves for future operations and not to declare any dividend for the reporting period under consideration i.e 31st March 2022 (For 31st March 2021 aswell, no dividend was declared.	0.00	0.00

**NOTE NO. 15
OTHER EQUITY**

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Securities Premium</u>		
Opening Balance	678.00	678.00
Add: Premium Collected on Issue of Shares	0.00	0.00
Less: Utilised	0.00	0.00
Closing Balance	678.00	678.00
<u>Retained Earnings</u>		
Opening Balance	1,364.74	1,021.55
Add/(Less): Adjustments for Ind AS 116	0.00	0.00
Add: Surplus As per Profit & Loss Account	122.22	353.54
Less: Appropriations		
Dividends Paid	0.00	9.67
TDS on Dividend	0.00	0.68
Closing Balance	1,486.96	1,364.74
<u>Other Comprehensive Income</u>		
a) Actuarial Gains or Losses on Defined Benefit Plans		
Opening Balance	(0.88)	(1.14)
Add/(Less): Changes for the Year	14.11	0.26
Closing Balance	13.23	(0.88)
	2,178.19	2,041.86

**NOTE NO. 16
BORROWINGS (NON CURRENT)**

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Secured Borrowings	485.23	431.07
<u>Unsecured Borrowings</u>		
Office Rent Deposit	0.00	0.00
	485.23	431.07

Terms of Repayment of Secured Borrowings

Car Loan of Rs. 10,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, 2022 is repayable in 11 monthly installments of Rs.20,517 each. Interest to be serviced as and when debited. Interest @ 8.50% is applicable on the said loan.

Property Loan of Rs.4,00,00,000 (Sanction Amount) is secured by way of exclusive first charge created on the concerned Property. The Balance loan as on March 31, 2022 is repayable in 29 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, 2022 is repayable in 15 monthly installments of Rs 7,77,655 each with moratorium of first 12 months. 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, 2022 is repayable in 36 monthly installments of Rs 7,77,655 each with moratorium of first 24 months. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan

NOTE NO. 17
LEASE LIABILITIES (NON CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Payables towards Lease Liability	0.00	30.59
	0.00	30.59

NOTE NO. 18
OTHER FINANCIAL LIABILITIES (NON CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Deposit against Goods on Rent	0.60	0.00
	0.60	0.00

NOTE NO. 19
PROVISIONS (NON CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Provision for Gratuity	66.89	66.43
	66.89	66.43

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.45

NOTE NO. 20
DEFERRED TAX LIABILITIES(NET)

(₹ in Lakhs)				
PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET
Balance as on 01.04.2020		0.75	(2.00)	(1.24)
<u>For the Year 2020-21</u>				
Carrying Value of Property Plant & Equipment	131.63	33.13	0.00	
Provision for Gratuity	(73.21)	(18.43)	0.00	
Actuarial Gains on Employee Benefit Expenses	(1.17)	0.00	(0.30)	
Expected Credit Losses	(22.91)	(5.77)	0.00	
Expected Credit Losses on Loans	(10.84)	(2.73)	0.00	
Impairment of Assets	(32.71)	(8.23)	0.00	
(DTA)/DTL as on 31.03.2021		(2.02)	(0.30)	(2.32)
<u>For the Year 2021-22</u>				
Carrying Value of Property Plant & Equipment	112.02	28.19	0.00	
Provision for Gratuity	(63.80)	(16.06)	0.00	
Actuarial Gains on Employee Benefit Expenses	(11.51)	0.00	(2.90)	
Expected Credit Losses	(13.43)	(3.38)	0.00	
Expected Credit Losses on loan	(10.00)	(2.52)	0.00	
(DTA)/DTL as on 31.03.2022		6.24	(2.90)	3.34

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

		(₹ in Lakhs)	
PARTICULARS		AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Secured Borrowings</u>			
Cash Credit	....	1,340.47	1,996.09
Current Maturities of Long Term Borrowings	....	172.67	160.99
Other borrowings	....	0.00	44.44
<u>Unsecured Borrowings</u>			
Short Term loans & advances from Related Parties	....	359.60	92.45
Short Term loans & advances from Others	....	21.50	67.00
		1,894.24	2,360.98

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 - Managing Director, Mr. Nikit Rambhia - Joint Managing Director, Mr. Devchand Rambhia - Whole Time Director.
- 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.

Name of bank	Qtr ended	Particulars	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference	Reason for Discrepancy
Canara Bank	30th June, 2021	Trade Receivable	2,375.57	3,499.24	(1,123.66)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	1,788.37	1,692.10	96.27	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
Canara Bank	30th September, 2021	Trade Receivable	2,705.85	3,631.55	(925.70)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	1,913.24	1,801.58	111.66	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
Canara Bank	31st December, 2021	Trade Receivable	2,967.14	3,640.88	(673.74)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	2,636.74	2,598.47	38.27	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
Canara Bank	31st March, 2022	Trade Receivable	2,783.41	3,172.98	(389.57)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	2,720.63	2,634.93	85.70	The difference is mainly due to estimated over head rate considered while valuing FG given to the bank and the actual over head rate and also due to submissions done on the basis of provisional basis

- 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.

NOTE NO. 22
LEASE LIABILITIES

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Payables towards Lease Liabilities	30.58	36.45
	30.58	36.45

NOTE NO. 23
TRADE PAYABLES (CURRENT)

(₹ in Lakhs)

PARICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Trade payables to Other than Related Parties		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	178.20	117.29
Other Trade Payables	1,276.62	1,156.37
Trade Payables to Related Parties (Refer Note No 46)		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	7.15	11.19
Other Trade Payables	0.00	1.91
	1,461.97	1,286.76

Trade Payables ageing schedule: As at 31st March,2022

(₹ in Lakhs)

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	185.35	0.00	0.00	0.00	185.35
(ii) Others	1,247.32	10.00	1.11	18.18	1,276.62
(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,2021

(₹ in Lakhs)

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	119.22	9.26	0.00	0.00	128.48
(ii) Others	946.01	191.22	21.05	0.00	1,158.28
(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

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs. 50.49 Lakhs stands overdue as on 31st March 2022. However, no interest is due or payable on such balance, pursuant to mutual agreement between the parties.

NOTE NO. 24
OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Interest payable	19.75	35.52
Interest on Income Tax Payable	14.24	12.94
	33.99	48.46

NOTE NO. 25
OTHER CURRENT LIABILITIES

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Statutory Liabilities	....	....	30.17	113.04
Advances From Debtors	....	....	328.35	24.56
Deferred Guarantee Premium	....	....	101.17	51.41
Others	....	....	1.35	5.06
			461.04	194.07

NOTE NO. 26
PROVISIONS (CURRENT)

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Electricity Charges Payable	....	....	1.01	0.98
Professional Fees Payable	....	....	3.96	3.65
Audit Fees Payable	....	....	1.88	1.19
Clearing Charges Payable	....	....	2.34	0.57
Freight Charges Payable	....	....	2.05	3.35
Salary Payable	....	....	34.46	28.95
Dividend Payable	....	....	0.08	0.07
Provision for Gratuity	....	....	8.41	7.96
			54.19	46.72

NOTE NO. 27
CURRENT TAX LIABILITIES(NET)

			(₹ in Lakhs)	
PARTICULARS			AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Direct Taxes	....	....	65.52	114.44
			65.52	114.44

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

NOTE NO. 28
REVENUE FROM OPERATIONS

(a) Recognition of Revenue

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

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

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

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

			(₹ in Lakhs)	
PARTICULARS			FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Sales (Domestic)	....	....	8,498.18	7,467.99
Service Charges(Domestic)	....	....	27.95	124.96
Rental Charges	....	....	1.10	3.92
Transportation Charges recovered	....	....	0.36	161.18
			8,527.60	7,758.05

(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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Contract Liability		
Opening Balance	24.56	202.55
Less: Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(4.44)	(202.55)
Add: 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.	308.23	24.56
Closing Balance	328.35	24.56
Contract Assets		
Opening Balance	174.48	239.51
Less: Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(21.63)	(112.71)
Add: 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.	376.02	47.68
Closing Balance	528.88	174.48

**NOTE NO. 29
OTHER INCOME**

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Additional CST Collected from Customers	24.37	1.07
Differential GST Collected from Customers	0.02	0.00
Rent on Investment Property	1.75	16.15
Support Service Charges	1.52	5.54
Office Rent Waiver Received	0.00	27.86
Finance Charges	1.22	1.60
Marketing Incentives	66.84	0.00
Notional value of Guarantee Premium	34.12	14.05
Liabilities no Longer Payable	8.09	26.52
Discount Received	2.12	3.08
Interest Income	32.20	60.01
Insurance Claim received	0.43	0.00
Interest on Late Payment from Debtors	155.21	0.00
	327.87	155.88

Measurement of Other Incomes

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

**NOTE NO. 30
COST OF MATERIALS CONSUMED**

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Purchase	8,119.99	5,265.41
Service Charges	201.98	20.16
Consumables & Others	0.73	0.76
	8,322.70	5,286.33

NOTE NO. 31

CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Opening Stock / Inventories	1,755.30	2,742.51
Less: Closing Stock / Inventories	(2,634.93)	(1,755.30)
	(879.63)	987.20

NOTE NO. 32

EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Director's Remuneration	99.00	66.50
Salary & Bonus to Employees	249.02	295.06
Employers Contribution to Provident Fund & ESIC & Other Funds	3.87	7.57
Staff Welfare Expenses	4.10	3.30
Provision for Gratuity	12.42	12.65
	368.41	385.07

NOTE NO. 33

FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Bank Charges on Finance	1.91	1.91
Interest Expenses	276.11	304.11
Interest on Income Tax Payment	26.09	17.26
Finance Charges on Lease Liabilities	5.18	10.36
Processing Charges	18.20	11.79
	327.49	345.43

NOTE NO. 34

DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Depreciation on Property, Plant & Equipment	35.97	33.83
Depreciation on Right to use Assets	33.74	70.74
Depreciation on Investment Property	0.00	2.20
Amortisation of Intangible Assets	0.11	0.84
	69.82	107.61

NOTE NO. 35

OTHER EXPENSES

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Administrative Expenses	14.78	9.67
Bad Debts Written off	2.46	0.00
Bank Charges	6.93	2.67
Certification Charges	8.39	22.30
Central Sales Tax	0.00	0.33
Cloud Services	2.30	2.91
Commission Expenses	20.64	5.85
Conveyance	2.34	2.39

Continued

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Custom Duty Paid	0.86	0.00
Electricity Charges	8.85	10.23
E waste Charges	1.95	0.00
Goods Lost in Transit	0.19	0.47
Insurance Charges	8.57	7.70
Interest on Late Payment to Creditors	0.66	2.51
Interest on Late Payment of TDS/TCS	2.49	1.45
Interest on Late Payment of GST	0.35	0.72
GST Late Fees Paid	0.05	0.10
(Profit) / Loss Due To Foreign Exchange Fluctuation	4.59	(8.09)
Manpower Services	45.54	22.73
Manufacturing Expenses	2.18	1.53
Preliminary Expenditure W/off	12.66	14.00
Office & Factory Maintenance Charges	(4.30)	5.55
Maintenance Charges on Office Premises	4.30	0.30
Office Maintenance Charges on Investment Property	0.00	0.78
Property Tax on Investment Property	0.00	0.60
Property Tax on Office Premises	0.00	0.60
Payment to Auditor's	3.35	3.20
PLI Application Fees	2.00	0.00
Printing & Stationery	2.82	0.92
Professional Fees	64.90	84.99
Profession Tax	0.03	0.03
Provision for Expected Credit Losses	42.14	32.06
Provision for Expected Credit Losses on Loans	10.00	0.00
Amortisation of Fair Value Changes	0.12	0.22
R & D Expenses	0.00	0.08
Rent, Rates & taxes	2.57	1.37
Repairs & Maintenance	8.96	5.15
Royalty Paid	8.01	11.76
Sales Promotion & Advt Expenses	0.06	1.66
Service Expenses	13.50	24.19
Software Expenses	0.24	0.22
Stamp duty and Registration Charges	0.00	0.43
Sundry Expenses	1.84	2.48
Telephone & Mobile Charges	0.41	0.75
Tender Registration Fees	0.05	0.00
Transportation Charges	22.54	24.01
Travelling Expenses	3.81	3.18
VTS Expenses	0.08	1.03
Website Development Charges	0.00	0.33
	334.19	305.32

NOTE NO. 35.1

DETAILS OF PAYMENTS TO AUDITORS

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

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>Payment to Auditors</u>		
Statutory Audit	2.60	1.25
Tax Audit	0.75	0.75
Internal Audit	0.00	1.20
Total Payments to Auditors	3.35	3.20

NOTE NO. 36
EXCEPTIONAL ITEMS

		(₹ in Lakhs)	
PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Loss on Sale of Fixed Asset	...	(14.96)	0.00
		(14.96)	0.00

NOTE NO. 37
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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	81.64	130.95
	Adjustments in respect of income tax of previous years.	(2.01)	15.26
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	8.26	(2.78)
	Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]	87.90	143.43
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) Income Tax	0.00	0.00
	(ii) Deferred Tax	(2.60)	1.70
	Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]	(2.60)	1.70

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

PARTICULARS		FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Profit Before Tax	(A)	297.53	496.97
Corporate Tax Rate as per Income Tax Act, 1961	(B)	25.17%	25.17%
Tax on Accounting Profit	[(A)*(B)]	74.88	125.08
<u>Adjustments as per Income Tax</u>			
<u>Add:</u> Depreciation as per Companies Act		69.82	107.61
<u>Add:</u> Disallowances U/s 37		15.15	15.45
<u>Add:</u> Disallowance of Gratuity Provision		12.42	8.62
<u>Add:</u> Disallowance of Contributions to statutory Funds		2.08	4.63
<u>Add/(Less):</u> Other Additions / (Deductions)		(37.55)	(69.15)
<u>Less:</u> Depreciation as per Income Tax Act		(35.07)	(43.82)
Tax payable by company on Business income after adjustments as per Income Tax Act, 1961		26.85	23.34
Corporate Tax rate as per Income Tax Act		25.17%	25.17%
Tax on Gross Adjustments as per Income Tax		6.76	5.87
Tax after adjustments as per Income Tax Act, 1961		81.64	130.95
Less: MAT Credit Set Off under section 115JAA		0.00	0.00
Net Income Tax Payable by the company	(C)	81.64	130.95
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits & Expected Credit Losses		8.26	(2.78)
Incremental Deferred Tax Liability/(Asset) due Defined Benefit Obligations		(2.60)	1.70
Net Deferred Tax Expense/(Benefit)	(D)	5.66	(1.08)
Total Tax Expense Recognised for the Year	(E) = [(C)+(D)]	87.30	129.88
Effective Tax Rate	[(E)/(A)*100]	29.34%	26.13%

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Basic Tax Rate Applicable to the Company as per Income Tax Act	22.00%	22.00%
Surcharge Applicable	10.00%	10.00%
Education Cess	4.00%	4.00%
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%

**NOTE NO. 38
OTHER COMPREHENSIVE INCOME**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Remeasurement of Defined Benefit Obligations	11.51	1.96
	11.51	1.96

**NOTE NO. 39
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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>Calculation of Basic EPS</u>		
A. Profit From Continuing Operations (Numerator)	122.22	353.54
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000
Basic Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	1.02	2.95
<u>Calculation of Diluted EPS</u>		
A. Profit From Continuing Operations (Numerator)	122.22	353.54
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000
b. Potential Equity shares	-	-
Total Equity Shares for Calculation of Diluted EPS (Denominator)	12000000.00	12000000.00
Diluted Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	1.02	2.95

**NOTE NO. 40
CONTINGENT LIABILITIES**

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Corporate guarantees for performance given on behalf of subsidiary companies to Financial Institution	1800.00	1200.00
	1800.00	1200.00

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 seven years, being the period over which the validity of the guarantees extends except in a few cases where the cash outflows, if any, could occur at any time during the subsistence of the borrowing to which the guarantees relate.

NOTE NO. 41

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 2022			AS AT 31ST MARCH 2021		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Loans	11.51	0.00	11.51	505.71	0.00	505.71
Inventories	2,634.93	0.00	2,634.93	1,755.30	0.00	1,755.30
Trade Receivables	3,151.79	0.00	3,151.79	3,837.62	0.00	3,837.62
Other Financial Assets	0.00	0.00	0.00	50.00	0.00	50.00
Other Current Assets	944.15	0.00	944.15	411.54	0.00	411.54

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 2022			AS AT 31ST MARCH 2021		
	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL	WITHIN TWELVE MONTHS	AFTER TWELVE MONTHS	TOTAL
Borrowings (Current)	553.77	0.00	553.77	364.89	0.00	364.89
Trade Payables	1,461.97	0.00	1,461.97	1,286.76	0.00	1,286.76
Lease Liabilities	30.58	0.00	30.58	36.45	0.00	36.45
Other Financial Liabilities	33.99	0.00	33.99	48.46	0.00	48.46
Other Current Liabilities	461.04	0.00	461.04	194.07	0.00	194.07
Provisions	54.19	0.00	54.19	46.72	0.00	46.72
Current Tax Liabilities	65.52	0.00	63.11	114.44	0.00	114.44

NOTE NO. 42

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	(₹ in Lakhs)			
	AS AT 31ST MARCH 2022			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2.75	0.00	0
EEFC Account	0.00	0.00	0.00	0
Trade Payables	5,52,697.00	418.98	0.00	0

PARTICULARS	AS AT 31ST MARCH 2021			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2.67	0.00	0
EEFC Account	270.46	0.20	0.00	0
Trade Payables	2,42,591.93	178.32	0.00	0

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
<u>As at 31st March 2022</u>			
US DOLLAR	1%	3.11	(3.11)
<u>As at 31st March 2021</u>			
US DOLLAR	1%	1.31	(1.31)

ii. Interest Rate Risk

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

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

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

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Cash Credit	1,340.47	1,996.09
Term Loan	657.91	303.70
Other Working Capital Loans	0.00	44.44
	1,998.37	2,344.24

Sensitivity Analysis

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

(₹ in Lakhs)			
SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2022		
	ASSUMED INTEREST RATE MOVEMENT IN BPS	IMPACT ON PROFIT OR (LOSS) AFTER TAX	
		INCREASE	DECREASE
<u>Change in Interest Cost</u>			
Cash Credit *	10 bps	(1.34)	1.34
Term Loan *	10 bps	(0.66)	0.66
Other Working Capital Loans *	10 bps	0.00	0.00
		(2.00)	2.00
<u>Less: Tax Effect on Interest Cost</u>		0.50	(0.50)
Net Effect on Profit & Loss Account		(1.50)	1.50

* Holding all other variables constant

(₹ in Lakhs)			
SENSITIVITY TO MOVEMENT IN INTEREST RATES	FOR THE YEAR ENDED 31ST MARCH 2021		
	ASSUMED INTEREST RATE MOVEMENT IN BPS	IMPACT ON PROFIT OR (LOSS) AFTER TAX	
		INCREASE	DECREASE
<u>Effect on Change in Interest Cost</u>			
Cash Credit *	10 bps	(2.00)	2.00
Term Loan *	10 bps	(0.30)	0.30
Other Working Capital Loans *	10 bps	(0.04)	0.04
		(2.34)	2.34
<u>Less: Tax Effect on Interest Cost</u>		0.59	(0.59)
Net Effect on Profit & Loss Account		(1.75)	1.75

* 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 :-

(₹ in Lakhs)		
PARTICULARS	AS AT	AS AT
	31ST MARCH 2022	31ST MARCH 2021
Opening Balance	22.91	3.25
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	42.14	32.06
Write Off as Bad Debts	51.62	12.41
Closing Balance reported under Note No.8	13.43	22.91

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 2022	AS AT 31ST MARCH 2021
Opening Balance	10.84	11.12
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	10.00	0.00
Write Off as Bad Debts	10.84	0.00
Changes in Foreign Exchange	0.00	0.28
Closing Balance reported under Note No.11	10.00	10.84

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 2022

(₹ in Lakhs)

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	1,894.24	485.23	2,379.47
Trade Payables	1,461.97	0.00	1,461.97
Lease Liabilities	30.58	0.00	30.58
Other Financial Liabilities	19.75	0.60	20.35

As at 31st March 2021

NON-DERIVATIVE FINANCIAL LIABILITIES	CONTRACTUAL CASH FLOWS		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Borrowings	2,360.98	431.07	2,792.05
Trade Payables	1,286.76	0.00	1,286.76
Lease Liabilities	36.45	30.59	67.04
Other Financial Liabilities	35.52	0.00	35.52

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. 43
LEASES**

i) Where the Company is a Lessor :-

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

(₹ in Lakhs)

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Lease Rentals Received	1.75	16.15

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 2021 & balance of lease liability in Financial Statements as on 31st March 2022, is as follows:

		(₹ in Lakhs)
PARTICULARS		AMOUNT
Opening balance of Lease Liability in the Financial Statements as on 1st April 2021		67.04
Add: Interest Accrued for the Financial Year 2021-22		5.18
Less: Lease Payments Made		(41.64)
Closing balance of Lease Liability in the Financial Statements as on 31st March 2022		30.58

Details with respect to Right-of-Use Assets :

					(₹ in Lakhs)
PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2021	ADDITIONS DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2022	
Buildings	59.04	-	33.74	25.30	

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

- i) Interest Expense on Lease liabilities amounts to Rs 5.18 Lakhs.
- ii) The expense relating to payments not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year amounted to Rs. 2.57 Lakhs.
- iii) Total cash outflow for leases amounts to Rs 44.21 Lakhs during the year including cash outflow of short-term and low value leases.

NOTE NO. 44

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 2022	AS AT 31ST MARCH 2021	
CURRENT ASSETS				
<u>Fixed Charge Asset</u>				
Assets		0.00	0.00	
<u>Floating Charge</u>				
Trade Receivables	Note No . 8	3151.79	3837.62	
Inventory	Note No . 7	2634.93	1755.30	
Total current assets pledged as security		5786.72	5592.92	
NON-CURRENT ASSETS				
<u>Fixed Charge Asset</u>				
Motor Car	Note No . 2	4.10	60.36	
Capital WIP (Property under Development)	Note No . 2	629.82	629.82	
<u>Floating Charge</u>				
Office Premises	Note No . 2	239.30	243.70	
Total non-current assets pledged as security		873.22	933.88	
Total assets pledged as security		6659.94	6526.80	

NOTE NO. 45
EMPLOYEE BENEFIT EXPENSES

(a) Disclosures pursuant to Ind AS-19

i. Defined Contribution Plans

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

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

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Employer's Contribution to Provident Fund & ESIC	3.87	7.57

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 :-

(₹ in Lakhs)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	0.00	0.00
Wholly Unfunded	75.30	74.39
	75.30	74.39
<u>Less: Fair Value of Plan Assets</u>	0.00	0.00
Amounts recognised as Liability (See Note No.19 & Note No.26)	75.30	74.39

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

(₹ in Lakhs)

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Current Service Cost	7.36	8.25
Interest Cost	5.06	4.40
Past Service Cost	0.00	0.00
Expenses included in Employee Benefits (See Note No.32)	12.42	12.65

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

(₹ in Lakhs)

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Actuarial (Gains) / Losses	(11.51)	(1.96)
Expenses included in Other Comprehensive Income (See Note No.38)	(11.51)	(1.96)

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

(₹ in Lakhs)

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Opening Balance of present value of Defined Benefit Obligation	74.39	67.73
<u>Add: Current Service Cost</u>	7.36	8.25
<u>Add: Interest Cost</u>	5.06	4.40
<u>Add: Past Service Cost</u>	0.00	0.00
<u>Add/(less): Actuarial Losses/(gains)</u>	(11.51)	(1.96)
	75.30	78.42
<u>Less: Defined Benefit Claims Settled</u>	0.00	4.03
	75.30	74.39

(e) Breakup of Other Comprehensive Income

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Actuarial losses / (gains) arising from change in financial assumptions	0.00	2.77
Actuarial losses / (gains) arising from change in Demographic assumptions	0.00	0.00
Actuarial losses / (gains) arising from change in experience adjustments	(11.51)	(4.73)
	(11.51)	(1.96)

(f) Actuarial Assumptions

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

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Discount Rate (per anum)	6.80%	6.50%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	60 Years	60 Years
<u>Attrition Rate</u>		
Younger Ages	5%	5%
Older Ages	1%	1%

(g) Maturity profile of defined benefit obligation

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Within 1 Year	8.41	7.96
Year 1 to Year 2	2.25	2.14
Year 2 to Year 3	2.17	2.06
Year 4 to Year 5	2.09	1.99
Year 5 to Year 6	2.02	1.92
Year 6 to Year 10	22.39	14.31
After 10 Years	35.97	44.01

NOTE NO. 46

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

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	Chief Financial Officer (CFO)
Jinkle Khimsaria*	CS & Compliance Officer
Harshil Chheda	CS & Compliance Officer
Vikesh Shah	Sales Head

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	Joint Venture
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand L. Rambhia	Whole-Time Director
Nitesh M. Savla	Chief Financial Officer
Jinkle Khimsaria	CS & Compliance Officer
Harshil Chheda	CS & Compliance Officer
Vikesh Shah	Sales Head
Panache Innovations Limited	Company having Common Director
Rambhia IPR Services LLP	Firm in which Director is a Partner
Deepa A. Rambhia	Relative of Director
Kavita N. Rambhia	Relative of Director

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

b. List of Transactions with Related Parties

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

(₹ in Lakhs)			
NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 21-22 (NET OF TAX)
Amit D. Rambhia	Managing Director	Remuneration	42.00
Nikit D. Rambhia	Joint Managing Director	Remuneration	42.00
Devchand L. Rambhia	Whole-Time Director	Remuneration	15.00
Deepa A. Rambhia	Relative of Director	Short Term Employee Benefits	18.00
Kavita N. Rambhia	Relative of Director	Short Term Employee Benefits	12.00
Nitesh M. Savla	Chief Financial Officer	Short Term Employee Benefits	14.77
Jinkle Khimsaria	CS & Compliance Officer	Short Term Employee Benefits	1.47
Harshil Chheda	CS & Compliance Officer	Short Term Employee Benefits	3.57
Vikesh Shah	Sales Head	Short Term Employee Benefits	30.00
Vikesh Shah	Sales Head	Advances Given	2.60
Amit D. Rambhia	Managing Director	Loan Taken	50.70
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	7.97
Nikit D. Rambhia	Joint Managing Director	Loan Taken	37.45
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	6.57
Devchand L. Rambhia	Whole-Time Director	Loan Taken	179.00
Devchand L. Rambhia	Whole-Time Director	Interest on Unsecured Loan	1.14
Technofy Digital Private Limited	Subsidiary	Loan Repaid	547.16

Continued

(₹ in Lakhs)

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 21-22 (NET OF TAX)
Technofy Digital Private Limited	Subsidiary	Interest on Unsecured Loan received	29.91
ICT Infratech Services Private Limited	Joint Venture	Fixed Assets Purchased	3.00
Panache Innovations Limited	Company having Common Director	Services Aailed	5.33
Panache Innovations Limited	Company having Common Director	Fixed Assets Purchased	0.16
Panache Innovations Limited	Company having Common Director	Purchases	8.13
Panache Innovations Limited	Company having Common Director	Sales	142.84
Panache Innovations Limited	Company having Common Director	Services Provided	2.58
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	8.01

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:-

(₹ in Lakhs)

PARTICULARS	RELATION WITH THE COMPANY	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Amounts Receivable from Related Parties</u>			
<u>Receivables for Sales & Services Provided</u>			
Panache Innovations Limited	Company having Common Director	259.19	219.35
ICT Infratech Services Private Limited	Joint Venture	57.02	58.99
		316.20	278.35
<u>Loans & Advances Recoverable</u>			
Technofy Digital Private Limited	Subsidiary	0.00	482.27
Technofy Digital Private Limited (Interest Receivable)	Subsidiary	0.00	48.89
		0.00	531.16
<u>Receivables from KMP's or their Relatives</u>			
Vikesh Shah	Sales Head	3.35	0.75
		3.35	0.75
Total Receivables from Related Parties		319.55	810.26
<u>Amounts Payable to Related Parties</u>			
<u>Payables for Purchases & Services Aailed</u>			
Rambhia IPR Services LLP	Firm in which Director is a Partner	7.15	11.19
		7.15	11.19
<u>Payable towards Borrowings Taken</u>			
Amit D. Rambhia	Managing Director	84.70	34.00
Amit D. Rambhia (Interest Payable)	Managing Director	7.17	2.12
Nikit D. Rambhia	Joint Managing Director	81.90	44.45
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	5.92	6.17
Devchand L. Rambhia	Whole-Time Director	193.00	14.00
Devchand L. Rambhia (Interest Payable)	Non- Executive Director	1.03	0.95
		289.02	67.69
<u>Expenses Reimbursable</u>			
Nitesh M. Savla	Chief Financial Officer	0.00	0.04
Jinkle Khimsaria	CS & Compliance Officer	0.00	0.04
		0.00	0.09

Continued

PARTICULARS	RELATION WITH THE COMPANY	(₹ in Lakhs)	
		AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Payables to KMP and their Relatives as Remuneration/ Expenses</u>			
Amit D. Rambhia	Managing Director	2.21	1.90
Nikit D. Rambhia	Joint Managing Director	2.37	2.05
Devchand L. Rambhia	Whole-Time Director	0.98	1.07
Deepa A. Rambhia	Relative of Director	1.09	1.07
Kavita N. Rambhia	Relative of Director	0.87	0.84
Nitesh M. Savla	Chief Financial Officer	0.88	0.93
Vikesh Shah	Sales Head	2.16	2.30
Jinkle Khimsaria	CS & Compliance Officer	0.00	0.49
Harshil Chheda	CS & Compliance Officer	0.37	0.00
		10.93	10.63
Total Payables to Related Parties		307.10	89.59
<u>Other Contributions & Commitments</u>			
<u>Corporate Guarantee Given</u>			
Technofy Digital Private Limited	Subsidiary	1,800.00	1,200.00

Compensation Paid to Key Managerial Personnel (KMP) :

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

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Short Term Benefits	147.34	84.93
Post Employment Benefits	43.03	24.83
Total	190.37	109.76

NOTE NO. 47

FAIR VALUE MEASUREMENT HIERARCHY

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

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

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Financial Assets		
<u>Measured at Amortised Cost</u>		
Loans	28.94	521.91
Trade Receivables	3,151.79	3,837.62
Other Financial Assets	0.50	50.25
Cash & Cash Equivalents	90.60	80.47
Bank Balances Other Cash & Cash Equivalents	0.08	0.07
Total financial Assets Measured at Amortised Cost (I)	3,271.91	4,490.32
Measured at Fair Value Through Other Profit & Loss Account (FVTPL)	154.67	70.80
Total Value of Financial Assets [(I)+(II)]	3,426.58	4,561.11
Financial Liabilities		
<u>Measured at Amortised Cost</u>		
Borrowings	2,379.47	2,792.05
Trade Payables	1,461.97	1,286.76
Lease Liabilities	30.58	67.04
Other Financial Liabilities	34.59	48.46
Total of Financial Liabilities Measured at Amortised Cost	3,906.62	4,194.32
Measured at Fair Value Through Other Profit & Loss Account (FVTPL)		
Other Financial Liabilities	-	-
Total Value of Financial Liabilities	3,906.62	4,194.32

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net gains/(losses) on financial assets and Financial liabilities measured at amortised cost :-		
(i) Exchange Difference Gains/ (Losses) on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	(4.59)	8.09
(ii) Amortisation of Fair Value Changes	0.12	0.22
(iii) Finance Charges (Net)	1.22	1.60
(iv) Interest Income	32.20	60.01
(v) Interest Expense	(276.11)	(304.11)
(vi) Finance Charges on Lease Liabilities	(5.18)	(10.36)
(vii) Bank Charges on Finance	(1.91)	(1.91)
(viii) Processing Charges	(18.20)	(11.79)
(ix) Provision for Expected Credit Losses	(42.14)	(32.06)
Total	(314.61)	(290.31)
Net gains/(losses) on financial liabilities measured at Fair Value Through Profit & Loss Account (FVTPL) :-	0	0
Total	0	0

NOTE NO. 48

DISCLOSURE UNDER SECTION 186 OF COMPANIES ACT

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

(₹ in Lakhs)				
NAME OF THE ENTITY	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	NATURE OF ASSISTANCE	PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECIPIENT
Technofy Digital Private Limited	0.00	597.81	Inter Corporate Loan	Short Term Working Capital
Technofy Digital Private Limited	1,800.00	1,200.00	Corporate Guarantee	Short Term Working Capital
Karram Warehousing Private Limited	0.00	13.49	Inter Corporate Loan	Short Term Working Capital
Shree Rajlaxmi Textiles	10.00	10.00	Advance	Advance for Purchase of Property

NOTE NO. 49

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 :

- repayable on demand; or
- 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	N.A.	N.A.
Directors	N.A.	N.A.
KMP's	3.35	15.72%
Related Parties	N.A.	N.A.

NOTE NO. 50

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.

NOTE NO. 51

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.

NOTE NO. 52

Transactions with Struck-off Companies

As at 31st March, 2022

Name of Struck off Company	Nature of transactions with Struck off company	Balance Outstanding	Relationship with the struck off company if any, to be disclosed
N.A.	Investment in Securities	NIL	N.A.
N.A.	Receivables	NIL	N.A.
N.A.	Payables	NIL	N.A.
N.A.	Shares held by Struck off Company	NIL	N.A.
N.A.	Other Outstanding balances (to be specified)	NIL	N.A.

As at 31st March, 2021

Name of Struck off Company	Nature of transactions with Struck off company	Balance Outstanding	Relationship with the struck off company if any, to be disclosed
N.A.	Investment in Securities	NIL	N.A.
N.A.	Receivables	NIL	N.A.
N.A.	Payables	NIL	N.A.
N.A.	Shares held by Struck off Company	NIL	N.A.
N.A.	Other Outstanding balances (to be specified)	NIL	N.A.

NOTE NO. 53

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.

NOTE NO. 54

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.

NOTE NO. 55

Financial Ratios

The Financial ratios for the years ended March 31, 2022 and March 31, 2021 are as follows :

Sr No.	Particulars	Numerator	Denominator	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	1.71	1.62	5.12%
2	Debt Equity Ratio	Total Debt (incl. Lease Liabilities)	Shareholder's Equity	0.71	0.88	19.11%
3	Debt Service Coverage Ratio	Earnings available for Debt service	Debt Service (Interest)	2.35	3.09	-23.93%
4	Return on Equity *	Net Profit after Taxes	Avg. Shareholder's Equity	6.58%	11.52%	-42.84%
5	Inventory Turnover Ratio	Revenue	Avg. Inventory	3.88	3.45	12.61%
6	Trade Receivables Turnover Ratio	Revenue	Avg. Trade Receivables	2.44	2.00	22.15%
8	Trade Payables Turnover Ratio **	Purchases of Goods and Other Expenses	Avg. Trade Payables	6.06	2.36	157.05%
10	Net Capital Turnover Ratio	Revenue	Working Capital	3.01	3.04	-0.90%
11	Net Profit Ratio *	Net Profit	Revenue	2.55%	4.56%	-43.93%
12	Return on Capital Employed *	EBIT	Capital Employed	9.04%	15.23%	-40.64%

Reasons for huge variance :

- * The Covid -19 pandemic had affected domestic operations and international operations resulting in Supply Chain concerns, Global Chip shortage, Logistics delays which led to increase in landed cost of components; that could not be passed on to customers leading to significant decline in margins.
- ** Trade Payable turnover ratio has high variation due to increase in inventory levels in the current year as well as only a slight increase in average trade payables proportionally to an increase in purchase costs. Covid Led restrictions changed the market dynamics as suppliers were paid in advance for major procurements.

NOTE NO. 56

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.

NOTE NO. 57

Disclosure relating to Compliance with approved scheme of Arrangements

No Schemes of Arrangements have been approved by any Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

NOTE NO. 58

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 KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN : 22106451AJLNB4632

PLACE: MUMBAI
DATED: 23.05.2022

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

UDIN: 22106451AJLNNF4938

To the Shareholders of
M/s. Panache Digilife Limited

We have audited the accompanying consolidated financial statements of **M/s Panache Digilife Limited**, (the "Parent"), and its Subsidiary ("the Parent" and its Subsidiary and Associate collectively referred to as "the Group") and its share of the net profit/(loss) after tax and total comprehensive income / loss of its Associate (Joint Venture) for the year ended 31st March, 2022 ('statement'), being submitted by the Parent which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred to as the "Consolidated Financial Statements").

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 Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including Other Comprehensive Income), changes in equity and statement of cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention towards the Note No. 17 of the General Notes to Accounts of Consolidated Financial Statements.

In respect of Technofy Digital Private Limited (Subsidiary of Panache Digilife Limited), the accounts of the company have been prepared based on the assumption that the company is not going concern for the year ended 31st March 2022.

- 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 Panache Digilife Limited 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.*

Our opinion is not modified in respect of this matter.

We draw attention towards the Note No. 42- Consolidation Disclosures of Consolidated Financial Statements.

The company has received liquidator's report on Wholly owned Foreign Subsidiary – Wemart Global FZE during the financial year. Effective date of liquidation is 17th January, 2021. Subsequently company has received cancellation of license certificate dated 30th May, 2021 from Ajman Free Zone. Accordingly, the same has not been considered while preparing consolidated financial statements.

Other Matters

The Consolidated Ind AS Financial Statements includes the Financial Statements of Wholly Owned Subsidiary 'Technofy Digital Private Limited' has been audited by M/s. Jain Salia & Associates Chartered Accountants for the period ended on 31st March 2022. We have relied upon the report given by the aforesaid auditor for the purpose of consolidation of Financial Statements. The consolidated financials includes net assets of disposal group classified as held for sale of Rs. (265.56) Lakhs as at 31st March, 2022, net loss after tax from discontinuing operations of Rs (130.15) Lakhs, total comprehensive loss of Rs (130.15) lakhs and cash flows (net) of Rs 1.12 lakhs for the year ended on that date.

The consolidated financial results also includes the Associate (Joint Venture) share of net profit/(loss) after tax of Rs 0.43 Lakhs and total comprehensive income/ (loss) of Rs.0.43 Lakhs for the year ended 31st March, 2022, as considered in the consolidated financial results, in respect of ICT Infratech Services Pvt Ltd, Associate (Joint Venture), whose financial statements have not been audited by us. This financial statement have been audited by M/s. Jain Salia & Associates, Chartered Accountants auditors, whose report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this Associate (Joint Venture) is based solely on the reports of aforesaid auditors.

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the other information of subsidiaries, joint ventures and associates audited by other auditors of the companies included in the group, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Other information so far as it relates to the subsidiaries, joint ventures and associates, is traced from their financial statements audited by the other auditors.

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

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

Management's Responsibility for the Consolidated Financial Statements

The respective Board of Directors of the companies included in the Group are responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the "Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance,

total comprehensive income, cash flows and changes in equity of the Company including its joint operation companies in accordance with the Ind AS and accounting principles generally accepted in India.

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

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing their respective company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless respective management of the companies included in the Group either intends to liquidate their respective Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing their respective Company's financial reporting process.

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

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

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

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

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

the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its joint operations to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements

Materiality

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that based on our audit and on the consideration of the report of other auditor on separate financial statement of the subsidiary, referred in the other matters paragraph above, we report to the extent applicable that :

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of accounts as required by law relating to the preparation and presentation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of relevant books & records, returns and the report of the other auditor.
- c. The Consolidated Balance Sheet and the Consolidated Statement of Profit & Loss(including Other Comprehensive Income), Statement of Changes in Equity & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors of the Holding Company and based on the report of the Statutory auditor of its subsidiary, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in '**Annexure-A**', which is based on auditor's reports of the Holding company and its Subsidiary.

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

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

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)
Place: Mumbai
Date: 23.05.2022
UDIN: 22106451AJLNNF4938

ANNEXURE -A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2022 **(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 ("hereinafter referred to as the Parent Company") as of 31st March 2022 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

(Partner)
(CA Ketan N. Gada)
(Membership No 106451)
Place: Mumbai
Date: 23.05.2022
UDIN: 22106451AJLNNF4938

Consolidated Balance Sheet

As at 31st March 2022

(₹ in Lakhs)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
I. ASSETS				
1 NON-CURRENT ASSETS				
(a) Property, Plant & Equipments	...	2	363.46	432.13
(b) Right of use assets	...	2	25.30	59.04
(c) Capital Work-in-Progress	...	2	629.82	629.82
(d) Investment Properties	...		0.00	0.00
(e) Goodwill	...		0.00	0.00
(f) Other Intangible Assets	...	2	0.00	0.11
(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	...	3	0.60	0.18
(ii) Other Investments	...		0.00	0.00
(iii) Loans & Deposits	...	4	17.43	16.20
(iv) Other Financial Assets	...	5	0.50	0.25
(j) Deferred Tax Assets	...		0.00	0.00
(k) Other Non-Current Assets	...	6	2.30	3.97
2 CURRENT ASSETS				
(a) Inventories	...	7	2,634.93	1,755.30
(b) <u>Financial Assets</u>				
(i) Investments	...		0.00	0.00
(ii) Trade Receivables	...	8	3,151.79	3,837.62
(iii) Cash and Cash Equivalents	...	9	90.60	80.47
(iv) Bank Balances other than Cash & Cash Equivalents	...	10	0.08	0.07
(v) Loans & Deposits	...	11	11.51	23.44
(vi) Other Financial Assets	...	12	0.00	1.11
(c) Other Current Assets	...	13	944.15	411.54
(d) Assets of Disposal Group classified as held for sale	...	38	1,818.13	2,204.82
TOTAL ASSETS			9,690.61	9,456.06
II. EQUITY AND LIABILITIES				
1 EQUITY				
(a) Equity Share Capital	...	14	1,200.00	1,200.00
(b) Other Equity	...	15	1,843.47	1,741.11
2 LIABILITIES				
A Non-Current Liabilities				
(a) <u>Financial Liabilities</u>				
(i) Borrowings	...	16	485.23	431.07
(ia) Lease Liabilities	...	17	0.00	30.59
(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	...	18	0.60	0.00
(b) Provisions	...	19	66.89	66.43
(c) Deferred Tax Liabilities(Net)	...	20	3.34	6.03
(d) Other Non-Current Liabilities	...		0.00	0.00

(₹ in Lakhs)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
B	Current Liabilities			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...	21	1,894.24	2,360.98
(ia)	Lease Liabilities ...	22	30.58	36.45
(ii)	<u>Trade Payables</u> ...	23		
(a)	total outstanding dues of micro enterprises and small enterprises		185.35	128.48
(b)	total outstanding dues of creditors other than micro enterprises and small enterprises		1,276.62	1,158.28
(iii)	Other Financial Liabilities ...	24	33.99	48.46
(b)	Other Current Liabilities ...	25	461.04	142.66
(c)	Provisions ...	26	54.19	46.72
(d)	Current Tax Liabilities(Net) ...	27	71.36	114.44
(e)	Liabilities Associated with Disposal Group classified as held for sale ...	38	2,083.69	1,944.35
TOTAL EQUITY AND LIABILITIES			9,690.61	9,456.06
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS		1		

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN: 22106451AJLNNF4938

PLACE: MUMBAI
DATED: 23.05.2022

Consolidated Statement of Profit & Loss

For the year ended 31st March 2022

(₹ in Lakhs)				
SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
A.	CONTINUING OPERATIONS			
	I. REVENUE			
	Revenue From Operations ...	28	8,527.60	7,758.05
	Other Income ...	29	263.85	88.98
	Other Gains / (Losses) - net ...		0.00	0.00
	TOTAL INCOME		8,791.45	7,847.03
	II. EXPENSES			
	Cost of Materials Consumed ...	30	8,322.70	5,286.33
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	31	(879.63)	987.20
	Employee Benefit Expenses ...	32	368.41	385.07
	Finance Costs ...	33	327.49	345.43
	Depreciation and Amortisation Expenses ...	34	69.82	107.61
	Impairment Expenses / Losses ...		0.00	0.00
	Other Expenses ...	35	334.19	305.32
	TOTAL EXPENSES		8,542.99	7,416.96
	III. Profit Before Exceptional items & Tax ...		248.46	430.07
	Exceptional Items ...	36	14.96	0.00
	IV. Profit Before Tax From Continuing Operations ...		233.50	430.07
	<u>Income Tax Expense</u>	37		
	-Current Tax ...		79.63	146.21
	-Deferred Tax ...		8.26	(2.78)
	A. PROFIT FROM CONTINUING OPERATIONS		145.61	286.64
	Add: Share of Profit/(loss) from Joint Venture		0.43	(0.51)
	TOTAL PROFIT FROM CONTINUING OPERATIONS		146.03	286.13
	B. DISCONTINUING OPERATIONS	38		
	I. Profit / (loss) from Discontinuing Operations		(66.13)	(235.04)
	Tax Expense of Discontinuing Operations ...		0.00	15.17
	B. TOTAL PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS		(66.13)	(250.22)
	TOTAL PROFIT/(LOSS) FOR THE PERIOD [(A)+(B)]		79.91	35.91
	C. OTHER COMPREHENSIVE INCOME			
	I. Items that will not be reclassified to Profit or Loss A/c ...	39	11.51	1.96
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...	42	2.60	(1.70)
	II. Items that will be reclassified to Profit or Loss A/c ...	39	0.00	4.55
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...	42	0.00	(1.15)
	C. OTHER COMPREHENSIVE INCOME FOR THE PERIOD		14.11	3.66
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [(A)+(B)+(C)]		94.01	39.57

(₹ in Lakhs)

SR. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
	<u>Profit for the year attributable to :</u>			
	(a) Owners of the Parent Company		145.61	286.64
	(b) Non-Controlling Interest		0.00	0.00
			145.61	286.64
	<u>Other Comprehensive Income for the year attributable to :</u>			
	(a) Owners of the Parent Company		14.11	3.66
	(b) Non-Controlling Interest		0.00	0.00
			14.11	3.66
	<u>Total Comprehensive Income for the year attributable to :</u>			
	(a) Owners of the Parent Company		94.01	39.57
	(b) Non-Controlling Interest		0.00	0.00
			94.01	39.57
	<u>EARNINGS PER SHARE</u>	40		
	Basic EPS	...	1.21	2.38
	Diluted EPS	...	1.22	2.38

AS PER OUR REPORT OF EVEN DATE
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[ICAI FRNo. 114841W]

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CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN: 22106451AJLNNF4938

PLACE: MUMBAI
DATED: 23.05.2022

Consolidated Statement of Cash Flows

For the year ended 31st March, 2022

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax as per Profit & Loss A/c	167.38	195.03
<u>Adjustments for Non-cash Items</u>		
Depreciation on Property, Plant & Equipment, Investment	36.11	61.89
Depreciation of Right of Use Assets	33.74	70.74
Finance Charges on Financial Instruments (unwinding of	(1.22)	(1.60)
Amortisation of Fair Value Changes	0.12	0.22
Provision for Gratuity	12.42	8.62
Notional Fair Valuation Gain on Investment	(3.57)	(6.38)
Impairment Loss recognised/(reversed) under Expected Credit Loss Model	19.48	19.66
Provision for Interest on Income Tax	1.30	0.00
Office Rent Waiver	0.00	(27.86)
Adjustment of Prior Periods	0.00	(5.30)
Miscellaneous Expenses Written Off	12.66	14.00
	111.04	134.00
	278.42	329.02
<u>Adjustments for Non-Operating Items</u>		
Interest Income	(2.29)	(7.16)
Interest on Income Tax Payment	24.79	17.26
Interest Paid	370.46	455.69
Rent Income from Investment Property	0.00	(16.15)
Finance charges on Lease Liabilities	5.18	10.36
Bank Charges on Finance	1.91	1.91
Profit / Loss on Sale of Fixed Assets	(32.26)	0.00
Processing charges	19.52	14.03
	387.31	475.95
Operating Profit before Working Capital Changes	665.73	804.97
<u>Adjusted for Change in Working Capital:</u>		
Inventories	(879.63)	987.20
Trade Receivable	676.35	148.76
Other Current Assets	(546.18)	322.83
Other Non-Current Assets	0.00	2.02
Other Financial Assets	49.75	(32.52)
Trade Payable	175.21	(1,914.27)
Other Financial Liabilities	(15.17)	10.32
Provisions (Short Term)	7.02	(2.15)
Other Current financial liabilities	(55.74)	40.97
Other Current Liability	799.23	302.68
	210.83	(134.16)
Cash Generated from Operations	876.56	670.81
Taxed Paid	(149.07)	(106.93)
Net Cash Flow from Operations (A)	727.49	563.89
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
<u>Cash Inflow</u>		
Interest Income	2.29	7.16
Rent Income from Investment Property	0.00	16.15
Foreign Currency Translation Reserve	0.00	4.55
Sale of Fixed Assets	566.28	0.00
Loans Repaid by Parties	2.28	128.66
	570.86	156.52
<u>Cash Outflow</u>		
Purchase of Fixed Assets	9.87	60.11
Leasehold Improvements	0.00	205.63
Loans & Deposits Given	0.01	1.35
	9.88	267.09
Net Cash Flow from Investing Activities (B)	560.97	(110.58)

Continued

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
CASH FLOW FROM FINANCING ACTIVITIES		
<u>Cash Inflow</u>		
Long Term Borrowing	250.00	185.80
Short Term Borrowing	267.15	11.51
	517.15	197.31
<u>Cash Outflow</u>		
Long Term Borrowing Settled	425.91	0.00
Short Term Borrowing Settled	279.29	192.52
Repayment of Lease Liabilities	41.64	60.80
Interest Paid	370.46	455.69
Bank Charges	1.91	1.91
Dividend Paid	0.00	9.67
TDS on Dividend Paid	0.00	0.68
Processing charges	19.52	14.03
Miscellaneous Expenses Incurred	0.00	0.00
	1,138.72	735.30
Net Cash Flow from Financing Activities (C)	(621.57)	(537.99)
CASH FLOW FROM ALL ACTIVITIES (A+B+C)	666.90	(84.69)
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	6.42	6.63
Balance in Bank	(1,918.60)	(1,834.11)
	(1,245.28)	(1,912.17)
<u>Cash and Cash Equivalents at the Beginning</u>		
Closing Balance as per accounts		
Cash in Hand	7.69	6.42
Balance in Bank	(1,252.97)	(1,918.60)
	(1,245.28)	(1,912.17)

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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Cash balance Disclosed under Current Financial Assets - Note No.9	7.69	6.42
<u>Balances With Bank</u>		
Fixed Deposits With Bank Disclosed under Current Financial Assets - Note No.9	81.40	54.99
Current Deposits with Bank Disclosed under Current Financial Assets - Note No.9	2.64	19.06
Current Deposits with Bank Disclosed under Current Financial Assets - Note No. 45	3.38	3.38
Unclaimed Dividends Disclosed in Bank Balances Other than Cash & Cash Equivalents - Note No. 15	0.08	0.07
Cash Credit with Bank Disclosed under Current Financial Liabilities - Note No.21	(1,340.47)	(1,996.09)
Cash & Cash Equivalents as per Balance Sheet	(1,245.28)	(1,912.17)

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.

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Cash and Cash Equivalents	90.60	80.47
Borrowings (including overdraft)	(3,356.32)	(4,086.70)
Lease liabilities	(30.58)	(67.04)
Net Debt	(3,296.31)	(4,073.27)
Cash and liquid investments	90.60	80.47
Gross debts- fixed interest rates	(411.68)	(752.06)
Gross debts- variable interest rates	(2,975.22)	(3,401.68)
Net Debt	(3,296.31)	(4,073.27)

5 Changes in Liabilities Arising from Financing Activities

For the Year Ended 31st March 2021

(₹ in Lakhs)

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2020	1,378.45	555.72	213.15	145.35
Changes from Financing Cash Flows	466.10	(235.48)	(213.15)	(60.80)
Interest Accrued	53.27	45.66	0.00	10.36
Transfer within categories	(322.46)	0.00	322.46	0.00
Other Changes	(16.37)	0.00	0.00	(27.86)
Closing Balance as on 31st March 2021	1,558.99	365.89	322.46	67.04

For the Year Ended 31st March 2022

(₹ in Lakhs)

PARTICULARS	NON CURRENT BORROWINGS	CURRENT BORROWINGS	CURRENT MATURITIES OF LONG TERM BORROWINGS	LEASE LIABILITIES
Opening Balance as on 31st March 2021	1,558.99	365.89	322.46	67.04
Changes from Financing Cash Flows	(59.44)	13.26	(322.46)	(41.64)
Interest Accrued	142.34	48.95	0.00	5.18
Transfer within categories	(442.25)	0.00	442.25	0.00
Other Changes	(7.14)	0.00	0.00	0.00
Closing Balance as on 31st March 2022	1,192.50	428.10	442.25	30.58

Amounts reported in the statement of cash flow under financing activities

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Proceeds from Non-current Borrowings	850.00	722.00
(Repayment) of Non-current Borrowings	(389.04)	(218.14)
(Repayment) / Proceeds from current Borrowings	62.21	(189.82)
(Repayment/Waiver) of Lease Liabilities	(41.64)	(88.66)
Net Movement in Financing Activities	481.53	225.37

AS PER OUR REPORT OF EVEN DATE
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PLACE: MUMBAI
DATED: 23.05.2022
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PLACE: MUMBAI
DATED: 23.05.2022

Consolidated Statement of Changes in Equity

a. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 01st April 2020	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 2020-21	Balance as at 31st March 2021
1,200.00	0.00	1,200.00	0.00	1,200.00

Balance as at 01st April 2021	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 2021-22	Balance as at 31st March 2022
1,200.00	0.00	1,200.00	0.00	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 2020	0.00	0.00	678.00	0.00	991.85	48.75	(1.14)	1,717.46
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0.00	0.00	0.00	0.00	(0.28)	(5.30)	0.00	(5.58)
Profit for the year	0.00	0.00	0.00	0.00	35.91	0.00	0.00	35.91
Comprehensive Income for the Year	0.00	0.00	0.00	0.00	0.00	3.40	0.26	3.66
Dividends	0.00	0.00	0.00	0.00	(9.67)	0.00	0.00	(9.67)
Dividend Distribution Tax	0.00	0.00	0.00	0.00	(0.68)	0.00	0.00	(0.68)
Transfer to Reserves	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Issue of Bonus Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Issue of Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2021	0.00	0.00	678.00	0.00	1,017.13	46.86	(0.88)	1,741.11
Change in accounting Policy & Prior Period errors Restated balance at the beginning of the reporting period.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit for the year	0.00	0.00	0.00	0.00	79.91	0.00	0.00	79.91
Total Comprehensive Income for the Year	0.00	0.00	0.00	0.00	0.00	0.00	14.11	14.11
Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Distribution Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfer to Reserves	0.00	0.00	0.00	0.00	55.21	(46.86)	0.00	8.35
Premium on Issue of Shares	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Utilised	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2022	0.00	0.00	678.00	0.00	1,152.24	(0.00)	13.23	1,843.47

AS PER OUR REPORT OF EVEN DATE
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DATED: 23.05.2022
UDIN: 22106451AJLNNF4938

PLACE: MUMBAI
DATED: 23.05.2022

Notes to Accounts

A Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March 2022

1 Basis of Preparation

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

Accordingly, the Group has prepared these Consolidated Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 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 23rd May, 2022.

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.

2.0 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.

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.

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.

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

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

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
- d) Financial statements of foreign operations whose functional currency is different than Indian Rupee are translated into Indian Rupee as follows:
 - i) Assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
 - ii) Income and expenses for each income statement are translated at average exchange rates; and
 - iii) All resulting exchange differences are recognised in other comprehensive income and accumulated in equity for subsequent reclassification to profit or loss on disposal of such foreign operations.

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 2022.

- 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 Panache Digilife Limited 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. 5,968.49	Rs. 8,527.60	69.99%

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:

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

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

Contingent liability is disclosed in case of:

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

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:

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

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

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

- 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.
- Outstanding balances as at 31st March, 2022 of Current & Non-Current Assets and Liabilities including Trade Receivables and Trade Payables are subject to confirmation.
- 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.
- All the Directors have drawn remuneration for the Accounting Year 2021-22 aggregating to Rs.99,00,000/-

C Recent Accounting Pronouncements

a) Amendments to Existing Standards

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

- 1) Ind AS 103 - Business Combination
- 2) Ind AS 16 - Property, Plant & Equipment
- 3) Ind AS 37 – Provisions, Contingent Liabilities & Contingent Assets
- 4) Ind AS 107 & Ind AS 109 - Financial Instruments

b) Amendments to Reporting Framework

On 23rd March 2022, the Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2022 effective from 1st April, 2022. The Group has incorporated the amendments in its financial statements.

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

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

NOTES FORMING PART OF BALANCE SHEET

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

Particulars	Tangible Assets (Owned)													Leased Assets		Capital WIP	Intangible Assets		Grand Total
	Office Premises	Furniture & Fixtures - Class I	Furniture & Fixtures - Class II	Plant & Machinery	Leasehold Improvements	Mould	Office Equipments	Mobile Handset	Lift	Networking Devices	Motor Car	Computers & Laptops	Right of Use Asset (Building)	Additional Office Premises at Raha Plaza	Software				
Gross Block																			
As at 1st April 2020	278.03	14.04	42.06	45.64	30.94	7.00	7.67	4.31	0.00	1.02	42.20	21.37	209.06	629.82	4.64	1,386.89			
Additions	0.00	0.73	0.00	0.34	0.00	0.00	3.78	0.00	5.93	0.00	48.57	0.77	0.00	0.00	0.00	60.11			
Disposals	0.00	0.39	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	0.39			
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			
As at 31st March 2021	278.03	14.38	42.06	45.64	30.94	7.00	11.45	4.31	5.93	1.02	90.77	22.14	209.06	629.82	4.64	1,426.42			
Additions	0.00	4.58	0.00	7.27	0.00	0.00	0.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.26			
Disposals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	48.57	0.00	0.00	0.00	0.00	51.07			
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			
As at 31st March 2022	278.03	18.96	42.06	52.91	30.94	7.00	11.70	4.31	3.43	1.02	42.20	22.14	209.06	629.82	4.64	1,387.60			
Depreciation/Amortisation																			
As at 1st April 2020	32.13	5.40	5.40	12.94	4.14	2.05	4.66	3.37	0.00	0.97	22.08	12.74	79.28	0.00	3.70	199.91			
Charge for the year	2.20	1.19	5.02	2.90	3.67	0.92	1.02	0.54	0.09	0.01	8.33	3.54	70.74	0.00	0.84	105.45			
Depreciation on disposal	0.00	0.04	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	0.04			
As at 31st March 2021	34.33	6.56	10.42	15.84	7.81	2.98	5.68	3.90	0.09	0.98	30.41	16.28	150.02	0.00	4.54	305.32			
Charge for the year	4.40	1.21	4.99	3.09	3.67	0.92	1.31	0.19	1.10	0.00	8.43	2.35	33.74	0.00	0.11	69.82			
Depreciation on disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.12	0.00	0.00	0.00	0.00	6.12			
As at 31st March 2022	38.73	7.77	15.41	18.93	11.48	3.90	6.99	4.09	1.20	0.98	32.73	18.63	183.76	0.00	4.64	389.02			
Net Block																			
As at 31st March 2021	243.70	7.82	31.64	29.80	23.13	4.02	5.77	0.40	5.83	0.04	60.36	5.86	59.04	629.82	0.11	1,121.10			
As at 31st March 2022	239.30	11.19	26.65	33.98	19.45	3.10	4.70	0.22	2.23	0.04	9.47	3.52	25.30	629.82	0.00	1,018.58			

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.

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
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)	5
Software	3

Disclosure requirements for Capital WIP

a. As at 31st March 2022

(₹ in Lakhs)

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended					
Additional Office Premise at Raheja Plaza	0.00	0.00	629.82	0.00	629.82
Total					629.82

b. As at 31st March 2021

(₹ in Lakhs)

Particulars	Amount in CWIP for period				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended					
Additional Office Premise at Raheja Plaza	0.00	629.82	0.00	0.00	629.82
Total					629.82

Disclosure requirements for Intangible Assets

a. As at 31st March 2022

(₹ in Lakhs)

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total					0.00

b. As at 31st March 2021

(₹ in Lakhs)

Particulars	Intangible assets under development for a period of				
	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
Total					0.00

NOTE NO. 3
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
ICT Infratech Services Private Limited	0.60	0.18
	0.60	0.18

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 Other Financial Assets

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Rent Deposits	15.36	14.26
Electricity Deposit	2.06	1.94
	17.43	16.20

NOTE NO. 5
OTHER FINANCIAL ASSETS (NON CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Other Deposits	0.50	0.25
	0.50	0.25

NOTE NO. 6
OTHER NON-CURRENT ASSETS

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Advances Recoverable other than in Cash	0.36	0.48
Miscellaneous Expenditure	1.94	3.49
	2.30	3.97

NOTE NO. 7
INVENTORIES

(a) Valuation Method

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

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

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Closing Stock of Inventories	2,634.93	1,755.30
	2,634.93	1,755.30

NOTE NO. 8
TRADE RECEIVABLES

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Secured, Considered good	0.00	0.00
Unsecured, Considered good	2,835.59	3,559.27
Significant Increase in Credit Risk	13.43	22.91
Credit Impaired	0.00	0.00
	2,849.02	3,582.18
Less: Allowance for Bad and Doubtful Debts (Expected Credit Losses)	13.43	22.91
	2,835.59	3,559.27
Receivable from related Parties (Refer Note No.47)	316.20	278.35
	3,151.79	3,837.62

Trade Receivables - Ageing Schedule as on 31st March, 2022

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	957.90	578.50	487.02	665.74	462.63	3,151.79
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	0.41	0.03	0.76	9.66	2.58	13.43
(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

Trade Receivables - Ageing Schedule as on 31st March, 2021

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	1,882.35	369.87	1,099.05	240.59	245.76	3,837.62
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	0.00	0.00	16.53	5.44	0.94	22.91
(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.

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Balance with Banks	2.64	19.06
Cash on Hand	6.56	6.42
Fixed Deposits with Bank	81.40	54.99
	90.60	80.47

NOTE NO. 10
BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Unclaimed Dividends	0.08	0.07
	0.08	0.07

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 Group have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Secured, Considered good	0.00	0.00
Unsecured, Considered good	11.51	23.44
Significant Increase in Credit Risk	10.00	0.00
Credit impaired	0.00	0.00
	21.51	23.44
Less: Provision for Expected Credit Loss on Loans	10.00	0.00
	11.51	23.44

Note :

Advance given to Shri Rajlaxmi Textiles amounting Rs. 10.00 Lakhs has been provided for Expected credit loss due to its low recoverability and depicts fair value as on reporting date.

NOTE NO. 12
OTHER FINANCIAL ASSETS (CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Interest Receivable	0.00	1.11
	0.00	1.11

NOTE NO. 13
OTHER CURRENT ASSETS

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Prepaid Expenses & Others	74.39	75.66
Advances To Creditors	528.88	174.48
Advance for Capital Assets	127.50	127.50
Tender registration Deposit	0.00	2.46
Input Credit of GST	211.10	18.67
Miscellaneous Expenses	1.55	12.66
Advance Recoverable Other than in Cash	0.12	0.12
MEIS Duty Scrips	0.21	0.00
TDS Receivable	0.41	0.00
	944.15	411.54

NOTE NO. 14
EQUITY SHARE CAPITAL

a. Capital Structure of the Group

(₹ in Lakhs)

PARTICULARS OF CAPITAL	AS AT 31ST MARCH 2022		AS AT 31ST MARCH 2021	
	NO.OF SHARES	TOTAL VALUE	NO.OF SHARES	TOTAL VALUE
<u>AUTHORISED</u>				
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
<u>ISSUED, SUBSCRIBED & FULLY PAID-UP :</u>				
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
<u>ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :</u>	0	0	0	0
	0	0	0	0

b. Details of Shareholding

Shareholders holding more than 5% of Equity Shares :

SR. NO	NAME OF SHAREHOLDER	NO.OF SHARES AS ON 31.03.22	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31.03.21	PERCENTAGE HOLDING
A.	<u>EQUITY SHARES</u>				
1.	Amit Devchand Rambhia ...	28,00,000	23.33%	28,00,000	23.33%
2.	Nikit Devchand Rambhia ...	28,00,000	23.33%	28,00,000	23.33%
3.	Devchand Rambhia ...	22,58,360	18.82%	22,58,360	18.82%

c. Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Number of Shares at the beginning of the year :	1,20,00,000	1,20,00,000
(+) Bonus shares issued ...	0	0
(+) Fresh issue made ...	0	0
(-) Shares forfeited ...	0	0
Number of Shares at the end of the year	1,20,00,000	1,20,00,000

d. Voting Rights

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

e. 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 2022	PERCENTAGE HOLDING	NO.OF SHARES AS ON 31ST MARCH 2021	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 :-

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

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

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Gross Debt	3,433.91	4,315.74
Less: Liquid Assets	95.10	83.85
Net Debt	3,338.80	4,231.89
Total Equity (As Per Balance Sheet)	3,043.47	2,941.11
Net Gearing Ratio	1.10	1.44

* Liquid Assets Comprises of Cash & Cash Equivalents only.

(v) Dividends

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
i) <u>On Ordinary Shares</u>		
Final Dividend for the year ended 31st March 2021	0.00	9.67
TDS on Dividend declared for the year ended 31st March 2021	0.00	0.68
Total Dividend Paid	0.00	10.35
ii) <u>Dividends not recognised at the end of the reporting Period</u>		
With respect to dividend for the year ended 31st March 2022, the directors have recommended to conserve their reserves for future operations and not to declare any dividend for the reporting period under consideration i.e 31st March 2022 (For 31st March 2021 as well, no dividend was declared).	0.00	0.00

NOTE NO. 15
OTHER EQUITY

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Securities Premium</u>		
Opening Balance	678.00	678.00
Add: Premium Collected on Issue of Shares	0.00	0.00
Less: Utilised	0.00	0.00
Closing Balance	678.00	678.00
<u>Retained Earnings</u>		
Opening Balance	1,017.12	991.85
Add/(Less): Opening Ind AS Adjustments	0.00	(0.28)
Add: Surplus As per Profit & Loss Account	135.12	35.91
Less: <u>Appropriations</u>		
Dividends Paid	0.00	9.67
Dividend Distribution Tax Paid	0.00	0.68
Closing Balance	1,152.24	1,017.13
<u>Foreign Currency Translation Reserve</u>		
Opening Balance	46.86	48.75
Add/(Less): Adjustments for prior periods	0.00	(5.30)
Add/(Less): Changes for the Year	(46.86)	3.40
Closing Balance	0.00	46.86
<u>Other Comprehensive Income</u>		
a) <u>Actuarial Gains or Losses on Defined Benefit Plans</u>		
Opening Balance	(0.88)	(1.14)
Add/(Less): Changes for the Year	14.11	0.26
Closing Balance	13.23	(0.88)
	1,843.47	1,741.11

NOTE NO. 16
BORROWINGS (NON CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Secured Borrowings	485.23	431.07
Unsecured Borrowings		
Office Rent Deposit	0.00	0.00
	485.23	431.07

Terms of Repayment of Secured Borrowings

Car Loan of Rs. 10,00,000 (Sanction Amount) is secured by way of exclusive first charge created by hypothecation of concerned Car. The Balance loan as on March 31, is repayable in 11 monthly installments of Rs. 0.21 Lakhs each. Interest to be serviced as and when debited. Interest @ 8.50% is applicable on the said loan.

Property Loan of Rs. 4,00,00,000 (Sanction Amount) is secured by way of exclusive first charge created on the concerned Property. The Balance loan as on March 31, is repayable in 29 monthly repayments 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, 2022 is repayable in 15 monthly installments of Rs. 7.78 Lakhs each with moratorium of first 12 months. 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, 2022 is repayable in 36 monthly installments of Rs. 7.78 Lakhs each with moratorium of first 24 months. Interest as per Repo Linked Lending Rate (RLLR) is applicable on the said loan.

NOTE NO. 17
LEASE LIABILITIES (NON CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Lease Liabilities	0.00	30.59
	0.00	30.59

NOTE NO. 18
OTHER FINANCIAL LIABILITIES (NON CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Payables towards Lease Liabilities	0.60	0.00
	0.60	0.00

NOTE NO. 19
PROVISIONS (NON CURRENT)

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Provision for Gratuity	66.89	66.43
	66.89	66.43

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.46

NOTE NO. 20
DEFERRED TAX LIABILITIES(NET)

(₹ in Lakhs)

PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET
Balance as on 01.04.2020	0.00	(14.42)	5.21	(9.21)
<u>For the Year 2020-21</u>				
Carrying Value of Property Plant & Equipment	131.63	33.13	0.00	
Provision for Gratuity	(73.21)	(18.43)	0.00	
Actuarial Gains on Employee Benefit Expenses	(1.17)	0.00	(0.30)	
Expected Credit Losses	(22.91)	(5.77)	0.00	
Expected Credit Losses on Loans	(10.84)	(2.73)	0.00	
Impairment of Assets	(32.71)	(8.23)	0.00	
Deferred tax on Carry forward business Losses	(246.33)	0.00	0.00	
Gains/(losses) from Translating Financial Statements of Foreign Operations.	33.19	0.00	8.35	
(DTA)/DTL as on 31.03.2021		(2.02)	8.06	6.03
<u>For the Year 2021-22</u>				
Carrying Value of Property Plant & Equipment	112.02	28.19	0.00	
Provision for Gratuity	(63.80)	(16.06)	0.00	
Actuarial Gains on Employee Benefit Expenses	(11.51)	0.00	(2.90)	
Expected Credit Losses	(13.43)	(3.38)	0.00	
Expected Credit Losses on Loans	(10.00)	(2.52)	0.00	
(DTA)/DTL as on 31.03.2022		6.24	(2.90)	3.34

NOTE NO. 21
BORROWINGS (CURRENT)

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Secured Borrowings</u>		
Cash Credit	1,340.47	1,996.09
Current Maturities of Long Term Borrowings	172.67	160.99
Other borrowings	0.00	44.44
<u>Unsecured Borrowings</u>		
Short Term loans & advances from Related Parties	359.60	92.45
Short Term loans & advances from Others	21.50	67.00
	1,894.24	2,360.98

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 - Managing Director, Mr. Nikit Rambhia - Joint Managing Director, Mr. Devchand Rambhia - Whole Time Director.
- 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.

(₹ in Lakhs)

Name of bank	Qtr ended	Particulars	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference	Reason for Discrepancy
Canara Bank	30th June, 2021	Trade Receivable	2,375.57	3,499.24	(1,123.66)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	1,788.37	1,692.10	96.27	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
Canara Bank	30th September, 2021	Trade Receivable	2,705.85	3,631.55	(925.70)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	1,913.24	1,801.58	111.66	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.

(₹ in Lakhs)

Name of bank	Qtr ended	Particulars	As per Quarterly statement filed with Bank	As per Books of accounts	Amount of Difference	Reason for Discrepancy
Canara Bank	31st December, 2021	Trade Receivable	2,967.14	3,640.88	(673.74)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	2,636.74	2,598.47	38.27	Discrepancy is primarily on account of the details being submitted on the basis of provisional books.
Canara Bank	31st March, 2022	Trade Receivable	2,783.41	3,172.98	(389.57)	Discrepancy is on account of non inclusion of receivables from group companies, customers with discounting facility etc.
		Stock	2,720.63	2,634.93	85.70	The difference is mainly due to estimated over head rate considered while valuing FG given to the bank and the actual over head rate and also due to submissions done on provisional basis.

3 The Group has registered all details of Registration or satisfaction of charge with ROC within the prescribed time limit from the execution of document.

4 The company has not been declared wilful defaulter by any Banks / Financial Institutions.

NOTE NO. 22

LEASE LIABILITIES (CURRENT)

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Payables towards Lease Liability	30.58	36.45
	30.58	36.45

NOTE NO. 23

TRADE PAYABLES (CURRENT)

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Trade payables to Other than Related Parties</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	178.20	117.29
Other Trade Payables	1,276.62	1,158.28
<u>Trade Payables to Related Parties (Refer Note No 47)</u>		
Due to Micro, and Small Enterprises (On the basis of Information available with management)	7.15	11.19
Other Trade Payables	0.00	0.00
	1,461.97	1,286.76

Out of the total payables to Micro and Small enterprises, disclosed in the table above, Rs. 50.49 Lakhs stand overdue as on 31st March 2022. 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,2022

(₹ in Lakhs)

PARTICULARS	Outstanding for following periods from bill date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	185.35	0.00	0.00	0.00	185.35
(ii) Others	1,247.32	10.00	1.11	18.18	1,276.62
(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,2021

(₹ in Lakhs)

PARTICULARS	Outstanding for following periods from bill date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	119.22	9.26	0.00	0.00	128.48
(ii) Others	946.01	191.22	21.05	0.00	1,158.28
(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. 24
OTHER FINANCIAL LIABILITIES (CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Interest Payable	19.75	35.52
Interest on Income Tax Payable	14.24	12.94
	33.99	48.46

NOTE NO. 25
OTHER CURRENT LIABILITIES

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Statutory Liabilities	30.17	113.04
Advances From Debtors	328.35	24.56
Advance Payable other than in Cash	101.17	0.00
Others	1.35	5.06
	461.04	142.66

NOTE NO. 26
PROVISIONS (CURRENT)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Audit Fees Payable	1.01	1.19
Professional Fees Payable	3.96	3.65
Electricity Charges Payable	1.88	0.98
Clearing Charges Payable	2.34	0.57
Freight Charges Payable	2.05	3.35
Salary Payable	34.46	28.95
Dividend Payable	0.08	0.07
Provision for Gratuity	8.41	7.96
	54.19	46.72

NOTE NO. 27
CURRENT TAX LIABILITIES(NET)

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Direct Taxes	71.36	114.44
	71.36	114.44

NOTES FORMING PART OF PROFIT & LOSS ACCOUNT

NOTE NO. 28
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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Sales (Domestic)	8,498.18	7,467.99
Service Charges(Domestic)	27.95	124.96
Rental Charges	1.10	3.92
Transportation Charges recovered	0.36	161.18
	8,527.60	7,758.05

(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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>Contract Liability</u>		
Opening Balance	24.56	202.55
<u>Less:</u> Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period.	(4.44)	(202.55)
<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.	308.23	24.56
Closing Balance	328.35	24.56
<u>Contract Assets</u>		
Opening Balance	174.48	239.51
<u>Less:</u> Expense recognised in the reporting period that was included in the contract asset balance at the beginning of the period.	(21.63)	(112.71)
<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.	376.02	47.68
Closing Balance	528.88	174.48

**NOTE NO. 29
OTHER INCOME**

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Additional CST Collected from Customers	24.37	1.07
Differential GST Collected from Customers	0.02	0.00
Rent on Investment Property	1.75	16.15
Support Service Charges	1.52	5.54
Office Rent Waiver Received	0.00	27.86
Finance Charges	1.22	1.60
Marketing Incentives	66.84	0.00
Liabilities no Longer Payable	8.09	26.52
Discount Received	2.12	3.08
Interest Income	2.29	7.16
Insurance Claim received	0.43	0.00
Interest on Late Payment from Debtors	155.21	0.00
	263.85	88.98

Measurement of Other Incomes

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

NOTE NO. 30
COST OF MATERIALS CONSUMED

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Purchase	8,119.99	5,265.41
Service Charges	201.98	20.16
Consumables & Others	0.73	0.76
	8,322.70	5,286.33

NOTE NO. 31
CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Opening Stock / Inventories	1,755.30	2,742.51
<u>Less:</u> Closing Stock / Inventories	(2,634.93)	(1,755.30)
	(879.63)	987.20

NOTE NO. 32
EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Director's Remuneration	99.00	66.50
Salary & Bonus to Employees	249.02	295.06
Employers Contribution to Provident Fund & ESIC	3.87	7.57
Staff Welfare Expenses	4.10	3.30
Contribution to and Provision for Gratuity	12.42	12.65
	368.41	385.07

NOTE NO. 33
FINANCE COSTS

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Bank Charges on Finance	1.91	1.91
Interest Expenses	276.11	304.11
Interest on Income Tax Payment	26.09	17.26
Finance Charges on lease Liabilities	5.18	10.36
Processing Charges	18.20	11.79
	327.49	345.43

NOTE NO. 34
DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Depreciation on Property, Plant & Equipment	35.97	33.83
Depreciation on Right to Use Assets	33.74	70.74
Depreciation on Investment Property	0.00	2.20
Amortisation of Intangible Assets	0.11	0.84
	69.82	107.61

NOTE NO. 35
OTHER EXPENSES

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Accounts & Administrative Expenses	6.80	9.67
Bad debts written off	2.46	0.00
Bank Charges	6.93	2.67
Certification Charges	8.39	22.30
Central Sales Tax Paid	0.00	0.33
Cloud Services	2.30	2.91
Commission Expenses	20.64	5.85
Conveyance	2.34	2.39
Custom Duty Paid	0.86	0.00
E-waste Charges	1.95	0.00
Electricity Charges	8.85	10.23
Goods lost in Transit	0.19	0.47
Insurance Charges	8.57	7.70
Interest on Late Payment to Creditors	0.66	2.51
Interest on Late Payment of TDS/TCS	2.49	1.45
Interest on Late Payment of GST	0.35	0.72
GST Late Fees Paid	0.05	0.10
(Profit) / Loss Due To Foreign Exchange Fluctuation	4.59	(8.09)
Manpower Services	45.54	22.73
Manufacturing Expenses	2.18	1.53
Preliminary Expenditure W/off	12.66	14.00
Office & Factory Maintenance Charges	3.68	5.55
Maintenance Charges on Office Premises	4.30	0.30
Office Maintenance Charges on Investment Property	0.00	0.78
Property Tax on Investment Property	0.00	0.60
Property Tax on Office Premises	0.00	0.60
Payment to Auditor's	4.55	3.20
PLI Application Fees	2.00	0.00
Printing & Stationery	2.82	0.92
Professional Fees	63.70	84.99
Profession Tax	0.03	0.03
Provision for Expected Credit Losses	42.14	32.06
Provision for Expected Credit Losses on Loans	10.00	0.00
Amortisation of Fair Value Changes	0.12	0.22
R & D Expenses	0.00	0.08
Rent, Rates & taxes	2.57	1.37
Repairs & Maintenance	8.96	5.15
Royalty Paid	8.01	11.76
Sales Promotion & Advt Expenses	0.06	1.66
Service Expenses	13.50	24.19
Software Expenses	0.24	0.22
Stamp duty and Registration Charges	0.00	0.43
Sundry Expenses	1.84	2.48
Telephone & Mobile Charges	0.41	0.75
Tender Registration Fees	0.05	0.00
Transportation Charges	22.54	24.01
Travelling Expenses	3.81	3.18
VTs Expenses	0.08	1.03
Website Development Charges	0.00	0.33
	334.19	305.32

NOTE NO. 35.1

DETAILS OF PAYMENTS TO AUDITORS

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>Payment to Auditors</u>		
Statutory Audit	2.60	1.25
Tax Audit	0.75	0.75
Internal Audit	0.00	1.20
Total Payments to Auditors	3.35	3.20

**NOTE NO. 36
EXCEPTIONAL ITEMS**

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Loss on Sale of Fixed Asset	14.96	0.00
	14.96	0.00

**NOTE NO. 37
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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	81.64	130.95
	Adjustments in respect of income tax of previous years.	(2.01)	15.26
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	8.26	(2.78)
	Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]	87.90	143.43
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) Income Tax	0.00	0.00
	(ii) Deferred Tax	(2.60)	1.70
	Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]	(2.60)	1.70

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Profit Before Tax	233.50	430.07
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Accounting Profit (A)	58.77	108.24
<u>Adjustments as per Income Tax</u>		
Add: Depreciation as per Companies Act	78.15	115.94
Add: Disallowances U/s 37	79.17	82.35
Add: Notional Guarantee Premium Expense	5.33	5.33
Add: Disallowance of Gratuity Premium	12.42	8.62
Add: Disallowance of Contribution to statutory Funds	2.08	4.63
Less: Depreciation as per Income Tax	(37.57)	(43.84)
Less: Other Additions / (Deductions)	(36.69)	(70.78)
	102.89	102.26
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%
Tax on Gross Adjustments as per Income Tax (B)	25.90	0.00
Tax after adjustments as per Income Tax Act, 1961 [(A)+(B)]	84.76	134.07
Less: Transferred to Deferred Taxes	(3.12)	(3.12)
Net Income Tax Payable by the Group	81.64	130.95
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets, Employee Benefits, Expected Credit Losses & Carried forward Losses	8.26	(2.78)
Incremental Deferred Tax Liability/(Asset) due Defined Benefit Obligations	(2.60)	1.70
Incremental Deferred Tax Liability/(Asset) due Translation of Foreign operations	0.00	0.00
Net Deferred Tax Expense/(Benefit) (D)	5.66	(1.08)
Total Tax Expense Recognised for the Year (E) = [(C)+(D)]	87.30	129.87
Effective Tax Rate [(E)/(A)*100]	37.39%	30.20%

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Basic Tax Rate Applicable to the Group as per Income Tax Act	22%	22%
Surcharge Applicable	10%	10%
Education Cess	4%	4%
Corporate Tax Rate as per Income Tax Act, 1961	25.17%	25.17%

NOTE NO. 38

PROFIT / (LOSS) FROM DISCONTINUING OPERATIONS

i. Wemart Global FZE

a) Description

The parent company has decided to discontinue the operations of foreign subsidiary viz. Wemart Global FZE by passing a board resolution on 5th of July 2019. Accordingly, the operating losses of the aforesaid subsidiary for the current year has been shown as discontinued operation as per IND AS 105 'Non-current Assets Held for Sale and Discontinued Operations'.

b) Financial Performance and Cash Flow Information

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Revenue	0.00	0.00
Other Income	0.00	0.00
Expenses	0.00	81.24
Profit Before Tax	0.00	(81.24)
Income Tax Expense	0.00	0.00
Total Profit from Discontinued Operations	0.00	(81.24)
Other Comprehensive Income From discontinued Operations	0.00	0.00
Total Comprehensive Income from Discontinued Operations	0.00	(81.24)

The Cash inflows incurred by Wemart Global FZE

(₹ in Lakhs)

CASH FLOWS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Cash Flow from Operating Activities	0.00	(10.51)
Net Cash inflow / (outflows) from investment Activities	0.00	4.55
Net Cash flow from Financing Activities	0.00	0.00
	0.00	(5.96)

The cumulative foreign exchange losses recognised in other comprehensive income in relation to the discontinued operation is :-

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Other Comprehensive Income		
Foreign Currency Translation Gain / (Loss)	0.00	4.55
<u>Less:</u> Tax effect on Foreign Currency Translation Gain / (Loss)	0.00	(1.15)
Net Foreign Currency Translation Gain / (Loss) recognised in Other Comprehensive Income	0.00	3.40

ii. Technofy Digital Private Limited

a) Description

Due to inappropriateness of going concern assumption of subsidiary Company viz. Technofy Digital Private Limited and Intention/commitment by the Company to sell its significant Asset i.e Leasehold Land in Gujarat (Right of Use Asset) by passing a Special Resolution on 02nd of January 2021, the operating losses of the aforesaid subsidiary has been shown as discontinued operations and Assets & Liabilities associated with such Asset of Disposal Group have been classified separately from other assets of Group as per IND AS 105 "Non current Assets Held for Sale and Discontinued Operations"

b) Financial Performance and Cash Flow Information

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Revenue	0.00	0.00
Other Income	50.78	44.18
Expenses	116.91	197.98
Profit Before Tax	(66.13)	(153.80)
Income Tax Expense	0.00	15.17
Total Profit from Discontinued Operations	(66.13)	(168.97)
Other Comprehensive Income From discontinued Operations	0.00	0.00
Total Comprehensive Income from Discontinued Operations	(66.13)	(168.97)

The Cash inflows incurred by Technofy Digital Private Limited :

(₹ in Lakhs)

CASH FLOWS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Net Cash Flow from Operating Activities	502.75	517.73
Net Cash inflow / (outflows) from investment Activities	539.02	(206.97)
Net Cash flow from Financing Activities	(1,040.64)	(318.20)
	1.13	(7.44)

c) Assets and Liabilities of Disposal Group classified as held for Sale

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Assets classified as held for sale</u>		
Furniture & Fixtures	0.31	0.35
Right of Use Asset	1,613.00	2,104.47
Investments	75.12	71.55
Loans & Deposits	1.10	1.45
Cash & Cash Equivalents	4.51	3.38
Current Tax Assets (Net)	1.56	0.00
Other Current Assets	122.53	23.62
Total Assets of Disposal Group held for Sale	1,818.13	2,204.82
<u>Liabilities associated with assets classified as held for sale</u>		
Loan from Non Banking Financial Institution	976.85	1,294.65
Loan from Related Parties	47.00	162.00
Other Financial Liabilities	0.59	7.44
Other Current Liabilities	1,058.62	479.62
Provisions	0.63	0.64
Total Liabilities of Disposal Group held for Sale	2,083.69	1,944.35

NOTE NO. 39

OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<u>Items That will not be reclassified to Profit/Loss Account</u>		
Actuarial Gains/Losses on Employee Benefit Expenses	11.51	1.96
<u>Items That will be reclassified to profit/Loss Account</u>		
Gains/(Losses) arising from translating financial statements of foreign Operations	0.00	4.55
	11.51	6.51

NOTE NO. 40
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 2022	FOR THE YEAR ENDED 31ST MARCH 2021	
Calculation of Basic EPS			
Continuing Operations			
A. Profit From Continuing Operations (Numerator)	145.61	286.13	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000	
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000	
Basic Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	1.21	2.38	
Discontinuing Operations			
A. Profit From Discontinuing Operations (Numerator)	(66.13)	(250.22)	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000.00	
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000	
Basic Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	(0.55)	(2.09)	
A. Profit/Loss for the Period	79.91	35.91	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000	
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000	
Basic Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	0.67	0.30	
Calculation of Diluted EPS			
Continuing Operations			
A. Profit From Continuing Operations (Numerator)	146.03	286.12	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000	
b. Potential Equity shares	0	0	
Total Equity Shares for Calculation of Diluted EPS (Denominator)	1,20,00,000	1,20,00,000	
Diluted Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	1.22	2.38	
Discontinuing Operations			
A. Profit From Discontinuing Operations (Numerator)	(66.13)	(250.22)	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000	
b. Potential Equity shares	0	0	
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000	
Diluted Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	(0.55)	(2.09)	
A. Profit/Loss for the Period	79.91	35.91	
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>			
a. Weighted Average Number of Equity Shares	1,20,00,000	1,20,00,000	
b. Potential Equity shares	0	0	
Total Equity Shares for Calculation of Basic EPS (Denominator)	1,20,00,000	1,20,00,000	
Diluted Earnings Per Share(EPS) of nominal value of Re. 1/- each in Rs. [(A) / (B)]	0.67	0.30	

NOTE NO. 41
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:-

PARTICULARS	AS AT 31ST MARCH 2022			AS AT 31ST MARCH 2021		
	WITHIN	AFTER	TOTAL	WITHIN	AFTER	TOTAL
	TWELVE MONTHS	TWELVE MONTHS		TWELVE MONTHS	TWELVE MONTHS	
Loans & Deposits	12.61	0.00	12.61	24.89	0.00	24.89
Inventories	2,634.93	0.00	2,634.93	1,755.30	0.00	1,755.30
Trade Receivables	3,151.79	0.00	3,151.79	3,837.62	0.00	3,837.62
Other Financial Assets	0.00	0.00	0.00	1.11	0.00	1.11
Other Current Assets	1,066.68	0.00	1,066.68	435.16	0.00	435.16

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:-

PARTICULARS	AS AT 31ST MARCH 2022			AS AT 31ST MARCH 2021		
	WITHIN	AFTER	TOTAL	WITHIN	AFTER	TOTAL
	TWELVE MONTHS	TWELVE MONTHS		TWELVE MONTHS	TWELVE MONTHS	
Borrowings (Current)	1,577.62	0.00	1,577.62	688.36	0.00	688.36
Trade Payables	1,461.97	0.00	1,461.97	1,286.76	0.00	1,286.76
Lease Liabilities	30.58	0.00	30.58	36.45	0.00	36.45
Other Financial Liabilities	34.58	0.00	34.58	55.91	0.00	55.91
Other Current Liabilities	1,519.66	0.00	1,519.66	622.28	0.00	622.28
Provisions	54.82	0.00	54.82	47.36	0.00	47.36
Current Tax Liabilities	71.36	0.00	71.36	114.44	0.00	114.44

NOTE NO. 42
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 2022		AS AT 31ST MARCH 2021	
			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	Joint Venture	India	50%	50%	50%	50%

Note:

The company has received liquidator's report on Wholly owned Foreign Subsidiary – Wemart Global FZE during the financial year. Effective date of liquidation is 17th January,2021. Subsequently company has received cancellation of license certificate dated 30th May, 2021 from Ajman Free Zone. Accordingly, the same has not been considered while preparing consolidated financial statements.

B. Salient Features of Parent & Subsidiary in the Group Financial Statements for the year ended 31st March 2022

(₹ 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 COMPR- HENSIVE INCOME	AMOUNT	% OF GROUP'S TOTAL COMPREHEN-SIVE INCOME	AMOUNT
Parent Group								
Panache Digilife Limited	113.82%	3464.09	342.47%	273.65	100.00%	14.11	237.99%	223.74
Subsidiaries								
Technofy Digital Private Limited	-8.73%	-265.56	-162.88%	-130.15	0.00%	0.00	-138.44%	-130.15
Joint Venture								
ICT Infratech Services Private Limited	0.02%	0.60	0.53%	0.43	0.00%	0.00	0.45%	0.43
CFS Adjustments	105.11%	3199.13	180.12%	143.93	100.00%	14.11	100.00%	94.01
	-5.11%	-155.67	-80.12%	-64.02	0.00%	0.00	0.00%	0.00
Total	100.00%	3043.47	100.00%	79.91	100.00%	14.11	100.00%	94.01

C. Disclosure of Interest in other entities - Joint Ventures and Associates.

a) Summarised Balance Sheet of material joint ventures

(₹ in Lakhs)

PARTICULARS	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	AS AT		AS AT	
	31ST MARCH 2022		31ST MARCH 2021	
Total Non - Current Assets		0.97		3.29
Current Assets				
Cash & Cash Equivalents	1.40		1.37	
Other Assets	49.94	51.33	51.25	52.62
Total Assets		52.30		55.91
Non - Current Liabilities				
Financial Liabilities (excluding trade Payables)	0.00		0.00	
Other Liabilities (including Trade Payables)	0.00	0.00	0.00	0.00
Current Liabilities				
Financial Liabilities (excluding trade Payables)	0.27		1.99	
Other Liabilities (including Trade Payables)	60	60.12	62.58	64.57
Total Liabilities		60.12		64.57
NET ASSETS		(7.81)		(8.67)

b) Summarised Statement of Profit and Loss of material joint ventures

(₹ in Lakhs)

PARTICULARS	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	FOR THE YEAR ENDED		FOR THE YEAR ENDED	
	31ST MARCH 2022		31ST MARCH 2021	
Revenue		1.43		2.50
Other Income				
Interest income on loan	0.00		0.00	
Others	1.63	1.63	0.00	0.00
Total Income		3.06		2.50
Expenses				
Depreciation & Amortisation Expenses	0.11		0.35	
Finance Costs	0.00		0.00	
Income Tax Expense	0.47	0.58	(0.35)	(0.00)
Total Other Expenses		1.62		3.53
Total Expenses		2.21		3.53
Profit/(loss) for the Year		0.85		(1.03)
Other Comprehensive Income		0.00		0.00
TOTAL COMPREHENSIVE INCOME		0.85		(1.03)

c) Reconciliation of carrying amounts of material joint ventures

PARTICULARS	(₹ in Lakhs)			
	ICT INFRA TECH SERVICES PRIVATE LIMITED		ICT INFRA TECH SERVICES PRIVATE LIMITED	
	FOR THE YEAR ENDED 31ST MARCH 2022		FOR THE YEAR ENDED 31ST MARCH 2021	
Opening Net Assets		(8.67)		(7.64)
Adjustments for the year				
Profit/(loss) for the year	0.85		(1.03)	
Other Comprehensive Income for the Year	0.00	0.85	0.00	(1.03)
Closing Net Assets		(7.81)		(8.67)
% Share of the Group		50%		50%
Group's Share		(3.91)		(4.33)
Goodwill		4.51		4.51
Adjustments for the year		0.00		0.00
CARRYING AMOUNT		0.60		0.18

**NOTE NO. 43
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

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

i. Foreign Exchange Risk

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

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

PARTICULARS	(₹ in Lakhs)			
	AS AT 31ST MARCH 2022			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2.75	0.00	0.00
EEFC Account	0.00	0.00	0.00	0.00
Trade Payables	5,52,697.00	418.98	0.00	0.00

PARTICULARS	AS AT 31ST MARCH 2021			
	USD	EQUIVALENT IN INR	OTHER CURRENCIES	EQUIVALENT IN INR
Dollars in Hand	3,633.00	2.67	0.00	0.00
EEFC Account	270.46	0.20	0.00	0.00
Trade Payables	2,42,591.93	178.32	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

SENSITIVITY TO MOVEMENT IN FOREIGN CURRENCY	% MOVEMENT IN RUPEE (ASSUMED)	PROFIT OR (LOSS) AFTER TAX	
		STRENGTHENING OF RUPEE	WEAKENING OF RUPEE
As at 31st March 2022			
US DOLLAR	1%	3.11	(3.11)
As at 31st March 2021			
US DOLLAR	1%	1.31	(1.31)

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

The Group's exposure to changes in interest rates relates primarily to the Overdraft CC Account, Term 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 :-

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Cash Credit	1,340.47	1,996.09
Term Loans	1,634.75	1,361.14
Other Working Capital Loans	0.00	44.44
	2,975.22	3,401.68

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	(₹ in Lakhs)		
	FOR THE YEAR ENDED 31ST MARCH 2022		
	ASSUMED INTEREST RATE MOVEMENT IN BPS	IMPACT ON PROFIT OR LOSS AFTER TAX	
		INCREASE	DECREASE
<u>Change in Interest Cost</u>			
Cash Credit *	10 bps	(1.34)	1.34
Term Loans *	10 bps	(1.63)	1.63
Other Working Capital Loans *	10 bps	0.00	0.00
		(2.98)	2.98
<u>Less: Tax Effect on Interest Cost</u>		0.75	(0.75)
Net Effect on Profit & Loss Account		(2.23)	2.23

* Holding all other variables constant

SENSITIVITY TO MOVEMENT IN INTEREST RATES	(₹ in Lakhs)		
	FOR THE YEAR ENDED 31ST MARCH 2021		
	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	(2.00)	2.00
Term Loans *	10 bps	(1.36)	1.36
Other Working Capital Loans *	10 bps	(0.04)	0.04
		(3.40)	3.40
<u>Less: Tax Effect on Interest Cost</u>		0.86	(0.86)
Net Effect on Profit & Loss Account		(2.55)	2.55

* 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 2022	AS AT 31ST MARCH 2021
Opening Balance	22.91	3.25
<u>Changes in Loss Allowance</u>		
Loss Allowance for the year, based on ECL Model.	42.14	32.06
Write Off as Bad Debts	51.62	12.41
Closing Balance reported under Note No.8	13.43	22.91

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

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Opening Balance	0.00	0.00
Changes in Loss Allowance		
Loss Allowance for the year, based on ECL Model.	10.00	0.00
Write Off as Bad Debts	0.00	0.00
Changes in Foreign Exchange	0.00	0.00
Closing Balance reproted under Note No.11	10.00	0.00

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 2022

NON-DERIVATIVE FINANCIAL LIABILITIES	(₹ in Lakhs)		
	CONTRACTUAL CASH FLOWS		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Borrowings	2,163.82	1,192.50	3,356.32
Trade Payables	1,461.97	0.00	1,461.97
Lease Liabilities	30.58	0.00	30.58
Other Financial Liabilities	0.60	34.58	35.18

As at 31st March 2021

NON-DERIVATIVE FINANCIAL LIABILITIES	(₹ in Lakhs)		
	CONTRACTUAL CASH FLOWS		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Borrowings	2,522.45	1,564.25	4,086.70
Trade Payables	1,286.76	0.00	1,286.76
Lease Liabilities	36.45	30.59	67.04
Other Financial Liabilities	0.00	55.91	55.91

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. 44

LEASES

i) Where the Group is a Lessor :-

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

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Lease Rentals Received	1.75	16.15

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 2021 & balance of lease liability in Financial Statements as on 31st March 2022, is as follows:

		(₹ in Lakhs)
PARTICULARS	AMOUNT	
Lease Liability recognised in the Financial Statements as on 1st April 2021		67.04
<u>Add:</u> Interest Accrued for the Year		5.18
<u>Less:</u> Lease Payments Made		(41.64)
Lease Liability recognised in the Financial Statements as on 31st March 2022		30.58

Details with respect to right of use Assets :

					(₹ in Lakhs)
PARTICULARS	CARRYING AMOUNT OF ASSET AS AT 1ST APRIL 2021	CHANGES DURING THE YEAR	DEPRECIATION	CARRYING AMOUNT OF ASSET AS AT 31ST MARCH 2022	
Buildings	59.04	-	33.74	25.30	

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

- i) Interest Expense on Lease liabilities amounts to Rs 5.18 Lakhs.
- ii) The expense relating to payments not included in the measurement of the lease liability and recognised as expense in the Statement of Profit and Loss during the year amounted to Rs. 2.57 Lakhs
- iii) Total cash outflow for leases amounts to Rs 44.21 Lakhs during the year including cash outflow of short-term and low value leases.

NOTE NO. 45

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 2022	AS AT 31ST MARCH 2021	
CURRENT ASSETS				
<u>Fixed Charge Asset</u>				
Assets		0.00	0.00	
<u>Floating Charge</u>				
Trade Receivables	Note No. 8	3,151.79	3,837.62	
Inventory	Note No. 7	2,634.93	1,755.30	
Cash and Cash Equivalents	Note No. 9	4.51	3.38	
Total current assets pledged as security		5,791.23	5,596.30	
NON-CURRENT ASSETS				
<u>First Mortgage</u>				
Motor Car	Note No. 2	4.10	60.36	
Right of Use Asset	Note No. 2	1,613.00	2,104.47	
Capital WIP	Note No. 2	629.82	629.82	
<u>Floating Charge</u>				
Office Premises	Note No. 2	239.30	243.70	
Financial assets at fair value through profit/loss	Note No. 38	75.12	71.55	
Total non-current assets pledged as security		2,561.35	3,109.90	
Total assets pledged as security		8,352.58	8,706.20	

NOTE NO. 46
EMPLOYEE BENEFIT EXPENSES

(a) Disclosures pursuant to Ind AS-19

i. Defined Contribution Plans

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

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Employer's Contribution to PF & ESIC	3.87	7.57

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 :-

(₹ in Lakhs)		
PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Present Value of Defined Benefit Obligation</u>		
Wholly Funded	0.00	0.00
Wholly Unfunded	75.30	74.39
	75.30	74.39
<u>Less: Fair Value of Plan Assets</u>	0.00	0.00
Amounts recognised as Liability (See Note No.19 & Note No.26)	75.30	74.39

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Current Service Cost	7.36	8.24
Interest Cost	5.06	4.40
Past Service Cost	0.00	0.00
Expenses included in Employee Benefits (See Note No.32)	12.42	12.64

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Actuarial (Gains) / Losses	(11.51)	(1.96)
Expenses included in Other Comprehensive Income (See Note No.39)	(11.51)	(1.96)

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

(₹ in Lakhs)		
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Opening Balance of present value of Defined Benefit Obligation	74.39	67.73
<u>Add: Current Service Cost</u>	7.36	8.25
<u>Add: Interest Cost</u>	5.06	4.40
<u>Add: Past Service Cost</u>	0.00	0.00
<u>Add/(less): Actuarial Losses/(gains)</u>	(11.51)	(1.96)
	75.30	78.42
<u>Less: Defined Benefit Claims Settled</u>	0.00	4.03
	75.30	74.39

(e) Breakup of Other Comprehensive Income

(₹ in Lakhs)

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Actuarial losses / (gains) arising from change in financial assumptions	0.00	2.77
Actuarial losses / (gains) arising from change in Demographic assumptions	0.00	0.00
Actuarial losses / (gains) arising from change in experience adjustments	(11.51)	(4.73)
	(11.51)	(1.96)

(f) Actuarial Assumptions

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

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Discount Rate (per anum)	6.80%	6.50%
Salary Growth Rate (per anum)	7.00%	7.00%
Retirement Age	60 Years	60 Years
<u>Attrition Rate</u>		
Younger Ages	5.00%	5.00%
Older Ages	1.00%	1.00%

(h) Maturity profile of defined benefit obligation

(₹ in Lakhs)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Within 1 Year	8.41	7.96
Year 1 to Year 2	2.25	2.14
Year 2 to Year 3	2.17	2.06
Year 4 to Year 5	2.09	1.99
Year 5 to Year 6	2.02	1.92
Year 6 to Year 10	22.39	14.31
After 10 Years	35.97	44.01

NOTE NO. 47

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	Wholly Owned Subsidiary

ii) Key Managerial Personnel

NAME OF RELATED PARTY	RELATIONSHIP WITH THE GROUP
Amit D. Rambhia	Managing Director
Nikit D. Rambhia	Joint Managing Director
Devchand Rambhia	Whole-Time Director
Nitesh M Savla	Chief Financial Officer (CFO)
Vikesh Shah	Sales Head
Jinkle Khimsaria*	CS & Compliance Officer
Harshil Chheda	CS & Compliance Officer
Jayachandran Sunderamoorthy	Director (Technofy Digital private Limited)

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

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

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

b. List of Transactions with Related Parties

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

			(₹ in Lakhs)
NAME OF THE PERSON / ENTITY	RELATION WITH THE GROUP	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 21-22
Amit D. Rambhia	Managing Director	Remuneration	42.00
Nikit D. Rambhia	Joint Managing Director	Remuneration	42.00
Devchand L. Rambhia	Whole-Time Director	Remuneration	15.00
Deepa A. Rambhia	Relative of Director	Short Term Employee Benefits	18.00
Kavita N. Rambhia	Relative of Director	Short Term Employee Benefits	12.00
Nitesh M. Savla	Chief Financial Officer	Short Term Employee Benefits	14.77
Vikesh Shah	Sales Head	Short Term Employee Benefits	30.00
Vikesh Shah	Sales Head	Advances Given	2.60
Jinkle Khimsaria	CS & Compliance Officer	Short Term Employee Benefits	1.47
Harshil Chheda	CS & Compliance Officer	Short Term Employee Benefits	3.57
Amit D. Rambhia	Managing Director	Loan Taken	50.70
Amit D. Rambhia	Managing Director	Interest on Unsecured Loan	7.97
Nikit D. Rambhia	Joint Managing Director	Loan Taken	37.45
Nikit D. Rambhia	Joint Managing Director	Interest on Unsecured Loan	6.57
Devchand L. Rambhia	Whole-Time Director	Loan Taken	64.00
Devchand L. Rambhia	Whole-Time Director	Interest on Unsecured Loan	1.14
Devchand L. Rambhia	Whole-Time Director	Reimbursement	0.00
ICT Infratech Services Private Limited	Joint Venture	Fixed Assets Purchased	3.00
Panache Innovations Limited	Company having Common Director	Sales	142.84
Panache Innovations Limited	Company having Common Director	Purchases	8.13
Panache Innovations Limited	Company having Common Director	Services Availed	5.33
Panache Innovations Limited	Company having Common Director	Fixed Assets Purchased	0.16
Panache Innovations Limited	Company having Common Director	Rent Income	0.00
Panache Innovations Limited	Company having Common Director	Services Provided	2.58
Rambhia IPR Services LLP	Firm in which Director is a Partner	Royalty Paid	8.01

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:-

(₹ in Lakhs)			
PARTICULARS	RELATION WITH THE GROUP	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
<u>Amounts Receivable from Related Parties</u>			
<u>Receivables for Sales & Services Provided</u>			
Panache Innovations Limited	Company having Common Director	259.19	219.35
ICT Infratech Services Private Limited	Joint Venture	57.02	58.99
		316.20	278.35
<u>Receivables from KMP's or their Relatives</u>			
Vikesh Shah	Sales Head	3.35	0.75
		3.35	0.75
Total Receivables from Related Parties		319.55	279.10
<u>Amounts Payable to Related Parties</u>			
<u>Payables for Purchases & Services Availed</u>			
Rambhia IPR Services LLP	Firm in which Director is a Partner	7.15	11.19
		7.15	11.19
<u>Payable towards Borrowings Taken</u>			
Amit D. Rambhia	Managing Director	84.70	34.00
Amit D. Rambhia (Interest Payable)	Managing Director	7.17	2.12
Nikit D. Rambhia	Joint Managing Director	81.90	44.45
Nikit D. Rambhia (Interest Payable)	Joint Managing Director	5.92	6.17
Devchand L. Rambhia	Whole-Time Director	193.00	14.00
Devchand L. Rambhia (Interest Payable)	Whole-Time Director	1.03	0.95
		289.02	67.69
<u>Expenses Reimbursable</u>			
Nitesh M. Savla	Chief Financial Officer	0.00	0.04
Jinkle Khimsaria	CS & Compliance Officer	0.00	0.04
		0.00	0.09
<u>Payables to KMP and their Relatives as Remuneration</u>			
Amit D. Rambhia	Managing Director	2.21	1.90
Nikit D. Rambhia	Joint Managing Director	2.37	2.05
Devchand L. Rambhia	Whole-Time Director	0.98	1.07
Deepa A. Rambhia	Relative of Director	1.09	1.07
Kavita N. Rambhia	Relative of Director	0.87	0.84
Nitesh M. Savla	Chief Financial Officer	0.88	0.93
Vikesh Shah	Sales Head	2.16	2.30
Jinkle Khimsaria	CS & Compliance Officer	0.00	0.49
Harshil Chheda	CS & Compliance Officer	0.37	0.00
		10.93	10.63
Total Payables to Related Parties		307.10	89.60

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 2022	FOR THE YEAR ENDED 31ST MARCH 2021
Short Term Benefits	147.34	84.93
Post Employment Benefits	43.03	24.83
Total	190.37	109.76

NOTE NO. 48

FAIR VALUE MEASUREMENT HIERARCHY

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

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

PARTICULARS	(₹ in Lakhs)	
	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Financial Assets		
<u>Measured at Amortised Cost</u>		
Loans	30.04	41.08
Trade Receivables	3,151.79	3,837.62
Other Financial Assets	0.50	1.36
Cash & Cash Equivalents	95.10	83.85
Bank Balances Other Cash & Cash Equivalents	0.08	0.07
Total financial Assets Measured at Amortised Cost (I)	3,277.51	3,963.98
<u>Measured at Fair Value Through Profit and Loss Account (FVTPL)</u>		
Investment in Mutual Funds	75.12	71.55
	75.12	71.55
Total Value of Financial Assets [(I)+(II)]	3,352.64	4,035.53
Financial Liabilities		
<u>Measured at Amortised Cost</u>		
Borrowings	3,403.32	4,248.70
Trade Payables	1,461.97	1,286.76
Lease Liabilities	30.58	67.04
Other Financial Liabilities	35.18	55.91
Total of Financial Liabilities Measured at Amortised Cost	4,931.06	5,658.41
Total Value of Financial Liabilities	4,931.06	5,658.41

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

PARTICULARS	(₹ in Lakhs)	
	FOR THE YEAR ENDED 31ST MARCH 2022	FOR THE YEAR ENDED 31ST MARCH 2021
<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.)	(4.59)	8.09
(ii) Liabilities no Longer Payable	8.09	26.52
(iii) Office Rent Waiver	0.00	27.86
(iv) Amortisation of Fair Value Changes	(0.12)	(0.22)
(v) Finance Charges (Net)	1.22	1.60
(vi) Interest Income	2.29	7.16
(vii) Interest Expense	(371.77)	(304.11)
(viii) Finance Charges on Lease Liabilities	(5.18)	(10.36)
(ix) Bank Charges on Finance	(1.91)	(1.91)
(x) Processing Charges	(18.20)	(11.79)
(xi) Provision for Expected Credit Losses	(42.14)	(32.06)
Total	(432.32)	(289.23)
<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	3.57	6.38
	3.57	6.38

B. Disclosure pursuant to Ind AS 113 "Fair Value Measurement"- Fair Value Hierarchy of Financial assets and Financial Liabilities :-

AS AT 31ST MARCH 2022	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	75.12	75.12	--	--

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. 49

DISCLOSURE UNDER SECTION 186 OF COMPANIES ACT

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

(₹ in Lakhs)

NAME OF THE ENTITY	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	NATURE OF ASSISTANCE	PURPOSE FOR WHICH LOAN/ GUARANTEE IS PROPOSED TO BE UTILISED BY RECIPIENT
Karram Warehousing Private Limited	-	13.49	Inter Corporate Loan	Short Term Working Capital
Shree Rajlaxmi Textiles	10.00	10.00	Advance	Advance for Purchase of Property

NOTE NO. 50

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.

(₹ in Lakhs)

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	N.A.	N.A.
Directors	N.A.	N.A.
KMP's	3.35	15.72%
Related Parties	N.A.	N.A.

NOTE NO. 51

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.

NOTE NO. 52

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.

NOTE NO. 53

Transactions with Struck-off Companies

As at 31st March, 2022

Name of Struck off Company	Nature of transactions with Struck off company	Balance Outstanding	Relationship with the struck off company if any, to be disclosed
N.A.	Investment in Securities	NIL	N.A.
N.A.	Receivables	NIL	N.A.
N.A.	Payables	NIL	N.A.
N.A.	Shares held by Struck off Company	NIL	N.A.
N.A.	Other Outstanding balances (to be specified)	NIL	N.A.

As at 31st March, 2021

Name of Struck off Company	Nature of transactions with Struck off company	Balance Outstanding	Relationship with the struck off company if any, to be disclosed
N.A.	Investment in Securities	NIL	N.A.
N.A.	Receivables	NIL	N.A.
N.A.	Payables	NIL	N.A.
N.A.	Shares held by Struck off Company	NIL	N.A.
N.A.	Other Outstanding balances (to be specified)	NIL	N.A.

NOTE NO. 54

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 Group by way of Cash credit or Car Loan or Property Loan or Term loans) have been registered with ROC within statutory period.

NOTE NO. 55

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.

NOTE NO. 56

Financial Ratios

The Financial Ratios for the Group for the FY 2021-22 and FY 2020-21 are as follows :

Sr No.	Particulars	Numerator	Denominator	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	1.22	1.26	-3.04%
2	Debt Equity Ratio	Total Debt (incl. Lease Liabilities)	Shareholder's Equity	1.11	1.41	21.20%
3	Debt Service Coverage Ratio	Earnings available for Debt service	Debt Service (Interest)	1.65	1.65	0.20%
4	Return on Equity*	Net Profit after Taxes	Avg. Shareholder's Equity	2.67%	1.23%	117.83%
5	Inventory Turnover Ratio	Revenue	Avg. Inventory	3.88	3.45	12.61%
6	Trade Receivables Turnover Ratio	Revenue	Avg. Trade Receivables	2.44	2.00	22.15%
7	Trade Payables Turnover Ratio**	Purchases of Goods/Services	Avg. Trade Payables	6.06	2.36	157.05%
8	Net Capital Turnover Ratio	Revenue	Working Capital	5.39	4.53	18.88%
9	Net Profit Ratio*	Net Profit	Revenue	0.94%	0.46%	102.43%
10	Return on Capital Employed	EBIT	Capital Employed	8.80%	11.66%	-24.53%

Reasons for huge variance :

- * The consolidated Return on Equity as well as Net Profit of the group has shown an improvement as a result of Interest expense of the Subsidiary i.e. Technofy Digital Pvt Ltd being reduced on account of debt being repaid by the proceeds received from the Sale of Leasehold rights over the plot (Asset classified as held for Sale) in the current FY 2021-22.
- ** Trade Payable turnover ratio has high variation due to increase in inventory levels in the current year as well as only a slight increase in average trade payables proportionally to an increase in purchase costs. Covid Led restrictions changed the market dynamics as suppliers were paid in advance for major procurements.

NOTE NO. 57

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.

NOTE NO. 58

Disclosure relating to Compliance with approved scheme of Arrangements

No Schemes of Arrangements have been approved by any Competent Authority in terms of section 230 to 237 of the Companies Act, 2013.

NOTE NO. 59

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 KPB & ASSOCIATES
CHARTERED ACCOUNTANTS
[ICAI FRNo. 114841W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE DIGILIFE LIMITED

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

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

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

MR. HARSHIL CHHEDA
COMPANY SECRETARY

MR. NITESH M. SAVLA
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATED: 23.05.2022
UDIN: 22106451AJLNNF4938

PLACE: MUMBAI
DATED: 23.05.2022

PANACHE DIGILIFE LIMITED

Regd. Off.: Bldg.A3, 102-108 & 201-208, Babosa Industrial Park, Mumbai – Nashik Highway NH3, Saravali Village, Bhiwandi, Thane-421302, Maharashtra India
Corporate Office.: B-507, Raheja Plaza Premises CSL, L.B.S. Marg, Ghatkopar West, Mumbai-400086, Maharashtra, India
Tel: 022-2500 7002/7502; Email: info@panachedigilife.com; Website: www.panachedigilife.com
CIN: L72200MH2007PLC169415

NOTICE OF THE FIFTEENTH ANNUAL GENERAL MEETING

Notice is hereby given that the **Fifteenth Annual General Meeting** ("AGM") of the Members of **Panache Digilife Limited** will be held on Thursday, 29th September, 2022 at 3.00 p.m. through Video Conferencing / Other Audio - Video means ("VC / OAVM") to transact the following business;

Ordinary Business:

1. To receive, consider and adopt the Annual Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon, and
2. To appoint a director in place of Mr. Devchand Rambhia, Director, (DIN 00165851), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Jain Salia & Associates, Chartered Accountants as Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the twentieth Annual General Meeting and to fix their remuneration:

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and other applicable statutory provisions, M/s. Jain Salia & Associates, Chartered Accountants, (Firm Registration No. 116291W), be and are hereby appointed as Statutory Auditors of the Company, in place of M/s KPB & Associates, Chartered Accountants (Firm Registration No. 114841W), retiring auditors, for a term of 5 years and to hold office from the conclusion of the 15th Annual General Meeting (AGM) of the Company till the conclusion of the 20th Annual General Meeting to be held in the calendar year 2027, on the terms and fees as mentioned in the explanatory statement, and that the Board be and is hereby authorized to vary their remuneration and decide about reimbursement of out of pocket expenses, as may be incurred, in the performance of Audit."

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."

Special Business:

4. **Re-appointment of Mr. Amit Rambhia as Managing Director.**

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other sanctions / approvals, as may be required, consent of the members be and is hereby accorded for the re-appointment of Mr. Amit Rambhia (DIN: 00165919) as the Managing Director of the Company for a period of three (3) years with effect from 17th February, 2023 to 16th February, 2026, liable to retire by rotation on the terms and conditions as mentioned in the agreement to

be entered into between the Company and Mr. Amit Rambhia, a draft whereof duly initialled by the Chairman for the purpose of identification as placed before this meeting, which Agreement is hereby specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Mr. Amit Rambhia within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof.

RESOLVED FURTHER THAT pursuant to the provisions of Schedule V of the Act, Mr. Amit Rambhia shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be paid partly by way of a monthly payment and partly by way of Incentives as may be determined by Nomination and Remuneration Committee or Board from time to time, for a period of 3 years having effect from 17th February, 2023 to 16th February, 2026.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of Mr. Amit Rambhia, Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to Mr. Amit Rambhia, Managing Director, the above remuneration as the minimum remuneration as specified above by way of salary and incentives, if any and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and / or as approved by the members or Central Government or such other competent authority.”

5. Re-appointment of Mr. Nikit Rambhia as Joint Managing Director:

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other sanctions / approvals, as may be necessary or required, consent of the members be and is hereby accorded for the re-appointment of Mr. Nikit Rambhia (DIN: 00165678) as the Joint Managing Director of the Company for a period of three (3) years with effect from 17th February, 2023 to 16th February, 2026, liable to retire by rotation on the terms and conditions as mentioned in the Agreement to be entered into between the Company and Mr. Nikit Rambhia, a draft whereof duly initialled by the Chairman for the purpose of identification as placed before this meeting, which Agreement is hereby specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said re-appointment and remuneration payable from time to time as they deem fit in such manner as may be agreed upon by the Board of Directors and Mr. Nikit Rambhia within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof.

RESOLVED FURTHER THAT pursuant to the provisions of Schedule V of the Act, Mr. Nikit Rambhia shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be paid partly by way of a monthly payment and partly by way of Incentives as may be determined by

Nomination and Remuneration Committee or Board from time to time, for a period of 3 years having effect from 17th February, 2023 to 16th February, 2026.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of Mr. Nikit Rambhia, Joint Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to Mr. Nikit Rambhia, Joint Managing Director, the above remuneration as the minimum remuneration as specified above by way of salary and incentives, if any and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and / or as approved by the members or Central Government or such other competent authority.”

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

**Date: August 10, 2022
Place: Mumbai**

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

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), which sets out details relating to Special Businesses to be transacted at the Fifteenth Annual General Meeting ("AGM"), is annexed hereto.
2. In view of precautionary measures to contain spread of COVID-19, the Ministry of Corporate Affairs ("MCA") vide its Circular April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 December 8, 2021, December 14, 2021 and May 5, 2022 ("MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide circular dated May 12, 2020, January 15, 2021 and May 13, 2022 ("SEBI Circular") have permitted the holding of the AGM through Video Conferencing facility or Other Audio-Visual Means ("VC / OAVM"). without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the 15th AGM is being held through VC / OVAM on Thursday, September 29, 2022 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.

3. Since this AGM is being held through VC/ OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting.

The route map, Proxy Form and Attendance Slip are therefore, not annexed to this Notice.

4. 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 not less than 48 (forty-eight) hours before the commencement of the AGM i.e., by 3.00 P.M. on 27th September, 2022.

5. Members of the Company, holding shares, as on Friday September 2, 2022, (cut-off date for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2021-22, through their registered mail id. Any person, who acquires shares of the Company and become Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Thursday, September 22, 2022, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Bigshare Services Private Limited at e-mail vinod.y@bigshareonline.com or to Central Depository Services (India) Limited at email helpdesk.evoting@cdslindia.com.
6. 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 Central Depository Services (India) Limited ("CDSL"). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.
7. The Company has appointed Mr. Dharmesh Zaveri, proprietor of M/s. D. M. Zaveri & Co., Company Secretaries, as the Scrutinizer for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.

8. 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 atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Institutional Investors who are Members of the Company, are encouraged to attend the AGM and vote.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. 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.
11. 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 i.e., Thursday, September 22, 2022 ("Cut-off date").
12. 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.
13. 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.
14. A person who is not a member as on the Cut-off date should treat this Notice for information purposes only.
15. 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.
16. As on the date of this Notice all the shares of the Company are held in dematerialised form.
17. 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.
18. Non-Resident Indian Members are requested to inform the RTA immediately about the change in residential status on their return to India, if any.
19. Members holding Shares in electronic mode 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.
20. Members can avail facility of nomination in respect of shares held by them pursuant to Section 72 of the Act.
21. Additional information of Directors seeking re-appointment at the ensuing AGM as stipulated under Companies Act, 2013, Secretarial Standard on General Meetings (SS- 2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Clause 1.2.5 of the SS-2, is annexed of this Notice.

22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts.
23. In line with MCA Circulars and circulars issued by SEBI, the Notice calling the AGM along with the Annual Report for FY 2021-22 ("Annual Report") is being sent through 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 September 2, 2022. A Member can request for a physical copy of the Annual Report by sending an e-mail to the Company at 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>, the website of the National Stock Exchange of India Limited at 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.

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 DPs / Company / RTA, Members may register the e-mail addresses by sending e-mail to the Company at 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 DPs in case the shares are held in dematerialised form.

24. All the relevant documents referred to in this AGM Notice, Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act and other documents are available for inspection from the date of circulation of notice upto the date of AGM. Members seeking to inspect such documents can send an e-mail to compliance@panachedigilife.com from their registered e-mail address.
25. Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). The Company requests the Members to claim the unclaimed dividends within the prescribed period. Members are requested to contact M/s. Bigshare Services Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account.
26. Bigshare Services Private Limited is our Registrar and Transfer Agent of the Company. All the investor related communication and grievances may be addressed to them 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, Maharashtra
 Website: www.bigshareonline.com Email: 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 voting period begins on Monday, September 26, 2022 from 9:00 a.m. (IST) and ends on Wednesday, September 28, 2022 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"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 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 evoting@nsdl.co.in or call at toll free no: 1800 1020 990 and 1800 22 44 30

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

- The user should log on to the e-voting website www.evotingindia.com.
- Click on “Shareholders” module.
- 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 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	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 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 ("EVSN") 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 and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; dmz@dmzaveri.com and compliance@panachedigilife.com respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- xviii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.
- xix. All grievances connected with the e-voting facility may be addressed to Mr. Rakesh Dalvi, 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 or call on toll free no. 1800 22 55 33

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

- i. Members will be able to attend the AGM through VC / OAVM through the facility provided by CDSL at www.evotingindia.com by using their remote e-voting login credentials and selecting the EVSN for the Company’s AGM.
- ii. Members are encouraged to join the AGM through laptops / iPads for better experience.
- iii. Members are required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- iv. 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 use an internet facility with a good bandwidth to avoid facing any disturbance during the AGM.
- v. 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 from Friday, September 23, 2022 from 9:00 a.m. (IST) to Sunday, September 25, 2022 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.

C. Procedure and instructions for Members for e-voting during the AGM:

- i. The procedure to be followed for e-voting on the day of the AGM will be the same as mentioned above for remote e-voting.
- ii. 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.
- iii. 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.
- iv. Members who need any technical assistance before or during the AGM, can contact Mr. Rakesh Dalvi, 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 or call toll free no.

Declaration of Results:

- 1. 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.
- 2. Based on the Scrutinizer's Report, the Company will submit within two working days from the conclusion of the AGM to the Stock Exchange, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
- 3. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.panachedigilife.com and on the website of CDSL at www.evotingindia.com immediately after the declaration of results by the Chairman or a person authorized by him and communicated to the National Stock Exchange Limited of India.
- 4. The resolutions shall be deemed to be passed on the date of the Meeting, i.e., September 29, 2022 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:

The Members of the Company at the 10th Annual General Meeting ('AGM') held on 21st September, 2017 approved the appointment of M/s. KPB & Associates, Chartered Accountants, as the Auditors of the Company for a period of five years from the conclusion of the said AGM. M/s. KPB & Associates will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014. The present remuneration of M/s. KPB & Associates for conducting the audit for the financial year 2021-22 is Rs 2 Lakh plus goods and services tax as applicable, and reimbursement of out-of-pocket expenses incurred.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommend for the approval of the Members, the appointment of M/s. Jain Salia & Associates, Chartered Accountants, (Firm Registration No. 116291W), as the Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 20th AGM.

As confirmed by the said proposed auditor, it is eligible for appointment and their appointment if made would be within the prescribed limits and shall be in accordance with the conditions and criteria as prescribed in Section 141 and other applicable provisions of the Act and Rules made thereunder.

The Audit Committee and the Board has, considering the experience and competency of the proposed auditors, requirement of the Company and other relevant aspects, recommended the appointment of M/s. Jain Salia & Associates as a statutory auditor of the Company pursuant to provisions of the Companies Act 2013 and other applicable statutory provisions.

M/s. Jain Salia & Associates, Chartered Accountants has been in the profession for the last 26 years and are based in Mumbai. They provide varied services which include Direct & Indirect Tax Advisory, Corporate Advisory Services, Audit & Assurance services and Financial Services. They are revered for their professional ethos and technical expertise, drawn on perspicacity for over two decades and have a team of highly competent professionals.

The fees / remuneration of the Auditor shall be Rs. 2 lakhs for the financial year basis for statutory audit, issue of audit reports, issue of limited review reports and service relating thereto, audit of internal financial control relating financial reporting and reports or certificates to be issued as a statutory auditor. Aforesaid audits and reports include for standalone and consolidated financial statements. Hence, there is no material change in the remuneration being paid to M/s. Jain Salia & Associates as compared to the outgoing auditors. In case the Auditor ceased as auditor due to whatsoever reason, before completing audit or non-issue of audit report or limited review for relevant financial year / quarter, the fees shall be as may be determined by the Board of Directors of the Company. In case the Auditor resign or ceased as such, it shall complete audit / limited review and issue report as per the SEBI Listing Regulation and circulars issued by SEBI in this respect. It is proposed to authorize the Board to vary the fees as per requirement of the Company.

The Board recommends the resolution relating to appointment of auditor as set out in the Notice for your approval by way of passing ordinary resolution.

None of the Directors, Key Managerial Personnel of the Company and any of their relatives are in any way, concerned or interested in this resolution.

Item No. 4:

Mr. Amit Rambhia is associated with the Company as Director since its inception. Members of the Company at its Annual General Meeting held on 20th September, 2019 approved appointment of Mr. Amit Rambhia as Managing Director of the Company for a period of three years effective from 17th February, 2020 till 16th February, 2023 through a Special Resolution under the relevant provisions of the Companies Act, 2013. His present term as Managing Director shall expire on 16th February, 2023.

Thus, on the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the Members, the Board at their meeting held on 10th August, 2022, re-appointed Mr. Amit Rambhia as

Managing Director of the Company with effect from the 17th February, 2023 till 16th February, 2026, liable to retire by rotation, on the terms and conditions as contained in the draft Agreement to be entered between the Company and Mr. Amit Rambhia. He is not disqualified from being appointed as Managing Director in terms of the provisions of the Companies Act, 2013 and also provided declaration to the effect that he is not debarred from holding the office of Director pursuant to any SEBI order.

He shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be paid partly by way of a monthly payment and partly by way of Incentives as may be determined by Nomination and Remuneration Committee or Board from time to time, for a period of 3 years having effect from 17th February, 2023 to 16th February, 2026. The said remuneration shall be paid as per provisions of Schedule V of the Companies Act, 2013

The Draft Agreement to be entered into between the Company and Mr. Amit Rambhia for his re-appointment is available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during the Business hours up to the date of this AGM.

A brief profile of Mr. Amit Rambhia is provided in the additional information forming part of this notice.

The Information of appointment is as follows:

I. GENERAL INFORMATION

- a) Nature of Industry:
IT & IT Peripherals
- b) Date of commencement of commercial production:
March 30, 2007
- c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

- d) Financial performance based on given indicators (Rs In Lakhs)

Particulars	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Total Income	8855.47	7913.93	7198.41
Profit/loss before Tax	297.52	496.97	306.71
Profit/loss after Tax	209.63	353.54	204.37

- e) Foreign investments or collaborations, if any- NIL.

II. INFORMATION ABOUT THE APPOINTEE:

- a) Background details: Mr. Amit Rambhia is the driving force behind Panache Digilife Limited. He. has over 20 years of entrepreneurial experience of the IT industry. He directly oversees the management and overall business execution of the Company.

- b) Past remuneration (in last three financial year):

Sr No.	Financial Year	Remuneration (in Rs.)
1.	2021-22	42,00,000
2.	2020-21	28,00,000
3.	2019-20	38,50,000

- c) Recognition or awards:
NIL

- d) Job profile and his suitability:

The Managing Director would have the authority to oversee the management and overall business execution of the Company. Managing Director will also be responsible for formulating the policies and

strategies in consent with the Board of Directors of the Company. The Managing Director has clear vision and foresight to work for the prosperity and success of the company. The Managing Director has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude.

- e) Remuneration proposed:
 The terms of remuneration are detailed in the Explanatory Statement
- f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):
 The remuneration proposed is reasonable in the context of global operations & complexity of business of the Company and commensurate with the similar industry, operating in India and the profile of the position.
- g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:
 Mr. Amit Rambhia is a son of Devchand Rambhia (Whole-Time Director) & Brother of Nikit Rambhia (Joint Managing Director). Apart from this, he is not connected with any managerial personnel or other director of the Company:
- h) The draft agreement between the Company and Mr. Amit Rambhia for his appointment contains inter alia the following material terms and conditions:
 - 1) Tenure of Appointment:
 The appointment of Managing Director is for a period of 3 years w.e.f. February 17, 2023 to February 16, 2026
 - 2) Duties and Powers:
 The Managing Director shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time determine, and subject to any directions, and restrictions, given and imposed by the Board. He shall have the general control, management and superintendence of the business of the Company with power to appoint and dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the best interest of the Company.
 - 3) Remuneration, Perquisites and allowances:
 - (a) Pursuant to the provisions of Schedule V of the Companies Act, 2013, Mr. Amit Rambhia, shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be partly paid by way of a monthly payment and partly by way of Incentives as may be determined by Board from time to time. The Perquisites & Incentives payable, if any, to the Managing Director will be based on performance as evaluated by the Board or NRC thereof duly authorized in this behalf and will be payable as the Board deems fit.
 - (b) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.
 - (c) The Managing Director shall be entitled to such increment from time to time as the NRC and / or Board may by its discretion determine subject to shareholders approval.
 - 4) Remuneration in the Event of Loss or Inadequacy of Profits:
 In the event in any financial year during the tenure of Mr. Amit Rambhia, Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay the above remuneration as the minimum remuneration by way of salary and incentives as specified under the

provisions of Schedule V to the Companies Act, 2013 and subject to receipt of the requisite approvals, if any.

5) Other Terms & Conditions of Appointment:

- (a) The Managing Director shall not during the period of his employment, and without the previous consent in writing of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or concern or in any undertaking or business of a nature similar to or competing with the company's business and further shall not, in any manner, whether directly or indirectly, use, apply or utilise his knowledge or experience for or in the interest of any such person, firm, company, body corporate or concern as aforesaid or any such competing undertaking or business as aforesaid.
- (b) The Managing Director agrees that during the subsistence of this Agreement and thereafter, not to utilize any of the information provided by the Company or in any way contact or solicit directly or indirectly any of its clients, customers, associates, distributors, vendors, or third-Party vendors associated with the underlying Propriety Information that is the subject of this Agreement, unless otherwise expressly relieved by the Company.
- (c) The Managing Director shall not, during the continuance of his employment or any time thereafter, divulge or disclose to any person, firm, company, body corporate or concern, whatsoever or make any use whatever for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment of the business or affairs of the company or of any trade secrets or secret processes of the company and the Managing Director shall, during the continuance of his employment hereunder, also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.
- (d) The Managing Director shall throughout the said term devote the whole of his time, attention and abilities to the business of the Company, and shall obey the orders from time to time, of the Board and in all respects, confirm to and comply with the directions and regulations made by the Board, and shall well and faithfully serve the company and use his utmost endeavors to promote the interest thereof.
- (e) The Managing Director shall during his term, abide by the provisions of the Company's Code of Conduct in spirit and in letter and commit to assure its implementation.
- (f) The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice, subject to requisite approvals, if any:
 - if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
 - in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement; or
 - in the event the Board expresses its loss of confidence in the Managing Director.
- (g) The agreement may be terminated by the Company by giving 1-month advance notice or 1-month salary in lieu of notice of any less days or by the Managing Director by giving 3 months' advance notice or 3 months' salary in lieu of notice of any less days in writing at any time unless otherwise mutually agreed by both the parties.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

The profits of the Company have been positive over the years. For the year ended March 31, 2022, the Company has made Profit before tax of Rs. 297.52 lakhs and Profit after tax of Rs. 209.63 lakhs. The proposed remuneration payable to the Managing Director may exceed the limit specified under Section 197 read with Schedule V of the Companies Act, 2013 and profits of the company may be inadequate to that extent.

2. Steps taken or proposed to be taken for improvement:

The Company takes various steps on a regular basis such as better product mix, cost control, improving efficiency, etc. Further, the management may adopt focused business strategies in all spheres of business activities to improve the sales and profitability of the Company.

3. Expected increase in productivity and profits in measurable terms:

The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

The Board recommends the resolution relating to re-appointment of Mr. Amit Rambhia as Managing Director as set out in the Notice for your approval by way of passing special resolution.

Except Mr. Amit Rambhia (the appointee), Mr. Devchand Rambhia & Mr. Nikit Rambhia, (being relatives of the appointee), and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution.

Item No. 5:

Mr. Nikit Rambhia is associated with the Company as Director since its inception. Members of the Company at an Annual General Meeting held on 20th September, 2019 approved appointment of Mr. Nikit Rambhia as Joint Managing Director of the Company for a period of three years effective from 17th February, 2020 till 16th February, 2023 through a Special Resolution under the relevant provisions of the Companies Act, 2013. His present term as Joint Managing Director shall expire on 16th February, 2023.

Thus, on the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the Members, the Board at their meeting held on 10th August, 2022, re-appointed Mr. Nikit Rambhia as Joint Managing Director of the Company with effect from the 17th February, 2023 till 16th February, 2026, liable to retire by rotation, on the terms and conditions as contained in the draft Agreement to be entered between the Company and Mr. Nikit Rambhia. He is not disqualified from being appointed as Joint Managing Director in terms of the provisions of the Companies Act, 2013 and provided declaration to the effect that he is not debarred from holding the office of Director pursuant to any SEBI order.

He shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be paid partly by way of a monthly payment and partly by way of Incentives as may be determined by Nomination and Remuneration Committee or Board from time to time, for a period of 3 years having effect from 17th February, 2023 to 16th February, 2026. The said remuneration shall be paid as per the provisions of Schedule V of the Companies Act, 2013.

The Draft Agreement to be entered into between the Company and Mr. Nikit Rambhia for his re-appointment is available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during the Business hours up to the date of this AGM.

A brief profile of Mr. Nikit Rambhia is provided in the additional information forming part of this notice.

The Information of appointment is as follows:

I. GENERAL INFORMATION

- Nature of Industry:
IT & IT Peripherals
- Date of commencement of commercial production:
March 30, 2007.
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

- Financial performance based on given indicators (Rs In Lakhs)

Particulars	As on March 31, 2022	As on March 31, 2021	As on March 31, 2020
Total Income	8855.47	7913.93	7198.41
Profit/loss before Tax	297.52	496.97	306.71
Profit/loss after Tax	209.63	353.54	204.37

- Foreign investments or collaborations, if any- NIL.

II. INFORMATION ABOUT THE APPOINTEE:

- Background details: Mr. Nikit Rambhia is the driving force behind Panache Digilife Limited. He. has over 18 years of entrepreneurial experience of the IT industry. He directly oversees the management and overall business execution of the Company.

- Past remuneration (in last three financial year):

Sr No.	Financial Year	Remuneration (in Rs.)
1.	2021-22	42,00,000
2.	2020-21	28,00,000
3.	2019-20	38,50,000

- Recognition or awards:
NIL
- Job profile and his suitability:
The Joint Managing Director would have the authority to oversee the management and overall business execution of the Company. Joint Managing Director will also be responsible for formulating the policies and strategies in consent with the Board of Directors of the Company. The Joint Managing Director has clear vision and foresight to work for the prosperity and success of the company. The Joint Managing Director has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude.
- Remuneration proposed:
The terms of remuneration are detailed in the Explanatory Statement
- Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):
The remuneration proposed is reasonable in the context of global operations & complexity of business of the Company and commensurate with the similar industry, operating in India and the profile of the position.
- Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any:
Mr. Nikit Rambhia is a son of Devchand Rambhia (Whole-Time Director) & Brother of Amit Rambhia (Managing Director). Apart from this, he is not connected with any managerial personnel or other director of the Company:
- The draft agreement between the Company and Mr. Nikit Rambhia for his appointment contains inter alia the following material terms and conditions:

1. **Tenure of Appointment:**
 The appointment of Joint Managing Director is for a period of 3 years w.e.f. February 17, 2023 to February 16, 2026
2. **Duties and Powers:**
 The Joint Managing Director shall exercise and perform such powers and duties as the Board of Directors of the Company (hereinafter called "the Board") shall from time to time determine, and subject to any directions, and restrictions, given and imposed by the Board. He shall have the general control, management and superintendence of the business of the Company with power to appoint and dismiss employees and to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the best interest of the Company.
3. **Remuneration, Perquisites and allowances:**
 - a. Pursuant to the provisions of Schedule V of the Companies Act, 2013, Mr. Nikit Rambhia, shall be eligible to a gross remuneration not exceeding ₹ 1.00 Crore per annum (Rupees One Crore Only) which may be partly paid by way of a monthly payment and partly by way of Incentives as may be determined by Board from time to time. The Perquisites & Incentives payable, if any, to the Joint Managing Director will be based on performance as evaluated by the Board or NRC thereof duly authorized in this behalf and will be payable as the Board deems fit.
 - b. Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.
 - c. The Joint Managing Director shall be entitled to such increment from time to time as the NRC and / or Board may by its discretion determine subject to shareholders approval.
4. **Remuneration in the Event of Loss or Inadequacy of Profits:**
 In the event in any financial year during the tenure of Mr. Nikit Rambhia, Joint Managing Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay the above remuneration as the minimum remuneration by way of salary and incentives as specified under the provisions of Schedule V to the Companies Act, 2013 and subject to receipt of the requisite approvals, if any.
5. **Other Terms & Conditions of Appointment:**
 - a. The Joint Managing Director shall not during the period of his employment, and without the previous consent in writing of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or concern or in any undertaking or business of a nature similar to or competing with the company's business and further shall not, in any manner, whether directly or indirectly, use, apply or utilise his knowledge or experience for or in the interest of any such person, firm, company, body corporate or concern as aforesaid or any such competing undertaking or business as aforesaid.
 - b. The Joint Managing Director agrees that during the subsistence of this Agreement and thereafter, not to utilize any of the information provided by the Company or in any way contact or solicit directly or indirectly any of its clients, customers, associates, distributors, vendors, or third-Party vendors associated with the underlying Propriety Information that is the subject of this Agreement, unless otherwise expressly relieved by the Company.
 - c. The Joint Managing Director shall not, during the continuance of his employment or any time thereafter, divulge or disclose to any person, firm, company, body corporate or concern, whatsoever or make any use whatever for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment of the business or affairs of the company or of any trade secrets or secret processes of the company and the Joint Managing Director shall, during the continuance of his employment

hereunder, also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.

- d. The Joint Managing Director shall throughout the said term devote the whole of his time, attention and abilities to the business of the Company, and shall obey the orders from time to time, of the Board and in all respects, confirm to and comply with the directions and regulations made by the Board, and shall well and faithfully serve the company and use his utmost endeavors to promote the interest thereof.
- e. The Joint Managing Director shall during his term, abide by the provisions of the Company's Code of Conduct in spirit and in letter and commit to assure its implementation.
- f. The employment of the Joint Managing Director may be terminated by the Company without notice or payment in lieu of notice, subject to requisite approvals, if any:
 - if the Joint Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
 - in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Joint Managing Director of any of the stipulations contained in the Agreement; or
 - in the event the Board expresses its loss of confidence in the Joint Managing Director.
- g. The agreement may be terminated by the Company by giving 1-month advance notice or 1-month salary in lieu of notice of any less days or by the Joint Managing Director by giving 3 months' advance notice or 3 months' salary in lieu of notice of any less days in writing at any time unless otherwise mutually agreed by both the parties.

OTHER INFORMATION:

1. Reasons of loss or inadequate profits:

The profits of the Company have been positive over the years. For the year ended March 31, 2022, the Company has made Profit before tax of Rs. 297.52 lakhs and Profit after tax of Rs. 209.63 lakhs. The proposed remuneration payable to the Joint Managing Director may exceed the limit specified under Section 197 read with Schedule V of the Companies Act, 2013 and profits of the company may be inadequate to that extent.

2. Steps taken or proposed to be taken for improvement:

The Company takes various steps on a regular basis such as better product mix, cost control, improving efficiency, etc. Further, the management may adopt focused business strategies in all spheres of business activities to improve the sales and profitability of the Company.

3. Expected increase in productivity and profits in measurable terms:

The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

The Board recommends the resolution relating to re-appointment of Mr. Nikit Rambhia as Joint Managing Director as set out in the Notice for your approval by way of passing special resolution.

Except Mr. Nikit Rambhia (the appointee), Mr. Devchand Rambhia & Mr. Amit Rambhia, (being relatives of the appointee), and their relatives, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution.

Additional Information of directors seeking appointment / reappointment at the Fifteenth Annual General Meeting pursuant to SS-2 and SEBI Listing Regulations:

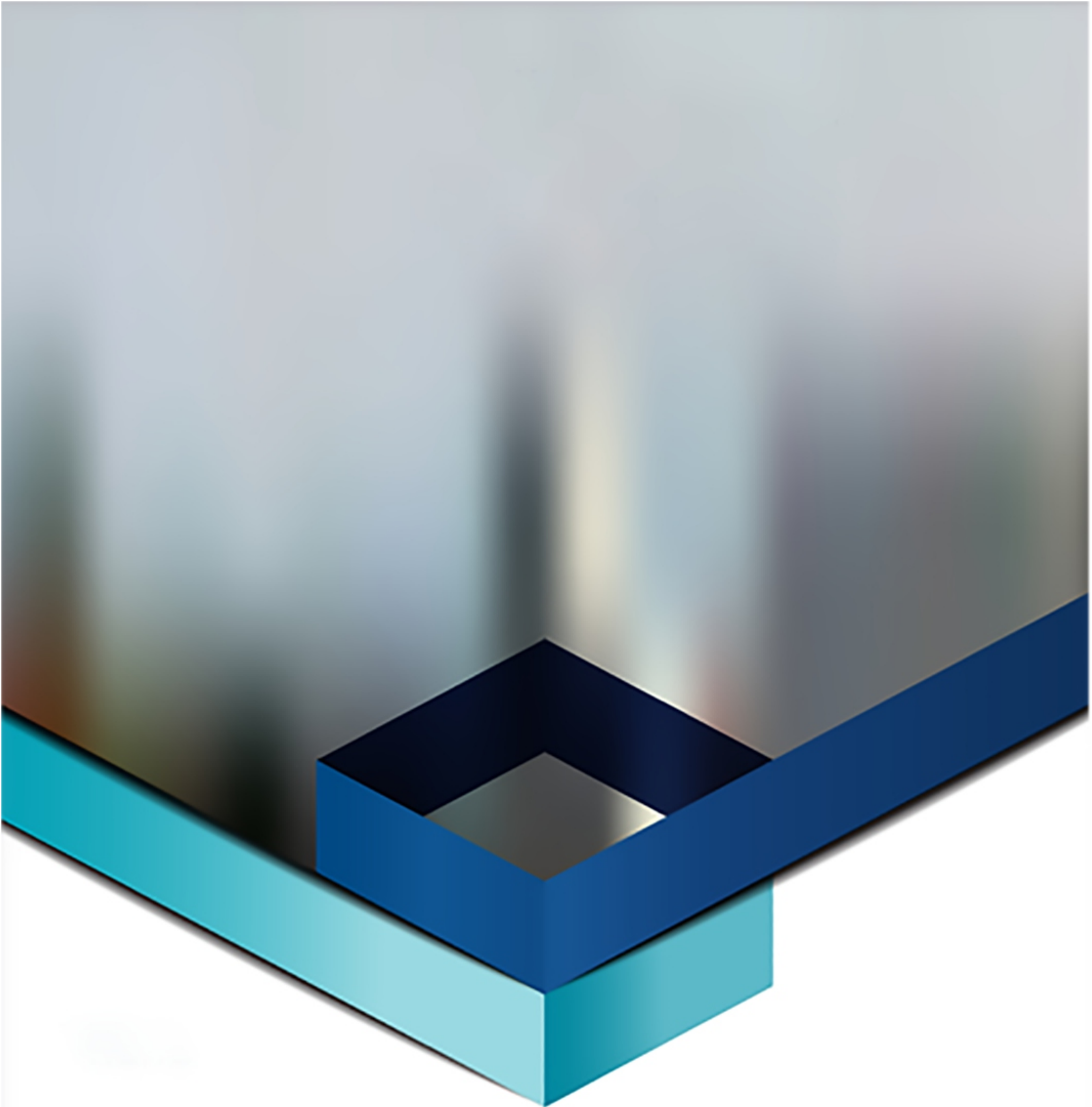
Name of the Director	Devchand Rambhia (DIN: 00165851)	Amit Devchand Rambhia (DIN: 00165919)	Nikit Devchand Rambhia (DIN: 00165678)
Date of Birth / (Age)	January 16, 1948 (74 years)	September 23, 1974 (47 years)	October 9, 1978 (43 years)
Nationality	Indian	Indian	Indian
Qualifications	Mechanical Engineer from Board of Technical Examination of Maharashtra (1970)	B. Com from Mumbai University and MBA from IIM Indore	B. Com from Mumbai University and MBA
Experience / Brief Resume	<p>Mr. Devchand Rambhia is a Whole Time Director of the Company. He is associated with the Company as Director since inception and was later re-designated as the Whole Time Director of the Company.</p> <p>He has worked in management cadre of Multinational companies like Hindustan Unilever Limited and National Rayon Corporation Limited. He has also worked as project consultant in India, Bangladesh and Sri Lanka for Unilever Projects. He has experience in "Information Technology" Product development and setting up of manufacturing facility.</p> <p>He has undertaken IT products development and execution of manufacturing setups incorporating GMP.</p>	<p>Mr. Amit Rambhia is a Managing Director of the Company. He is associated with the Company as Director since inception and was later re-designated as the Managing Director of the Company.</p> <p>Mr. Amit Rambhia, has got 20+ years of experience in management and overall business execution. He has Bachelor's Degree from Mumbai University; MBA from IIM Indore. He is an innovative self-driven man. He always had a passion for technology that led him to venture into IoT & ICT hardware business in 1993. He offers rich and varied exposure of 20+ years to the entire spectrum of Business activities.</p> <p>Mr. Amit Rambhia has been recognized amongst The Most Influential Marketing Leader by the World Marketing Congress.</p>	<p>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 the Joint Managing Director of the Company.</p> <p>Mr. Nikit Rambhia holds an MBA degree in Marketing from the University of Mumbai and has got over 18 years of experience in handling operations.</p> <p>He is involved with the strategic direction of the company and manages all the operations and strategic partnerships. He personally oversees the planning and execution of new projects, critically values 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.</p>
Nature of his expertise in specific functional area	Management & project execution	Management & overall business execution	Management & overall business execution
Terms and conditions of appointment or re-appointment	Mr. Devchand Rambhia was re-appointed as Whole Director of the Company for a period of 3 years w.e.f. February 17, 2020 to February 16, 2023. His appointment is liable to retire by rotation. His appointment is due for retire by rotation and being eligible has offered himself for re-appointment and accordingly proposed to shareholders for their approval.	Mr. Amit Rambhia is re-appointed as Managing Director of the Company for a period of 3 years w.e.f. February 17, 2023 to February 16, 2026. He shall be liable to retire by rotation.	Mr. Nikit Rambhia is re-appointed as Joint Managing Director of the Company for a period of 3 years w.e.f. February 17, 2023 to February 16, 2026. He shall be liable to retire by rotation.

Remuneration last drawn (For FY 2021-22)	Rs. 15,00,000	Rs. 42,00,000	Rs. 42,00,000
Date of 1 st Appointment on the Board	March 30, 2007 (Since Inception)	March 30, 2007 (Since Inception)	March 30, 2007 (Since Inception)
No. of Board Meetings attended during the FY 2021-22	No of Board Meetings held - 5 No of Board Meetings attended - 5	No of Board Meetings held - 5 No of Board Meetings attended - 4	No of Board Meetings held - 5 No of Board Meetings attended - 5
Shareholding in the Company, including Shareholding as a Beneficial Owner	22,58,640 Equity Shares	28,00,000 Equity Shares	28,00,000 Equity Shares
Relationship with other Directors, Manager & Key Managerial Personnel	He is a father of Amit Rambhia (Managing Director) & Nikit Rambhia (Joint Managing Director).	He is a son of Devchand Rambhia (Whole-Time Director) & Brother of Nikit Rambhia (Joint Managing Director).	He is a son of Devchand Rambhia (Whole-Time Director) & Brother of Amit Rambhia (Managing Director).
Directorships held in other companies	Technofy Digital Private Limited	Panache Innovations Limited ICT Infotech Services Private Limited	ICT Infotech Services Private Limited
Committee Memberships / Chairmanship in other companies	NIL	Panache Innovations Limited Audit Committee - Member Nomination and Remuneration Committee Member Stakeholders Relationship Committee Member	NIL
Resignation details in the listed entities during the last three years	NIL	NIL	NIL

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

Harshil Chheda
Company Secretary
Membership No. A62645

Date: August 10, 2022
Place: Mumbai



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