



**PANAFIC INDUSTRIALS
LIMITED**

CIN: L45202DL1985PLC019746

34TH ANNUAL REPORT

For Financial Year 2018-19

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. Megha Jain (Appointed w.e.f. 24th April, 2019)
Ms. Eti Vashist (Resigned w.e.f. 28th February, 2019)

CHIEF FINANCIAL OFFICER

Ms. Sarita Gupta

STATUTORY AUDITORS

Rohit Suri and Associates,
Chartered Accountants
7-Sharda Niketan
Pitampura, New Delhi-110034
Contact Person: Mr. Rohit Suri

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 September, 2019
Time: 09.00 A.M.
Day: Monday
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

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NOTICE

Notice is hereby given that the Thirty-fourth (34th) **Annual General Meeting** of the Members of **Panafic Industrials Limited** will be held on **Monday, the 30th day of September, 2019 at 9.00 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, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Renu (DIN: 03572788), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To re-appoint Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, (including any re-enactment or modification thereto), and such other applicable provisions, if any, **M/s Rohit Suri & Associates**, Chartered Accountants (Firm Registration No. 012259N), be and are hereby appointed as the Statutory Auditors of the Company, at a remuneration as may be mutually agreed to, between the Board of Directors and **M/s Rohit Suri & Associates**, plus applicable taxes, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them, to hold office of Statutory Auditor till the conclusion of the 39th Annual General Meeting subject to ratification of appointment by the members in every Annual General Meeting.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

SPECIAL BUSINESSES:**ITEM NO. 4****REGULARIZATION OF APPOINTMENT OF MR. SHRI KISHAN GUPTA AS AN INDEPENDENT NON EXECUTIVE DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the

time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the Company be and is hereby given to the appointment of Mr. Shri Kishan Gupta (DIN: 08430379), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from April 24, 2019 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the Company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in Section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non-Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

ITEM NO. 5

RE-APPOINTMENT OF MR. SANJEEV KUMAR AS AN INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjeev Kumar (DIN: 06625416), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for another term of five consecutive years up to the conclusion of the 39th AGM of the Company which shall be held for the financial year 2023-24.

RESOLVED FURTHER THAT to give effect to this resolution, the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

By Order of the Board

Sd/-

Megha Jain

Company Secretary &
Compliance Officer

Place: Delhi

Date: 3rd September, 2019

NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, (“the Act”) setting out material facts in respect of Item Nos. 4 and 5 is annexed hereto. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), of persons seeking appointment/re-appointment as Directors are provided in the Annexure to this Notice.
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. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. Members/Proxies and authorised representatives are requested to bring their duly completed Attendance Slip enclosed herewith along with their copy of the Annual Report to the Meeting.
5. The route map showing directions to reach the venue of the Annual General Meeting is annexed.
6. 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.
7. Members holding shares in physical form are requested to advise any change of address immediately to the Company’s Registrar and Share Transfer Agent. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company’s Registrar and Share Transfer Agent.
8. Members holding shares in physical form are requested to consider converting their share certificates into dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company’s Registrar and Share Transfer Agent for any assistance in this regard.
9. **Nomination Facility:** As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company’s Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and Bank Holidays, during business hours up to the date of the Annual General Meeting.
11. 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 Tuesday, 24th September, 2019 to Monday, 30th September, 2019 (**both days inclusive**) in connection with AGM.
12. Electronic copy of the Annual Report 2018-19 is being sent to those Members whose e-mail address is registered with the Company / Depositories for communication purpose, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies of the Annual Report are being sent by the permitted mode. Members may note that this Annual Report will also be available on the Company's website viz. www.panaficindustrialsltd.com.
13. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
- 14. Voting through Electronic Means:**
- a) In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, as amended to date and Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if they have been passed at the AGM.
- b) The facility for voting through poll shall also be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right to vote at the Annual General Meeting.
- c) The Company has appointed M/s Sheetal Bansal and Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-Voting process, in a fair and transparent manner.
- d) The Members who have cast their vote by remote e-Voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their vote again.
- e) **E-voting Instructions:**
- (i) The voting period begins on 27th September, 2019 at 9:00 A.M. and ends on 29th September, 2019 at 5.00 P.M. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now enter your User ID which is:
- a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

(viii)

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also

used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Panafic Industrials Limited.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non-Individual Shareholders & Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 should be mailed to helpdesk.evoting@cdslindia.com on approval of the accounts they

would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

CONTACT DETAILS:-

Company	Panafic Industrials Limited 23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi - 110026
Company Secretary & Compliance Officer	Megha Jain E-mail Id: panafic.industrials@gmail.com
Registrar & Share Transfer Agent	Skyline Financial Services(P)Limited D-153A, 1st 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	Ms. Renu	Mr. Shri Kishan Gupta	Mr. Sanjeev Kumar
Date of Birth (age)	1 st March, 1981 (38)	1 st April, 1969 (50)	5 th December, 1980 (38)
Date of Appointment	30 th September, 2014	24 th April, 2019	9 th July, 2013
Qualifications	MBA	Graduate	Graduate
Relationship between Directors inter-se	None	None	None
Expertise in specific functional area	Rich experience in Marketing Sector	Rich experience in Marketing Sector	Rich experience in Financial Sector
Directorships held in other Public Companies (excluding Foreign, Private and Section 8 Companies)	IRIS Computers Limited	None	None
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	-	-	-
No. of shares held in the Company	NIL	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM NO.4**

Mr. Shri Kishan Gupta (DIN: 08430379) was appointed as an Additional Non Executive Independent Director w.e.f. April 24, 2019 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. Nomination and Remuneration Committee has recommended regularization of Mr. Shri Kishan Gupta as an Independent Non-Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

Section 149 and Section 152 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Special Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

In the opinion of the Board, Mr. Shri Kishan Gupta is a person of integrity, possesses the relevant expertise and experience, fulfils the conditions specified in the said Act and the rules made there under and is independence of the management of the Company and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149(6) of the Companies Act, 2013. Upon the confirmation of his appointment as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 4 of this Notice for the approval of the Members as Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Shri Kishan Gupta is in any way concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of this Notice.

ITEM NO. 5

Mr. Sanjeev Kumar joined the Board of Directors of the Company in July 9, 2013. Pursuant to the Act, Mr. Sanjeev Kumar, was appointed as an Independent Non-Executive Director to hold office for a term of 5 (Five) consecutive years up to the conclusion of the 34th AGM of the Company, by the Members of the Company in the 29th AGM held on 30th September, 2014.

Section 149 and Section 152 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Special Resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Sanjeev Kumar, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for another term of five consecutive years up to the conclusion of the 39th AGM of the Company which shall be held for the financial year 2023-24.

In the opinion of the Board, Mr. Sanjeev Kumar fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as an Independent Non-Executive Director of the Company and is independent of the management.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non-Executive Directors confirming compliance with the provisions of Section 149(6) of the Companies Act, 2013. Upon the confirmation of his appointment as Independent Non-Executive Director by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non-Executive Director. The Board accordingly recommends the Resolutions at Item No. 5 of this Notice for the approval of the Members as Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mr. Sanjeev Kumar is in any way concerned or interested, financially or otherwise, in the Resolution at Item No. 5 of this Notice.

Place: Delhi
Date: 3rd September, 2019

By Order of the Board

Sd/-
Megha Jain
Company Secretary &
Compliance Officer

ELECTRONIC VOTING PARTICULARS

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

-----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 September, 2019 at 9:00 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 Annual General Meeting of the Company held on Monday, the 30th day of September, 2019 at 9.00 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 September, 2019 at 09:00 A.M.**

I/We, being the member(s) ofshares 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 34th Annual General Meeting of the Company to be held on 30th September, 2019 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 31 st March, 2019 together with the Reports of the Board of Directors and Auditors thereon			
2	To appoint a Director in place of Ms. Renu (DIN: 03572788), who retires by rotation, and being eligible, offers himself for re-appointment			
3	To re-appoint Auditors and fix their remuneration			

SPECIAL BUSINESS:

4	Regularization of appointment of Mr. Shri Kishan Gupta as an Independent Non-Executive Director			
5	Re-appointment of Mr. Sanjeev Kumar as an Independent Director			

Signature of shareholder

Signature of Proxy holder(s)

Signed this Day of 2019

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

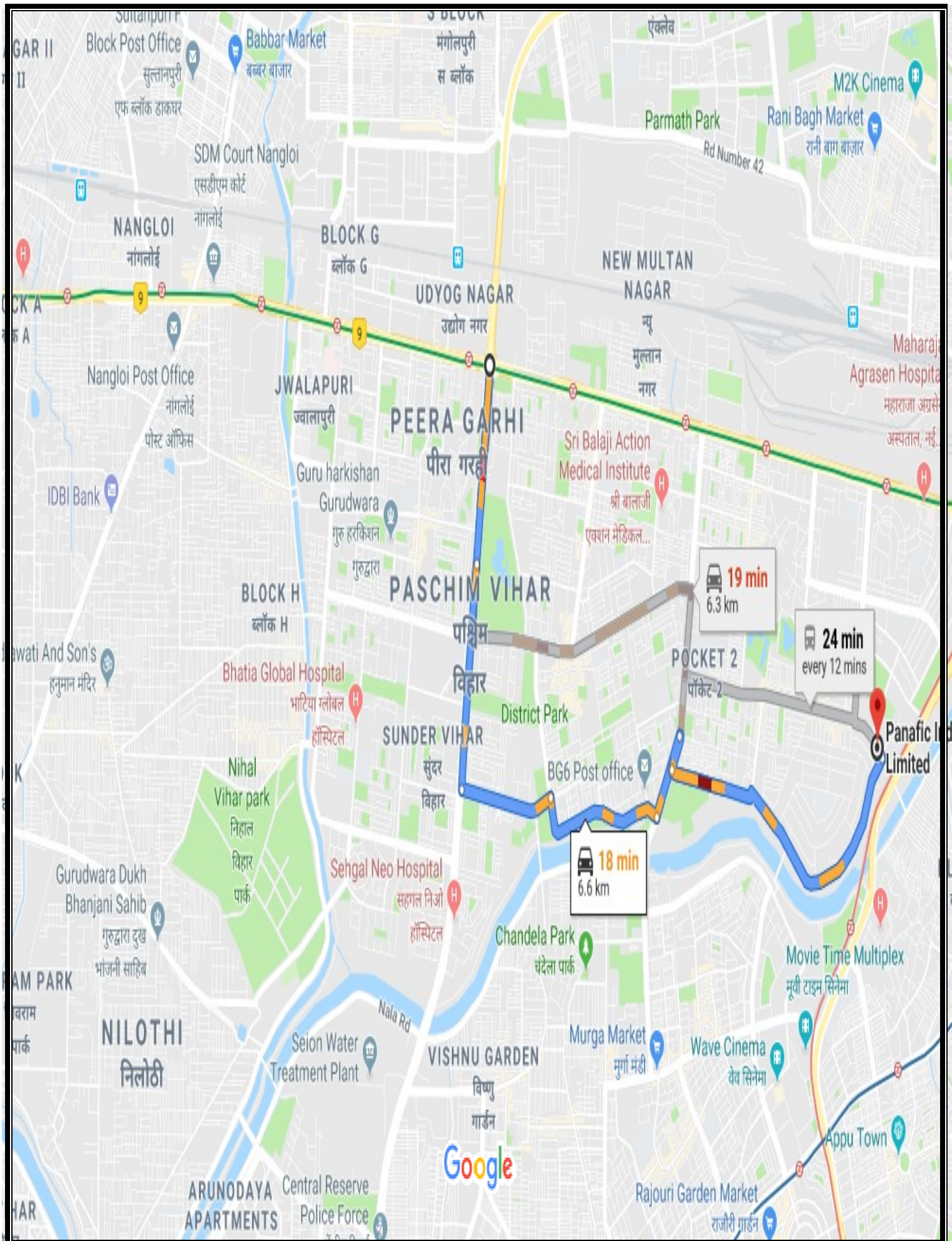
I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:

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 31 st March, 2019 together with the Reports of the Board of Directors and Auditors thereon			
2.	To appoint a Director in place of Ms. Renu (DIN: 03572788), who retires by rotation, and being eligible, offers himself for re-appointment			
3.	To re-appoint Auditors and fix their remuneration			
4.	Regularization of appointment of Mr. Shri Kishan Gupta as an Independent Non-Executive Director			
5.	Re-appointment of Mr. Sanjeev Kumar as an Independent Director			

Place:

Date:

Signature of the Shareholder



Block Post Office
सुल्तानपुरी
एफ ब्लॉक डाकघर

Babbar Market
बबबर बाजार

मंगोलपुरी
स ब्लॉक

Parmath Park

Rani Bagh Market
रानी बाग बाजार

M2K Cinema

NANGLOI
नांगलोई

BLOCK G
ब्लॉक G

UDYOG NAGAR
उद्योग नगर

NEW MULTAN
NAGAR
न्यू
मुल्तान
नगर

Nangloi Post Office
नांगलोई
पोस्ट ऑफिस

JWALAPURI
ज्वालापुरी

PEERA GARHI
पीरा गरही

Sri Balaji Action
Medical Institute
श्री बालाजी
एक्शन मेडिकल...

Maharaja
Agrasen Hospital
महाराजा अग्रसे
अस्पताल, नई...

IDBI Bank

BLOCK H
ब्लॉक H

PASCHIM VIHAR
पश्चिम
विहार

19 min
6.3 km

24 min
every 12 mins

Bhatia Global Hospital
भाटिया ग्लोबल
हॉस्पिटल

SUNDER VIHAR
सुंदर
विहार

POCKET 2
पॉकेट-2

Panafic Limited

Nihal
Vihar park
निहाल
विहार
पार्क

Sehgal Neo Hospital
सहगल निओ
हॉस्पिटल

18 min
6.6 km

Chandela Park
चंदेला पार्क

Movie Time Multiplex
मूवी टाइम सिनेमा

Gurudwara Dukh
Bhanjani Sahib
गुरुद्वारा दुख
भाजनी साहिब

NILOTHI
निलोठी

Seion Water
Treatment Plant

VISHNU GARDEN
विष्णु
गार्डन

Murga Market
मुर्गा मंडी

Wave Cinema
वेव सिनेमा

Google

ARUNODAYA
APARTMENTS
Central Reserve
Police Force

Rajouri Garden Market
राजौरी गार्डन

Appu Town

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the 34th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March, 2019 is summarized below:

(in Rs.)

Particulars	For The Year Ended	
	31 st March, 2019	31 st March, 2018
Sales/ Operating Income	10,208,322	10,773,401
Other Income	-	140,064
Total Revenue	10,208,322	10,913,465
Expenses:-		
Purchase of Stock in trade	-	-
Changes in Inventory of Stock -in-Trade	-	-
Employee Benefit Expenses	4,393,774	2,430,525
Depreciation and Amortisation Expenses	565,057	867,491
Administrative & Other expenses	2,656,689	6,754,872
Contingent Provision For Standard Assets	-	-
Finance Cost	150,018	292,830
Total Expenses	7,765,538	10,345,718
Profit Before Tax	2,442,784	567,748
Less: Current Tax	690,123	391,628
Deferred Tax	(151,341)	(159,892)
Profit/(Loss) After Tax	1,904,002	336,011

REVENUE FROM OPERATIONS

Your Company's total income during the year under review was Rs. 10,208,322 as compared to Rs. 10,913,465 in the previous year.

BUSINESS PERFORMANCE

Financial year 2018-19 concluded with a Net Profit of Rs. 1,904,002 of the Company. Sincere efforts were made at all levels of the organization to cut costs and also to keep the expenses in check despite the inflationary tendencies of the market.

DIVIDEND

The Management believes that the profits earned during the financial year must be retained and redeployed for the operations of the Company. As the Company needs further funds to enhance its business operations, upgrade the efficiency and to meet out the deficiencies in working capital, the Directors do not recommend any dividend on Equity Shares for the financial year 2018-19.

TRANSFER TO RESERVE

The Company transferred an amount of Rs. 380,800 to Statutory Reserve Fund and Rs. 1,523,202 to the General Reserve for the Financial Year ended 31st March, 2019.

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, 2019 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

As on 31st March, 2019, the Company does not have any Subsidiary/Joint Venture/Associate Company.

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, 2019:

- i. That in the preparation of the annual accounts for the financial year ending 31st March, 2019, 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 effectively;

- 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

Mr. Ankur Sharma, Non-Executive Independent Director of the Company resigned from his office with effect from April 24, 2019, whereas, in his place, Mr. Shri Kishan Gupta was appointed as Non-Executive Independent Director of the Company with effect from April 24, 2019.

Further, the Company wished for the re-appointment Ms. Renu (DIN: 03572788), who retires by rotation in our ensuing 34th 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.

❖ Company Secretary & Compliance Officer

During the year Ms. Eti Vashist, Company Secretary and Compliance Officer of the Company resigned from her office w.e.f. 28th February, 2019, whereas, in her place, Ms. Megha Jain was appointed as a Company Secretary and Compliance Officer of the Company w.e.f. 24th April, 2019.

❖ Chief Financial Officer

Pursuant to Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration) Rules, 2014, the Board at its meeting appointed Mrs. Sarita Gupta as the Chief Financial Officer (CFO).

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 7 times, viz, 30th May, 2018, 26th July, 2018, 14th August, 2018, 28th August, 2018, 12th November, 2018, 12th February, 2019 and 9th March, 2019.

DIRECTORS ATTENDANCE RECORD AND DETAILS OF DIRECTORSHIPS HELD

Name of the Directors	No. of Board Meetings attended during Financial Year 2018-2019	Whether Previous AGM attended or not	No. of other Directorship in other Public Companies*
Mrs. Sarita Gupta	7	Yes	1
Mr. Ankur Sharma	7	Yes	Nil
Mr. Sanjeev Kumar	7	Yes	Nil
Ms. Renu	7	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 four times on 30th May, 2018, 14th August, 2018, 12th November, 2018 and 12th February, 2019.

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 2018-2019	
			Held	Attended
1.	Mrs. Sarita Gupta	Member	4	4
2.	Mr. Ankur Sharma	Member	4	4
3.	Mr. Sanjeev Kumar	Chairman	4	4

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 30th May, 2018 and 14th August, 2018.

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 2018-2019	
			Held	Attended
1.	Mr. Ankur Sharma	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 30th May, 2018, 14th August, 2018, 12th November, 2018 and 12th February, 2019.

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 2018-2019	
			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 2018-2019.

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

The Company's policy relating to appointment of Directors, 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.

However, the Company has constituted its Nomination and Remuneration Committee as per the provisions of Section 178(1) of Companies Act, 2013 for aforesaid rationale.

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

Pursuant to the applicable provisions of the Act and the Listing Regulations, 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 an adequate system of internal control covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting.

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 disclosure in Form AOC-2 is not required.

LISTING OF EQUITY SHARES

Your Company's shares are listed with the BSE Limited. The listing fee has been paid for the financial year 2019 - 2020.

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**a. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Your Company is a Non-Banking Financial Company and registered with the Reserve Bank of India under the category of Non-Systematically Important Non-Deposit taking NBFC i.e. Non-Deposit taking NBFC with assets less than Rs. 100 crores. Nifty and other market indices surged during the financial year 2018-19, but the midcaps and small caps have failed to witness the surge like the large caps and in fact witnessed sharp fall in their indices. The year also witnessed considerable stress in certain Housing Finance Companies and other corporate groups/companies.

b. 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.

c. 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.

d. 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.

e. 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.

f. PERFORMANCE HIGHLIGHTS:

During the year 2018-2019, the Company has earned gross income of Rs. 10,208,322 and earned a net profit of Rs. 1,904,002.

g. NON-PERFORMING ASSETS:

The Company does not have non performing assets as at 31-3-2019.

h. 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.

i. 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.

STATUTORY AUDITORS

The Board recommends to re-appoint M/s Rohit Suri & Associates, Chartered Accountants, Statutory Auditors of the Company, 7, Sharda Niketan, Pitampura, New Delhi-110034 as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 39th Annual General Meeting. The Company has received a letter from them to the effect that their reappointment, if made, will be in accordance with the provisions of section 139 & 141 of the Act, and are eligible for re-appointment, holding peer review certificate.

AUDITORS' OBSERVATION

The Auditors Report has been annexed with this report; Auditors' observations are self-explanatory, which do not call for any further clarifications.

SECRETARIAL AUDIT REPORT

As per the requirement of Section 204 read with Section 134(3) of the Companies Act 2013 and Rule 9 of Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, the Company has obtained a certificate from M/s Sourav Malhotra & Associates, Company Secretaries, for the financial year ended 31st March, 2019, that the Company has complied with all provisions of Companies Act, 2013. The clauses referred to in compliance certificate are self-explanatory

and, therefore do not call for any further comments. The extract of Secretarial Audit Report in form MR-3 is annexed herewith as “**Annexure-I**”

MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

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.

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.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees or Investments, if any covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meeting of the Board and its Power) Rules, 2014 are given in the Financial Statements.

FIXED DEPOSITS

The Company has not accepted deposit from public during the year and there was no deposit outstanding on 31st March, 2019.

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

The Company does not have developed and implemented any Whistle Blower Policy/Vigil Mechanism initiatives as the said provisions are not applicable to the Company.

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.

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT-9 is annexed herewith as **Annexure-II**.

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.

GREEN INITIATIVES

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Notice of 34th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

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: 3rd September, 2019**

“Annexure I”

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2019 (the audit period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (***Not applicable to the Company during the Audit Period***)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (***Not Applicable to the Company during the Audit Period***)
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (***Not Applicable to the Company during the Audit Period***)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (***Not Applicable to the Company during the Audit Period***)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (***Not Applicable to the Company during the Audit Period***) and

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. *(Not Applicable to the Company during the Audit Period)*

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc., mentioned above. However, the stringent applicability to the Companies Act, 2013, SEBI Act, 1992 and their Rules and Regulations is required.

I further report that,

the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors; the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

However, Mrs. Sarita Gupta holds two designations as Managing Director and Chief Financial Officer of the Company.

Whereas, Ms. Eti Vashist resigned from the post of Company Secretary & Compliance Officer of the Company w.e.f. February 28, 2019 and Ms. Megha Jain was duly appointed within time as the Company Secretary & Compliance Officer of the Company w.e.f. April 24, 2019, however, as on 31st March, 2019, the Company was not having Company Secretary & Compliance Officer as per Companies Act, 2013 and Listing Agreement.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board of Directors were unanimous and no dissenting views have been recorded.

I further report that based on the review of the compliance reports/certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company following specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards etc.

**For Sourav Malhotra & Associates
Company Secretaries**

Sd/-

**Sourav Malhotra
(Proprietor)**

ACS No. : 34184

CP No. : 18314

**Place: New Delhi
Date: 29th August, 2019**

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

‘Annexure A’

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

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

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

**For Sourav Malhotra & Associates
Company Secretaries**

**Place: New Delhi
Date: 29th August, 2019**

**Sd/-
Sourav Malhotra
(Proprietor)
ACS No. : 34184
CP No. : 18314**

“Annexure-II”

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	L45202DL1985PLC019746
Registration Date	01 st January, 1985
Name of the Company	Panafic Industrials Limited
Category/Sub-category of the Company	Company having Share Capital
Address of the Registered office & contact details	23, IInd Floor, North West Avenue, Club Road, West Punjabi Bagh, New Delhi-110026 Ms. Megha Jain (Company Secretary & Compliance Officer) Ph:- 01125223461
Whether listed company	Yes (Bombay Stock Exchange-BSE)
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited D-153 A, Ist Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph: 01140450193-97

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Panafic Industrials Limited is a Non Banking Financial Company. The Company got registered with the Reserve Bank of India as a Category B-NBFC Company on 07th March, 2005 and holds a valid certificate of registration bearing number B-14.03057. The main operation of the Company is to finance industrial enterprises by way of making loans or advances mainly to private industrial enterprises in India and dealing in sale purchase of the Securities.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Company has no Holding, Subsidiary and Associate Companies as on 31st March, 2019

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's									
(1) Indian									
a) Individual/ HUF	5152270	10230	5162500	6.29	5152270	10230	5162500	6.29	0.00
b) Central Govt	0	0	0	0	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Any other	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A)	5152270	10230	5162500	6.29	5152270	10230	5162500	6.29	0.00
B. Public Shareholding									
I. Institutions	0	0	0	0	0	0	0	0	0.00
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks / FI	0	0	0	0	0	0	0	0	0.00
c) Central Govt	0	0	0	0	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00

i) Others (specify)	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0.00
2. Non-Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	30607811	1024520	31632331	38.51	28474000	733980	29207980	35.57	(2.94)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	20956872	-	20956872	25.51	19568706	-	19568706	23.83	(1.68)
c) Any Other	24373292	-	24373292	29.67	27875860	290540	28166400	34.30	4.63
Non Resident Indians									
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0.00
Foreign Nationals	0	0	0	0	0	0	0	0	0.00
Clearing Members	5	0	5	0.02	19414	0	19414	0.02	0.00
Trusts	0	0	0	0	0	0	0	0	0.00
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0.00
Sub-total (B)(2):-	75937980	1024520	76962500	93.71	75937980	1024520	76962500	93.72	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	75937980	1024520	76962500	93.71	75937980	1024520	76962500	93.72	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	81090250	1034750	82125000	100	81090250	1034750	82125000	100	0.00

B) Shareholding of Promoter:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	

1	Rajeev Kumar Gupta	1500000	1.83	0	1500000	1.83	0	0.00
2	Sarita Gupta	2662500	3.24	0	2662500	3.24	0	0.00
3	Saroj Gupta	500000	0.61	0	500000	0.61	0	0.00
4	Anil Gupta	500000	0.61	0	500000	0.61	0	0.00

(C) Shareholding Pattern of top ten Shareholders:**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	NEEDFUL FINANCIAL CONSULTANTS PRIVATE LIMITED	2353884	2.87	2353884	2.87
2	4A SECURITIES LTD	2170958	2.64	2170958	2.64
3	P SADHANA	1913872	2.33	1913872	2.33
4	EXPERT INVESTMENT ADVISORY PRIVATE LIMITED	1845000	2.25	1845000	2.25
5	S PRASHANTH	1809778	2.20	1809778	2.20
6	S BADRINARAYANAN	1609496	1.96	1609496	1.96
7	SHIVRUDRA INFOTECH SOLUTIONS PRIVATE LIMITED	1602013	1.95	1602013	1.95
8	K R ANNAPURNA	1595315	1.94	1595315	1.94
9	VAIBHAV DAMODAR KHEDEKAR	1500068	1.83	1500068	1.83
10	HIMGIRI INFRABUILD PRIVATE LIMITED	1484304	1.81	1484304	1.81

D) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SARITA GUPTA	2662500	3.24	2662500	3.24

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:- (Amount in Rs.)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	1,474,202	45,924,275	0	47,398,477
ii) Interest accrued but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0

Total (i+ii+iii)	1,474,202	45,924,275	0	47,398,477
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	(496,829)	(7,829,053)	0	(8,325,882)
Net Change	(496,829)	(7,829,053)	0	(8,325,882)
Indebtedness at the end of the financial year				
i)Principal Amount	977,373	38,095,222	0	39,072,595
ii)Interest accrued but not paid	0	0	0	0
iii)Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	977,373	38,095,222	0	39,072,595

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration				Total Amount in Lacs
1.	Gross Salary	-	-	-	-
	(a)Salary as per provisions contained in section 17(1) of the Income Act, 1961	-	-	-	-
	(b)Value of perquisites u/s 17(2) of the Income Act, 1961	-	-	-	-
	(c)Profits in lieu of salary under section 17(3) of the Income Act, 1961	-	-	-	-
2	Stock option	0	-	-	-
3	Sweat Equity	0	-	-	-
4	Commission	0	-	-	-
	-as % profit	0	-	-	-
	-others (specify)	0	-	-	-
5	Others, please specify	0	-	-	-
	Total	-	-	-	-

B. Remuneration to Key Managerial Personnel other than MD/WTD/Manager:-Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

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

Punishment			NONE		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NONE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NONE		
Compounding					

PANAFIC

Independent Auditor's Report**To the Members of M/s. Panafic Industrials Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of **M/s. Panafic Industrials Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019 the Statement of Profit and Loss and Cash Flow Statements for the year ended on that date, and a summary of the 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, the aforesaid standalone 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 Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and the profit for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs 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 (the '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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined that there are no any key audit matters to communicate in our report.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

Management's Responsibility for the Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 This report does not include a statement on the matters specified in paragraphs 3 and 4 of The Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since based on information and explanation given to us, we are of the opinion, the

said order is not applicable to the company.

- 2 As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration for which any approval is required under the provisions of section 197 of the act.
 - 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 does not have any pending litigations which would impact its financial position;
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses.
 - iii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses, and
 - iv) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

With respect to the matter to be included in the Auditor's Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in

excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**FOR ROHIT SURI & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.012259N**

**Sd/-
Rohit Suri
Proprietor
M.No. 091064
PLACE: NEW DELHI
DATED: 29.05.2019**

PANAFIC

Annexure A to the Independent Auditors' Report

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the Information and explanation given to us, fixed assets have been physically verified by the management during the year. To the best of our knowledge, no discrepancies have been noticed on such verification.
- (c) According to the Information and explanation given to us and on the basis of our examination of the records of the company, the deeds of the immovable properties are held in the name of the company.
- ii. The Company is Non Banking Financial company and does not have any inventories, Accordingly the provisions of clause 3(ii) of the Order is not applicable to the company.
- iii. According to the Information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 Companies Act 2013. Accordingly, Clauses (a), (b) and (c) of sub Para iii of paragraph 3 of the order are not applicable.
- iv. According to the information & Explanation 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 the information and explanations given to us, the company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the services rendered by the company.
- vii. (a) According to the books and records produced before us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, goods & service tax, cess and any other statutory dues with the appropriate authority, as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods & service tax, cess were in arrear for a period of more than six months from the date they become payable.
- (b) According to the books and records produced before us, there are no dues of income tax or sales tax or service tax or goods & service tax, value added tax or cess which have not been deposited on account of any dispute.

- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from banks, financial institutions or from the government and has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x. Based on our audit procedures and on the basis of the information and explanations given to us, no fraud by the Company or by its officer or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examinations of the records of the company, the company has paid/ provided for managerial remunerations in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V of the Act.
- xii. Based on our audit procedure and according to the information and explanation given to us, The company is a not a Nidhi Company. Hence clause (xii) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- xiii. Based on our audit procedure and according to the information and explanation given to us, all transaction with the related parties are in compliance with section 177 & section 188 of Companies Act, 2013 and details of the same is disclosed in the financial statement as required by the applicable accounting standards.
- xiv. Based on our audit procedures and on the basis of the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under Audit.
- xv. According to the information and explanation given to us, the company has not entered into any-non cash transaction with directors or persons under the provisions of section 192 of Companies Act-2013.
- xvi. The Company is already registered under Section 45-IA of the Reserve Bank of India, 1934. The copy of such registration has been obtained.

FOR ROHIT SURI & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.012259N

Sd/-
Rohit Suri
Proprietor
M.No. 091064
PLACE: NEW DELHI
DATED: 29.05.2019

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PANAFIC INDUSTRIALS LIMITED**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Panafic Industrials Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ROHIT SURI & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 012259N**

**Sd/-
ROHIT SURI
PROPRIETOR
M.NO.091064**

**PLACE: NEW DELHI
DATED:**

BALANCE SHEET AS AT 31st MARCH, 2019
(All amounts are in Indian rupees)

Particulars	Note	As at 31 March 2019	As at 31 March 2018
Equity and liabilities			
Shareholders' funds			
Share capital	2.1	82,125,000	82,125,000
Reserves and surplus	2.2	12,584,397	10,680,395
Non-Current Liabilities			
Long-term borrowings	2.3	39,072,595	47,398,477
Long-term Provisions	2.4	443,126	278,796
Current liabilities			
Short-term borrowings	2.5	-	9,570,222
Trade payables	2.6	-	-
-total outstanding dues of micro enterprises and small enterprises		111,333	-
- total outstanding dues of creditors other than micro enterprises and small enterprises			104,840
Other current liabilities	2.7	446,560	1,139,072
Short-term provisions	2.8	-	483,331
		134,783,011	151,780,133
Assets			
Non-current Assets			
Fixed Assets	2.9		
Tangible Assets		1,055,738	1,620,795
Deferred tax assets (net)	2.10	366,392	215,051
Long-term loans and advances	2.11	126,551,440	112,587,006
Current assets			
Cash and bank balances	2.13	6,763,809	628,708
Short-term loans and advances	2.14	45,633	36,728,573
		134,783,011	151,780,133

Significant accounting policies and notes to the financial statements

1, 2

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rohit Suri & Associates
Chartered Accountants

Firm Registration No.: 012259N
Sd/-

Rohit Suri

Proprietor

Membership No.: 091064

Place: New Delhi

Date: 29 May 2019

For and on behalf of Board of Directors of
Panafic Industrials Limited

Sd/-
Sanjeev Kumar
Director
DIN: 06625416

Sd/-
Sarita Gupta
Director & CFO
DIN: 0113099

Sd/-
Megha Jain
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

(All amounts are in Indian rupees)

Particulars	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue			
Revenue from Operations	2.14	10,208,322	10,773,401
Other income	2.15	-	140,064
Total revenue		10,208,322	10,913,465
Expenses			
Employee benefits expense	2.16	4,393,774	2,430,525
Other expenses	2.17	2,656,689	6,754,872
Finance Cost	2.18	150,018	292,830
Depreciation and amortisation	2.9	565,057	867,491
Total expenses		7,765,538	10,345,718
Profit before tax		2,442,784	567,748
Tax expense			
Current income-tax		690,123	391,628
Deferred tax charge/ (credit)		(151,341)	(159,892)
Profit after tax for the year		1,904,002	336,011
Earnings per equity share (par value Rs. 1/- per share)			
Basic and diluted earnings per share (Rs.)	2.22	0.02	0.00

Significant accounting policies and notes to the financial statements

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Rohit Suri & Associates**Chartered Accountants****Firm Registration No.: 012259N**

Sd/-

Rohit Suri**Proprietor****Membership No.: 091064***For and on behalf of Board of Directors of***Panafic Industrials Limited**

Sd/-

Sarita Gupta

Director & CFO

DIN: 0113099

Sd/-

Sanjeev Kumar

Director

DIN: 06625416

Sd/-

Megha Jain

Company Secretary

Place: New Delhi

Date: 29 May 2019

Cash Flow Statement for the year ended 31 March, 2019

(All amounts are in Indian rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash Flow from Operating Activities		
Profit Before Tax	2,442,784	567,748
Add:		
Depreciation and amortisation	565,057	867,491
Provision for standard assets	(55,986)	(13,343)
Provision for doubtful debts	128,568	-
Provision for Income Tax	-	-
Interest on car loan	-	164,482
Operating profit before working capital changes	3,080,423	1,586,378
Adjustments for:		
(Increase)/ decrease in inventories	-	-
(Increase)/ decrease in trade receivables	-	-
(Increase)/ decrease in loans and advances	22,378,217	(35,640,256)
(Increase)/ decrease in other current assets	-	-
Increase/ (decrease) in Short Term Borrowings	(9,570,222)	(7,192,783)
Increase/ (decrease) in Long Term Borrowings	(8,325,882)	-
Increase/ (decrease) in other current liabilities	(692,512)	(859,435)
Increase/ (decrease) in short term provisions	-	-
Cash generated from operations	6,876,517	(46,363,088)
Income taxes paid (net of refund)	(741,417)	(598,978)
Deferred Tax (Assets)	-	-
Net cash from/ (used in) Operating Activities (A)	6,135,100	(46,962,066)
Cash Flow from Investing Activities		
Sale on investment	-	25,190,000
Long - term loans and advances	-	30,433,407
Deferred tax asset	-	-

Net cash from/ (used in) Investing Activities (B)	-	55,623,407
Cash Flow from Financing Activities		
Interest paid on term loans and bank overdrafts	-	(164,482)
Proceeds from car loan	-	-
Proceeds from/(repayment of) -long/short term borrowings (net)	-	(11,321,828)
	-	(11,486,310)
Net increase/ (decrease) in cash or cash equivalents (A+B+C)	6,135,101	(2,824,968)
Cash and Cash Equivalent at the beginning of the year (refer Note 2.16)	628,708	3,453,676
Cash and Cash Equivalent at the end of the year (refer Note 2.16)	6,763,809	628,708

Notes:

- The Cash Flow Statement has been prepared in accordance with the indirect method specified in AS-3, 'Cash Flow Statement as notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 1 Include both long-term and short-term assets/ liabilities.

As per our report of even date attached

For Rohit Suri & Associates
Chartered Accountants
Firm Registration No.: 012259N

Sd/-
Rohit Suri
Proprietor
Membership No.: 091064

For and on behalf of Board of Directors of
Panafic Industrials Limited

Sd/-
Sanjeev Kumar
Director
DIN: 06625416

Sd/
Sarita Gupta
Director & CFO
DIN: 0113099

Sd/-
Megha Jain
Company Secretary

Place: New Delhi
Date: 29 May 2019

Significant accounting policies and notes to the financial statements for the year ended 31 March, 2019**(All amounts are in Indian Rupees)****1(a). COMPANY OVERVIEW**

M/s Panafic Industrials Limited is a Non-Banking Financial Company incorporated under the provisions of Companies Act, 1956 on 01st January, 1985 having its registered office in Delhi, with the objective of carrying on the business of financing industrial enterprises by way of making loans and advances, purchase or otherwise acquire, erect, maintain, sell, give on lease or hire all kinds of movable or immovable properties, assets, equipments, articles, plants, machineries, factories, furniture, fixtures, buildings, goods or things of any description that the Company may deem fit.

1(b). SIGNIFICANT ACCOUNTING POLICIES**(i) Basis of preparation**

The Financial Statements are prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting, in accordance with the Generally Accepted Principles (GAAP) in India and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, to the extent applicable, as adopted consistently by the Company.

(ii) Current–non-current classification

All Assets and Liabilities have been classified as current and non current as per the normal operating cycle and the criteria set out in Revised Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/ non current classification of assets and liabilities.

(iii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimate and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities on the date of financial statements and the result of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and the future period.

(iv) Revenue recognition

- a) Income from Interest on financing activities is recognised on accrual basis.
- b) In respect of other heads of Income & Expenditure, the Company follows the practice of recognizing expenses and income on accrual basis.
- c) Income from trading in securities comprises of Profit/ Loss on sale of securities held as stock in trade and profit/ loss on equity and derivative instruments. Profit/ Loss on sale of securities are determined based on the FIFO cost of the securities sold and is accounted for on the trade date of transaction.

(v) Impairment

The carrying amounts of assets are reviewed at each Balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated. For assets that are not yet available to use, the recoverable amount is estimated at each Balance Sheet date. An impairment loss is recognized whenever the carrying amount of an asset or cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of Profit and Loss Account. An impairment loss is reversed only to the extent that the asset's carrying amount

does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss has been recognized.

(vi) Investments

Investments are classified into non-current investments and current investments based on intent of management at the time of making the Investment. Investments which are intended to be held for more than one year are classified as non current investments and those which are intended to be held for less than one year are classified as current investments. Long term investments are valued at cost unless there is diminution, other than temporary, in their value. Current investments are valued at lower of cost or market value.

(vii) Inventories

The Inventories of stock and securities have been valued at lower of cost or market value.

(viii) Employee benefits

The Company's obligation towards various employee benefits is recognized as follows :

Short-term employee benefits

- b. All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Statement of Profit and Loss in the period/ year in which the employee renders the related service.
- c. Employee entitlements to annual leave are recognized when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by the eligible employees up to the Balance Sheet date.

(ix) Current and deferred tax

Income tax expense comprises of current tax (i.e amount of tax for the period/ year determined in accordance with the Income Tax Law) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period/ year). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets.

Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

(x) Leases

Lease payments under operating lease are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(xi) Provision, contingent liabilities and contingent assets

The Company creates provisions only when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate that can be made of the amount of the obligation. A disclosure for 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. 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.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent asset are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which change occurs.

(xii) Earnings per share

Basic earnings per share are computed using weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using weighted average number of equity and dilutive potential equity equivalent shares outstanding during the year, except where the results would be anti- dilutive.

(xiii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(xiv) Depreciation on tangible fixed assets

Considering the applicability of Schedule II, the management has re-estimated useful lives of all its fixed assets. The management believes that depreciation rates currently.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives as prescribed under the Schedule II to the Companies Act, 2013. The company has used the following rates to provide depreciation on its fixed assets.

Categories	Schedule II (WDV)
Vehicles	8 Years

Leasehold improvements are depreciated over the period of the lease or useful lives of assets, whichever is lower on a straight line basis.

As per our report of even date attached

For Rohit Suri & Associates

Chartered Accountants

Firm Registration No.: 012259N

Sd/-

Rohit Suri

Proprietor

Membership No.: 091064

Place: New Delhi

Date: 29th May 2019

*For and on behalf of Board of Directors of
Panafic Industrials Limited*

Sd/-

Sarita Gupta

Director & CFO

DIN: 00113099

Sd/-
Sanjeev Kumar

Director

DIN: 06625416

Sd/-

Megha Jain

Company Secretary

Significant accounting policies and notes to the financial statements for the year ended 31 March, 2019

(All amounts are in Indian Rupees)

2. Notes to the Financial Statements

Particulars	As at 31 March 2019	As at 31 March 2018
2.1(a): Share Capital		
Authorized		
100,000,000 equity shares of face value of Re. 1/- each	100,000,000	100,000,000
Issued, subscribed and fully paid-up:		
8,212,5000 equity shares of face value of Re. 1/- each	82,125,000	82,125,000
	82,125,000	82,125,000

2.1(b): Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2019			As at 31 March 2018		
	Number Value	Face Value	Amount (in Rs.)	Number Value	Face Value	Amount (in Rs.)
At the beginning of the year						
Equity Shares of Face value of Rs. 1/- each	82,125,000	1	82,125,000	8,212,5000	1	82,125,000
Add: Issued during the period	-		-	-		-
Less: Bought back during the year	-		-	-		-
Outstanding at the end of the year	82,125,000	1	82,125,000	8,212,5000	1	82,125,000

2.1(c): Rights, preferences and restrictions attached to the share capital

The Company has one class of equity shares having a par value of Re. 1 per share. Each holder of equity share is entitled to one vote per share. The paid-up equity shares of the company rank pari-passu in all respects including dividend. 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. The Company has neither issued any bonus issue of shares nor any buy back of shares since incorporation and in the current year.

2.1(d): Shares held by shareholders holding more than 5% shares

Name of the shareholder	Number of shares as at 31 March 2019	Number of shares as at 31 March 2018
Vimalchand Karamchand Ranka	-	5,003,674
Suvidha Buildtech Private Limited	7,132,075	-

	As at 31 March 2019	As at 31 March 2018
2.2: Reserves and surplus		
Statutory reserve fund		
Opening balance	1,927,092	1,859,890
Add: Addition during the year	380,800	67,202
	2,307,892	1,927,092
General reserve		
Opening balance	8,753,303	8,484,493
Transfer during the year	1,523,202	268,810
	10,276,505	8,753,303

Surplus

*refer to Note 2.29(b)

12,584,397**10,680,395****2.3 Long-Term Borrowings****Secured**

Car Loan from Bank*

977,373

1,474,202

Unsecured

Inter Corporate Borrowings**

38,095,222

45,924,275

39,072,595**47,398,477**

* The loan is secured by hypothecation of vehicle, repayable in 60 equal monthly installments of Rs. 45,972/- starting from the date of loan, 10 March 2017. The 12 monthly installments (excluding interest) as at Balance Sheet date amounting to Rs. 4,09,072 (previous year Nil) have been classified as 'current maturities of long term borrowings, under 'other current liabilities'. Interest rate is 8.80% per annum (previous year Nil).

** Interest rate varies from 9% to 12% per annum (previous year 9% to 12%)

2.4: Long-term provisions

Provision for standard assets

314,558

278,796

Provision for doubtful debts

128,568

-

443,126**278,796****2.5: Short-term borrowings****Unsecured**

Loans repayable on demand from others *

-

9,570,222

-

9,570,222

* Interest rate varies from 9% to 12% per annum (previous year 9% to 12%)

2.6: Trade payables

Payables 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	111,333	104,840
	111,333	104,840

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at 31 March 2018 and 31 March 2017.

2.7: Other current liabilities

Current maturities of long term debt *	446,560	409,072
Salary, bonus and other employee payables	-	730,000
	446,560	1,139,072

* refer to Note 2.3

2.8: Short-term provisions

Provision for income-tax	-	391,628
Provision for standard assets	-	91,703
	-	483,331

refer to Note 2.26

2.10: Deferred tax assets (net)

Difference between carrying cost of fixed assets as per Companies Act, 2013 and Income-tax Act, 1961	284,606	215,051
On Standard Assets	81,785	-
	366,392	215,051

**2.9: Fixed
Assets**

Particular	Gross block				Accumulated depreciation/ amortisation				Net block	
	As at	Additions	Deletions	As at	As at	Depreciation	Deletions	As at	As at	As at
	01 April 2018	during the year	during the year	31 March 2019	01 April 2018	charge for the year	during the year	31 March 2019	31 March 2019	31 March 2018
Tangible assets										
Vehicles	2,522,828	-	-	2,522,828	902,033	565,057	-	1,467,090	1,055,738	1,620,795
Grand total (I+II)	2,522,828	-	-	2,522,828	902,033	565,057	-	1,467,090	1,055,738	1,620,795
<i>Previous year total</i>	<i>(2,522,828)</i>	<i>-</i>	<i>-</i>	<i>(2,522,828)</i>	<i>(34,542)</i>	<i>(867,491)</i>	<i>-</i>	<i>(902,033)</i>	<i>(1,620,795)</i>	<i>(2,488,286)</i>

2.11: Long-term loans and advances (unsecured, considered good)

Standard Assets - Unsecured: Considered good	125,823,094	111,518,326
Income-taxes recoverable	728,346	1,068,680
	126,551,440	112,587,006

2.12: Cash and bank balances
Cash and cash equivalents

Cash in hand	511,773	12,048
Balances with banks:		
- in current accounts	6,252,036	616,659
	6,763,809	628,708

2.13: Short-term loans and advances (unsecured, considered good)
Receivable under financing activities

Standard Assets - Unsecured: Considered good	-	36,681,175
Prepaid Insurance	45,633	47,398
	45,633	36,728,573

	For the year ended 31 March 2019	For the year ended 31 March 2018
2.14: Revenue from operations		
Income from financing activities	10,208,322	10,712,664
Income from trading in securities	-	60,737
	<u>10,208,322</u>	<u>10,773,401</u>
2.15: Other income		
Liabilities Written back	-	140,064
	<u>-</u>	<u>140,064</u>
2.16: Employee benefits expense		
Salaries and wages	4,393,774	1,710,525
Director Remuneration	-	720,000
	<u>4,393,774</u>	<u>2,430,525</u>
2.17: Other expenses		
Travelling and conveyance	-	325,000
Printing and stationery	35,912	15,161
Accountancy Charges	83,750	125,600
Advertisement	32,086	15,347
Audit fees *	17,700	17,700
Car Running Maintenance	264,342	-
Listing fees	468,879	362,402
Fees & Subscription	11,800	15,500
Rent	120,000	-
Penalty for Non-compliance	-	318,895
Provision for standard assets	(55,986)	(13,343)
Doubtful Debts Provision	128,568	-
Power & Fuel	-	5,620
Insurance expense	49,765	90,919
Bad Debts	1,085,000	5,400,000
Website expenses	4,130	4,130
Legal and professional	18,402	68,121
Repair & Maintenance	351,407	-
Electricity Expense	40,934	-
Miscellaneous	-	3,820
	<u>2,656,689</u>	<u>6,754,872</u>

represents rental expense incurred in respect of office space leased by the Company under operating lease arrangements. These leases are cancellable arrangements that extend for a maximum period of 3 years from their respective dates of inception.

* Audit fees includes (excluding service tax):

As auditors	17,700	15,000
For tax audit	-	-
For other matters	-	-
Reimbursement of expenses	-	-
	17,700	15,000

** refer to Note 2.33

2.18: Finance cost

Interest on Car Loan (PNB)	143,459	164,482
Interest on Income Tax	-	101,022
Interest on TDS	-	15,769
Bank charges	6,559	11,557
	150,018	292,830

2.19: Contingent liabilities and commitments (to the extent not provided for)

Contingent Liability	Nil	Nil
----------------------	-----	-----

2.20: Segment Information for the year ended March 31, 2019

Particulars	Financing Activities	Dealing in Securities	Unallocated Others	Total
i) Segment revenue	10,208,322 (10,712,664)	Nil (60,737)	Nil (140,064)	10,208,322 (12,453,725)
ii) Segment Results	2,442,784 (10,699,321)	Nil (60,737)	Nil (140,064)	2,442,784 (10,900,122)
Less : I. Interest				Nil (Nil)
II. Unallocable expenditure / (net of unallocable income)				Nil

				(10,332,375)
Less: Taxation				(538,782)
				(231,736)
Total profit after tax				1,904,002
				(336,011)
iii) Segment Assets	125,823,094	Nil	8,959,917	134,783,011
	(148,199,501)	(Nil)	(3,580,632)	(151,780,133)
iii) Segment Liabilities	38,538,348	Nil	1,535,266	40,073,614
	(55,773,293)	(Nil)	(3,201,445)	(58,974,738)
iv) Capital expenditure	Nil	Nil	Nil	Nil
v) Depreciation	Nil	Nil	565,057	565,057
vii) Non cash expenses other than depreciation				
-Provision for standard assets	-55,986			-55,986
	(-13,343)			(-13,343)

a) The company's primary business segment is reflected based on principal business activities carried on by the company. The company's primary business comprises of financing of loans and dealing in securities.

b) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.

c) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in (A) above.

2.21 Related Party Disclosure

In accordance with the requirements of Accounting Standards (AS) -18 on Related Party Disclosures, the name of the related parties where control exists and /or with whom transactions have been taken place during the year and descriptions of relationships, as identified and certified by the management are:

a) List of the related parties:

(i) Key Management Personnel

- | | |
|-----------------|------------------|
| a) Sarita Gupta | Director and CFO |
| b) Renu | Director |
| c) Ankur Sharma | Director |

d) Sanjeev Kumar

Director

(ii) As informed by the management, there was no related party transactions made during the year.

2.22. Basic and Diluted Earnings per Share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Net Profit attributable to Equity Shareholders *	1,904, 002	336,011
Weighted Average No. of Equity Shares for basic & diluted EPS	82,125,000	82,125,000
Nominal Value per Share	Re. 1/-	Re. 1/-
Basic & Diluted EPS	Rs. 0.02	Rs. 0.04

2.23. Schedule in terms of paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998:

Particulars	(Amount in Rs.)	
Liabilities Side :		
	Amount Outstanding	Amount Overdue
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
a) Debentures : Secured	Nil	Nil
Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)		
b) Deferred credits		

c) Term loans		
d) Inter-corporate loans & borrowings	Nil	Nil
e) Commercial paper	Nil	Nil
f) Public deposits	Nil	Nil
g) Other loans –	1,423,933	Nil
i) Working capital loans from banks		
ii) Security deposit for Corporate Guarantee	38,095,222	Nil
iii) Secured loans	Nil	Nil
(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:	Nil	Nil
b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	Nil	Nil
c) Other public deposits	Nil	Nil

	Nil	Nil
Assets Side :		
		Amount Outstanding (Rs.)
(3) Break-up of Loans and advances including bills receivables [other than those included in (4) below:]		
a) Secured		Nil
b) Unsecured (net of provisions)		Nil
		125,379,968
(4) Break-up of Leased Assets stock on hire and hypothecation loans counting towards EL / HP activities (net of provision)		
i) Lease assets including lease rentals under sundry debtors		
a) Financial lease		Nil
b) Operating lease		Nil
ii) Stock on hire including hire charges under sundry debtors :		Nil
a) Assets on hire		Nil
b) Repossessed assets		Nil
iii) Hypothecation loans counting towards EL / HP activities		
a) Loans where assets have been repossessed		Nil
b) Loans other than (a) above		

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

iv) Government Securities	Nil
v) Others (please specify)	Nil
Long Term Investments	
1. Quoted:	Nil
i) Shares: a) Equity	Nil
b) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	Nil
v) Others (please specify)	
2. Unquoted:	
i) Shares: a) Equity shares	Nil
b) Warrants	Nil
c) Preference	Nil
ii) Debentures and Bonds	Nil
iii) Units of mutual funds	Nil
iv) Government Securities	
v) Others (please specify)	

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

Category	Amount net of provisions (Rs.)
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1. Related Parties	Secured	Unsecured	Total
a) Subsidiaries	Nil	Nil	Nil
b) Companies in the same group	Nil	Nil	Nil
c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	125,379,968	125,379,968
TOTAL	Nil	125,379,968	125,379,968

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

1. Related parties	Break-up market value (Rs.)	Book value (net of provision) (Rs.)
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
2. Other than related parties	Nil	Nil
TOTAL	Nil	Nil

Other Information

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

2.24 These notes to accounts form an integral part of accounts and have been duly authenticated.

2.25 Previous year figures have been regrouped wherever necessary to conform to the classifications adopted in these accounts. Figures have been rounded off to the nearest rupee.

In terms of our Audit Report of even date attached

For Rohit Suri & Associates

Chartered Accountants

Firm Registration No.: 012259N

Sd/-

Rohit Suri

Proprietor

Membership No.: 091064

Place: New Delhi

Date: 29.05.2019

For and on behalf of Board of Directors of

Panafic Industrials Limited

Sd/-

Sarita Gupta

Director

DIN: 00113099

Sd/-

Sanjeev Kumar

Director

DIN : 06625416

Sd/-

Megha Jain

(Company Secretary)