Panafic Industrials Ltd.

Regd. Off: 23, II Floor, North West Avenue, Club Road,
West Punjabi Bagh, New Delhi – 110026
Ph.: 011-25223461, 25221200
E-mail: Panafic.industrials@gmail.com
Website: www.panaficindustrialsltd.com
CIN: L45202DL1985PLC019746

To,
Department of Corporate Services
BSE Limited
Reg Office: Floor-25
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

Scrip Code: 538860

Sub: Submission of Annual Report FY 2021-22

Ref: Regulation 34(1) of SEBI (LODR) Regulations, 2015

Dear Sir(s),

Pursuant to Regulation 34(1) of the SEBI (LODR) Regulations, 2015, we are pleased to enclose herewith copy of the Annual Report of the Company for the financial year 2021-22.

This is for your information and records please.

Thanking You,

Yours faithfully,

For Panafic Industrials Limited

Sarita Gupta

PANAFIC INDUSTRIALS LIMITED NEW DELHI

(Sarita Gupta)
Managing Director
DIN: 00113099

PANAFIC INDUSTRIALS LIMITED

CIN: L45202DL1985PLC019746

37TH ANNUAL REPORT

For Financial Year 2021-22

PANAFIC

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ms. Sarita Gupta
Managing Director
DIN: 00113099

Ms. Renu
Non-Executive Director
DIN: 03572788

Mr. Sanjeev Kumar
Non-Executive Independent Director
DIN: 06625416

Mr. Shri Kishan Gupta
Non-Executive Independent Director
DIN: 08430379

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Rinku Jha (w.e.f. 30.05.2022)
Ms. Priti Gupta (Upto 30.05.2022)

CHIEF FINANCIAL OFFICER

Ms. Sarita Gupta

STATUTORY AUDITORS

SRDP & CO.
Chartered Accountants
508, Arunachal Building,
19, Barakhamba Road,
New Delhi – 110001

SECRETARIAL AUDITOR

Sheetal Bansal
Company Secretaries
3rd Floor, E-39, Pandav Nagar,
Near Patparganj, New Delhi-110091

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited
D-153A, First Floor, Okhla Industrial Area, Phase-I,
New Delhi-110020

ANNUAL GENERAL MEETING

Date: 30th July, 2022
Time: 09.00 A.M.
Day: Saturday
Venue: 23, IInd Floor, North West Avenue, Club Road,
West Punjabi Bagh, New Delhi-110026

NAME OF THE STOCK EXCHANGES AT WHICH THE COMPANY'S SHARES ARE LISTED

BSE Limited

REGISTERED OFFICE

23, II Floor, North West Avenue,
Club Road, West Punjabi Bagh, New Delhi-110026

PANAFIC

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NOTICE

Notice is hereby given that the Thirty-Seventh (**37th) Annual General Meeting** of the Members of **Panafic Industrials Limited** will be held on Saturday**, the 30th day of July, 2022** at **09.00 A.M.** at the registered office of the Company at 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi-110026 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mrs. Renu (DIN: 03572788), who retires by rotation, and being eligible, offers herself for re-appointment.

3. Appointment of M/s SRDP & Co., Chartered Accountants (FRN: 509930C) as Statutory Auditors of the Company for the period of 5 Years and fix their remuneration and in this connection to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder and pursuant to recommendation of Audit Committee of the Board of Directors, M/s. SRDP & Co, Chartered Accountants (ICAI Firm Registration No.:509930C), New Delhi, be and are hereby appointed as the Statutory Auditors of the Company from the conclusion of the Thirty-seventh (37) Annual General Meeting to hold such office for a period of Five (5) consecutive years till the conclusion of the Forty-second (42) Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to decide the remuneration (inclusive of applicable taxes and reimbursement of out of pocket expenses incurred in connection with the audit) of , M/s. SRDP & Co, Chartered Accountants (ICAI Firm Registration No.:509930C), Statutory Auditors of the Company, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time, for their tenure upto the 42ND Annual General Meeting."

SPECIAL BUSINESS:

4. Increase in the Authorised Share Capital And Alteration of the Capital Clause In the Memorandum of Association of the Company
   The members are requested to consider and if thought fit to pass the following resolution as **Ordinary Resolution**

   "RESOLVED THAT pursuant to the provisions of Sections 61 and other applicable provisions if any of the Companies Act, 2013 read with rules framed thereunder, including any statutory modification (s) thereof, consent of the members be and is hereby accorded to increase the Authorised Share Capital of the Company from Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 10,00,00,000 (Ten Crores) Equity shares of Rs. 1/- (Rupees ONE Only) each to Rs.

25,00,00,000/-(Rupees Twenty Five Crores Only) divided into 25,00,00,000 (Twenty Five Crores) Equity shares of Rs. 1/- (Rupees One Only) each by addition of 15,00,00,000/-(Rupees Fifteen Crores Only) divided into 15,00,00,000 (Fifteen Crores Only)) Equity Shares of Rs. 1/- (Rupees One Only) each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:-

V. The authorised share capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only) consisting of 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs.1/- (Rupees One Only) each.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to do all such acts, deeds and things as may be necessary and incidental for giving effect to this Resolution."

By Order of the Board
For Panafic Industrials Limited
Sd/-

Place: Delhi
Date: July 1, 2022

Rinku Jha
Company Secretary & Compliance Officer
M No.: A44215

NOTES:

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 ("the Act"), relating to the Special Business(es) set out in the Notice to be transacted at the Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY. A BLANK PROXY FORM IS ENCLOSED. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share

capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bansalsheetal965@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com..
4. Members/Proxies and authorized representatives are requested to bring their duly completed Attendance Slip enclosed herewith. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Members holding shares in physical mode are requested to take the benefits of dematerialization of their shares by approaching to any of the Depository Participants.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agent whose address is given below.
   Skyline Financial Services(P)Limited
   D-153A, Ist Floor, Okhla Industrial Area, Phase-I, New Delhi - 110020
8. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting of the Company.
9. Pursuant to Section 72 of the Companies Act, 2013, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, members holding shares in electronic/demat form may file nomination in the prescribed Form SH-13 (in duplicate) with the respective Depository Participant and in respect of shares held in physical form, the nomination form may be filed with the Company's Registrar and Transfer Agent.
10. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Sunday, 24TH July, 2022 to Saturday, 30th July, 2022 (both days inclusive) in connection with AGM.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

11. In accordance with, the General Circular No. 20/2020 dated May 05, 2020 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to

Members whose e-mail address is registered with the Company or the Depository Participant(s).

12. Members may also note that the Notice of the Annual General Meeting and the Annual Report for FY2021-22 will also be available on the Company's website www.panaficindustrialsltd.com and on the website of Stock Exchange i.e. BSE Limited for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send request to the Company's investor email id: panafic.industrials@gmail.com.

13. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at panafic.industrials@gmail.com along with the copy of the signed request letter mentioning the Folio Number, name and address of the Member, scan copy of share certificate (front and back), self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to panafic.industrials@gmail.com

VOTING THROUGH ELECTRONIC MEANS:

14. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Secretarial Standard-2 on General Meeting and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Ltd. (CDSL).

15. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

16. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on record date (cut-off date) i.e. 22nd July, 2022 are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

17. The remote e-voting period commences on 26th July, 2022 (9.00 am) and ends on 29th July, 2022 (5.00 pm). The remote e-voting module shall be disabled by NSDL for voting. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

18. M/s Sheetal Bansal and Associates, Companies Secretaries, has been appointed as the Scrutiniser to scrutinise the e-voting process and voting through physical ballot at the venue of the AGM in a fair and transparent manner.

19. The results of voting shall be declared within 2 working days of the conclusion of the 37th Annual General Meeting. The results of voting so declared along with the Scrutinizer's Report shall be placed on the Company's Website (www.panaficindustrialsltd.com), CDSL Website and shall also be communicated to the Stock Exchange, where the shares of the Company are listed.

20. **INSTRUCTIONS FOR MEMBERS FOR E-VOTING:**

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in

demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 26th July, 2022 and ends on 29th July, 2022. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd July, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	**Login Method**

Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a

	Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	**Helpdesk details**
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares ir Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the

Scrutinizer and to the Company at the email address viz; panafic.industrials@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company email id at** panafic.industrials@gmail.com.

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

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

ÀNNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Members of the Company at the 36th Annual General Meeting ('AGM') held on September 30, 2021 approved the appointment of M/s. SRDP & Co., Chartered Accountants, (FRN.: 509930), as the Statutory Auditors of the Company to fill the casual vacancy up to conclusion of 37th Annual General Meeting. The present tenure of M/s. SRDP & Co., will complete on conclusion of this AGM in terms of the said approval.

The Board of Directors of the Company at its meeting held on July 01, 2022, on the recommendation of the Audit Committee, has considered to recommend the appointment of M/s. SRDP & Co., Chartered Accountants, (FRN.: 509930), as the Statutory Auditors of the Company for a period of 5 (Five) consecutive years from the conclusion of this AGM till the conclusion of the 42nd AGM subject to the approval of members of the Company at this AGM.

On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration of M/s. SRDP & Co., Chartered Accountants, (FRN.: 509930) Accountants for FY 2022-23 as set out in the Resolution relating to their appointment.

As per the requirement of the Companies Act, 2013 (the 'Act'), as amended, M/s. SRDP & Co., have given their consent to act as the Statutory Auditors of the Company and confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and it is not disqualified to be appointed as Statutory Auditor in terms of the provisions of the Section 139 and 141 of the Act and the rules made thereunder.

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

The Board recommends the Ordinary Resolution as set out at item no. 3 for approval by the Members.

Item No. 4

The present Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores) comprising of 10,00,00,000 (Ten Crore) equity shares of Rs. 1/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on 01st July, 2022, had accorded its approval for increasing the Authorised Share Capital from Rs. 10,00,00,000 (Rupees Ten Crores) to Rs. 25,00,00,000 (Rupees Twenty Five Crore) by creation of 15,00,00,000 (Fifteen Crore) additional equity share of Rs.1/- each, subject to shareholders approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crores) to Rs. 25,00,00,000 (Rupees Twenty Five Crore) by addition of 15,00,00,000 (Fifteen Crore) additional equity share of Rs.1/- each ranking pari passu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company

Consequently, Clause V of the Memorandum of Association would also require alteration so as to reflect the changed Authorised Share Capital.

The proposal for increase in Authorised Share Capital and amendment of Memorandum of Association of the Company requires approval of members at a general meeting.

A copy of the Memorandum of Association of the Company duly amended will be available for inspection in the manner provided in the this Notice.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution.

The Board recommends the Ordinary Resolution as set out at item no. 4 for approval by the Members

CONTACT DETAILS:-

Company	Panafic Industrials Limited 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi - 110026
Company Secretary & Compliance Officer	Rinku Jha E-mail Id: panafic.industrials@gmail.com
Registrar & Share Transfer Agent	Skyline Financial Services(P)Limited D-153A, Ist Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020
Agent e-voting Agency	Central Depository Services (India) Limited E-mail ID: helpdesk.evoting@cdslindia.com Ph: 022-22723333/8588
Scrutinizer	M/s Sheetal Bansal & Associates Practicing Company Secretaries bansalsheetal965@gmail.com

Details of Directors seeking appointment/re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations)

Name of Directors	**Mrs. Renu**
Date of Birth (age)	1st March 1981
Date of Appointment	30/09/2014
Qualifications	MBA
Relationship between Directors inter-se	None
Expertise in specific functional area	Rich experience in Marketing Sector
Directorships held in other Public Companies (excluding Foreign, Private and Section 8 Companies)	1(One) IRIS COMPUTERS LIMITED
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	-
No. of shares held in the Company	Nil

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	PAN	USER ID	NO. OF SHARES
220624009			

----------Tear Here----------

ATTENDANCE SLIP

Venue of the Meeting: 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi-110026

Date and Time: 30th July, 2022 at 09:00 A.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

**Applicable for investors holding shares in Electronic form.*

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the 37th Annual General Meeting of the Company held on Saturday, the 30th day of July, 2022 at 09.00 am at 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi-110026.

Signature of the Member/Proxy
(To be signed at the time of handing over the slip)

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: **L45202DL1985PLC019746**
Name of the Company: **Panafic Industrials Limited**
Venue of the Meeting: **23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi – 110026.**
Date and Time: **30th July, 2022 at 09:00 A.M.**

I/We, being the member(s) of ……shares of the above named company, hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the 37th Annual General Meeting of the Company to be held on 30th July, 2022 at 09.00 A.M. at 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi – 110026 and at any adjournment thereof) in respect of such resolutions as are indicated below:

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

** I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

S. No.	Resolution	Number of shares held	For	Against
ORDINARY BUSINESS:				
1	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.			

2	To appoint a Director in place of Mrs. Renu Gupta (DIN: 03572788), who retires by rotation, and being eligible, offers himself for re-appointment.			
3.	Appointment of M/s SRDP & Co., Chartered Accountants (FRN: 509930C) as Statutory Auditors of the Company for the period of 5 Years and fix their remuneration.			
4.	Increase In the Authorised Share Capital And Alteration of the Capital Clause in the Memorandum of Association of the Company			

Signature of shareholder .....

Signature of Proxy holder(s) .....

Signed this ..... Day of 2022

Affix One Rupee Revenue Stamp

Note:

a. 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.

b. Please put a tick mark (√) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.

PANAFIC

Form No. MGT-12

Polling Paper

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

Name of the Company: Panafic Industrials Limited Registered Office: 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, Delhi-110026 CIN: L45202DL1985PLC019746		
BALLOT PAPER		
S. No.	Particulars	Details
1.	Name of the first named Shareholder (In Block Letters)	
2.	Postal address	
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares

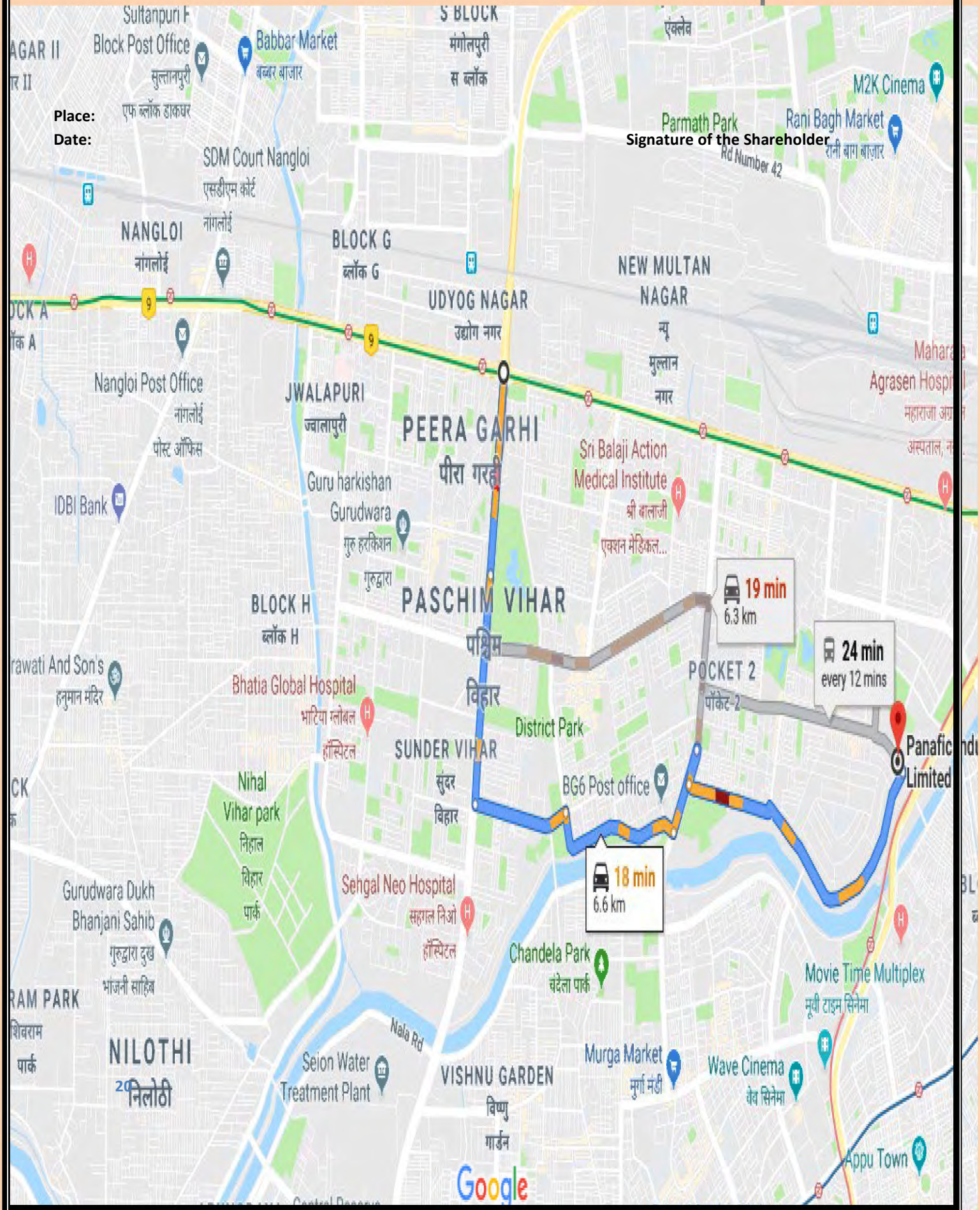
I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon			
2.	To appoint a Director in place of Mrs. Renu Gupta (DIN: 03572788), who retires by rotation, and being eligible, offers himself for re-appointment.			
3.	Appointment of M/s SRDP & Co., Chartered Accountants (FRN: 509930C) as Statutory Auditors of the Company for the period of 5 Years and fix their remuneration.			
4.	Increase In the Authorised Share Capital And Alteration of the Capital Clause in the Memorandum of Association of the Company			

Place:

Date:

Signature of the Shareholder



BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 37th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2022.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March, 2022 is summarized below:

(in Rs.)

Particulars	For the Year Ended	
	31st March, 2022	31st March, 2021
Total Revenue	2,16,86,791	49,81,326
Total Expenses	67,81,931	33,65,723
Depreciation/Provisions	1,56,1571	2,39,794
Profit/(Loss) Before Tax	1,49,04,860	16,15,603
Exceptional and extraordinary items	0	0
Provision for Taxation	25,14,135	(11,40,129)
Profit/(Loss) After Tax	1,23,90,724	27,55,732
Paid up Equity Capital	82,125,000	82,125,000

PERFORMANCE OF THE COMPANY

During the year under review, Company has earned revenue from Operation Rs. 2,16,86,791 in comparison to last year revenue of Rs. 49,81,326. This year Company has earned a Profit after tax of Rs. 1,23,90,724 in comparison to last year Profit of Rs. 27,55,732. Inspite of the challenges imposed due to second wave of pandemic Corona, Company has shown a good performance.

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, no changes have occurred in the nature of the Company's business.

DIVIDEND

Your directors did not recommend any dividend for the financial year 2021-22.

TRANSFER TO RESERVE

The Company transferred an amount of Rs. 87,55,703/- to the General Reserve for the Financial Year ended 31st March, 2022.

PUBLIC DEPOSITS

During the year under review, your Company has not invited or accepted any deposits. There are no unpaid or unclaimed deposits as on the date with the Company.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

CHANGES IN THE SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on 31st March, 2022 was Rs. 8,21,25,000 comprising of 8,21,25,000 Equity Shares of Re.1/- each. During the year under review, the Company has not issued any fresh shares.

MATERIAL CHANGES AND COMMITMENT – IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

The Company does not have any Subsidiary/Joint Venture/Associate Company for the year ended on 31st March, 2022.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors hereby confirms and accepts the responsibility for the following in respect of the Audited Annual Accounts for the financial year ended March 31, 2022:

i. That in the preparation of the annual accounts for the financial year ending 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
ii. That the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. The Directors have prepared the annual accounts of Company on a 'going concern' basis.
v. That proper internal financial controls were in place and that the financial controls were adequate and were operating effetely;
vi. That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Board of Directors**

None of the Directors of the Company are disqualified under the provision of Section 164 and 165 of the Companies Act, 2013 as applicable on the date of this Board's Report.

As on date of this report, the composition of Board is as follows:

S. No.	Name of the Director	DIN	Designation	Date of Appointment
1.	Mrs. Sarita Gupta	00113099	Executive Managing Director	30/09/2014
2.	Ms. Renu	03572788	Non-Executive Director	30/09/2014
3.	Mr. Sanjeev Kumar	06625416	Non-Executive Independent Director	09/07/2013
4.	Mr. Shri Kishan Gupta	08430379	Non-Executive Independent Director	24/04/2019

Appointment
During the year under review, no Director was appointed.

Re-appointment
Further, the Company wished for the re-appointment Ms. Renu Gupta (DIN: 03572788), who retires by rotation in our ensuing 37th Annual General Meeting as per the requirement of Section 152(6) of the Companies Act, 2013 and being eligible to offer herself for re-appointment.

Resignation
During the financial under 2021-22 no director was resigned.

Key Managerial Personnel
Following officials are appointed as the Key Managerial Personnel ("KMP") of the Company.

Company Secretary & Compliance Officer
Ms. Priti Gupta has been resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. 30th May, 2022.
Ms. Rinku Jha is appointed as a Company Secretary and Compliance Officer of the Company w.e.f. 30th May, 2022.

DECLARATION BY INDEPENDENT DIRECTORS

Mr. Sanjeev Kumar and Mr. Shri Kishan Gupta, Independent Directors of the Company have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2016 read with relevant rules thereto.

BOARD AND COMMITTEE MEETINGS

BOARD MEETINGS

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are held at the registered office of the Company.
During the year under review, Board of Directors of the Company met 5 times, viz, 23rd July 2021, 03rd September 2021, 14th September 2021, 13th November 2021, 14th February 2022

DIRECTORS ATTENDANCE RECORD AND DETAILS OF DIRECTORSHIPS HELD

Name of the Directors	No. of Board Meetings attended during Financial Year 2021-22	Whether Previous AGM attended or not	No. of other Directorship in other Public Companies*
Mrs. Sarita Gupta	5	Yes	1
Mr. Shree Kishan Gupta	5	Yes	Nil
Mr. Sanjeev Kumar	5	Yes	Nil
Ms. Renu	5	Yes	1

COMMITTEE MEETINGS

A) Audit Committee

The Company has formed audit committee in line with the provisions Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Audit Committee meeting is generally held one in quarter for the purpose of recommending the quarterly/half yearly/yearly financial results and the gap between two meetings did not exceed on hundred and twenty days. Audit Committee met 5 times, viz, 23rd July 2021, 03rd September 2021, 14th September 2021, 13th November 2021, 14th February 2022

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of meetings during the financial year 2021-2022	
			Held	Attended
1.	Mrs. Sarita Gupta	Member	5	5

2.	Mr. Shree Kishan Gupta	Member	5	5
3.	Mr. Sanjeev Kumar	Chairman	5	5

B) Nomination and Remuneration Committee

The Company has formed Nomination and Remuneration Committee in line with the provisions Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations. Nomination and Remuneration Committee meetings are generally held for identifying the person who is qualified to become Directors and may be appointed in senior management and recommending their appointment and removal. During the year under review, committee met two times 23rd July 2021 and 13th November, 2021.

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of meetings during the financial year 2021-22	
			Held	Attended
1.	Mr. Shree Kishan Gupta	Member	2	2
2.	Mr. Sanjeev Kumar	Chairman	2	2
3.	Mrs. Sarita Gupta	Member	2	2

C) ***Shareholder's/ Investor Grievance Committee***

The Company has constituted Stakeholder's Relationship Committee mainly to focus on the Redressal of Shareholders'/Investors' Grievances, if any, like Transfer/ Transmission/ Demat of Shares, Loss of Share Certificates, Non-receipt of Annual Report, Dividend Warrants, etc. During the year under review, Stakeholder's Grievance & Relationship Committee met four times 23rd July 2021, 03rd September 2021, 13th November, 2021 and 14th February, 2022.

The composition of the Committee and the details of meetings attended by its members are given below:-

S. No.	Name of the Director	Designation	Number of meetings during the financial year 2021-22	
			Held	Attended
1.	Mrs. Sarita Gupta	Member	4	4
2.	Mr. Sanjeev Kumar	Chairman	4	4
3.	Mr. Ankur Sharma	Member	4	4

EXTRAORDINARY GENERAL MEETING

No Extra Ordinary General Meeting was held during the year 2021-2022.

COMPANY'S POLICY RELATING TO DIRECTORS' AND KMP'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company's policy relating to appointment of Directors and KMP, payment of Managerial remuneration, Directors' qualification, positive attributes, independence of directors and other related matters has been devised as per the provisions given under Section 178(3) of Companies Act, 2013.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

1. Qualifications of Independent Directors
An Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

2. Positive attributes of Independent Directors
An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of Independent Directors
An Independent director should meet the requirements of the Companies Act, 2013 and Listing Regulations concerning independence of directors.

INDEPENDENT DIRECTORS DECLARATION
The Company has received the necessary declaration from each ID in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CERTIFICATE BY PRACTICING COMPANY SECRETARY
The Company has received certificate from Ms. Sheetal Bansal, Proprietor of Sheetal Bansal & Associates, Practising Company Secretaries, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate of Affairs or any such authority. The certificate is attached as **"ANNEXURE A"**.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS

In line with the requirement of Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC) for performance evaluation process of the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia the Structure of the Board, Meetings of the Board, Functions of the Board, Degree of fulfillment of key responsibilities, Establishment and delineation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings and guidance/support to the Management outside Board/Committee Meetings.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance. It also has a team of internal auditors to conduct internal audit. Audit firms also ensure that all transactions are correctly authorised and reported. The reports are reviewed by the Audit Committee of the Board. Wherever deemed necessary, internal control systems are strengthened and corrective actions initiated.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

RELATED PARTY TRANSACTIONS

Details of related party transactions that were entered into during the financial year, if any under the provisions of Section 188 of the Companies Act, 2013 are given in the Financial Statements. There are no materially significant related party transactions made by the company which may have potential conflict with the interest of the Company at large and thus disclosures as required under Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not required in Form AOC 2 as specified under the Companies Act, 2013.

All Related Party Transactions are placed before the Audit and Risk Management Committee for approval as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to such omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit and Risk Management Committee on a quarterly basis.

CORPORATE GOVERNANCE

Since the paid up capital of the company is less than Rs.10 Crores and the net worth of the Company is less than Rs.25 Crores, the provisions of Regulations 17,18,19,20,21,22,23,24,25,26,27, and clauses (b) to (i) of sub-regulation 2 of

Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, are not applicable to the Company, hence corporate governance report has not been enclosed to directors report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(i) Annual overlook and outlook

It has been a challenging year with several macro headwinds encompassing industrial, infrastructure and real estate market. Slow economic activity and liquidity challenges impacted the overall demand scenario in the industry.

Later part of the year also witnesses an unpredictable outbreak of corona virus sending global economic into tizzy affecting overall economy. Complete lockdown affect the supply chains and consumer sentiments. These disruptions impacted the overall performance of the Company for the year. We are confident to lead the recovery in a shorter period after post pandemic phase and strive to sustain profitable growth.

(ii) Industry Structure and Developments:

Capital Market is dependent on various external factors beyond the control of the Management. Factors like economy, Industrial Growth, Level of Export, Political Scenario, Reform initiatives of the Government. The participants having any dealing with Capital Market are affected directly by the movement in the market.

(iii) Opportunities & Threats:

The biggest opportunity for the Indian financial system today is the Indian consumer. Demographic shifts in terms of income levels and cultural shifts in terms of lifestyle aspirations are changing the profile of the Indian consumer. Your Company being an investment Company seeks opportunities in the capital market. The volatility in stock indices in the financial year under report represents both an opportunity and challenge for the Company. Further the impact of stress in the NBFC sector spills over to this year as well, it may lead to lower credit off take from NBFCs, which may dampen growth in consumption spending. The most significant threat for any lending activity is to constantly exhibit operational excellence and contain the loss and mitigate the risks.

Currently the biggest threat is COVID 19 and its impact. It is expected that overall NBFC business will be severely affected which would result to the turning of loan into NPA.

(iv) Future Outlook:

NBFCs are facing liquidity crisis and that coupled with increasing stress in the corporate segment warrants caution. In fact many corporates were dragged to NCLT under Insolvency and Bankruptcy Code which clearly manifests the stress the corporates are facing. Further, improvements in the capital markets may also positively impact the finance and investment companies. However, the continued deterioration in assets quality and NPA'S are haunting the finance companies.

(v) Risks & concerns:

In the normal course of business, finance and investment companies are exposed to various risks, namely, Credit Risk, Market Risk and Operational Risk, besides other residual risks such as Liquidity Risk, Interest Rate Risk, Strategic Risk, etc., any company which is in the business of lending, the entire proposition of the Company (providing finance to various segments of the economy) is on the fundamentals of managing the risk rather than avoiding it. Further the risk of market

fluctuations will be a major risk associated with the company.

(vi) Internal Control:

The company has in place adequate internal financial control system. The Company's internal control systems, including internal financial controls, are commensurate with the nature of its business and the size and complexity of its operations and same are adequate and operating effectively. The Audit Committee reviews adequacy and effectiveness of the Company's internal control system including internal financial control. Your company has taken proper care for the maintenance of adequate accounting records as required by various statutes.

(vii) Financial performance:

The financial performance of the company has been covered in the Director's Report.

(viii) Human Resources:

The current activities of the Company may not require significant human resource, however to the extent possible requisite personnel have been engaged to take care of organization need of human resources. Accordingly, your Company attributes importance to human resource development activities.

(ix) Cautionary Statement:

The statements in this Management Discussion and Analysis describing the Company's objects, projections, estimates, expectations may be construed as "forward-looking" statements within the meaning of applicable securities laws and regulations and such forward looking statements involve risks and uncertainties. Actual results may differ materially from those expressed in this statement. Important factors that could influence the Company's operations include fluctuations in the capital markets, repayments by the borrowers, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward looking statements.

AUDITORS

Statutory Auditors

At the 36th AGM, the Members approved appointment of M/s SRDP & Co, Chartered Accountants (FRN: 509930C) as Statutory Auditors of the Company to fill the casual vacancy up to conclusion of 37th Annual General Meeting. The present tenure of M/s. SRDP & Co., will complete on conclusion of this AGM in terms of the said approval

M/s SRDP & Co., has consented to act as statutory auditors of the Company for a period of 5 (Five) consecutive years from the conclusion of this AGM till the conclusion of the 42nd AGM and given a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company. As required under Regulation 33 of the Listing Regulations, Statutory Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Necessary resolution and explanation thereto have been provided in the AGM notice seeking approval of members.

There are no qualifications, reservations or adverse remarks made by erstwhile Statutory Auditors, in their Report.

Auditor's Observation
The existing Statutory Auditors does not contain any qualification, reservation and adverse remarks in their report.

Secretarial Auditors
The Board has appointed Ms. Sheetal Bansal, Practicing Company Secretary, to conduct Secretarial Audit for the FY 2021-22. The Secretarial Audit Report for the Financial Year ended 31st March, 2022 is at "**Annexure B"**.

The said report does not contain any qualification, reservation and adverse remarks.

Internal Auditor
The Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Company has appointed Mr. Vijay Kataria, Chartered Accountant, having ICAI Membership No. 534458 as an Internal Auditor of the Company.

Cost record and cost audit
Maintenance of cost records and requirement of cost audit as prescribed under the provision of Section 148(1) of the Companies Act 2013 are not applicable for the business activities carried out by the Companies.

REPORTING OF FRAUD BY AUDITOR
During the year under review, neither the statutory auditor nor the Secretarial auditor reported to the audit committee, under section 143(12) of the companies Act, 2013, any instant of fraud committed against the company by its officers or employees the details of which would need to be mentioned in the Board's report.

RISK MANAGEMENT

The Company does not have any formal Risk Management Policy as the elements of risk threatening the company are very minimal. However, on discretionary basis the Company has constituted the Risk Management Committee to cope up with adequate processes and procedures in place to mitigate risks of various kinds, if any, but as no such matter comes before the Board till date, no meeting held as such.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS IN SECURITIES

Pursuant to section 186 (11) of the Companies Act, 2013 ('Act'), the provisions of section 186(4) of the Act requiring disclosure in the financial statement of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report.

Disclosure of Investment is also exempt for investment made, in respect of investment or lending activities, by a non-banking financial company registered under Chapter III-B of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities under section 186(11).

FIXED DEPOSITS

The Company has not accepted deposit from public during the year and there was no deposit outstanding on 31st March, 2022.

HUMAN RESOURCE DEVELOPMENT

The Company believes that its people are the key differentiators, especially in the current knowledge driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements is an ongoing process. The Board of Directors of your company would like to place on record their sincere appreciation for the efforts and contribution made by all the employees of the Company in realizing the targeted projects of the Company. Your Directors take this opportunity to thank all employees for rendering impeccable services to every constituent of Company, customers and shareholders.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder are not applicable to the Company.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

1. The Company have promoted ethical behaviour in all its business activities and has established a vigil mechanism for Directors and Employees to report their genuine concerns.

2. The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through the Whistle Blower Policy, to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

3. As per the Whistle Blower Policy implemented by the Company, the Employees are free to report illegal or unethical behaviour, actual or suspected fraud or violation of the Company's Codes of Conduct or Corporate Governance Policies or any improper activity to the Chairman of the Audit Committee of the Company or Chairman of the Company.

4. The Whistle Blower Policy provides for protected disclosure and protection to the Whistle Blower. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices.

   The Whistle Blower Policy has been appropriately communicated within the Company and has also been hosted on the website of the Company www.panaficindustrialsltd.com. No personnel have been denied access to the Audit Committee.

POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company does not have developed and implemented any corporate social responsibility initiatives as the said provisions are not applicable to the Company.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company is available on the Company's website on www.panaficindustrialsltd.com

PARTICULARS OF EMPLOYEES AND REMUNERATION

None of the Employees of the Company was in receipt of remuneration, which was more than the limits as prescribed under Section 197 of the Companies Act, 2013 read with the Companies (Particulars of Employees) Rules, 1975 and hence no particulars are required to be disclosed in this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

Since the Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable. Apart from that, there were no foreign exchange earnings or outgo of the company during the year under report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders which were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's Operations in future.

Suspension of Securities of the Company

The securities of the Company have not been suspended from trading in any of the stock exchanges.

Financial Year

The Company follows the financial year commence from April 1 and ends on March 31 of subsequent year.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and their status

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking loans from the Banks or Financial Institution alongwith the reasons thereof

There are no such events occurred during the period from April 01, 2021 to March 31, 2022, thus no valuation is carried out for the one-time settlement with the Banks or Financial Institutions.

APPRECIATION

Your Directors wish to take this opportunity to offer sincere appreciation and acknowledge with gratitude the support and co-operation extended by the clients, vendors, bankers, registrar and share transfer agent, business associates, financial institutions, media and their agencies and look forward to their continued support and assistance. We place on record our appreciation of the contribution made by our employees at all levels. We look forward for such continued hard work, solidarity, cooperation and support.

The Board of Directors also wishes to place on record its gratitude for the faith reposed in the Company by the Securities and Exchange Board of India, the Reserve Bank of India and the Government of India.

For and on behalf of the Board of Directors
M/s Panafic Industrials Limited

Sd/-
Sarita Gupta
Director
DIN: 00113099
D-158, Pushpanjli Enclave,
Pitam Pura, Delhi- 110034

Sd/-
Renu
Director
DIN: 03572788
H-3/197, Kuwar Singh Nagar, Najafgarh Road, Nangloi, Delhi-110041

Place: Delhi
Date: 01st July, 2022

PANAFIC

ANNEXURE- A

CERTIFICATE PERTAINING TO DISQUALIFICATION OF DIRECTORS

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Panafic Industrials Limited ("the Company")
23, IInd Floor, North West Avenue, Club Road,
West Punjabi Bagh, New Delhi-110026

We, Sheetal Bansal & Associates., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Panafic Industrials Limited having CIN L45202DL1985PLC019746 and having registered office at **23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi-110026** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name Of Director	DIN	Date of Appointment in Company
1.	Sarita Gupta	00113099	30/09/2014
2.	Renu	03572788	30/09/2014
3.	Shree Kishan Gupta	08430379	24/04/2019
4.	Sanjeev Kumar	06625416	09/07/2013

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sheetal Bansal & Associates.
Company Secretary
Sd/-

Sheetal Bansal
Proprietor
C.P. No. 22284
UDIN: A038208D000549961

Form No. MR.-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To
The Members
Panafic Industrials Limited
23, II Floor, North West Avenue, Club Road,
West Punjabi Bagh, New Delhi-110026

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PANAFIC INDUSTRIALS LIMITED** (hereinafter called the company) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on Company's books, papers, minutes books, forms and returns filed and other records maintained by the company as given in **Annexure B** and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st march 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in manner and subject to the reporting made hereinafter.

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

i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
ii. The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made thereunder;
iii. The Depository 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 foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
v. Reserve Bank of India Act, 1934
vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

a. Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015; **During the year under review, the Company has filed its quarterly, half yearly and yearly returns as required under regulation 7, 13, 27, 30, 31, 34, 40, 55A, 44 and other applicable regulation with BSE. The Company has disclosed the relevant material facts and events to the Stock Exchange in time.**

b. Securities and Exchange Board of India (Secretarial Acquisition of Shares and Takeovers) Regulations, 2015;
During the year under review, the Company has not received any communication for substantial Acquisition of Shares and takeovers of the Company.

c. Securities and exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
During the year under review, the Company has not issued any shares / securities to its employee.

d. Securities and Exchange Board of India (issue and Listing of Non-Convertible and redeemable Preference Shares) Regulation, 2013;
During the year under review, the Company has not issued any Non-Convertible and redeemable Preference Shares.

e. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
During the year under review, the Company has received declaration from the Promoters, Directors and Senior Managerial Personnel as required regarding the holding of Company securities and trading in the securities of the Company by the Promoters, Directors and Senior Managerial Personnel.

f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
During the year under review, the Company has not issued any securities.

g. Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulation, 2008
During the year under review, the Company has not issued any debt securities.

h. The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999
During the year under review, the Company has not issued any shares /options to Directors/employees under the said guidelines/ Regulations); and

i. Securities and Exchange Board of India (Buyback of Securities) Regulation, 2018
During the year under review, the Company has not brought back any of its securities.

j. Other Law as applicable specifically to the Company as identified by the management, that is to say:
   a) Factories Act, 1948
   b) Minimum Wages Act, 1948
   c) Employees 'Provident Funds and miscellaneous Provisions Act, 1952
   d) Payment of Bonus Act, 1965
   e) Employees' State Insurance Act, 1948
   f) Payment of Gratuity Act, 1972
   g) Industrial Disputes Act, 1947

We have examined compliance with the applicable clauses of the following:

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non Executive Directors and Independent Directors during the period under review.

Adequate Notice is given to all the Directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtained further information and clarification 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.

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

We further report that, as per the representation made by the management, during the audit period the company has not carried on any specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For Sheetal Bansal & Associates

Sheetal Bansal
Company Secretary
Proprietor
C.P.No. 22284
UDIN: A038208D000549235

Date: 30/06/2022
Place: Delhi

PANAFIC

Annexure B

To
The Members
Panafic Industrials Limited
23, II Floor, North West Avenue, Club Road,
West Punjabi Bagh, New Delhi-110026

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as we were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial records. The Verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have not checked the compliances of general law applicable to the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit Report 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 Sheetal Bansal & Associates
Sd/-
Sheetal Bansal
Company Secretary
Proprietor
C.P. No. 2228

Date: 30/06/2022

Place: Delhi

SRDP & CO.
CHARTERED ACCOUNTANTS
508, Arunachal Building, 19, Barakhamba Road, New Delhi-110001
Tel. : 011-43592522, 49534526
E-mail : sudhiricai@yahoo.com

Independent Auditor's Report

To the Members of Panafic Industrials Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Panafic Industrials Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement ofChanges in Equity and Statement of Cash Flow for the year then ended, and a summary ofthe significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, theaforesaid financial statements give the information required by the Companies Act, 2013(the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2022, and its profit (financial performance including other comprehensive income), changes in equity and its cashflows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained insufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw your attention to Note 30 to financial statements which explains the management's assessment of the financial impact on the financial statements of the Company due to lockdown and other restriction imposed by the Government of India and other conditions related to the COVID-19 pandemic situation due to which the Company's business may also be affected in short to medium term

Our opinion is not modified in respect of abovementioned matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Company's Annual Report ,if, based on the work we have performed, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in Section134(5) of the Act with respect to the preparation of these financial statements that give true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) . This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financialstatements as a whole are free from material misstatement, whether due to fraud or error, and to issue an

auditor'sreport that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1) The Company has not paid any managerial remuneration during the year, hence, the provisions of and limits laid down under Section 197 read with Schedule V to the Act are not applicable.

2) As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by theCentral Government of India in terms of Section 143(11) of the Act, we give in the **Annexure** A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

3) Further to our comments in Annexure A, 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 sofa as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2022taken on record by the Board of Directors, none of the directors is disqualified as on March31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.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 (as amended), 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 the financial statements- Refer note no 35 of the financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There has been no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2022;

(iv) The disclosure in the financial statements regarding holding as well as dealing in specified bank notes during the period from 08 November 2016 to 30 December 2016 have-not been made in the since they do not pertain to the financial year ended 31March 2022.

(v)

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

b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by company from any person or entity, including foreign entity ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall. Whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, Security or the like on behalf of Ultimate Beneficiaries.

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

(v) During the year, company has not declared or paid dividend during the year which is in compliance with section 123 of the Companies Act, 2013.

ForSRDP & Co.
Chartered Accountants
FRN 509930C

Sudhir Kumar Agarwal
Partner
M.No088583

Place: New Delhi
Date :: 30.06.2022
UDIN: 22088583AKRTVW7869

"Annexure A" to the Independent Auditor's Report

Persuant to the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act.

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements 'section of our report to the Member of Panafic Industrials Limited of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipments and Intangible Assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipmentsannually. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) As informed to us, the Company does not own any immovable property, hence, clause 3(i)(c) of the order is not applicable.

(d) The Company has not revalued any of its Property, Plant and Equipments and Intangible Assets during the year.

(e) No Proceedings have been initiated during the year or are pending against the company as at March 31st, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. As informed to us, the Company does not hold any inventory; hence clause 3(ii) of the Order is not applicable.

iii. The Company has not granted any loans, secured or unsecured to other parties covered in the register maintained under Section 189 of the Act. Further, there are no limited liability partnerships or firms which are covered in the register maintained under Section 189 of the Act; hence clause 3(iii) of the Order is not applicable.

iv. According to the information and explanations given to us, the Company has not given any loans and guarantees, to parties covered under section 185 and 186 of the Companies Act, 2013.

v. In our opinion, and according to explanations given to us, the Company has not accepted any deposits from public to which directives issued by Reserve Bank of India and provisions of Section 73 to 76 of the Companies Act, 2013 including rules framed there under apply

vi. The Company is a Non-Banking finance Company hence clause 3 (vi) of the order regarding compliance of maintenance of cost recordsunder sub-section (1) of Section 148 of the Act is not applicable on the Company.

vii. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees 'State Insurance, Income-tax, Service tax, Goods and Service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Value added-tax, Sales-tax, CASs, Duty of excise and Duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Provident Fund, Service tax, Good and Service tax and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues on account of Income-tax, Goods and service tax, Provident Fund and Service tax which have not been deposited with the appropriate authorities on account of dispute as at31 March 2022.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act. 1961.

ix.

a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of Loans or borrowings or in the interest from the banks or financial institutions.

b. The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.

c. The Loans were applied to the purpose for which they aere taken. No instances of diversion of funds were identified during the audit.

d. On an overall examination of the financial statements of the company, no funds were raised for short term by the company. Hence reporting under this clause is not applicable.

e. On an overall examination of the financial statements of the company, the Company has not taken any funds from the entity or person on account of or to meet the obligations of its subsidiaries.

f. The company has not raised any loans during the year and hence reporting of the clause 3(ix)(f) is not applicable.

x. Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised money by way of initial public offer or further public offer including debt instruments and term loans. Also, Company has not made any

preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally). Accordingly, the provisions of clause 3(x) of the order are not applicable to the company and hence not commented upon.

xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year. Also, there were no whistle blower complaints received by the company which could be considered while determining the Nature, Timing and Extent of the Audit procedures. hence, reporting under clause 3(xi) is not applicable.

xii. According to the information and explanations given to us, the Company is not a NidhiCompany. Hence, clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no transactions with the related parties which are not in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements, as required, by the applicable accounting standards.

xiv.

a. In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.

b. We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.

xvi.

a. According to the information and explanations given to us, the Company is registered under Section 45-1A of the Reserve Bank of India Act, 1934. We have obtained copy of the registration certificate of the Company.

b. The company has not conducted any Non-banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve bank of India Act, 1934.

c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

d. There are no CIC as a part of the group.

xvii. The Company has not incurred any cash losses during the financial year under audit and in the preceeding financial year.

xviii. There has been no resignation of statutory auditors of the company during the financial year.

xix. On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit reports indicating the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to future viability of the company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as they fall due.

xx. The CSR requirements are not applicable on the company. Hence reporting under this clause 3(xx) is not applicable.

For SRDP & Co.
Chartered Accountants
FRN 509930C

Sudhir Kumar Agarwal
Partner
M.No088583

Place: New Delhi
Date : : 10.06.2022
UDIN: 22088583AKRTVU7869

"Annexure B" to the Independent Auditor's Report

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements 'section of our report to the Member of Panafic Industrials Limited of even date)

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

We have audited the internal financial controls over financial reporting of Panafic Industrials Limited ("the Company") as of 31 March, 2022 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 and Board of Directors are 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 Notion 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. 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 internal financial controls system over financial reporting of the Company.

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 reparation 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 dueto error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at31 March, 2022, based on 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 SRDP & Co.
Chartered Accountants
FRN 509930C

Sudhir Kumar Agarwal
Partner
M.No:088583

Place: New Delhi
Date : : 10.06.2022
UDIN:22088583AKRTVW7869

Panafic Industrials Limited
Balance Sheet
As at 31 March 2022

(All amounts in Rs.)

Particulars	Note No	As at 31 March 2022	31 March 2021
ASSETS			
Financial assets			
Cash and cash equivalents	3	6,751,475	6,741,548
Investments	4	9,933,569	-
Loans	5	83,065,526	164,014,679
Trade Receivable		969,971	-
		100,720,541	**170,756,227**
Non-financial assets			
Current tax assets (net)		5,044	679,809
Deferred tax assets (net)	6	1,392,880	4,762,791
Property, plant and equipment	7	291,562	447,719
Other non-financial assets	8	679,809	20,776
		2,369,295	**5,911,095**
Total assets		**103,089,836**	**176,667,322**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade payables	9		
Total outstanding dues of micra enterprises and small enterprises		-	-
Total outstanding dues of other than micra enterprises and small enterprises		67,938	932,903
Borrowings	10	381,453	91,956,386
Other financial liabilities	11	720,000	32,700
		1,169,391	**92,921,989**
Non-financial liabilities			
Other non-financial liabilities	12	-	-
		-	-
Equity			
Equity share capital	13	82,125,000	82,125,000
Other equity	14	19,795,445	1,620,333
Total liabilities and equity		**101,920,445**	**83,745,333**
		103,089,836	**176,667,322**
Summary of significant accounting policies	2	-	-

The accompanying notes are an integral part of the financial statements

As per our report of even date
For SRDP & CO
Chartered Accountants
ICAI Firm Registration number : 509930C

Sudhir Kumar Aggarwal
Partner
Membership number 088583

Date : 10.06.2022
Place : New Delhi

On behalf of the Board of Directors

For Panafic Industrials Ltd
Director/Authorised Sig

Sanjeev Kumar
Director
DIN: 06625416

Sarita Gupta
For Panafic Industrials Ltd
DIN: 0113099
Director/Authorised Sig

Rinku
Company Secretary

Panafic Industrials Limited
Statement of Profit and Loss
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	Note No	For the year ended 31 March 2022	31 March 2021
Revenue from operations			
Interest income	15	7,425,040	4,981,326
Other income	16	14,261,751	-
Total income		**21,686,791**	**4,981,326**
Expenses			
Finance costs	17	77,335	130,342
Change In Stock		-	-
Impairment on financial instruments	18	208,184	967,243
Employee benefits expenses	19	1,567,110	567,271
Depreciation and amortisation expenses	7	156,157	239,794
Other expenses	20	4,773,145	1,461,073
Total expenses		**6,781,931**	**3,365,723**
Profit before tax		**14,904,860**	**1,615,603**
Tax expense			
Current tax		213,376	-
Deferred tax (credit)/charge		2,300,759	(1,140,129)
Total tax expense		**2,514,135**	**(1,140,129)**
Profit after tax		**12,390,724**	**2,755,732**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss:		-	-
Change in Fair Value of Equity Instruments at FVOCI		324,537	
Gain on sale of invesment		6,529,003	
Tax Impact on Abave Item		-1,069,152	
Items that will be reclassified to profit or loss in subsequent periods:			
Other comprehensive income for the year (net of tax)		**5,784,388**	**-**
Total comprehensive income for the year		**18,175,112**	**2,755,732**
Weighted average number of shares far calculating basic and diluted Earning per share		82,125,000	82,125,000
Earnings per share			
(Nominal value Rs. 1/- per share)		0.22	0.03

Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements

As per aur report of even date
For SRDP & CO
Chartered Accountants
ICAI Firm Registration number : 509930C

Sudhir Kumar Aggarwal
PARTNER
Membership number 088583

Date : 10.06.2022
Place : New Delhi

On behalf of the Board of Directors

For Panafic Industrials Ltd

Sanjeev Kumar
Director
DIN: 08625418

Rinku Jha
Company Secretary

For Panafic Industrials Ltd
Sarita Gupta
Director & CFO
DIN: 00113099
Director/Authorised Sig

Panafic Industrials Limited
Statement of cash flows
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	For the year ended 31 March 2022	31 March 2021
A. Cash flows from operating activities		
Profit before tax	21,758,400.	1,615,603.
Adjustments for:		
Depreciation	156,157	239,794
Impairment on Financial Instruments	208,184	967,243
Reversal of Provision	14,261,751	
Bad debt	2,748,188	
Operating Profit before working capital changes	**39,132,679.**	**2,822,640.**
(Increase)/ Decrease in loans & advances	66,479,218	2,135,764.
(Increase)/ Decrease in other financial assets	-969,971	239,794.
(Increase)/ Decrease in other non-financial assets	(3,155,187)	979,224.
Increase/ (Decrease) in other trade payables	-864,965	739,176
Increase/ (Decrease) in other financial liabilities	687,300	32,700
Increase/ (Decrease) in other non-financial liabilities		-605,280
Cash flows / (cash used in) Operations	**101,309,074**	**6,344,038.**
Income Taxes Paid	209,355.	-140,832
Net Cash flows/ (cash used in) Operating Activities (A)	**101,518,430**	**6,203,206.**
B. Cash Flows from Investing Activities		
Investment in equity shares	-9,933,569	
Net Cash from Financing Activities (C)	**-9,933,569**	
C. Cash flows from financing activities		
Proceeds/(Repayment) from Borrowings (other than debt securities)	(91,574,933)	-14,199
Amount received from share application money	-	
Net Cash from Financing Activities (C)	**(91,574,933)**	**-14,199**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**9,927**	**6,189,007.**
Cash and cash equivalents at beginning of year	6,741,548	552,542
Cash and cash equivalents at end of year	**6,751,475**	**6,741,549**
	-0	

Notes :

1 The cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standards (Ind AS 7)
2 The significant accounting policies and notes to the financial statements form an integral part of the Cash Flow Statement.

As per our report of even date
For SRDP & CO
Chartered Accountants
ICAI Firm Registration number : 509930C

Sudhir Kumar Aggarwal
PARTNER
Membership number 088583
Date : 10.06.2022
Place : New Delhi

On behalf of the Board of Directors
For Panafic Industrials Ltd

Sanjeev Kumar — *Director* — DIN: 06625416
Sarita Gupta — Director/Authorised Sig — DIN: 0113099

Rinku Jha
Company Secretary

Panafic Industrials Limited
Statement of changes in equity
for the year ended 31 March 2022

(All amounts in Rs.)

Equity share capital

	For the year ended	
	31 March 2021	31 March 2020
Balance at the beginning of the year	82,125,000	82,125,000
changes in equity share capital during the year (refer note : 10)	-	-
Balance at the end of the year	82,125,000	82,125,000

Other equity

	Reserve and surplus				
	Retained earnings	Reserve fund as per RBI Act	General reserve	Other comprehensive income	**Total other equity**
Balance as at 1 April 2019	-	**2,307,892**	**10,276,505**	-	**(1,135,399)**
Profit after tax	(13,719,796)	-		-	2,755,732
Other comprehensive income (net of tax)					-
	(13,719,796)	2,307,892	10,276,505	-	1,620,333
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		-	-	-	-
Transfer to general reserve	13,719,796		(13,719,796)	-	-
Balance as at 31 March 2020	-	**2,307,892**	**(3,443,291)**	-	**1,620,333**
Balance as at 1 April 2020	-	**2,307,892**	**(3,443,291)**	-	**(1,135,399)**
Profit after tax	2,755,732			-	2,755,732
Other comprehensive income (net of tax)					-
	2,755,732	2,307,892	(3,443,291)	-	1,620,333
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(551,146)	551,146			-
Transfer to general reserve	(2,204,585)		2,204,585		-
Balance as at 31 March 2021	1	**2,859,038**	**(1,238,706)**	-	**1,620,333**
Balance as at 1 April 2021	1	**2,859,038**	**(1,238,706)**	-	**1,620,333**
Profit after tax	12,390,724			-	12,390,724
Other comprehensive income (net of tax)				5,784,388	5,784,388
	12,390,725	2,859,038	(1,238,706)	5,784,388	19,795,445
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(3,635,022)	3,635,022			-
Transfer to general reserve	(8,755,703)		8,755,703		-
Balance as at 31 March 2022	-	**6,494,060**	**7,516,997**	**5,784,388**	**19,795,445**

As per our report of even date
For SRDP & CO
Chartered Accountants
ICAI Firm Registration number : 509930C

SUDHIR KUMAR AGGARWAL
Partner
Membership number 088589
Date : 10.06.2022
Place : New Delhi

On behalf of the Board of Directors

For Panafic Industrials Ltd.

Sanjeev Kumar
Director
DIN: 03425416
Director/Authorised Sig

For Panafic Industrials Ltd.

Sarita Gupta
Director & CFO
DIN: 01130995
Director/Authorised Sig

Rinku Jha
Company Secretary

Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2022, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (hereinafter referred as 'Previous GAAP'). These financial statements for the year ended 31 March 2022 are the first the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to Ind AS. An explanation of how transition to Ind AS has offected the previously reported financial position, financial performance and cash flows of the Company is provided in note no. 27.

Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are materiol in nature.

Critical accounting and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimotes are based.

1. Summary of significant accounting policies

This note provides a list of the significont accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i. Income

a) Interest income

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost or fair volue through other comprehensive income (FVOCI). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a finoncial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a finoncial asset or to the amortised cost of a financial liability.

The Company recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the basis of **Master Circular (RBI/2015-16/101) - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances** as set out in Note no 2(iv). If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Delayed payment interest (penal interest) levied on customers for delay in repayments/non payment of contractual cashflows is recognised on realisation.

Interest on financial assets subsequently measured at fair value through profit or loss (FVTPL) is recognised at the contractual rate of interest.

b) Dividend income

Dividend income on equity shares is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

c) Income from trading in securities

Gains / losses on dealing in securities are recognized on a trade date basis.

d) Net gain on fair value changes

Financial assets are subsequently measured at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), as applicable. The Company recognises gains/losses on fair value change of financial assets measured as FVTPL and realised gains/losses on derecognition of financial asset measured at FVTPL and FVOCI.

e) Incomes are recognised net of applicable taxes, if any.

ii. Expenditures

a) Finance costs

Borrowing costs on financial liabilities are recognised using the EIR.

b) Expenses are recognised net of the Goods and Services Tax/Service Tax, except where credit for the input tax is not statutorily permitted.

iii. Cash and cash equivalents

Cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

iv. Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

All the financial instruments are recognised on the date when the Company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Company recognizes the financial instruments on settlement date.

a) **Initial measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

Subsequent measurement

For the purpose of subsequent measurement, financial ossets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at FVOC
- Debt instruments at FVTPL
- Equity instruments designated at FVOCI

The Company recognizes all the financial assets and liabilities at its fair value on initial recognitian; In the case of financial assets not at fair value through profit or loss, transaction costs that ore directly attributable to the acquisition or issue of the finoncial asset are added to the fair value an initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:
Amortised cost: The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.

Fair value through other comprehensive income (FVOCI): The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding ond the Company's business model is achieved by both collecting contractuol cash flow and selling financial assets. In case of debt instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method is recognised in profit or loss. On de-recognition, the cumulative gain or loss previously recognised in other comprehensive income is re-classified from equity to profit or loss as a reclassification adjustment. In case of equity instruments irrevocably designated at FVOCI, gains/ losses including relating to foreign exchange, are recognised through other comprehensive income. Further, cumulative gains or losses previously recognised in other comprehensive income remain permanently in equity and are not subsequently transferred to profit or loss on derecognition.

Fair value through profit or loss (FVTPL): The financial assets are classified as FVTPL if these do not meet the criteria for classifying at amortised cost or FVOCI. Further, in certain cases to eliminate or significantly reduce a measurement or recognition incansistency (accounting mismotch), the Company irrevocably designates certain financial instruments at FVTPL at initial recagnition. In case of financial assets measured at FVTPL, changes in fair value are recognised in profit or loss.

Profit or loss on sale of investments is determined on the basis of first-in-first-out (FIFO) basis.

Foir value is the price that would be received to sell an asset or paid to transfer a liobility in an orderly transaction between market porticipants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantogeous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1: quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (e.g. as prices) or indirectly (e.g. derived from the prices).

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

Financial liabilities are carried at amortised cost using the effective interest rate method. For trade and other payables the carrying amount approximates the fair value due to short maturity of these instruments.

Impairment of financial assets

ECL are recognised for financial assets held under amortised cost, debt instruments measured at FVOCI, and certain loan commitments.

The Company has adopted guidelines of **Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016** to recognize ECL which has been summarized below.

A non performing asset (NPA) is a loan or an advance where;

(a) an asset, in respect of which, interest has remained overdue for a period of six months or more;

(b) a term loan inclusive of unpaid interest, when the installment is overdue for a period of six months or more or on which interest amount remained overdue for a period of six months or more;

(c) a demand or call loan, which remained overdue for a period of six months or more from the date of demand or call or on which interest amount remained overdue for a period of six months or more;

(d) a bill which remains overdue for a period of six months or more;

(e) the interest in respect of a debt or the income on receivables under the heod 'other current assets' in the nature of short term loans / advances, which facility remained overdue for a period of six months or more;

(f) any dues on account of sale of assets or services rendered or reimbursement of expenses incurred, which remained overdue for a period of six months or more;

(g) the lease rental and hire purchase installment, which has become overdue for a period of twelve months or more;

(h) in respect of loans, advances ond other credit facilities (including bills purchased and discounted), the balance outstanding under the credit facilities (including accrued interest) mode

available to the same borrower / beneficiary when any of the above credit facilities becomes non-performing asset :

a) **Substandard Assets:** A substandard asset is the one, which has remained NPA for o period less than or equal to 18 months. Substandard assets are provided for @ 10% af the amount outstanding.

b) **Doubtful Assets :**An asset is classified as doubtful if it has remained in the substandard category for a period of 18 months. 100% of the unsecured portion of the doubtful assets is provided for. The secured portion of the doubtful assets are provided for as per the following table :

Period for which the asset has remained in 'doubtful' category	Provision requirement (%)
Up to one year	20
One to three years	30
More than three years	50

c) **Loss Assets:** A loss asset is one where loss has been identified by the Company or externol auditors or the RBI inspection but the amount has not been written off wholly. In other words, such an asset is considered uncollectible and of such little value that its continuance as a bankable asset is not warranted although there may be some salvage or recovery volue. 100% of the outstanding lass financial assets are provided for.

Income from non-performing assets (NPA) is not recognised on accrual basis but is booked as income anly when it is actually received.

v. Taxes

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, in accordonce with the Income Tox Act, 1961 and the Income Computation and Disclosure Standards (ICDS) prescribed therein. The tax rotes ond tax laws used to compute the amount are those that are enacted or substantively enacted, ot the reporting dote.

Current tax relating to items recognised outside profit or loss is recognised in correlotion to the underlying transaction either in OCI or directly in other equity. Management periodically evoluates positions taken in the tox returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes ot the reporting date.

Deferred tox liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed ot each reporting date and reduced to the extent that it is no longer probable thot sufficient toxoble profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets, if any, are reassessed at

each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised either in OCI or in other equity

vi. Property, plant and equipment

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and impairment losses, consistent with the criteria specified in Ind AS 16 'Property, Plant and Equipment'.

Depreciation on property, plant and equipment

a) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets.
b) Useful lives of assets are those prescribed by Schedule II – Part C of the Companies Act, 2013.
c) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.
d) Assets having unit value up to ₹ 5,000 is depreciated fully in the financial year of purchase of asset.
e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vii. Impairment of non-financial assets

An assessment is done at each Balance Sheet date to ascertain whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

viii. Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligations for which a reliable estimate cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Panafic Industrials Limited
Notes to the financial statements
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	As at 31 March 2022	As at 31 March 2021
3. Cash and cash equivalents		
Cash on hand	1,944,044	1,498,705
Balance with banks in current account	4,807,431	5,242,843
	6,751,475	6,741,548
4. Investments		
Quoted		
Steel Exchange of India (39350 Shares @238.85/-)	9398747.5	0
Nakoda Group of Industries Ltd(2498 Shares @214.1/-)	534821.8	0
	9,933,569	-
5. Loans		
A Loans repayable on demand	178,276,430	178,276,430
Less: Impairment loss allowance	(14,261,751)	(14,261,751)
Total (A)	164,014,679	164,014,679
B **Out of above**		
Secured	-	-
Unsecured	178,276,430	178,276,430
Less: Impairment loss allowance	(14,261,751)	(14,261,751)
	164,014,679	164,014,679
C **Out of above**		
(i) Loans in India		
Public sector	-	-
Less: Impairment loss allowance	-	-
	-	-
(ii) Others	178,276,430	178,276,430
Less: Impairment loss allowance	(14,261,751)	(14,261,751)
	164,014,679	164,014,679
(iii) Total (i+ii)	164,014,679	164,014,679
(iv) Loans outside India	-	-
Less: Impairment loss allowance	-	-
	-	-
Total C (iii+iv)	164,014,679	164,014,679
D **Summary of loans by stage of distribution**		
Standard assets	83,273,710	36,573,255
Less: Impairment loss allowance	(208,184)	(91,433)
	83,065,526	36,481,822
Sub-standard assets		141,703,175
Less: Impairment loss allowance		(14,170,318)
	-	127,532,857
Doubtful assets	-	-
Less: Impairment loss allowance	-	-
	-	-
Loss assets	-	-
Less: Impairment loss allowance	-	-
	-	-
Total	83,065,526	164,014,679

Panafic Industrials Limited
Notes to the financial statements
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	As at 31 March 2022	As at 31 March 2021
6. Deferred tax assets		
Deferred tax relates to the following		
Deferred tax assets		
Difference between carrying costs of fixed assets as per Companies Act, 2013	-187,219	193,905
Deffred Tax On Fair Value on Investment	1,632,494	-
On impairment loss allowances on assets	-52,396	3,589,398
On losses carried forward	-	979,488
	1,392,880	4,762,791
7. Property, plant and equipment		
Vehicles		
A *Gross Block*		
Opening balance	2,522,828	2,522,828
Additions		
Deductions/adjustments		
Total as at 31 March 2020	2,522,828	2,522,828
B Depreciation and amortisation		
Opening balance	2,075,109	1,835,315
Deductions/adjustments		
For the year	156,157	239,794
Total as at 31 March 2020	2,231,266	2,075,109
C Net Block (A-B)	291,562	447,719
8. Other non financial assets		
Prepaid insurance	-	20,776.00
Mat Credit	252,034	-
Other advances	427,775	-
	679,809	20,776
9. Trade payables		
Payable against goods and services		
(a) Total outstanding dues of micro enterprises and small enterprises *	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	67,938	932,903
	67,938	932,903

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.

10. Borrowings		
At amortised cost		
Term loan from banks (secured)	381,453	862,985
Intercorporate borrowings (unsecured)	-	91,093,401
	381,453	91,956,386

Term loan from bank is secured against hypothecation of vehicle, repayable in 60 installments of Rs. 45,972/- starting from 10 March 2017. Interest rate is 8.80% p.a.

Intercorporate deposits are repayable on demand.

11. Other financial liabilities		
Salary, bonus and other employee payables	480,000	32,700
Rent payable	240000	
	720,000	32,700
12. Other non-financial liabilities		
Statutory dues	-	-
	-	

Panafic Industrials Limited
Notes to the financial statements
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	As at 31 March 2022	As at 31 March 2021
13. Equity share capital		
Authorised		
100,000,000 (Previous Year 100,000,000) shares of Re. 1 each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued subscribed and paid up		
82,125,000 (Previous Year 82,125,000) shares of Re. 1 each	82,125,000	82,125,000
	82,125,000	82,125,000
A **Reconciliation of the shares outstanding at the beginning and at the end of the year**		
	Nos	Amount (Rs.)
As at 1 April 2019	82,125,000	82,125,000
Add : Issued during the year	-	-
Less: Bought back during the year	-	-
As at 31 March 2020	82,125,000	82,125,000
Add : Issued during the year	-	-
Less: Bought back during the year	-	-
As at 31 March 2021	82,125,000	82,125,000

B **Terms/rights/restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. The dividend recommended by the Board of Directors and approved by the shareholders in the Annual General Meeting is paid in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will 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 (Face value Re. 1 per share)**

14. Other equity		
A **Retained earnings**		
Balance at the beginning of the year	1	-
Profit for the year	12,390,724	2,755,732
	12,390,725	2,755,732
Appropriations		
1934	(2,478,145)	-551,146
Transfer to general reserve	(9,912,579)	(2,204,585)
	(12,390,724)	(2,755,731)
Balance at the end of the year	1	1
B **Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934**		
Balance at the beginning of the year	2,859,038	2,307,892
Transferred during the year	2,478,145	551,146
Balance at the end of the year	5,337,183	2,859,038
C **General reserve**		
Balance at the beginning of the year	(1,238,706)	-3,443,291
Transferred during the year	9,912,579	2,204,585
Balance at the end of the year	8,673,874	(1,238,706)
D **Other comprehensive income (net of tax)**		
Change in Fair Value of Equity Instruments at FVOCI	324,537	
Gain on sale of invesment	6,529,003	
Income Tax on Above Item	(1,069,152)	
	5,784,388	-
Total other equity (A+B+C)	**19,795,445**	**1,620,333**

Nature and purpose of other equity

Retained earnings

Retained earnings represents the surplus in profit and loss account and appropriations.

Reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934

Reserve fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.

General reserve

Amounts set aside from retained profits as a reserve to be utilised for permissible general purpose as per Law

Panafic Industrials Limited
Notes to the financial statements
For the year ended 31 March 2022

(All amounts in Rs.)

Particulars	For the year ended 31 March 2022	31 March 2021
15. Interest income		
On loans	74,25,040	49,81,326
	74,25,040	49,81,326
16. Other income		
Reversal of Provision	142,61,751	-
	142,61,751	-
17. Finance cost		
Interest on borrowings	50,468	84,922
Other borrowing costs	26,867	45,420
	77,335	1,30,342
18. Impairment on financial instruments		
Loans	2,08,184	9,67,243
	2,08,184	9,67,243
19. Employee benefits expenses		
Solaries and wages	10,87,110	5,15,000
Director Remuneration	4,80,000	-
Staff welfare	-	52,271
	15,67,110	5,67,271
20. Other expenses		
Printing and stationery	48,450	22,647
Accountancy charges	30,000	-
Advertisement	47,291	56,802
Audit fees *	-	17,700
AGM Expesnes	20,000	-
Bad Debts	27,48,188	-
Travelling and Conveyance	-	36,300
Car running and maintenonce	2,07,900	5,29,925
Directar Meeting Expenses	40,000	-
Listing fees	8,35,891	1,02,316
Fees and subscription	-	3,500
Festival expenses	-	25,680
Penalty of non-compliance	2,79,200	6,08,880
Insurance expenses	20,776	24,095
Income Tax Vivad-Se Vishwas	2,07,816	-
Legal and professional	23,863	33,228
Rent	2,40,000	-
Miscelloneous	20,121	-
Website Expenses	3,650	-
	47,73,145	14,61,073
* Audit fees includes (excluding goods and service tax):		
As auditors	17,700	17,700

20. Segment information

The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in o single geographical segment i.e. domestic.

21. Contingent liabilities and commitments

	For the year ended	
	31 March 2022	**31 March 2021**
Contingent liabilities	-	-
Commitments	-	-

22. Changes in liability

The Company does not have any financing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

23. Disclosure of transactions with related parties as required by Ind AS 24

I. List of related parties

Sarita Gupta	Director and CFO
Renu	Director
Ankur Sharma	Director
Sanjeev Kumar	Director
Weekline Investment and Trading Company Limited	A Company in which director is interested

II. Related party transactions made during the year,

Particulars	**31 March 2022**	**31 March 2021**
Weekline Investment and Trading Company Limited		
Loan given	-	-
Repayment of loan received	-	-
Interest income	-	-
Balance receivable	-	-

24. Capital

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

I. Capital management

Objective
The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its

business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.

Planning
The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks– which include credit, liquidity and interest rate.

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Board of Directors.

The Company endeavours to maintain its CRAR higher than the mandated regulatory norm. Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

25. Events after reporting date

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

26. Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

The Company has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

- Fair values of investments held for trading under FVTPL have been determined under level 1 using quoted market prices of the underlying instruments;

The Company has determined that the carrying values of cash and cash equivalents, bank balances, loans,trade payables, short term debts, borrowings, and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

27. Financial risk management

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include inter corporate deposits, loans, cash and cash equivalents and other receivables.

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's Board of Directors oversees the management of these risks. The major risks are summarised below:

Market risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts

financial instruments measured at fair value through profit or loss.The fair value investments of these investments are regularly monitored.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter corporate deposits where no significant impact on credit risk has been identified.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's Board of Directors is responsible for liquidity, funding as well as settlement management.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares, commercial papers, etc. All the Companies financial assets and liabilities are payable/ receivable within 12 months.

28. Disclosure pursuant to RBI Notification - RBI/2020-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/ 2020-20 Dated 13 March 2022 - A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

Asset classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross carrying amount as per Ind AS (3)	Loss allowance (Provisions) as required under Ind AS 109 (4)	Net carrying amount (5) = (3) – (4)	Provision required as per IRACP norms (6)	Difference between Ind AS 109 provision and IRACP norms (7) = (4) – (6)
(a) Performing assets						
Standard assets	Stage 1	8,32,73,710	2,08,184	8,30,65,526	2,08,184	-
	Stage 2					
Subtotal (a)		**8,32,73,710**	**2,08,184**	**8,30,65,526**	**2,08,184**	-
(b) Non-performing assets (NPA)						
(i) Sub-standard assets	Stage 3					
(ii) Doubtful up to						
1 year	Stage 3			-		-
1 to 3 years	Stage 3			-		-
More than 3 years	Stage 3			-		-
Subtotal (ii)		-	-	-	-	-
(iii) Loss assets	Stage 3		-	-	-	-
Subtotal (B)		-	-	-	-	-
(c) Other Items	Stage 1			-		-
	Stage 2			-		-
	Stage 3			-		-
Subtotal (c)		-	-	-	-	-
Total (a+b+c)	Stage 1	**8,32,73,710**	**2,08,184**	**8,30,65,526**	**2,08,184**	-
	Stage 2	-	-	-	-	-

	Stage 3					-
	Total	**8,32,73,710**	**2,08,184**	**8,30,65,526**	**2,08,184**	-

29. Schedule in terms of paragraph 19 of Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Liabilities Side:	**(Amount in Rs.)**	
	Amount Outstanding	**Amount Overdue**
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
a) Debentures : Secured		
: Unsecured		
(other than falling Within the meaning of public deposits)	-	-
b) Deferred credits	-	-
c) Term loans	381,453	
d) Inter-corporate loans & borrowings	-	-
e) Commercial paper	-	-
f) Public deposits	-	-
g) Other loans –	-	-
i) Working capital loans from banks	-	-
ii) Security deposit for corporate		
guarantee	-	-
Secured loans	-	-
(2) Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :		
a) In the form of unsecured debentures :		
b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security		
c) Other public deposits	-	-

Assets side :	**Amount Outstanding (Rs.)**
(1) Break-up of Loans and advances including bills receivables [other than those included in (4) below :]	
a) Secured	
b) Unsecured (net of provisions)	-
(2) Break-up of Leased Assets stock on hire and other loans counting towards AFC activities (net of provision)	
i)Lease assets including lease rentals under sundry debtors	
a) Financial lease	
b) Operating lease	-

ii)Stock on hire including hire charges under sundry debtors :	-
a) Assets on hire	-
b) Repossessed assets	
iii) Hypothecation loans counting towards EL / HP activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	

(3) Break-up of Investments:	
Current Investments:	
1. Quoted:	
i) Shares : a) Equity	-
b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-
2. Unquoted :	
i) Shares : a) Equity	-
b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-
Long Term Investments :	
1. Quoted	
i) Shares : a) Equity	-
b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-
2. Unquoted :	
i) Shares : a) Equity Shares	-
b) Preference Shares	-
ii) Debentures and Bonds	

iii) Units of mutual funds	-
iv) Government Securities	-
v) Others	-

1) Borrower group-wise classification of all leased assets , stock-on hire and loans and advances :

Category	Amount net of provisions (Rs.)		
1. Related Parties	**Secured**	**Unsecured**	**Total**
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	-	8,30,65,526	8,30,65,526

2) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

	Break-up value per share(Rs.)	Book value (net of provision) (Rs.)
Category		
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
2. Other than related parties	-	-

Particulars	Amount in Rs.
i) Gross Non-Performing Assets	
a) Related parties	-
b) Other than related parties	-
ii) Net Non-Performing Assets	
a) Related parties	-
b) Other than related parties	-
iii) Assets acquired in satisfaction of debt	-

30. Novel Coronavirus has put the whole world on alert. The business are adversely affected all over world including India.COVID-19 has hit both organized and un-organized sectors and the Indian economy is projected to slow down in current financial year. Due to mass lockdown restrictions and unexpected factors, the Company's business may also be affected in short to medium term.

As per our report of even date

For SRDP & Co.
Chartered Accountants
ICAI Firm Registration number:509930C

Sudhir Kumar Agarwal
Partner
Membership number 088583

Date:10.06.2022
Place: NewDelhi

On behalf of the Board of Directors

Sanjeev Kumar
Director
DIN: 06625418

Sarita Gupta
Director & CFO
DIN: 01113099

Rinku Jha
Company Secretary