

Date: 8th September, 2018

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

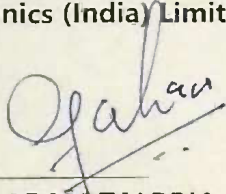
Sub: intimation of 35th Annual General Meeting (AGM) of the Company

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, Please find enclosed Notice of 35th Annual General Meeting of the members of the Company to be held at 03.00 PM on Saturday, September 29, 2018 at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015.

Kindly take the above information on records

Yours Faithfully,

PAN Electronics (India) Limited



GULLU GELLARAM TALREJA

Managing Director

DIN: 01740145

REGISTERED OFFICE & FACTORY

PAN ELECTRONICS (INDIA) LTD. CIN: L00309KA1982PLC004960

16B, Peenya Industrial Area, Phase - 1, Bangalore - 560058, INDIA, Tel : +91-80-28396227/28/29,

E-mail : info@panelectronicsindia.com, www.panelectronicsindia.com



35th

ANNUAL REPORT

2017 - 2018

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Gullu Gellaram Talreja	Chairman & Managing Director
Shri Abhishek Prakash Talreja	Whole Time Director
Shri Hari Naunmal Tarachandani	Director (Independent)
Smt Sangeethalakshmi Bhat	Director (Independent) (Resigned on 28-03-18)
Smt Ambusaravan Asha	Director (Independent) (from 04th June 2018)

STATUTORY AUDITORS:

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

COMPANY SECRETARY & COMPLIANCE OFFICER

Manjunatha Hegde (Resigned on 04-06-2018)

BANKERS:

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

REGISTERED OFFICE:

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

REGISTRARS & SHARE TRANSFER AGENTS:

Integrated Registry Management Services Private Limited (Formerly Integrated Enterprises (India) Limited),
30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru 560 003

FACTORY:

New Municipal No.7, 16B, 1st Phase, Peenya Industrial Area, Bengaluru – 560 058
<http://www.panelectronicsindia.com/investors>

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty fifth (35) Annual General Meeting of the Members of PAN ELECTRONICS (INDIA) LIMITED will be held on Saturday 29th September, 2018 at 3.00 P.M at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement as at 31st March 2018, and reports of the Board of Directors, Corporate Governance and Auditors thereon.
2. To appoint a Director in place of Shri. Abhishek Talreja (DIN: 05007867), Director, who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS

3. To appoint Mrs. Ambusaravan Asha (DIN: 08147485) as an Independent Director in this regard, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT, Mrs. Ambusaravan Asha (DIN: 08147485), who was appointed as an Additional Director of the Company effective from June 4, 2018 pursuant to Articles of Association of the Company, to hold office up to the date of this Annual General Meeting in accordance with the provisions of Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office up to June 03, 2023 pursuant to the provisions of Sections 149 & 152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder read with Schedule IV of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

By Order of the Board
PAN Electronics (India) Limited

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Registered Office:

16b, 1st Phase, Peenya Industrial Area,
Peenya, Bengaluru – 560 058
CIN: L00309KA1982PLC004960

NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the Special business set out in this Notice and the relevant details pursuant to SEBI Listing Regulations are annexed hereto.
2. Brief profile of Mrs. Ambusaravan Asha, who will hold office of the director up to the date of this Annual General Meeting and is proposed to be appointed as an Independent director of the Company is annexed herewith as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. A member entitled to attend and vote in the above meeting is entitled to appoint one or more proxies to attend and vote instead of him and such proxy need not be a member of the Company. In order for proxies to be effective, they must be received by the Company not less than 48 hours before the meeting.
4. Pursuant to section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Company is pleased to offer the facility for e-voting for all the businesses mentioned in the notice. The members can exercise their right to vote through electronic means. The instruction for e-voting is annexed to the notice.
5. The Register of members and the Share Transfer Books in respect of the equity shares of the company will remain closed from 22/09/2018 to 29/09/2018 (both days inclusive). Members are requested to notify change in address, if any, immediately to Integrated Registry Management Services Private Limited, 30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru 560 003, quoting folio number / demat particulars.
6. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. The e-mails IDs may be sent to the Company's registered office or to the Registrar and Share Transfer agents through a letter duly signed by the member indicating Folio number/demat particulars.
7. All documents referred to in the above notice are open for inspection at the Registered Office of the Company between 10 a.m. and 1.00 p.m. on all working days upto the day of the Annual General Meeting.
8. Members/Proxies should bring the Annual report and the duly filled in Attendance Slip. The attendance slip shall be handed over at the entrance of the hall.

ANNEXURE TO THE NOTICE

PROFILE OF Mr. ABHISHEK PRAKASH TALREJA SEEKING RE-APPOINTMENT (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	ABHISHEK PRAKASH TALREJA
Director Identification Number	05007867
Date of Birth	26/07/1980
Qualification	Graduation in Business Management
Nature of his expertise in specific functional areas	Mr. ABHISHEK PRAKASH TALREJA, was employed with the Company since 2015 with responsibilities of finance, accounts, taxation, HR and administration functions over the years.
Directorships held in other listed companies/ body corporates	Gemini Dyeing and Printing Mills Limited & Stargate Multitrade LLP
Chairmanship/Membership of Committees held in other Listed companies/body corporates	NIL
Relationship with other Directors and Key Managerial Personnel	He is a Son of Shri. GULLU GELLARAM TALREJA CMD of the Company.
Number of Equity shares held in the Company	NIL
Number of Board Meetings attended during last Financial Year (2017-18)	5 (Five)
Terms and conditions of appointment	Non-Executive and Non-Independent Director, liable to retire by rotation.

STATEMENT SETTING OUT MATERIAL FACTS, PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF ITEM NOS. 4 OF THE NOTICE

Item No. 4

Mrs. Ambusaravan Asha was appointed as an Additional Director of the Company effective June 4, 2018, pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company, to hold the office of director up to the date of this AGM i.e. September 29, 2018.

Pursuant to the recommendation of the Nomination & Remuneration Committee of the Board, Mrs. Ambusaravan Asha is to be appointed as Director of the Company pursuant to Section 152 of the Companies Act 2013, to hold office as an Independent Director in terms of Section 149(10) of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), read with Schedule IV of the Companies Act, 2013, for a fixed initial term of five years up to June 3, 2023 (effective from June 4, 2017). Profile of Mrs. Ambusaravan Asha pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 is provided as an Annexure to this Statement. None of the Directors or Key Managerial Personnel of the Company or their relatives other than the Director proposed to be appointed is in any way concerned or interested (financially or otherwise) in the Resolution as set out at Item No.4. The Board commends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

PROFILE OF APPOINTMENT (Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name	AMBUSARAVAN ASHA
Director Identification Number	08147485
Date of Birth	04/01/1978
Qualification	Graduation in Commerce
Nature of his expertise in specific functional areas	Mrs. AMBUSARAVAN ASHA, was employed with the various Company since 2006 with responsibilities of finance, accounts, taxation, HR and administration functions over the years.
Directorships held in other listed companies/ body corporates	NIL
Chairmanship/Membership of Committees held in other Listed companies/body corporates	NIL
Relationship with other Directors and Key Managerial Personnel	NIL
Number of Equity shares held in the Company	NIL
Number of Board Meetings attended during last Financial Year (2017-18)	NIL
Terms and conditions of appointment	Appointment for a fixed initial term of five consecutive years.

By Order of the Board
PAN Electronics (India) Limited

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Registered Office:

16b, 1st Phase, Peenya Industrial Area,
Peenya, Bengaluru – 560 058
CIN:L00309KA1982PLC004960

PAN ELECTRONICS (INDIA) LIMITED
CIN: L00309KA1982PLC004960

Instructions for E-voting:

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The e-voting particulars are set out below:

EVSN (E-Voting Sequence Number)	180908015
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The e-voting facility will be available during the following voting period:

Commencement of e-voting : From **9.00 a.m.** (IST) on **26th September 2018**

End of e-voting : Up to **5.00 p.m.** (IST) on **28th September 2018**

The instructions for E-voting are as under:

- (i) The shareholder should log in to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Enter the user id and the CAPTCHA code as appearing on the screen.
- (iv) If you are holding shares in Demat form and have already voted earlier on www.evotingindia.com for a voting of any other Company, then your existing login id and password are to be used.
- (v) If you are a first time user follow the steps given below.

Fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department and updated with the Company when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut-off date in the Dividend Bank details field.	

*Only those Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of sequence numbers (eg 00000001) in the PAN field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and against the same the option "For/Yes/Favour and Against/No" for voting. Select the option "I/We assent to the Resolution for FOR/YES/FAVOUR or "I/We dissent to the Resolution for AGAINST/NO" as desired. The option FOR/YES/FAVOUR implies that you assent to the Resolution and option AGAINST/NO implies that you dissent to the Resolution.
- (x) Click on the "Resolutions File" link if you wish to view the entire Resolutions.
- (xi) After selecting the resolutions 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.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution or POA in favour of the Custodian who they have authorised to vote on their behalf, if any, in PDF format in the system for the scrutinizer to verify the vote.
- (xiv) During the voting period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **21st September 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (xv) 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 email to helpdesk.evoting@cdslindia.com.
- (xvi) The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 21st September 2018.
- (xvii) **Shri Vivek Bhat, Company Secretary**, has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xviii) The scrutiniser shall within a period of not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xix) The results of the e-voting along with the scrutinizers report shall be placed on the Company's website www.panelectronicsindia.com/investors and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

PAN ELECTRONICS (INDIA) LIMITED
CIN: L00309KA1982PLC004960

Form No. MGT – 11

Proxy Form

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

CIN: L00309KA1982PLC004960

Name of the Company: PAN ELECTRONICS (INDIA) LIMITED

Registered Office: 16b, 1st Phase, Peenya Industrial Area, Peenya, Bengaluru – 560 058.

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

I / We, being the member(s) of ____ shares of the above mentioned company, hereby Appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him/her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him/her

3. Name: _____

Address: _____

E-mail Id: _____

Signature: _____, or failing him/her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Annual General Meeting of the Company, to be held on September 29, 2018 at 03:00 p.m. at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015 and at any adjournment thereof, resolutions as set out in the Notice convening the meeting.

Signed this ____ day of _____, 2018

Signature of Shareholder

Affix Revenue Stamp

Signature of Proxy Holder (s)

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

THIRTY FIFTH ANNUAL GENERAL MEETING ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company

Folio # _____ DP Id* _____ Client Id* _____ Shares held _____

Name & Address of Shareholder in full _____

I hereby record my presence at the THIRTY FIFTH ANNUAL GENERAL MEETING of the Company to be held at Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015 on 29 September 2018 at 3.00 pm

MEMBER'S SIGNATURE

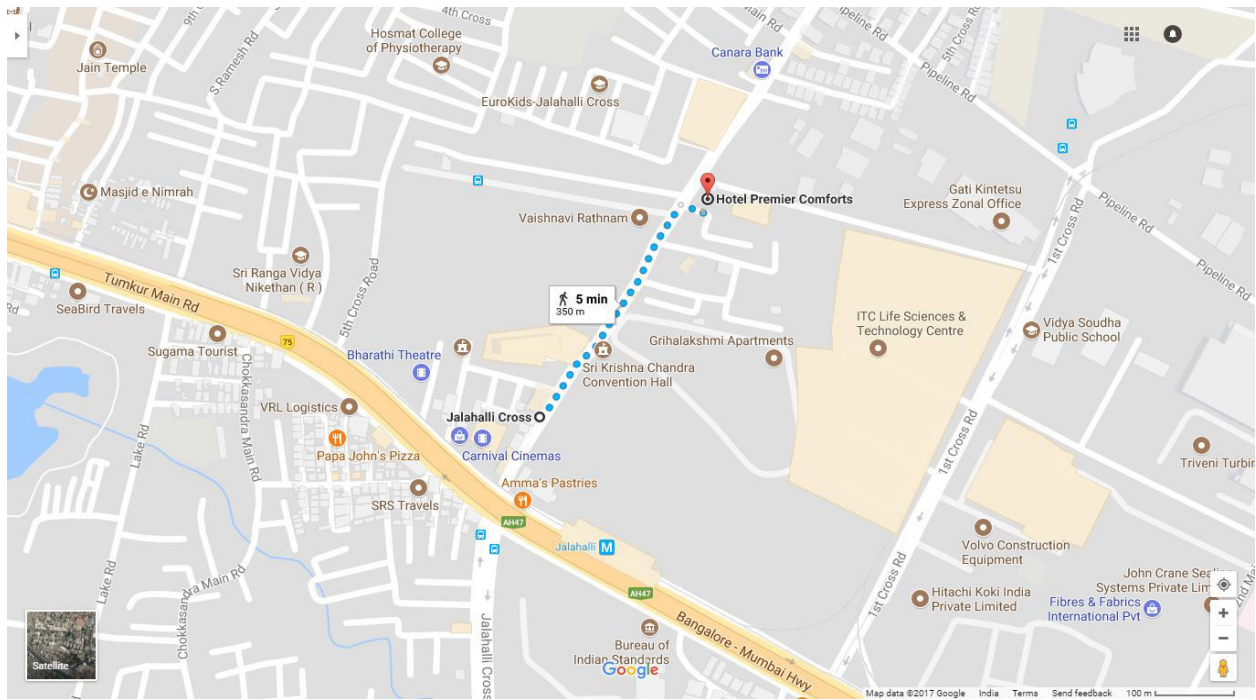
Member's/Proxy's name in block letters

Member's/Proxy's Signature

*Applicable for investors holding shares in dematerialized form

NOTE: Your entry to the meeting will be regulated by this Admission Slip

AGM Avenue route map



FORM NO. MGT-12
Polling Paper

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

PAN ELECTRONICS (INDIA) LIMITED

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

BALLOT FORM

1.	Name(s) & Registered Address of the Sole / First named Member		
2.	Name(s) of the Joint holder(s), if any		
3.	Registered Folio Number / DP ID No. / Client ID No. * (*Applicable to investors holding shares in dematerialised form)		
4.	Number of Ordinary Share(s) held		
5.	I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Thirty Four Annual General Meeting (AGM) of the Company on Saturday, 29th September, 2018 by making my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:		
Agenda Item No.	Description of Resolution	(FOR)	(AGAINST)
		I/We assent to the Resolutions	I/We dissent to the Resolutions
ORDINARY BUSINESS			
1.	Adoption of audited Financial Statement as at 31st March 2018, and reports of the Board of Directors, Corporate Governance and Auditors thereon.		
2.	Re-appoint of Shri. Abhishek Talreja (DIN: 05007867), Director, who retires by rotation.		
SPECIAL BUSINESS			
3.	Appoint of Mrs. Ambusaravan Asha (DIN: 08147485) as an Independent Director for a term of Five years.		

Place:
Date:

Signature of the Member

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Fifth Annual Report on the Business and Operations of the Company and Financial Results for the year ended 31st March 2018.

FINANCIAL RESULTS	As at 31st March 2018 Rupees	As at 31st March 2017 Rupees
01 REVENUE FROM OPERATIONS		
Net Revenue from Operations	(2,52,551)	38,23,731
02 OTHER INCOME	28,12,206	6,53,912
03 TOTAL REVENUE [1 + 2]	25,59,655	44,77,643
04 EXPENSES		
Cost of Material Consumed	1,33,390	52,72,869
Changes in Inventories of Finished Goods, WIP & Stock in Trade	10,50,021	(12,16,621)
Employee Benefit Expenses	46,64,342	46,14,629
Finance cost	9,55,238	5,22,814
Depreciation and Amortization Expenses	61,08,059	61,97,832
Other Expenses	18,55,142	79,15,594
Total Expenses	1,47,66,191	2,37,80,944
05 PROFIT / (LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX [3-4]	(1,22,06,537)	(1,93,03,301)
06 EXCEPTIONAL ITEMS	-	-
07 PROFIT / (LOSS) BEFORE EXTRAORDINARY ITEMS AND TAX [5-6]	(1,22,06,537)	(1,93,03,301)
08 EXTRAORDINARY ITEMS	-	-
09 PROFIT / (LOSS) BEFORE TAX [7 - 8]	(1,22,06,537)	(1,93,03,301)
10 TAX EXPENSES		
1. Current Tax [MAT]	-	-
Less: MAT Credit entitlement	-	-
Net Current Tax	-	-
2. Deferred Tax: Asset/(Liability)	-	-
11 PROFIT / [LOSS] FOR THE PERIOD FROM CONTINUING OPERATIONS [9-10]	(1,22,06,537)	(1,93,03,301)
12 PROFIT / [LOSS] FROM DISCONTINUING OPERATIONS	-	-
13 TAX EXPENSES OF DISCONTINUING OPERATIONS	-	-
14 PROFIT / [LOSS] FROM DISCONTINUING OPERATIONS [AFTER TAX] [12-13]	-	-
15 PROFIT / [LOSS] FOR THE PERIOD [11+14]	(1,22,06,537)	(1,93,03,301)
16 EARNING PER EQUITY SHARE (Basic and Diluted)	(3.0516)	(4.8258)

Note: Figures in bracket indicate loss. Previous year's figures have been regrouped / reclassified wherever necessary.

DIVIDEND:

Since the unabsorbed loss persists, the Directors have not recommended any dividend for the year.

RESERVE & SURPLUS

No amount is proposed to be transferred to the General Reserve.

CHANGE IN NATURE OF BUSINESS:

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

PROFITABILITY:

Due to adverse market conditions in the industry, there is a loss in the company. Depreciation is a contributor for the book loss and the Company does not have cash loss to that extent. There has been underutilization leading to loss. However, the Company has settled and paid all FIs and Banks.

FINANCE AND TAXATION:

The company does not have any financial limits with any Bank.
Income tax assessment for the assessment years 2016-17 is in progress.

FIXED DEPOSITS:

During the year under review, the Company has not accepted any Fixed Deposits from the Public.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTFLOW:

As required by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, the relevant data pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange earnings and outgo are given in the Annexure – 2 forming part of this Report.

INDUSTRIAL RELATIONS AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Directors are pleased to record the appreciation and sense of commitment shown by our employees at all levels and acknowledges their contribution towards sustained progress of the Company. The relations between Management and Employees are good. Due to continued losses, CSR activity could not be taken up this year also.

BOARD OF DIRECTORS' & KEY MANAGERIAL PERSONNEL

PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2018:

SANGEETHALAKSHMI BHAT resigned from the board on 28th March, 2018 as an Independent Director of the company. Same place AMBUSARAVAN ASHA appointed as an Independent Director as well as woman Director.

Directors:

The Board consists of four directors of whom two are independent directors.

Sl. No.	Name of the Director	Appointment/ Resignation Date	Date of appointment
1.	Gullu Gellaram Talreja	Managing Director	06-01-2015
2.	Abhishek Prakash Talreja	Whole time Director	06-01-2015

3.	Hari Naunmal Tarachandani	Director (Independent)	10-08-2015
4.	Sangeethalakshmi Bhat	Director (Independent)	Resigned on 28 th March, 2018
5.	Ambusaravan Asha	Director (Independent)	04-06-2018

Notice of meeting has adequately covered re-appointment of Directors to be in consonance with Companies Act 2013

As per the provisions of the Companies Act, 2013, Mr. Abhishek Prakash Talreja retires at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment.

LISTING AGREEMENT WITH STOCK EXCHANGES:

Listing agreement with the Bombay Stock Exchange Ltd, Mumbai continues to be valid and the Company has been regular in paying requisite fees. The Company's ISIN is: INE648E01010

CORPORATE GOVERNANCE REPORT:

In terms of Regulation 34 read with Schedule V of LODR with the Stock Exchanges. A separate section on Corporate Governance, along with a certificate from M/s. B. N. Subramanya & Co., (Firm Registration No: 004142S) Chartered Accountants, for the compliance is Annexure – 4 and forms part of this report.

COMPANY SECRETARY

Your Company has appointed Manjunatha Hegade as a Company Secretary and Compliance officer keeping in view of the provisions contained in Companies Act, 2013. The duties are presently complied by him. But Manjunatha Hegade is resigned from the designation on 4th June, 2018. Company is looking for another candidate for as Company Secretary and Compliance Officer.

AUDITORS:

i. Statutory Auditors

M/s. B. N. Subramanya & Co., (Firm Registration No: 004142S) Chartered Accountants, hold office until the conclusion of the five year period. As required by the provisions of the Companies Act, 2013, the auditors to be appointed by members at the AGM. Accordingly, as Statutory Auditors of the Company for a period of 5 (Five) years.

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

iii. Secretarial Auditor:

The Board has appointed Mr. Vivek Bhat, a Practising Company Secretary (Membership No. FCS-7708) as the Secretarial Auditor as per the provisions of Section 204 of the Companies Act, 2013 for the financial year 2018-19. The Secretarial Audit Report issued by him is enclosed as to this Report.

FRAUD REPORTED BY THE AUDITORS DURING THE YEAR:

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

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

There is no Subsidiary, Joint Venture and Associate Company

PARTICULARS OF EMPLOYEES UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

The particulars are furnished in Annexure – 3 and forms part of Directors' Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and external agencies, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls were adequate and effective as on 31 March, 2018.

Accordingly, pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that we have 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 and loss of the Company for that period;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts have been prepared on a going concern basis;
- e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

SECRETARIAL AUDITORS REMARKS

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board of Directors appointed Vivek Bhat, Practicing Company Secretary as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2017-18 and his report is annexed to this Board report. In connection, with the auditors observation in the report;-

The Company has not given paper advertisement for financial disclosures.

Reply : Company in loss and not able to bear the advertisement expenses in relation to publishing in newspaper.

The Company has not appointed Chief Financial Officer as required under section 203 of the Companies Act, 2013

Reply : Company is looking for proper candidate, we are trying to get this F.Y for the position of CFO.

The Company has not appointed Internal Auditor during the year.

Reply : Company in loss and not able to bear the internal Auditor of the company, this year we will recommend to appoint as an internal auditor.

The Board has also appointed Vivek Bhat, as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2018-19.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.

There are no contract or arrangement made with related parties referred to in Section 188 (1) of the Companies Act, 2013, hence Form AOC -2 is not applicable.

DECLARATION BY INDEPENDENT DIRECTOR

The Company has received necessary declaration from Independent Director under Section 149 (7) of the Companies Act, 2013, that he/she met the criteria of independence laid down in section 149 (6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 (LODR).

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the board, and separate its functions of governance and management.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of directors and other matters as required under Section 178 (3) of the Companies Act, 2013 is available on the Company's website. There has been no change in the policy since the last fiscal year. We affirm that, remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration policy of the Company. Details of Policy on directors' appointment and remuneration form part of the Corporate Governance report.

INTERNAL FINANCIAL CONTROL

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2018, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weakness exists. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and/or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

RISK MANAGEMENT POLICY

Pursuant to Section 134 (n) of the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Risk Management committee of the Board of directors of the Company has been constituted. The details of the committee and its terms of reference are set out in the corporate governance report forming part of this report. While the Company has identified certain major risks and initiated appropriate measures to mitigate the said risks, a process to enhance the risk management framework is underway.

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format is appended as Annexure 1 to the Boards' Report.

NUMBER OF BOARD MEETINGS

The Board met Five (5) times during the Fiscal 2017-18. The details of which are given in the Corporate Governance report that forms part of this Annual Report. The maximum gap between any two meetings did

not exceed 120 days, as prescribed by the Companies Act, 2013.

COMMITTEES OF THE BOARD

As on March 31, 2018, the Board had three Committees: the Audit committee, the Nomination and Remuneration committee and the Stakeholders Relationship committee. The detailed note on composition of the Board and its committees excluding Corporate Social Responsibility Committee is disclosed in the Report on Corporate Governance forming part of this report.

MANAGEMENT DISCUSSION & ANALYSIS

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

Cautionary Statement

Statements in this "Management Discussion and Analysis" contain forward looking statements which may be identified by the use of words in that directions or connoting the same. All statements that address expectations or projections about the future, including, but not limited to statements about the company's strategy for growth, product development, market position, expenditures and financial results are forward looking statements.

These 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's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements, on the basis of any subsequent development, information or events.

GENERAL

Your Directors state as follows

1. No significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

2. There was no issue of equity shares with differential rights, as to voting, dividend or otherwise.
3. There was no issue of shares including as sweat equity shares or employee stock options.
4. There were no deposits covered under Chapter V of the Companies Act, 2013.
5. No money has been provided by the company for purchase of its own shares by employees or by trustees for the benefit of employees.
6. No subsidiaries have paid remuneration to Managing Director.
7. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the year under review there were no cases filed pursuant to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation of the contribution and support of the employees at all levels. They also place on record their appreciation of the continued support and faith extended during the year by the Company's customers, suppliers, bankers and shareholders.

Bangalore
14/08/2018

By Order of the Board
PAN Electronics (India) Limited
Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Annexure - 1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

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

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Metallised Plastic Films	99887590	90%
2	Capacitor Elements	99887590	10%

PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE

III COMPANIES

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

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

Category of Shareholders	No. of Shares held at the beginning of the year - 01.04.2017				No. of Shares held at the end of the year - 31.03.2018				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian	-	-	-	-	-	-	-	-		-
a) Individual/HUF	2817560	-	2817560	70.44	2817560	-	2817560	70.44		-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-		-
c) Bodies Corporates	-	-	-	-	-	-	-	-		-
d) Bank/FI	-	-	-	-	-	-	-	-		-
e) Any other	-	-	-	-	-	-	-	-		-
SUB TOTAL:(A) (1)	2817560	-	2817560	70.44	2817560	-	2817560	70.44		-
(2) Foreign										
a) NRI- Individuals	-	-	-	-	-	-	-	-		-
b) Other Individuals	-	-	-	-	-	-	-	-		-
c) Bodies Corp.	-	-	-	-	-	-	-	-		-
d) Banks/FI	-	-	-	-	-	-	-	-		-
e) Any other...	-	-	-	-	-	-	-	-		-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-		-

PAN ELECTRONICS (INDIA) LIMITED

CIN: L00309KA1982PLC004960

Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	2817560	-	2817560	70.44	2817560	-	2817560	70.44		-
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/FI	3000	200	3200	0.08	3000	200	3200	0.08		-
c) Central govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	3000	200	3200	0.08	3000	200	3200	0.08		-
(2) Non Institutions										
a) Bodies corporates										
i) Indian	7747	24300	32047	0.80	6347	24300	30647	0.77		- 0.03
ii) Overseas	-	-	-	-	-	-	-	-	-	-
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	333911	518495	852406	21.31	330364	522502	852866	21.32		0.01
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	151187	100000	251187	6.28	151187	100000	251187	6.28		-
c) Others (specify)										
NRI	41500	-	41500	1.04	41600	-	41600	1.04		-
Clearing Member	2100	-	2100	0.05	2940	-	2940	0.07		0.02
SUB TOTAL (B)(2):	536445	642795	1179240	29.48	532438	646802	1179240	29.48		-
Total Public Shareholding (B)= (B)(1)+(B)(2)	539445	642995	1182440	29.56	535438	647002	1182440	29.56		-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-		-

Grand Total (A+B+C)	3357005	642995	4000000	100.00	3352998	647002	4000000	100.00		0.00

(i) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year - 01.04.2017			Shareholding at the end of the year - 31.03.2018			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	GULLU G TALREJA	2817560	70.44	-	2817560	70.44	-	-
	Total	2817560	70.44	-	2817560	70.44	-	-

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

SI No.	Shareholders Name	Shareholding at the beginning of the Year - 01.04.2017		Date	Increase/Decrease in Share Holding	Reason	Cumulative Shareholding during the year - 31.03.2018	
		No. of Shares	% of total shares of the company				No of shares	% of total shares of the company
1	GULLU G TALREJA	2817560	70.44	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018	-	-	2817560	70.44

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

SLNO	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR - 01.04.2017			Date	Increase/Decrease in Share Holding	Reason	CUMULATIVE SHAREHOLDING DURING THE YEAR - 31.03.2018	
		No. of Shares	% of Total Shares of the Company	No Of Shares				% of Total Shares of the Company	
1	DEVENDRA P. SOLANKI	139087	3.48	01.04.2016	NO MOVEMENT DURING THE YEAR				
				31.03.2017	-	-	139087	3.48	
2	MANGAL BHANSHALI	100000	2.50	01.04.2017	NO MOVEMENT DURING THE YEAR				
				31.03.2018	-	-	100000	2.50	
3	JYOTHINDRAN KOZHIKODE PUTHEN VEETIL	21500	0.54	01.04.2017	NO MOVEMENT DURING THE YEAR				

				31.03.2018	-	-	21500	0.54
4	RITA KUMAR CHAINANI	20000	0.50	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018	-	-	20000	0.50
5	RAVI SHAMLAL AHUJA	12100	0.30	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018	-	-	12100	0.30
6	MANSUKH GOVIND GOHIL	8107	0.20	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018	-	-	8107	0.20
7	PLASTCON PACKAGING PVT LTD	7200	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018	-	-	7200	0.18
8	SABHA ARENJA	7000	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018			7000	0.18
9	SHIREN ARENJA	7000	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018			7000	0.18
10	ANKUSH ARENJA	7000	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018			7000	0.18
11	SAHIL ARENJA	7000	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018			7000	0.18
12	MEHAK ARENJA	7000	0.18	01.04.2017	NO MOVEMENT DURING THE YEAR			
				31.03.2018			7000	0.18

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	GULLU TALREJA ^G	2817560	70.44	-	NO MOVEMENT DURING THE YEAR			

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness

Indebtedness at the beginning of the financial year				
i) Principal Amount	48,96,743	12,24,90,385		
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	48,96,743	12,24,90,385		
Change in Indebtedness during the financial year				
* Addition	9,16,595	69,63,377		
* Reduction				
Net Change	9,16,595	69,63,377		
Indebtedness at the end of the financial year				
i) Principal Amount	58,13,338	12,94,53,762		
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	58,13,338	12,94,53,762		13,52,67,100

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify...					
5	Others, please specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		H Tarachandani	Sangeetalakshmi Bhat	
1	Independent Directors			
	Fee for attending board committee meetings	2,500	2,500	5,000
	Commission			
	Others, please specify			
	Total (1)			
2	Other Non-Executive Directors			

	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission			
	Others, please specify			
	Total (2)			
	Total (B)=(1+2)	2,500	2,500	5,000
	Total Remuneration	Managerial		
	Overall Ceiling as per the Act			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary		3,00,000		3,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total		3,00,000		3,00,000

XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

Annexure - 2

Annexure to Directors Report

PARTICULARS AS PER COMPANIES RULES 1988 (Disclosure of particulars in the Report of the Board of Directors in terms of Notification 1029 of 31.12.1988 issued by the Dept. of Company Affairs)

A	CONSERVATION OF ENERGY	The Company continues to pursue its efforts to conserve the energy resources with its focus on reducing fuel and electrical energy costs.
B	TECHNOLOGY ABSORPTION	Furnished below
C	Foreign Exchange earnings & out go	The information on Foreign Exchange Earnings and outgo is furnished in the Notes to the accounts.
D	RESEARCH & DEVELOPMENT	
1.	Specific area in which R & D carried out by the Company	The Company has an on-going R&D Department to improve the quality of metallization, etc. and enhance productivity
2	Benefits derived as a result of the above R & D	Company has produced superior quality metallised film for various applications
3	Future plan of action	The Company would like to pursue its R & D efforts with an objective to enhancing the quality & value of the process and products
4	Expenditure on R & D	Nil

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1	Efforts, in brief, made towards absorption, adaptation and innovation	NIL
2	Benefit derived as a result of the above results	NIL
3	Information on Imported Technology	NIL

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

Annexure - 3

Details of Ratio of Remuneration of Director [Section 197(12), of the Companies Act 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]

There are no employees who are in receipt of remuneration in the aggregate at the rate of not less than Rs. 60,00,000/- per annum (or Rs.5,00,000/- per month) in respect of part of the year during the year under audit.

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

Annexure - 4

Corporate Governance Report for the year 2017-18

(SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations/LODR))

1. Company's philosophy on Corporate Governance

Corporate Governance is an integral part of the values, ethics and the best business practices followed by the company. The core values of the Company are:

- Commitment to excellence and customer satisfaction
- Maximizing long-term shareholder's value
- Socially valued enterprise
- Caring for people and environment
- Integrity including intellectual honesty, openness, fairness and trust

2. Board of Directors

The names and categories of the Directors on the Board, and their attendance at the Board Meetings during the year is given below:

Name	Category	Date of last A.G.M	No. of Board Meetings	No. of other Directorship	No. of other Committee Membership
		27.09.17	Attended / Held	(In public Companies)	
Shri. Gullu G Tarleja DoB: 12 March 1952 DoA: 6 January 2015	Chairman & Managing Director	Present	5/5	1	NIL
Shri Abhishek P Talreja DoB: 26 July 1980 DoA: 6 January 2015	Whole time Director, Non-Independent Executive	Present	5/5	1	3
Shri. H N Tarachandani DoA: 10 August 2015	Independent Non-Executive	Present	5/5	NIL	3
Smt Sangeeta Laxmi Bhat DoA: 10 August 2015 DoR: 28 March 2018	Independent Non-Executive	Present	5/5	NIL	2
Smt Ambusaravan Asha DoA: 4 June 2018	Independent Non-Executive	NA	NA	NA	NA

DoB: Date of Birth; DoA: Date of Appointment; DoR: Date of Resignation

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

1. 30/05/2017

2. 11/09/2017
3. 21/11/2017
4. 14/02/2018
5. 31/03/2018

Brief Resume of Managing and Whole time Directors:

Shri Gullu G Talreja

Financially & Marketing literate and marketing expert promoter director and is Chairman & Managing Director of Company

Shri Abhishek P Talreja

Operations & Marketing literate Executive and is the Whole time Director of the Company

3. Audit Committee

The Board reconstituted the Audit Committee. The terms of reference of the Audit Committee broadly are as under:

- a) To hold periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the Accounts of the Company, internal control systems, scope of audit and observations of the Auditors/Internal Auditors and its redressal.
- b) To review compliance with internal control systems
- c) To review the quarterly, half-yearly and annual financial results of the Company before submission to the Board
- d) To make recommendations to the Board on any matter relating to the financial management of the Company.
- e) Recommending the appointment of Statutory Auditors.
- f) Others (As covered in LODR)

The composition of the Audit Committee and the details of meetings attended by the Members are given below:

Name of Member	Category	No. Of meetings	
		HELD	ATTENDED
Shri. H N Tarachandani, Chairman	Independent Non-Executive	4	4
Smt Sangeeta Laxmi Bhatt	Independent Non-Executive	4	4
Shri Abhishek P Talreja	Whole Time Director	4	4

Four Audit Committee Meetings were held during the year 2017-18. The said meetings were held on the following dates: 30/5/2017, 11/9/2017, 21/11/2017 and 14/02/2018.

Audit Committee meetings are attended by Managing Director, Statutory Auditor, Internal Auditor and the Accounts Officer of the Company.

4. Remuneration Committee

The Board reconstituted the Remuneration Committee. The terms of reference to the committee are as per the requirements of LODR.

The composition of the revised Remuneration Committee is given below:

NAME OF MEMBER	CATEGORY
Shri. H N Tarachandani, Chairman	Independent Non-Executive
Shri. Sangeeta Laxmi Bhatt, Member	Independent Non-Executive

Remuneration Committee met on 14/02/2018 and recommended revised Remuneration package to Managing Director for the years 2017-18 to 2018-19.

Remuneration Policy

The Company has adhered to provisions of Schedule V of the Companies Act, 2013 while fixing the remuneration package to its Managing Director and Executive Director.

Details of remuneration for 2017-18 and Tenure:

Name	Remuneration	Sitting Fee	Tenure
Shri Gullu G Talreja	Nil	Nil	Upto date in Form 25C
Shri Abhishek P Talreja	Nil	Nil	Appointment has been proposed for 5 years wef 25 Sept 2015
Shri H N Tarachandani	Nil	Rs. 2500	Appointment has been proposed for 5 years wef 25 Sept 2015
Smt Sangeeta Laxmi Bhatt	Nil	Rs. 2500	Appointment has been proposed for 5 years wef 25 Sept 2015

Disclosure of shares held by Non –Executive Directors in the Company as on 31/03/2018
Shri. H N Tarachandani – NIL

5. Shareholders and grievances Committee

The composition of the Investor Grievance Committee which also approves share transfer in physical form is given below:

NAME OF MEMBERS	CATEGORY
Shri. Hari Nanumal Tarachandani	Chairman (from 6 January 2015)
Shri. Abhishek P Talreja, Member	Executive (from 6 January 2015)

Scope:

- i) To approve transfer and transmission of shares in Physical form.
- ii) To oversee redressal of complaints.
- iii) To approve Demat of Shares

Meetings were held on: 30/05/2017, and 11/09/2017

6. Name & designation of Compliance Officer :

Shri Manjunatha Hegde

Company Secretary and Compliance officer

7. General Body Meetings

a) Location and time, where last three Annual General Meetings (AGM) were held:

Date of AGM	Type of Meeting	Location and Time
25/09/2015 at 3 pm	AGM	Vijay Nagar club, Vijay Nagar, Bengaluru
29/09/2016 at 3 pm	AGM	Vijay Nagar club, Vijay Nagar, Bengaluru
27/09/2017 at 3 pm	AGM	Hotel Premier Comforts, 13/2, S.M. Road, Ayyappa Temple Road, Jalahalli Cross (West), Bangalore – 560 015

b) Investor Complaints:

No. of complaints received from Shareholders from 1.4.2017 to 31.3.2018	Nil
No. of complaints solved to the satisfaction of the Shareholders	NA
Pending	Nil

8. Disclosures

- Disclosures on materially significant related party transactions i.e. Transactions of the Company of material nature, with its promoters, the directors or the management, their relatives that may have potential conflict with the interest of Company at large: As per Balance sheet.
- Details of non –compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: NIL

9. Means of communication

- 1) Quarterly Results are normally published in website and stock exchange.
Any website, where displayed – On company website: www.panelectronicsindia.com/investors
Whether it also displays official news releases and presentation made to intuitional investors or to the analysts – N.A.
Whether MD&A is a part of annual report or not – Yes
- 2) Company's Email ID to receive complaints and grievances from investors is investors@panelectronicsindia.com.

Listing on Stock Exchanges:

Bombay Stock Exchange Limited, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Stock Code:

Stock Exchange Mumbai: 517397

Market Price Data:

Period (Apr 2017 to Mar 2018)									
Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	* Spread (Rs.)	
								H-L	C-O
Apr-17	-	-	-	-	-	-	-	-	-
May-17	4.00	4.20	3.80	3.80	1300	8	5260	0.40	-0.20
Jun-17	-	-	-	-	-	-	-	-	-
Jul-17	-	-	-	-	-	-	-	-	-
Aug-17	3.90	5.19	3.90	5.19	2586	12	11719	1.29	1.29
Sep-17	5.44	5.44	5.25	5.25	400	3	2119	0.19	-0.19
Oct-17	5.51	5.51	5.50	5.50	600	2	3305	0.01	-0.01
Nov-17	-	-	-	-	-	-	-	-	-
Dec-17	-	-	-	-	-	-	-	-	-
Jan-18	5.50	5.50	5.50	5.50	30	1	165	0	0
Feb-18	5.50	5.50	5.50	5.50	200	1	1100	0	0
Mar-18	5.50	5.77	5.49	5.49	1640	6	9153	0.28	-0.01

Registrar and Transfer Agents:

Integrated Registry Management Services Private Limited (Formerly Integrated Enterprises (India) Limited),
30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bengaluru 560 003

Share Transfer System:

Share Transfer in physical form can be lodged with the Share Transfer Agents at the above mentioned address.

The transfers are normally processed within the stipulated time from the date of receipt of the documents if complete in all respects. Share Transfer Committee of the Board approves the transfers, if the shares are in Physical Form.

Insider trading norms are adhered and reported to stock exchanges upon information from the concerned.

DISTRIBUTION SCHEDULE

No. of share Holders	% of Total	Shareholding of Nominal of Rs.10/-		No. of shares	Amount Rs.	% of total
2230	86.80		up to 5,000	391519	3915190	9.79
204	7.94	5,001	10,000	174855	1748550	4.37
71	2.76	10,001	20,000	105951	1059510	2.65
27	1.05	20,001	30,000	66907	669070	1.67
15	0.58	30,001	40,000	53652	536520	1.34
6	0.23	40,001	50,000	27618	276180	0.69
10	0.39	50,001	1,00,000	69251	692510	1.73
6	0.23	1,00,001	& above	3110247	31102470	77.76
2569	100.00	TOTAL		4000000	40000000	100.00

Dematerialization of shares and liquidity:

Shares in physical form can be de-materialized and dealt on NSDL/CDSL. As on 31st March, 2018, 84.03% of Shares were held in dematerialized form and the rest in physical form.

Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity: NONE

Plant Locations:

New Municipal No.7, 16B, 1st Phase, Peenya Industrial Area, Bengaluru – 560 058

Address for correspondence:

16B Peenya Industrial Area Phase I, Peenya, Bengaluru 560 052

Share Holding Pattern as on 31/03/2018:

	CATEGORY	No. of Shares held	% of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	2817560	70.44
	- Foreign Promoters	-	-
	Promoters		
2	Persons acting in concert	-	-
	Sub-Total (1+2)	2817560	70.44
B	Non-Promoters Holding		
3	Institutional Investors		
a.	Mutual Funds and UTI	-	-
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions, Non-government Institutions)	3200	0.08
c.	FII's	-	-
	Sub-Total (3a+b+c)	3200	0.08
4	Others		
a.	Private Corporate Bodies	33587	0.84
b.	Indian Public	1104053	27.60
c.	NROs/NRIs/OCBs	41600	1.04
	Sub-Total (4a+b+c+d)	1179240	29.48
	Grand Total	4000000	100.00

Declaration:

I, Gullu Gellaram Talreja, Chairman & Managing Director, hereby declare that all the Board Members and Senior Management personnel have complied with code of conduct adopted by the Company.

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

Compliance certificate by Managing Director and Whole-time Director as per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

PAN ELECTRONICS (INDIA) LIMITED (Company)

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

This is to certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2018 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statements or any material fact or statements that might be misleading.
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the company and have disclosed to the auditors and the audit committee, deficiencies in design or operation of internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies are adequate.
- d) We have indicated to the auditors and the audit committee:
 - i. That there have been no significant changes in internal control over financial reporting during the year;
 - ii. That there have been no significant changes in accounting policies during the year needing specific disclosure in the notes to the financial statements; and
 - iii. The instances of significant fraud of which we have become aware and confirmed that no member of the management or an employee having a significant role in the listed entity's internal control system over financial reporting is involved therein.

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Pan Electronics (India) Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of investment in overseas subsidiary and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**')

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

VI. Other laws applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with the BSE Limited.

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

1. *The Company has not given paper advertisement for Board meeting Notice, AGM Notice and for financial Results.*
2. The Company has not appointed Chief Financial Officer as required under section 203 of the Companies Act, 2013
3. The Company has not appointed Internal Auditor during the year.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Woman Director 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 directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Bangalore
14/08/2018

Sd/-
Vivek Bhat
FCS-7708, CP 8426

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

Annexure A

To,

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Bangalore
14/08/2018

Sd/-
Vivek Bhat
FCS-7708, CP 8426

CERTIFICATE ON CORPORATE GOVERNANCE

To the members of Pan Electronics (India) Limited

We have examined the compliance of conditions of Corporate Governance by Pan Electronics (India) Limited ('the Company') for the year ended on 31 March, 2018, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Managements' Responsibility

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

Auditors' Responsibility

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

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

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

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

PAN ELECTRONICS (INDIA) LIMITED
CIN: L00309KA1982PLC004960

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

For B N Subramanya & Co., Chartered
Accountants
Firm Reg.No. 04142S

Bangalore
14/08/2018

Devendra Nayak
Partner
Membership No.027449

Dear Shareholder,

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

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

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

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

Thanking You,

For and on behalf of the Board of Directors

Bangalore
14/08/2018

Sd/-
GULLU GELLARAM TALREJA
Managing Director | DIN 01740145

Sd/-
ABHISHEK PRAKASH TALREJA
Whole-time Director | DIN 05007867

FORM A

Covering letter of the annual audit report to be filed with the stock exchange

- | | | |
|----|--|---|
| 1. | Name of the Company: | PAN ELECTRONICS (INDIA) LIMITED
CIN: L00309KA1982PLC004960 |
| 2. | Annual financial statements for the year ended | 31st March 2018 |
| 3. | Type of Audit observation | Un Modified / Emphasis of Matter |
| 4. | Frequency of observation | Whether appeared first time / repetitive / since how long period: since 1 years |
| | To be signed by- | |
| | CEO / Managing Director | Sd/-
Gullu G Talreja |
| 5. | CFO / Whole-time Director | Sd/-
Abhishek P Talreja |
| | Auditor of the company | Sd/-
Devendra Nayak |
| | Audit Committee Chairman | Sd/-
H N Tarachandani |

Place : Bangalore
Date: 14/08/2018

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

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **M/s PAN ELECTRONICS (INDIA) LIMITED** ("the Company"), which comprises of Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS,

- (a) In the case of the Balance Sheet, of the state of affairs (financial position) of the Company as at 31st March, 2018,
- (b) In the case of the Statement of Profit and Loss, of its Loss (financial performance including other comprehensive income),
- (c) its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 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 purposes 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, the cash flow statement and Statement of Changes in equity 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 Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act; and
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

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

- (i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For B N Subramanya & Co., Chartered
Accountants
Firm Reg.No. 04142S

Bangalore
25/05/2018

Devendra Nayak
Partner
Membership No.027449

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2018, we report that:

i) Fixed Assets

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

ii) Inventory

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

iii) Loans and Advances

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

iv) Loans/Investments/Guarantees

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

v) Deposits

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

vi) Cost records

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

vii) Statutory Dues

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

Name of Statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Due date
Income Tax Act,1961	Tax Deducted at Source(Sec-194C)	Rs.19,600	January, 2017	7 th of Subsequent month
Income Tax Act,1961	Tax Deducted at Source(Sec-194C)	Rs.3,003	April,2017 to September, 2017	7 th of Subsequent month
Income Tax Act, 1961	Tax Deducted at Source(Sec-194J)	Rs.6,835	April,2017 to September, 2017	7 th of Subsequent month

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

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

viii) Repayment of Loans

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

ix) Diversion of Funds

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

x) Frauds noticed / Detected

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

xi) Managerial Remuneration

According to the information and explanations given to us and based on our examination of the records of the company, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii) Nidhi Company

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

xiii) Related Party Transactions

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

xiv) Preferential allotment

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

xv) Non-cash transactions

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him and hence no comment is required on the same.

xvi) Certification for Non-Banking Financial Institution

The company is not a Non-Banking Financial Institution, hence registration under section 45-IA of the Reserve Bank of India Act, 1934 is not required.

For B N Subramanya & Co., Chartered
Accountants
Firm Reg.No. 04142S

Bangalore
25/05/2018

Devendra Nayak
Partner
Membership No.027449

Annexure B to Auditors' report

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

We have audited the internal financial controls over financial reporting of **M/s. PAN ELECTRONICS (INDIA) LIMITED** ("the Company") as of March 31st, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were

PAN ELECTRONICS (INDIA) LIMITED
CIN: L00309KA1982PLC004960

operating effectively as at March 31, 2018, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For B N Subramanya & Co., Chartered
Accountants
Firm Reg.No. 04142S

Bangalore
25/05/2018

Devendra Nayak
Partner
Membership No.027449

BALANCE SHEET AS AT

Particulars	Note No.	31-Mar-18	31-Mar-17	01-Apr-16
ASSETS				
1. Non-current assets				
a. Property, Plant and Equipment	3	23,57,54,825	24,57,12,885	25,18,48,158
b. Capital work-in-progress		-	-	-
c. Investment Property		-	-	-
d. Goodwill		-	-	-
e. Other Intangible Assets		-	-	-
f. Intangible Assets under development		-	-	-
g. Biological Assets under development		-	-	-
h. Financial Assets				
i. Investments	4	5,29,416	4,75,243	4,32,151
ii. Trade Receivables		-	-	-
iii. Loans		-	-	-
iv. Others		-	-	-
i. Deferred tax assets (net)	5	-	-	-
j. Other non-current assets		-	-	-
2. Current Assets				
a. Inventories	6	69,85,528	80,14,003	29,63,383
b. Financial assets				
i. Investments		-	-	-
ii. Trade receivables	7	8,70,662	30,60,872	4,81,348
iii. Cash and cash equivalents	8	2,95,575	4,96,857	44,58,544
iv. Bank balances other than (iii) above		-	-	-
v. Loans		-	-	-
vi. Others		-	-	-
c. Current Tax assets (net)		-	-	-
d. Other Current assets	9	50,88,613	41,57,905	21,25,165
Total Assets		24,95,24,619	26,19,17,765	26,23,08,750

EQUITY AND LIABILITIES				
Equity				
a. Equity Share Capital	10	4,00,00,000	4,00,00,000	4,00,00,000
b. Other equity	11	7,28,19,378	8,88,75,915	10,82,02,564
LIABILITIES				
1. Non-current liabilities				
a. Financial liabilities				
i. Borrowings	12	12,94,53,762	12,24,90,385	10,62,28,901
ii. Trade Payables		-	-	-
iii. Other financial liabilities		-	-	-
b. Provisions		-	-	-
c. Deferred tax liabilities (net)		-	-	-
d. Other non-current liabilities		-	-	-
2. Current liabilities				
a. Financial liabilities				
i. Borrowings	13	58,13,338	48,96,743	-
ii. Trade Payables	14	10,01,246	55,48,339	77,72,267
iii. Other financial Liabilities		-	-	-
b. Other current liabilities	15	4,36,896	1,06,384	1,05,018
c. Provisions		-	-	-
d. Current tax liabilities (net)		-	-	-
Total Equity and Liabilities		24,95,24,619	26,19,17,765	26,23,08,750

Significant accounting policies 2
Notes to accounts 3 to 37

The notes referred to above form an integral part of the financial statements. This is the Balance Sheet referred to in our report of even date.

For B.N. Subramanya & Co.

Chartered Accountants
FRN: 004142S

For and on behalf of the Board of Directors

Devendra Nayak

Partner
M.No: 027449

Gullu G Talreja

Chairman & Managing Director
DIN: 01740145

Abhishek P Talreja

Director
DIN: 05007867

Place: Bangalore

Date: 25/05/2018

Manjunath Hegade

Company Secretary
M.No.45989

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

[All amounts in INR]

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Particulars	Note No.	31-Mar-18	31-Mar-17
REVENUE			
Revenue from operations	16	(2,52,551)	38,23,731
Other Income	17	28,12,206	6,53,912
Total Revenue		25,59,655	44,77,643
EXPENSES			
Cost of Materials Consumed	18	1,33,390	52,72,869
Excise duty		-	4,73,827
Changes in inventories	19	10,50,021	(12,16,621)
Employee benefit expenses	20	46,64,342	46,14,629
Finance costs	21	9,55,238	5,22,814
Depreciation and amortization	3	61,08,059	61,97,832
Other Expenses	22	18,55,142	79,15,594
Total Expenses		1,47,66,191	2,37,80,944
Profit/(loss) before exceptional items and tax		(1,22,06,537)	(1,93,03,301)
Exceptional items		-	-
Profit/(loss) before tax		(1,22,06,537)	(1,93,03,301)
Tax expense:			
1. Current tax		-	-
2. Deferred tax		-	-
Profit/(loss) for the period from continuing operations		(1,22,06,537)	(1,93,03,301)
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-

Profit/(loss) from discontinued operations (after tax)	-	-
Profit/(loss) for the period	(1,22,06,537)	(1,93,03,301)
Other Comprehensive Income Items that will not be reclassified into profit and loss	-	-
Total Comprehensive Income and Other Comprehensive Income for the period	(1,22,06,537)	(1,93,03,301)
Earnings per equity share (for continuing operation) Weighted average no. of equity shares Basic (in Rs.) Diluted (in Rs.)	(3.0516) (3.0516)	(4.8258) (4.8258)
Earnings per equity share (for continuing and discontinued operation) Basic (in Rs.) Diluted (in Rs.)	(3.0516) (3.0516)	(4.8258) (4.8258)

Significant accounting policies
Notes to accounts

2
3 to 37

The notes referred to above form an integral part of the financial statements. This is the Statement of Profit & Loss referred to in our report of even date.

For B.N. Subramanya & Co.

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

Chartered Accountants
FRN: 004142S

Devendra Nayak
Partner
M.No: 027449

Gullu G Talreja
Chairman & Managing Director
DIN: 01740145

Abhishek P Talreja
Director
DIN: 05007867

Place: Bangalore
Date: 25/05/2018

Manjunath Hegade
Company Secretary
M.No.45989

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

[All amounts in INR]

CASH FLOW STATEMENT FOR THE YEAR ENDED

Particulars		31-Mar-18		31-Mar-17	
A	Cash flows from operating activities				
	Net Profit Before Taxation and Extraordinary item	(1,22,06,537)		(1,93,03,301)	
	Adjustments for:				
	Depreciation	61,08,059		62,96,598	
	Prior Period Item	-		(23,348)	
	Revaluation of Investments	(54,173)		(43,092)	
	Profit on sale of Asset (Considered in Investment Activities)	-		(96,617)	
	Operating Profit Before Working Capital Changes		(61,52,651)		(1,31,69,760)
	Increase/ (decrease) in trade payables	(45,47,093)		(22,23,928)	
	Increase/ (decrease) in other current liabilities	3,30,512		1,366	
	Decrease / (increase) in trade receivables	21,90,210		(25,79,524)	
	Decrease / (increase) in inventories	10,28,475		(50,50,620)	
	Decrease / (increase) short term loans and advances	(9,30,708)		(20,32,740)	
	Working Capital changes		(19,28,604)		(1,18,85,446)
	Cash Generated from operations		(80,81,255)		(2,50,55,206)
	Income Tax (including Fringe Benefit Tax)		-		-
	Cash Flow Before Extraordinary Item		(80,81,255)		(2,50,55,206)
	Extra-ordinary items		-		-
	Net cash from operating activities		(80,81,255)		(2,50,55,206)
B	Cash flows from Investment activities				
	Additions to Fixed Assets	-		(10,47,710)	

Sale of Fixed Asset	-		9,83,000	
Net cash from Investing activities		-		(64,710)
C				
Cash flows from financing activities				
Proceeds of Other Long Term Liabilities	69,63,377		1,62,61,484	
Net cash from Financing activities		69,63,377		1,62,61,484
Net Increase / Decrease in cash and cash equivalents		(11,17,878)		(88,58,432)
Cash and cash equivalents at beginning of period		(43,99,886)		44,58,546
Cash and cash equivalents at end of period		(55,17,763)		(43,99,886)

Notes to the cash flow statement:

Cash flow statement has been prepared under the indirect method as set out in the Indian 1 Accounting Standard 7 : "Statement of Cash Flows" as specified in Section 133 of the Companies Act, 2013.

2 Components of Cash and Cash equivalents as per Ind AS 7 is as under:

Particulars	31-Mar-18	31-Mar-17
Cash in hand	2,33,342	4,16,340
Bank Balance		
In Current Account	62,232	80,517
Bank Overdraft	(58,13,338)	(48,96,743)
Total	(55,17,763)	(43,99,886)

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

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

For B.N. Subramanya & Co.

Chartered Accountants
FRN: 004142S

For and on behalf of the Board of Directors

Devendra Nayak

Partner
M.No: 027449

Gullu G Talreja

Chairman & Managing Director
DIN: 01740145

Abhishek P Talreja

Director
DIN: 05007867

Place: Bangalore
Date: 25/05/2018

Manjunath Hegade

Company Secretary
M.No.45989

Statement of Changes in Equity for the year ended 31st March, 2017

A) Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
4,00,00,000	-	4,00,00,000

B) Other Equity (Note-11)

Particulars	Share application money pending in gallotment	Equity component of compound financial instruments	Reserves and Surplus				Debit instruments through other comprehensive income	Effect of Cash Flows Hedged	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other Monetary items	Total
			Central Subsidy	Share Premium	Capital Reserve	Retained Earnings						
Balance at the beginning of the reporting period	-	-	15,00,000	92,99,600	2,33,63,512	(17,55,54,068)	-	-	24,95,93,520.00	-	-	10,82,02,564
Changes in accounting policy or prior period errors	-	-	-	-	-	(23,348)	-	-	-	-	-	(23,348)

Note No.23)														
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	(1,93,03,301)	-	-	-	-	-	-	-	(1,93,03,301)
Balance at the end of the reporting period	-	-	15,00,000	92,99,600	2,33,63,512	(19,48,80,717)	-	-	-	24,95,93,520	-	-	-	8,88,75,915

Note-10-Statement of Changes in Equity for the year ended 31st March, 2018

A)Equity Share Capital

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
4,00,00,000	-	4,00,00,000

B)Other Equity(Note -11)

Particulars	Share Premium	Equity Component of compound interest	Reserves and Surplus				Debit in statement of Profit and Loss	Effect of Dividend	Revaluation Surplus	Other Income	Monetary received	Total
			Central Subsidy	Share Premium	Capital Reserve	Retained Earnings						

	g a l l o t m e n t		n a n c i a l i n s t r u m e n t s				C o m p r e h e n s i v e I n c o m e		e r C o m p r e h e n s i v e I n c o m e		H e d g e s		a t i n g t h e f i n a n c i a l s t a t e m e n t s o f a f o r e i g n o p e r a t i o n		i v e l n c o m e		a r r a n t s		
Balance at the beginning of the reporting period	-	-	15,00,000	92,99,600	2,33,63,512	(19,48,80,717)	-	-	-	-	-	-	24,95,93,520.00	-	-	-	-	-	8,88,75,915
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax on Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other change	-	-	-	-	-	-	-	-	-	-	-	-	(38,50,000.00)	-	-	-	-	-	(38,50,000)
Profit for the year	-	-	-	-	-	(1,22,06,537)	-	-	-	-	-	-	-	-	-	-	-	-	(1,22,06,537)

Balance at the end of the reporting period	-	-	15,00,000	92,99,600	2,33,63,512	(20,70,87,254)	-	-	-	24,57,43,520	-	-	-	7,28,19,378
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Note-3

Description	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK		
	As at	Additions	Deletions	Revaluation	As at	As at	Additions	Deletions	As at	As at	As at
	01.04.2017				31.03.2018				01.04.2017	31.03.2018	31.03.2018
Tangible Assets											
Lease Hold Land	20,46,41,420	-	-	-	20,46,41,420	30,91,394	29,55,364	-	60,46,758	19,85,94,662	20,15,50,026
Lease Hold Right	1,70,000	-	-	-	1,70,000	56,427	1,717	-	58,144	1,11,856	1,13,573
Building	2,61,80,137	-	-	-	2,61,80,137	1,40,47,896	4,15,608	-	1,44,63,504	1,17,16,633	1,21,32,241
Plant and Machinery	19,44,72,254	-	-	(38,50,000)	19,06,22,254	16,29,32,181	26,33,304	-	16,55,65,485	2,50,56,769	3,15,40,073
Electrical Installation	34,17,741	-	-	-	34,17,741	34,17,741	-	-	34,17,741	-	-
Furniture and Fixtures	3,44,435	-	-	-	3,44,435	3,44,435	-	-	3,44,435	-	-
Office Equipment	12,09,819	-	-	-	12,09,819	8,54,278	91,733	-	9,46,011	2,63,808	3,55,541
Computer	28,07,796	-	-	-	28,07,796	27,86,364	10,333	-	27,96,697	11,099	21,432
Vehicle	9,21,863	-	-	-	9,21,863	9,21,863	-	-	9,21,863	-	-
Total	43,41,65,465	-	-	-	43,03,15,465	18,84,52,579	61,08,059	-	19,45,60,638	23,57,54,825	24,57,12,886
Previous year Figures	43,41,00,755	10,47,710	9,83,000	-	43,41,65,365	18,22,52,597	62,96,598	96,617	18,84,52,578	24,57,12,885	25,18,48,158

(i) The recoverable amount of all assets exceeds the carrying amount except the asset mentioned in point(iii), as at 31st March, 2018, hence the Company has not recognized any impairment losses as required by Ind AS 36 as at that date.

(ii) The Depreciation is charged on Straight Line basis over the useful life of the assets as per Schedule II of the Companies Act, 2013.

(iii) During the year, the management of the Company has ascertained the recoverable amount of Vaccum Metaliser Small and Medium, which has resulted in impairment loss of Rs. 38,50,000/- adjusted against Revaluation Reserve as it was revalued earlier.

(iv) During the Previous year, an amount of Rs.98,787 has been charged as depreciation and the same has been reflected under Prior Period Error as it was due to wrong accounting in the earlier years and disclosed in Schedule- 23.

4 Non-current Assets- Investments

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Investment in Equity Instruments <u>Quoted</u> Investment carried at Fair Value through Profit or Loss [1,23,120 (31 March 2017: 1,23,120) Equity Shares of Rs.5/- each fully paid in M/s. Venlon Enterprises Limited]	5,29,416	4,75,243	4,32,151
Total	5,29,416	4,75,243	4,32,151

5 Deffered Tax Liabilty/(Asset)

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Opening Balance	(1,26,98,022)	-	
Timing Differences due to depreciation on Fixed Assets	(6,05,945)	(8,57,583)	(11,29,890)
On Account of Losses	(30,51,634)	(1,18,51,212)	(2,60,28,382)
Fair Value of Investments	13,543	10,773	-
Total*	(1,63,42,058)	(1,26,98,022)	(2,71,58,272)

*Deferred Tax Asset of Rs.1,63,42,058/-(P.Y.1,26,98,022/-) has been identified and has not been recognised based on prudence.

6 Inventories

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Raw Materials	67,47,967	67,26,421	28,92,422
Finished Goods	2,37,561	12,87,582	70,961
Total	69,85,528	80,14,003	29,63,383

7 Current Assets - Trade Receivables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured, Considered Good Trade receivables	8,70,662	30,60,872	4,81,348
Total	8,70,662	30,60,872	4,81,348

8 Cash & Cash Equivalent

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Cash in hand	2,33,342	4,16,340	16,56,438
Balance with Bank			
In Current account	62,233	90,517	1,12,106
Less: Provision for diminution in bank balance	-	(10,000)	26,90,000
Total	2,95,575	4,96,857	44,58,544

9 Other Current Assets

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Others			

Unsecured, Considered good			
Advance to Suppliers	10,78,613	3,40,358	-
Staff Advances	2,25,000	3,83,000	61,531
Statutory / Government Authorities	37,85,000	34,34,547	20,63,634
Total	50,88,613	41,57,905	21,25,165

10 Share Capital

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Authorised Capital 1,00,00,000 Equity shares of Rs.10/- each (Previous Year 1,00,00,000 Equity shares of Rs.10/- each)	10,00,00,000	10,00,00,000	10,00,00,000
Equity Shares with Voting Rights Issued, Subscribed and fully Paid up shares 40,00,000 Equity shares of Rs.10/- each fully paid up (Previous Year 40,00,000 Equity shares of Rs.10/- each)	4,00,00,000	4,00,00,000	4,00,00,000
	4,00,00,000	4,00,00,000	4,00,00,000

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

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Value of shares	Number of shares	Value of shares
At the beginning of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000
Outstanding at the end of the period	40,00,000	4,00,00,000	40,00,000	4,00,00,000

(b) Terms/ rights attached to equity shares

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

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

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

Name	31 March 2018	31 March 2017
------	---------------	---------------

	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Gullu G. Talreja	28,17,560	70.44%	28,17,560	70.44%

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

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

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

12 Non Current Liabilities- Borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Unsecured loan			
Others			
- from Related parties	12,94,53,762	12,24,90,385	10,62,28,901
Total	12,94,53,762	12,24,90,385	10,62,28,901

13 Current Liabilities - Borrowings

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Secured Loan			
Working Capital loan from Banks			
Shamrao Vittal Co-operative bank*	58,13,338	48,96,743	-
Total	58,13,338	48,96,743	-

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

14 Current Liabilities - Trade Payables

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Dues to			
Micro and Small Enterprises	-	-	
Others	10,01,246	55,48,339	77,72,267
Total	10,01,246	55,48,339	77,72,267

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

15 Other Current Liabilities

Particulars	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Statutories Payable	1,21,166	1,06,384	1,05,018
Bonus Payable	3,15,730	-	
Total	4,36,896	1,06,384	1,05,018

16 Revenue from Operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Sale of Products	3,11,993	44,96,717
Less: Returns	(5,64,544)	(6,72,986)
Total	(2,52,551)	38,23,731

17 Other income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest Income	-	2,61,980
Miscellaneous Income	-	78,502
Profit on sale of assets	-	96,617
Exchange gain	-	1,73,721
Revaluation of Investments	54,173	43,092
Creditors written back	27,58,033	-
Total	28,12,206	6,53,912

18 Cost of Raw material consumed

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the beginning of the year	67,26,422	28,92,422
Add: Purchases	1,54,936	91,06,868
	68,81,358	1,19,99,290
Less: Inventory at the end of the year	67,47,968	67,26,421
Total	1,33,390	52,72,869

19 Changes in inventories

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Inventory at the end of the year	12,87,582	12,87,582
Inventory at the beginning of the year	2,37,561	70,961

Total	10,50,021	12,16,621
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20 Employee benefits Expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	46,48,612	45,83,476
Staff Welfare	15,730	31,153
Total	46,64,342	46,14,629

21 Finance Charges

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Bank charges	47,785	77,579
Loan Processing charges	18,438	2,44,325
Interest on cash credit account	8,89,015	2,00,910
Total	9,55,238	5,22,814

22 Other Expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Business promotion expenses	-	1,70,733
Power, Fuel & Water Charges	94,726	25,73,376
Repairs - Machinery	51,260	2,65,968
Repairs - Other assets	18,601	24,577
Postage & Telephones	26,928	33,062
Travelling & Conveyance	35,446	2,31,092
Printing & Stationery	16,721	82,582
SIPCOT Maintenance	-	97,130
Miscellaneous Expenses	391	9,790
Rates & Taxes	4,38,224	2,16,361
Professional Charges	3,58,052	3,41,599
Registration charges	-	27,26,350
Listing and membership fee	3,57,452	2,66,618
Security charges	3,32,768	3,31,897
Freight charges	16,173	4,06,186
Insurance Charges	-	46,891
Labour charges	-	15,476
Meeting and Conference expense	8,400	41,500
Office Expenses	-	33,415
Audit Fees	1,00,000	-
Advances Written off	-	991
Total	18,55,142	79,15,594

23 Prior Period Errors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Prior Period Income		
-Interest Income	-	39,786
-VAT Credit	-	35,633
Prior Period Expenses		
-Depreciation	-	(98,767)
Total	-	(23,348)

24 Capital Commitments

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

25 Contingent liabilities

There are no contingent liabilities as on Balance Sheet date.

26 Disclosures in respect of Micro and Small Enterprises:

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

27 Foreign Exchange Earnings, Expenditure and Earnings

The company does not have any transactions in foreign currency during the year.

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

29 Payment to Auditors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
As Auditor	1,00,000	-
For Taxation Matters	-	-
For Certification Charges	-	-
Total	1,00,000	-

30 Related Party Transactions

i) List of Related Parties where control exists:

<u>Name of the party</u>	<u>Nature of Relationship</u>
Gullu Gellaram Talreja	Significant share holder

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

<u>Name of the Party</u>	<u>Nature of Relationship</u>
Gullu Gellaram Talreja	Significant share holder
Abhishek Prakask Talreja	Director
Gemini Dyeing & Printing Mills Ltd	Common Director
Maanay Roller Flour Mills Private Ltd	Common Director
Manjunath Hegade	Key Management Personnel

iii) Transaction with key management personnel and Relatives

Particulars	Nature of Relation	For the year ended 31 March 2018	For the year ended 31 March 2017
Other Long Term Liabilities	Common Director	69,63,377	1,62,61,484
Salaries and Other benefits	Key Management Personnel	3,00,000	2,03,432
Reimbursement of Expenditure	Director	-	1,01,500

iv) Amount due to/from related parties

Particulars	Nature of Relation	As at 31 March, 2018	As at 31 March, 2017
Accounts Receivable		-	-
Accounts Payable			
Gemini Dyeing and Printing Mills Limited	Common Directors	11,58,53,762	10,88,90,385
Maanay Flour Private Limited	Common Directors	1,36,00,000	1,36,00,000

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

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

Note-33-Reconciliation between IGAAP and Ind AS

Reconciliations of equity as previously reported under IGAAP to Ind AS as on 31st March, 2017

Particulars	IGAAP	Effects of Transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
(a)Property, Plant and Equipment	24,57,12,885	-	24,57,12,885
(b)Capital work-in-progress	-	-	-
(c)Investment Property	-	-	-
(d)Goodwill	-	-	-
(e)Other Intangible assets	-	-	-
(f)Intangible assets under development	-	-	-
(g)Biological Assets other than bearer plants	-	-	-
(h)Financial Assets			
i.Investments	28,24,520	23,49,277	4,75,243
ii.Trade receivables	-	-	-
iii.Loans	-	-	-
iv.Others	-	-	-
(i)Deferred tax assets (net)	-	-	-
(j)Other non-current assets	-	-	-
Current assets			
(a)Inventories	80,14,003	-	80,14,003
(b)Financials Assets			-
i.Investments	-	-	-
ii.Trade receivables	30,60,872	-	30,60,872
iii.Cash and Cash equivalents	4,96,857	-	4,96,857
iv.Bank balances other than (iii) above	-	-	-
v. Loans	-	-	-
vi.others	-	-	-
(c)Current Tax Assets(Net)	-	-	-
(d)Other current assets	41,57,905	-	41,57,905
Total Assets	26,42,67,042	23,49,277	26,19,17,765
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4,00,00,000	-	4,00,00,000
Other Equity	9,12,25,192	23,49,277	8,88,75,915
Liabilities			
Non-current Liabilities			
(a)Financial Liabilities		-	-
i.Borrowings	12,24,90,385	-	12,24,90,385
ii.Trade payables	-	-	-
iii.Other financial Liabilities	-	-	-
(b)Provisions	-	-	-
(c)Deffered tax Liabilities(Net)	-	-	-

(d)Other non-current liabilities	-	-	-
Current Liabilities			
(a)Financial Liabilities			
i.Borrowings	48,96,743	-	48,96,743
ii.Trade payables	55,48,339	-	55,48,339
iii.Other financial Liabilities	-	-	-
(b)Other current Liabilities	1,06,384	-	1,06,384
(c)Provisions	-	-	-
(d)Current Tax Liabilities(Net)	-	-	-
Total Equity and Liabilities	26,42,67,042	23,49,277	26,19,17,765

Notes to Reconciliations

a)Investments

Investments in equity instruments and Investment in Mutual funds are carried at fair value as compared to carried at cost under IGAAP.

b)Other Equity

Adjustment to retained earnings with respect to recognising increase in the value of Investment as Income

Reconciliation of total Comprehensive Income as previously reported under IGAAP to Ind AS for the Year ended 31st March, 2017

Particulars	IGAAP	Effects of Transition to Ind AS	Ind AS
REVENUE			
Revenue from operations	33,49,904	4,73,827	38,23,731
Other Income	6,10,820	43,092	6,53,912
Total Revenue	39,60,724	5,16,919	44,77,643
EXPENSES			
Cost of Materials Consumed	52,72,869	-	52,72,869
Changes in inventories	(12,16,621)	-	(12,16,621)
Employee benefit expenses	46,14,629	-	46,14,629
Finance costs	5,22,814	-	5,22,814
Depreciation and amortization	61,97,832	-	61,97,832
Other Expenses	79,15,594	-	79,15,594
Total Expenses	2,33,07,117	-	2,33,07,117
Profit/(loss) before exceptional items and tax	(1,93,46,393)	5,16,919	(1,88,29,474)
Exceptional items	(1,93,46,393)	5,16,919	(1,88,29,474)
	-	-	-

Profit/(loss) before tax	(1,93,46,393)	5,16,919	(1,88,29,474)
Tax expense:			
1. Current tax	-		-
2. Deferred tax	-		-
Profit/(loss) for the period	(1,93,46,393)	5,16,919	(1,88,29,474)
Other Comprehensive Income	-		-
Total Comprehensive Income and Other Comprehensive Income for the period	(1,93,46,393)	5,16,919	(1,88,29,474)
Earnings per equity share			
Weighted average no. of equity shares			
Basic (in Rs.)	-4.84		-4.71
Diluted (in Rs.)	-4.84		-4.71

Reconciliations of equity as previously reported under IGAAP to Ind AS as at 31st March, 2016

Particulars	IGAAP	Effects of Transition to Ind AS	Ind AS
ASSETS			
Non-current assets			
(a)Property, Plant and Equipment	25,18,48,158	-	25,18,48,158
(b)Capital work-in-progress	-	-	-
(c)Investment Property	-	-	-
(d)Goodwill	-	-	-
(e)Other Intangible assets	-	-	-
(f)Intangible assets under development	-	-	-
(g)Biological Assets other than bearer plants	-	-	-
(h)Financial Assets			
i.Investments	28,24,520	23,92,369	4,32,151
ii.Trade receivables	-	-	-
iii.Loans	-	-	-
iv.Others	-	-	-
(i)Deferred tax assets (net)	-	-	-
(j)Other non-current assets	-	-	-
Current assets			
(a)Inventories	29,63,383	-	29,63,383
(b)Financials Assets			
i.Investments	-	-	-
ii.Trade receivables	4,81,348	-	4,81,348
iii.Cash and Cash equivalents	44,58,544	-	44,58,544
iv.Bank balances other than (iii) above	-	-	-

v. Loans	-	-	-
vi.others	-	-	-
(c)Current Tax Assets(Net)	-	-	-
(d)Other current assets	21,25,165	-	21,25,165
Total Assets	26,47,01,119	23,92,369	26,23,08,750
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	4,00,00,000	-	4,00,00,000
Other Equity	11,05,94,933	23,92,369	10,82,02,564
Liabilities			
Non-current Liabilities			
(a)Financial Liabilities	-	-	-
i.Borrowings	10,62,28,901	-	10,62,28,901
ii.Trade payables	-	-	-
iii.Other financial Liabilities	-	-	-
(b)Provisions	-	-	-
(c)Deffered tax Liabilities(Net)	-	-	-
(d)Other non-current liabilities	-	-	-
Current Liabilities			
(a)Financial Liabilities	-	-	-
i.Borrowings	-	-	-
ii.Trade payables	77,72,267	-	77,72,267
iii.Other financial Liabilities	-	-	-
(b)Other current Liabilities	1,05,018	-	1,05,018
(c)Provisions	-	-	-
(d)Current Tax Liabilities(Net)	-	-	-
Total Equity and Liabilities	26,47,01,119	23,92,369	26,23,08,750

Notes to Reconciliations

a)Investments

Investments in equity instruments and Investment in Mutual funds are carried at fair value as compared to carried at cost under IGAAP.

b)Other Equity

Adjustment to retained earnings with respect to recognising increase in the value of Investment as Income

Reconciliation of total equity as at 31st March, 2017 and 31st March, 2016

Particulars	31-Mar-17	31-Mar-16
Total Equity(Shareholder's fund) as per previous GAAP	13,12,25,192	15,05,94,933

Adjustments		
Fair Valuation of Investments	(23,49,277)	(23,92,369)
Total Adjustments	(23,49,277)	(23,92,369)
Total Equity as per Ind AS	12,88,75,915	14,82,02,564

Reconciliation of total Comprehensive Income For the year ended 31st March, 2017

Particulars	31-Mar-17
Profit after tax as per previous GAAP	(1,93,46,393)
Adjustments	
Fair Value of Investments	43,092
Total Adjustments	43,092
Profit after tax as per Ind AS	(1,93,03,301)
Other Comprehensive Income	-
Total Comprehensive Income as per Ind AS	(1,93,03,301)

Note-34-Financial Instruments by category

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

Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
Financial Assets			
Investments in Equity Instruments	5,29,416	-	-
Trade Receivables	-	-	8,70,662
Cash and Cash Equivalents	-	-	2,95,575
Total	5,29,416	-	11,66,237
Financial Liabilities			
Borrowings	-	-	13,52,67,100
Trade Payables	-	-	10,01,246
Total	-	-	13,62,68,345

The carrying value and fair value of financial instruments by categories as of 31- Mar- 2017 are as follows

Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
Financial Assets			

Investments in Equity Instruments	4,75,243	-	-
Trade Receivables	-	-	30,60,872
Cash and Cash Equivalents	-	-	4,96,857
Total	4,75,243	-	35,57,729
Financial Liabilities			
Borrowings	-	-	12,73,87,128
Trade Payables	-	-	55,48,339
Total	-	-	13,29,35,467

The carrying value and fair value of financial instruments by categories as of 1- Apr- 2016 are as follows

Particulars	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
Financial Assets			
Investments in Equity Instruments	4,32,151	-	-
Trade Receivables	-	-	4,81,348
Cash and Cash Equivalents	-	-	44,58,544
Total	4,32,151	-	49,39,892
Financial Liabilities			
Borrowings	-	-	10,62,28,901
Trade Payables	-	-	77,72,267
Total	-	-	11,40,01,168

Note-35-Fair Value Hierarchy

Level 1-Quoted prices (Unadjusted) in active markets for identical assets or liabilities

Level 2-Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly(i.e. as prices) or indirectly(i.e. derived from prices)

Level 3-Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value heirarchy of assets and liabilities measured as fair value as of 31-Mar-18 is as follows:

Particulars	As of March 31, 2018	Fair Value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Financial Assets				
Investments in Equity Instruments	4,75,243	4,75,243	-	-

There were no transfers between Level 1 and 2 in the periods.

The fair value heirarchy of assets and liabilities measured as fair value as of 31-Mar-17 is as follows:

Particulars	As of March 31, 2017	Fair Value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Financial Assets Investments in Equity Instruments	4,75,243	4,75,243	-	-

There were no transfers between Level 1 and 2 in the periods.

The fair value heirarchy of assets and liabilities measured as fair value as of 1-Apr-16 is as follows:

Particulars	As of April 1, 2016	Fair Value measurement at the end of the year using		
		Level 1	Level 2	Level 3
Financial Assets Investments in Equity Instruments	4,32,151	4,32,151	-	-

There were no transfers between Level 1 and 2 in the periods.

Note-36-Capital Management

The Company's capital management objectives are:

-to ensure the Company's ability to continue as going concern and

-to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the financial statements.

The Company's objective for capital management is to maintain an optimum overall financial structure.

Note-36(i)-Debt to Equity Ratio

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at April 1, 2016
Debt (includes non-current, current borrowings and current maturities of long term debt)	13,52,67,100	12,73,87,128	10,62,28,901
Less : cash and cash equivalents	2,95,575	4,96,857	44,58,544
Net debt	13,49,71,525	12,68,90,271	10,17,70,357
Total equity	11,28,19,378	12,88,75,915	14,82,02,564
Net debt to total equity ratio	120%	98%	69%

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

Note-37-Financial Risk Management

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Trade receivables

The Company has used Expected Credit Loss (ECL) model for assessing the impairment loss. For the purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers.

Particulars	₹ in lakhs		
	As at 31 March, 2018	As at 31 March, 2017	As at April 1,2016
Financial assets for which loss allowances is measured using the expected credit loss			
Trade receivables			
less than 180 days	2,88,158	3,21,962	4,81,348
180 - 365 days	-	22,57,562	-
beyond 365 days	5,82,504	4,81,348	-
Total	8,70,662	30,60,872	4,81,348

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Movement in the expected credit loss allowance on trade receivables		
Balance at the beginning of the year	30,60,872	4,81,348
Addition	2,88,158	46,71,129
Write - offs	-	(991)
Recoveries	(24,78,368)	(20,90,614)
Balance at the end of the year	8,70,662	30,60,872

PAN ELECTRONICS (INDIA) LIMITED

CIN: L00309KA1982PLC004960

(ii) Liquidity Risk

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

The Company has unutilised working capital overdraft from banks of ₹ 291 lakhs as on March 31, 2018 and ₹ 301 lakhs as on March 31, 2017.

For B.N. Subramanya & Co.

Chartered Accountants

FRN: 004142S

Devendra Nayak

Partner

M.No: 027449

Place: Bangalore

Date: 25/05/2018

For and on behalf of the Board of Directors

Gullu G Talreja

Chairman & Managing Director

DIN: 01740145

Abhishek P Talreja

Director

DIN: 05007867

Manjunath Hegade

Company Secretary

M.No.45989