



37th
ANNUAL REPORT
2023 - 2024

Pentokey Organy (India) Limited

**BOARD OF DIRECTORS**

| | |
|-------------------------|--|
| Mr. Purshottam Kejriwal | Non - Executive Non - Independent Director |
| Mr. Devendra Shrimanker | Non - Executive Independent Director |
| Ms. Prajakta Shidhore | Non - Executive Independent Director |
| Mr. Arun Goenka | Non - Executive Non - Independent Director |
| Mr. Kostuv Kejriwal | Non - Executive Non - Independent Director |

KEY MANAGERIAL PERSONNEL

| | |
|-----------------------|--|
| Mr. Rajendra Gujrathi | Chief Executive Officer & Chief Financial Officer (CFO w.e.f. 12th August, 2023) |
| Mr. Sanjeev Dubey | Chief Financial Officer (upto 30th June, 2023) |
| Ms. Divya Desai | Company Secretary |

CORPORATE IDENTIFICATION NUMBER L24116MH1986PLC041681

REGISTERED OFFICE

509, Western Edge I, Off Western Express Highway
Borivali East Mumbai 400066
Telephone: +91-22-28545118 / 28545119
Email: investors@pentokey.com
Website: www.pentokey.com

AUDITORS

M/s Verma Mehta & Associates
Chartered Accountants
104, Creative Industries Premises,
Sunder Nagar, Kalina,
Santacruz (East), Mumbai - 400 098

BANKERS

Indian Overseas Bank
Bank of India
Bank of Baroda
Indusind Bank

REGISTRAR & TRANSFER AGENTS (RTA)

Datamatics Business Solutions Limited
Plot No. B-5, Part B Cross Lane,
MIDC, Andheri (East), Mumbai – 400 093.
Contact: (022) 6671 2188 / 191
Email: anand_bhilare@datamaticsbpm.com
Website: <http://www.datamaticsbpm.com/rt/>

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PENTOKEY ORGANY (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the **37th Annual General Meeting (“AGM”) of the Members of Pentokey Organy (India) Limited** will be held on **Saturday, 28th September, 2024** at 3.00 P.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business. The venue of the meeting shall be deemed to be the registered office of the Company at 509, 5th Floor, Kanakia Spaces, Condominium, Western Edge - 1, Above Metro Cash & Carry Mall, Western Express Highway, Borivali - East, Mumbai - 400 066 Maharashtra, India.

ORDINARY BUSINESS:

1. To consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31 March 2024, the Reports of the Board of Directors and the Auditors thereon, be and are hereby received and adopted.”

2. To consider and if deemed fit, to pass the following Resolution as an Ordinary Resolution:

To appoint a Director in place of Mr. Kostuv Kejriwal (DIN: 00285687), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

“**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Kostuv Kejriwal (DIN: 00285687), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company”.

SPECIAL BUSINESS:

3. **To appoint Mr. Haroon Hasan Siddiqi(DIN: 08562791) as Non-Executive (Independent) Director:**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), Regulation 16(1) (b), 25(2A) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and all other rules, regulations, notifications and circulars (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time), **Mr. Haroon Hasan Siddiqi (DIN: 08562791)** who was appointed as additional director by the Board of Directors of the company on recommendation of the Nomination and Remuneration Committee w.e.f. 12th August, 2024, the consent of the Members be and is hereby accorded for the appointment of **Mr. Haroon Hasan Siddiqi (DIN: 08562791)**, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and who is eligible for appointment, as an Independent Non-Executive Director of the Company not liable to retire by rotation for the term of five (5) consecutive years commencing from 12th August, 2024 and ending on 11th August, 2029.”

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds and things, including statutory filings, and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”

**By order of the Board
For Pentokey Organy (India) Limited**

**Divya Desai
Company Secretary & compliance Officer
Membership No. A61179
Date: 10th August, 2024**



Notes:

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), in respect of Business under Item No. 3 of the Notice set out above is annexed hereto.
2. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 22/2020, 33/2020, 02/2021, 19/2021, 21/2021, 2/2022, 10/2022 and 11/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 15 June 2020, 28 September 2020, 13 January 2021, 8 December 2021, 14 December 2021, 5 May 2022 and 28 December 2022 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 and Circular No. SEBI/HO/CFD/PoD-2/CIR/P/2023/4 dated 5 January 2023 issued by the Securities and Exchange Board of India ('SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the 37th Annual General Meeting of the Company ('AGM' or 'Meeting') is being conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, which does not require physical presence of the Members at a common venue. Hence, the Members are requested to attend and participate at the ensuing AGM through VC / OAVM facility will be provided by CDSL. The Notice of the 37th AGM along with the Annual Report for the Financial Year 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories as on August 30th, 2024. The deemed venue for the 37th AGM shall be the Registered Office of the Company.
3. Since the physical attendance of Members has been dispensed with in terms of the above mentioned Circulars, there is no requirement of appointment of proxies by Members under Section 105 of the Act and the same will not be available for this AGM. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional Corporate Shareholders (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution /Authorization etc., authorizing its representative to attend the AGM through VC/OAV and vote on its behalf. The said Resolution/Authorization shall be sent to the company at cs@pentokey.com or to Datamatics Business Solutions Limited, Registrar and Share Transfer Agent at anand_bhilare@datamaticsbpm.com with a copy marked to evoting@cDSL.co.in and cs@pentokey.com.
5. Details of the director to be appointed or reappointed at the Annual General Meeting is annexed to the Notice as Annexure II as required by the Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2024 to Saturday, 28th September, 2024 (both days inclusive) for annual closing.
7. Remote e-Voting: In compliance with the provisions of Section 108 of the Companies Act, 2013 ('the Act') read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Secretarial Standards - 2 issued by the Institute of Company Secretaries of India on General Meetings and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to its Members the facility of remote e-Voting before the AGM and e-voting during the AGM in respect of the businesses to be transacted at the AGM and for this purpose, the Company has appointed CDSL for facilitating voting through electronic means. The detailed instructions for remote e-Voting are given below in the Notice of the AGM.

Members are requested to note the following:

- a. The remote e-Voting facility would be available during the following period: Commencement of remote e-Voting From 9.00 a.m. (IST) on Wednesday, 25th September, 2024. End of remote e-Voting 5.00 p.m. (IST) on Friday, 27th September, 2024. The remote e-Voting module shall be disabled by CDSL for voting thereafter and Members will not be allowed to vote electronically beyond the said date and time;
- b. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on Saturday, 21st September, 2024 ('Cut-Off Date'). The facility of remote e-Voting system shall also be made available during the Meeting and the Members attending the Meeting, who have not already cast their vote by remote e-Voting shall be able to exercise their right during the Meeting. A person whose name



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is recorded in the Register of Members / Register of Beneficial Owners as on the Cut-Off Date only shall be entitled to avail the facility of remote e-Voting before / during the AGM;

- c. Any person who acquires equity shares of the Company and becomes a Member of the Company after dispatch of Notice electronically of AGM but on or before the cut-off date i.e. Saturday, 21st September, 2024 can follow the process for generating the Login ID and Password as provided in the Notice of AGM, if their PAN is updated with their Depository Participants. However, such members who have not updated their PAN with their Depository Participants, on request their Login ID and Sequence No. will be sent separately by electronic means for generation of Password. If such a person is already registered with CDSL for e-voting, existing user ID and Password can be used for casting vote.
- d. Members who have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again.

The Company has appointed Mr. Hemanshu Upadhyay, Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting/ remote voting process in a fair and transparent manner.

Registration of e-mail addresses: Members who have not yet registered their e-mail addresses are requested to follow the process mentioned below, before 5:00 p.m. (IST) on Saturday, 21st September, 2024, for registering their e-mail addresses to receive the Notice of the AGM and the Integrated Annual Report 2023-24 electronically and to receive login-id and password for remote e-Voting.

8. Members requiring information on the audited financial statement for the year ended March 31, 2024 are requested to send email at cs@pentokey.com to the Company at least seven (7) days before the date of the meeting to enable the Company to furnish the information.
9. The Company has appointed Datamatics Business Solutions Limited, Mumbai as its Registrar and Transfer Agent. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, email id, updating of PAN, dematerialization of shares, payment of dividend, unclaimed dividends etc. will be attended to and processed at the office of the Registrar and Transfer Agent at the following address:-

Datamatics Business Solutions Limited
Plot No. B 5, Part B, Cross Lane,
MIDC, Andheri (East), Mumbai – 400 093.
Contact: (022) 6671 2188/191
Email: anand_bhilare@datamaticsbpm.com
10. Members holding shares in electronic form are advised to keep the bank details updated with the respective Depositories, viz. NSDL and CDSL. Member holding shares in certificate form are requested to update bank details with the Company's Registrar and Transfer Agents.
11. As per the provisions of Section 72 of the Act, facility for making nomination is available to Individual shareholding shares in the Company. Members holding shares in physical form who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members may download the Nomination Form from the Company's website under the web link a www.pentokey.com investor-service-request-forms/. Members holdings shares in demat modes would file their nomination with their DP s for availing this facility.

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/CIR/2021/655 dated 3 November 2021. Pursuant to the said SEBI Circular, SEBI has mandated furnishing of PAN, KYC details and nomination by holders of physical securities by 31 March, 2023, and linking PAN with Aadhar by 31 March 2022. Members are requested to submit their PAN, KYC and nomination details to the Corporation's registrars through the forms available a www.pentokey.com. The Company has sent communications in this regard to eligible shareholders. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete



documents. In case the securities continue to remain frozen as on 31 December 2025, the registrar /the Corporation shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/ or Prevention of Money Laundering Act, 2002.

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25 January 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting duly filled and signed Form ISR-4, the form a to f which is available on the Company's website under the www.pentokey.com. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted in to demat/electronic form to get in here nt benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

12. The Board of Directors of the Company has appointed Mr. Hemanshu Upadhyay, Practicing Company Secretary (M. No. 46800, COP No. 20259), as Scrutiniser for conducting the voting process of remote e-voting and e-voting during AGM in a fair and transparent manner.
13. The results declared along with the consolidated Scrutiniser's Report and the recorded transcript of the meeting shall be placed on the website of the Company www.pentokey.com. The results shall simultaneously be communicated to the Stock Exchanges.
14. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be inspected in electronic mode by sending a request on e-mail to cs@pentokey.com.
15. Shareholders to support our commitment to environmental protection by choosing to receive the shareholding communications through email. You can do the same by updating your email addresses with our Registrar and Transfer Agent.
16. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder, Electronic copy of the Annual report along with Notice is being sent to members whose email addresses are registered with the Company.
17. Electronic copy of Annual report along with Notice will also be available on the Company's website www.pentokey.com for its download.
18. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2023-24 and Notice of the 37th AGM of the Company, may send request to the Company's e-mail address at cs@pentokey.com mentioning Folio No./DP ID and Client ID.

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency.



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The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.pentokey.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
6. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with General Circular Nos. 14/2020, 17/2020, 20/2020, 22/2020, 33/2020, 02/2021, 19/2021, 21/2021, 2/2022, 10/2022 and 11/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 15 June 2020, 28 September 2020, 13 January 2021, 8 December 2021, 14 December 2021, 5 May 2022 and 28 December 2022 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 and Circular No. SEBI/HO/CFD/PoD-2/CIR/P/2023/4 dated 5 January 2023 issued by the Securities and Exchange Board of India ('SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR').

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.



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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL Depository | <ol style="list-style-type: none">1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |



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|---|---|
| Individual Shareholders holding securities in demat mode with NSDL Depository | <ol style="list-style-type: none"> 1) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

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

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

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

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



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

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**



PENTTOKEY ORGANY (INDIA) LIMITED

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@penttokey.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.



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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

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

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



PENTOKEY ORGANY (INDIA) LIMITED

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

In conformity with the provisions of Section 102 of the Companies Act, 2013 ('the Act') and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2'), the following Explanatory Statement and annexure thereto should be taken as forming part of this Notice.

Item No. 3

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed Mr. Haroon Hasan Siddiqi as an Additional Director of the Company with effect from 12th August, 2024 in the category of a Non-Executive Independent Director, not liable to retire by rotation to hold office for a term of 5(five) consecutive years effective from 12th August 2024 to 11th August 2029 subject to further approval of the members of the Company. In accordance with Section 161(1) of the Companies Act, 2013, Mr Haroon Hasan Siddiqi holds office up to the date of the ensuing Annual General Meeting and is eligible for appointment as an Independent Director of the Company.

Mr. Siddiqi has confirmed that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI LODR. In the opinion of the Board, he fulfils the conditions specified in the Companies act, 2013 read with the relevant rules and is independent of the Management. He has also confirmed that he is not debarred from holding office of Director by virtue of any SEBI order or any other such authority.

The Company has received a notice in writing from a Member proposing candidature of Mr. Siddiqi for the office of Director of the Company.

Mr Haroon Hasan Siddiqi aged 68years is having experience of more than 35 years in drug & medicine. He has completed diploma in import and export. He started his career as Medial representative with Sarabhai chemicals.

Further, additional information as required to be provided pursuant to the SS-2, in respect of Mr. Haroon Hasan Siddiqi is provided in the Annexure to this Notice and also forms part of the Explanatory Statement.

The Board considers that the association of Mr. Siddiqi with the Company would be beneficial for the Company and desired to avail his services as an Independent Director of the Company.

Except Mr. Haroon Hasan Siddiqi, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives, are in any way, financially or otherwise, concerned or interested in the said Special Resolution as set out at Item no. 3 of the accompanying notice. Mr. Siddiqi is not related to to any Director or Key Managerial Personnel of the Company.

**By order of the Board
For Pentokey Organy (India) Limited**

**Divya Desai
Company Secretary & compliance Officer
M. No. A61179
Date: 10th August, 2024**



PARTICULARS OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS (SS-2) AS LAID DOWN BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ARE GIVEN BELOW:

| Name of Director | Date of Birth | Date of Appointment | Expertise / Qualification | Disclosure of relationships between directors inter-se | List of Other Companies in which Directorship and membership of Committees held |
|--------------------------|----------------------|-------------------------------|---|---|--|
| Mr. Kostuv Kejriwal | 31/03/1983 | 02 nd August, 2022 | Having experience of more than 15 years in drug & medicine manufacturing. | Son of Mr. Purshottam Kejriwal, Director | Merit Healthcare Private Limited |
| Ms. Haroon Hasan Siddiqi | 17/06/1956 | 12 th August, 2024 | Having experience of more than 35 years in drug & medicine | NIL | NIL |



PEN TOKEY ORGANY (INDIA) LIMITED

BOARD'S REPORT

Dear Shareholders,

Your Directors present their Thirty-Seventh Annual Report on the business and operations of your Company together with Audited Financial Statements for the year ended 31st March, 2024.

FINANCIAL RESULTS:

(Rs. in Lakh)

| Particulars | Financial Year 2023-24 | Financial Year 2022-23 |
|---|---------------------------|---------------------------|
| Total Income | 484.77 | 672.15 |
| Profit / (Loss) before Interest, Depreciation and Tax | 88.14 | 320.79 |
| Less: Interest Paid | 0.60 | 2.85 |
| Profit / (Loss) before Depreciation and Tax | 87.54 | 317.94 |
| Less: Depreciation / Amortization | 0.29 | 0.39 |
| Profit / (Loss) before & After Tax | 87.25 | 317.55 |

OPERATIONS REVIEW:

The Company has recorded total income of Rs. 484.77 Lakhs in FY 23-24 as against the total income of Rs. 672.15 lakhs in FY 22-23 and net profit of Rs. 87.25 lakhs as against Rs. 317.55 lakhs in FY 22-23.

BUSINESS ACTIVITY

The Company is engaged in the trading of Pharmaceutical products. There is no change in the business activity of the Company.

SHARE CAPITAL OF THE COMPANY:

During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither sweat equity. The Paid-up Equity Share Capital, as at 31st March, 2024 was Rs. 6,27,26,290 divided into 62,72,629 Equity shares, having face value of Rs.10/- each fully paid up.

DIVIDEND:

In view of conserving the resources, your company has not recommended any dividend for the year under review.

TRANSFER TO RESERVES:

No amount was transferred to the reserves during the financial year ended 31st March, 2024.

SUBSIDIARIES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiaries and Associates, therefore details under Form AOC 1 is not applicable.

PUBLIC DEPOSITS:

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

MATERIAL ORDERS OF REGULATORS / COURTS / TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

**PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Pursuant to the provisions of Section 186 of the Companies Act, 2013 and SEBI LODR, particulars of loans, investments are given in the notes to the financial statements.

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

Particulars with respect to the conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts), 2014 are not relevant to the Company. Foreign exchange earnings and outgo as stipulated under Section 134 of the Act read with the Companies (Accounts) Rules, 2014, is set out in the **Annexure I** to this report.

PARTICULARS OF REMUNERATION TO EMPLOYEES, DIRECTORS AND KMP's:

The disclosure on the details of remuneration to employees, Directors and Key Managerial Personnel pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure II** to this report.

RELATED PARTY TRANSACTIONS:

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is available on the website of the Company at www.pentokey.com. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and its Related Parties.

All Related Party Transactions are placed before the Audit Committee for review and approval and are in accordance with the Policy. All transactions entered by the Company with Related Parties are in ordinary course of business and on arm's length basis.

Related party transactions entered during the year under review are disclosed in the notes to the Financial Statements. None of the Directors had any pecuniary relationship or transactions with the Company, except the payments made to them in the form of sitting fees.

Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in **Annexure III** to this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following changes have been made to the Key Managerial Personnel of the Company during the year:

| S. No. | Name | Designation | Appointment or resignation | Date of Appointment or resignation |
|--------|------------------------|---|---|------------------------------------|
| 1 | Mr. Sanjeev Dubey | Chief Financial Officer | Resignation | 30/06/2023 |
| 2 | Mr. Rajendra Gujarathi | Chief Executive Officer and Chief Financial Officer | Appointment (as CFO in addition to being the CEO) | 12/08/2023 |

In accordance with the applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Kostuv Kejriwal retires by rotation at the ensuing Annual general meeting and being eligible offers himself for re-appointment. Your directors recommend the re-appointment of Mr. Kostuv Kejriwal as a Director of the Company.

As on the date of this report the Board of Directors comprises of – Five (5) Directors including Two (2) Independent Non- Executive Directors, and three (3) Non-Executive, Non-Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013.

The Company's policy on appointment and remuneration of directors is available on www.pentokey.com.



PENTOKEY ORGANY (INDIA) LIMITED

MEETINGS OF THE BOARD:

During the year under review, total 4 Four meetings of the Board of Directors were held. The maximum gap between any two Board Meetings was less than 120 days.

| S. no | Date of Board Meeting |
|-------|-----------------------|
| 1 | 27.05.2023 |
| 2 | 12.08.2023 |
| 3 | 09.11.2023 |
| 4 | 27.01.2024 |

The names of members of the Board and their attendance at the Board Meetings are as under:

| Name of Directors | Total meetings attended |
|-------------------------|-------------------------|
| Mr. Purshottam Kejriwal | 4 |
| Mr. Kostuv Kejriwal | 4 |
| Mr. Devendra Shrimanker | 4 |
| Mrs. Prajakta Shidhore | 4 |
| Mr. Arun Goenka | 4 |

AUDIT COMMITTEE:

The composition, power, role and terms of reference of the Audit Committee is in alignment with the provisions of Section 177 of the Companies Act, 2013 read with the Rules issued thereunder. The members of the Audit Committee are financially literate and have experience in financial management.

During the year, 4(four) meetings were held.

| S. no | Date of Meeting |
|-------|-----------------|
| 1 | 27.05.2023 |
| 2 | 12.08.2023 |
| 3 | 09.11.2023 |
| 4 | 27.01.2024 |

The names of members of the Audit Committee and their attendance at the Audit committee Meetings are as under:

| Name of Directors | Number of meetings attended |
|-------------------------|-----------------------------|
| Mr. Devendra Shrimanker | 4 |
| Mrs. Prajakta Shidhore | 4 |
| Mr. Arun Goenka | 4 |

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition, power, role and terms of reference of the Stakeholders Relationship Committee is in alignment with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder.

During the year, one meeting of Stakeholders Relationship committee was held on 30.03.2024

The names of members of the Stakeholders Relationship Committee and their attendance at the Stakeholders Relationship committee Meeting is as under:



| Name of Directors | Number of meetings attended |
|--------------------------|------------------------------------|
| Mr. Devendra Shrimanker | 1 |
| Mr. Arun Goenka | 1 |
| Mr. Purshottam Kejriwal | 1 |

NOMINATION AND REMUNERATION COMMITTEE:

The composition, power, role and terms of reference of the Nomination and remuneration Committee is in alignment with the provisions of Section 178 of the Companies Act, 2013 read with the Rules issued thereunder.

During the year, 1 meeting of the Nomination and remuneration committee was held on :

| S. no | Date of Meeting |
|-------|-----------------|
| 1 | 12.08.2023 |

The names of the members of the Nomination and remuneration Committee and their attendance at the meetings is as under:

| Name of Directors | Number of meetings attended |
|--------------------------|------------------------------------|
| Mr. Devendra Shrimanker | 1 |
| Mr. Purshottam Kejriwal | 1 |
| Mrs. Prajkata Shidhore | 1 |

INDEPENDENT DIRECTORS MEETING:

In accordance with the provisions of Schedule IV of the Act, Regulation 25(3) of the SEBI Listing Regulations and S.S 2.3 of the Secretarial Standards on the meetings of the Board of Directors, a meeting of Independent Directors of the Company was held on 31st March, 2024 without the presence of the Non-Independent Directors and the members of the Management. The Independent Directors discussed matters inter alia the functioning of the Company, reviewing the performance of the Chairman, Non-Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

The Company also conducts familiarisation programme for the Independent Directors to enable them to be familiarise with the Company, its management and its operations to gain a clear understanding of their roles, rights and responsibilities for enabling their contribution to the Company.

NOMINATION & REMUNERATION POLICY:

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013.

The Board of Directors has formulated and adopted a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

Nomination and Remuneration Policy is available on the website of the Company at www.pentokey.com

CORPORATE GOVERNANCE REPORT:

Pursuant to clause 15 (2) (a) of Listing Regulations, compliance with Corporate Governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D, and E of Schedule V of Listing Regulations is not applicable to the Company.

BOARD EVALUATION:



PENTOKEY ORGANY (INDIA) LIMITED

Evaluation of the performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Directors carried out the annual performance evaluation of the Board, Committees of Board and individual Directors along with assessing the quality, quantity and timeliness of flow of information between Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

DIRECTORS RESPONSIBILITY STATEMENT:

Your directors state that:

- (a) In the preparation of the annual financial statements for the year ended 31st March 2024, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended 31st March, 2024;
- (c) Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The annual financial statements have been prepared on a going concern basis.
- (e) Appropriate internal financial controls were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) Proper systems to ensure compliance with the provisions of all applicable laws and that such system are adequate and operating effectively.

ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Act, the Annual Return in form MGT-7 for the Company for the financial year 2023-24 is available on the Company's website at <https://www.pentokey.com>.

AUDITORS AND AUDITORS REPORT:

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Hemanshu Upadhyay, Practicing Company Secretary (Membership No. 46800) as the Secretarial Auditor of the Company to for the financial year ending 31st March, 2024.

The Secretarial Audit Report for financial year ending 31st March, 2024 is annexed as Annexure IV to this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

Further under Regulation 24A of Listing Regulations, the Company was not required to submit the Annual Secretarial Compliance Report as the Company falls under the criteria as specified under Regulation 15(2) of Listing Regulations.

STATUTORY AUDITOR:

M/s. Verma Mehta & Associates, Chartered Accountants (Firm Registration No. 112118W), were appointed as Statutory Auditors of the Company at its 31st Annual General Meeting held on 21st September, 2018, to hold office till the conclusion of the 36th Annual General Meeting to be held in the year 2023

The Board of Directors of the Company based on the recommendation of the Audit Committee, at its meeting held on 12th August, 2023 has proposed to the shareholders of the Company for their approval the re-appointment of M/s. Verma Mehta & Associates, Chartered Accountants (Firm Registration No. 112118W), as statutory Auditors of the Company



for a second term of 5 consecutive years commencing from the conclusion of the 36th Annual General meeting upto the conclusion of the 41st Annual General Meeting to be held in the year 2028. The shareholders at their meeting held on 29th September 2023 had approved the re-appointment of M/s. Verma Mehta & Associates, Chartered Accountants (Firm Registration No. 112118W), as Statutory Auditors of the Company for a second term of 5 consecutive years commencing from the conclusion of the 36th Annual General meeting upto the conclusion of the 41st Annual General Meeting to be held in the year 2028

M/s. Verma Mehta & Associates have confirmed that they satisfy the independence criteria as required under the Act.

The Auditor's Report for the financial year ended 31st March, 2024 on financial statements of the Company is a part of this report and is annexed as Annexure VI to this Annual Report. The Auditor's Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended 31st March, 2024.

COST AUDITOR:

The provisions of Cost Audit as prescribed under Section 148 of the Act, are not applicable to the Company.

MANAGEMENT DISCUSSIONS AND ANALYSIS (MD&A):

The detailed MDA is provided as Annexure V and forms a part of this report.

RISK MANAGEMENT:

Pursuant to clause 15(2)(a) of Listing Regulations, compliance with Corporate Governance provisions as specified under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D, and E of Schedule V of Listing Regulations are not applicable to the Company; however, the Company operates with well-defined risk management policy to identify measures to mitigate various business risks. The copy of the Risk Management Policy is uploaded on the website of the Company at <http://www.penttokey.com/pdf/Risk-Management-Policy.pdf>. This framework seeks to create transparency, minimize adverse impact on the business objective and enhance the Company's competitive advantage and thus helps in managing market, credit and operations risks.

VIGIL MECHANISM:

In compliance with the provisions of Section 177, the Company has established a Vigil Mechanism Policy, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, instances of financial irregularities, mala-fide manipulation of Company's records or violation of the Company's Code of Conduct & Ethics. This mechanism also provides for adequate safeguards against victimization of director(s)/employee(s) of the Company who report unethical practices or irregularities.

The Vigil Mechanism Policy is uploaded on the website of the Company at <http://www.penttokey.com/pdf/Vigil-Mechanism-Policy-New.pdf>

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated persons of the Company, as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committee (ICC). No complaints have been received on Sexual harassment for the financial year ending 31st March 2024. The Company is committed to providing a safe and conducive work environment.

CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to Section 135 of the Companies Act, 2013 read with rules of Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is not required to frame Corporate Social Responsibility Committee and Corporate Social Responsibility Policy.



PENTOKEY ORGANY (INDIA) LIMITED

INTERNAL FINANCIALS CONTROLS:

The Company has a sound internal control system, which ensures monitoring implementation of the action plans emerging out of internal audit findings. The terms of reference of the Audit Committee includes reviewing the effectiveness of the internal control environment. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors of the Company. During the financial year under review, no material or serious observation has been received from the Statutory or Internal Auditors of the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors of the Company had not reported any matter under Section 143(12) of the Act. Therefore, disclosure is not applicable in terms of Section 134(3)(ca) of the Act.

Other Disclosures / Reporting

a) Issue of equity shares with differential rights

The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

b) Insolvency and Bankruptcy Code (“IBC”)

There are no applications or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company.

c) Material changes & commitments affecting the financial position of the Company:

There are no material changes and commitments affecting the financial position of the Company which have occurred from the end date of the financial year up to the date of this Board's Report.

LISTING:

The shares of the Company are listed at the BSE Limited (BSE). The applicable annual listing fees have been paid to BSE Limited.

SECRETARIAL STANDARDS ISSUED BY ICSI:

The Company is generally in compliance with all the applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India (ICSI).

RISKS AND CONCERNS:

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The main risks inter alia include strategic risk, operational risk, financial risk and compliances & legal risk.

APPRECIATION:

The Board of Directors place on record appreciation for its business associates and shareholders for their continued support to the Company.

**For and on behalf of the Board of Directors
For Pentokey Organy (India) Limited**

Mr. Purshottam Kejriwal
Director
(DIN: 02476745)
Date: 10.08.2024
Place: Mumbai

Mr. Kostuv Kejriwal
Director
(DIN:00285687)

**Annexure - I****Disclosure with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.)

A. CONSERVATION OF ENERGY:

- I. Steps taken or impact on conservation of energy: Not Applicable, as the Company is not doing any production activity.
- II. The steps taken by Company for utilizing alternate sources of energy: Not Applicable
- III. The capital investment on energy conservation equipment's: NIL

B. TECHNOLOGY ABSORPTION

- I. Efforts made towards technology absorption: Not Applicable.
- II. Benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable.
- III. Imported Technology: Not Applicable, as no Technology has been imported by the Company.
- IV. Expenditure incurred on Research and Development: NIL

C. FOREIGN EXCHANGE EARNING AND OUTGO:

(Rs. in Lakh)

| Particulars | 2023-24 | 2022-23 |
|-------------|---------|---------|
| Earning | 65.08 | - |
| Outgo | - | - |

**For and on behalf of the Board of Directors
For Pentokey Organy (India) Limited**

Mr. Purshottam Kejriwal

Director
(DIN: 02476745)

Date: 10.08.2024

Place: Mumbai

Mr. Kostuv Kejriwal

Director
(DIN: 00285687)



PENTOKY ORGANY (INDIA) LIMITED

Annexure - II

Details pertaining to Remuneration

(Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.)

- 1) The ratio of the remuneration and percentage increase is not calculated as there are no employees in the Company other than the Chief Executive Officer & Chief Financial Officer and Company Secretary (Key Managerial Personnel's).
- 2) The percentage increase in the median remuneration of employees in the financial year is not calculated in view of point 1 above.
- 3) The number of permanent employees on the rolls of the Company as on 31st March, 2024: Two
- 4) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and the increase in the managerial remuneration is not calculated in view of point 1 above.
- 5) Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- 6) Particulars of top ten employees in terms of remuneration drawn and the name of every employee.
 - a) Details of employees, employed throughout the financial year, were in receipt of remuneration for that financial year, in the aggregate, and was not less than Rupees One Crore and Two Lakh: Nil
 - b) Details of employees, employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month: Nil
 - c) Details of employees, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company: Nil

**For and on behalf of the Board of Directors
For Pentokey Organy (India) Limited**

Mr. Purshottam Kejriwal

Director
(DIN: 02476745)
Date: 10.08.2024
Place: Mumbai

Mr. Kostuv Kejriwal

Director
(DIN: 00285687)



Annexure – III

Form AOC-2 - Particulars of Contract /Arrangements made with Related Parties

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

Not Applicable as there were no contracts or arrangements or transactions entered into by the Company which were not at arm's length basis during the year ended 31st March, 2024.

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2024 are as follows: NIL

**For and on behalf of the Board of Directors
For Pentokey Organy (India) Limited**

Mr. Purshottam Kejriwal

Director
(DIN: 02476745)

Date: 10.08.2024

Place: Mumbai

Mr. Kostuv Kejriwal

Director
(DIN: 00285687)



PEN TOKEY ORGANY (INDIA) LIMITED

Annexure – IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

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

To,
The Members,
Pentokey Organy (India) Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pentokey Organy (India) LIMITED (hereinafter called “the Company”)**, incorporated on 16th June 1997 having CIN: L24116MH1986PLC041681 and Registered office at 509, Western Edge I, Off Western Express Highway Borivali East Mumbai 400066. 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 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 the secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on **31st March 2024** according to the following provisions of (including any statutory modifications, amendments, or re-enactment thereof for the time being in force):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996, and the Regulations and the Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **NOT APPLICABLE**
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **NOT APPLICABLE**
 - 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 clients;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **NOT APPLICABLE**



The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **NOT APPLICABLE**

I have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the applicable Acts and the regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the best of my knowledge and belief, during the year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

- a) The Company have maintained Structured Digital Database (SDD) software as per provisions of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 however, detail of the event as required to be updated was not entered.
- b) The Company has not filed e-form MGT-14 for appointment of Key Managerial Personnel i.e. Chief Financial officer (CFO) as required under Section 173 of the Act and rules made thereunder, till the issuance of this report.

I further report that:

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

Adequate notice is given to all directors to schedule the Committee and Board Meetings, agenda, and detailed notes on the agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, 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 including meeting conducted through video conference.

All decision is carried through the unanimous consent of all the Board of Directors and recorded as part of the minutes.

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

I further report during the audit period the Company did not have 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 HRU & Associates
Company Secretaries**

**Hemanshu Upadhyay
Proprietor
M. No: A46800
CP No: 20259
UDIN: A046800F000955213
Peer Review: 3883/2023**

Place: Mumbai

Date: 10th August, 2024

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



PENTOKEY ORGANY (INDIA) LIMITED

Annexure A of Secretarial Audit Report

To,
The Members,
Pentokey Organy (India) Limited

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

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

For HRU & Associates
Company Secretaries

Hemanshu Upadhyay
Proprietor
M. No: A46800
CP No: 20259
UDIN: A046800F000955213
Peer Review: 3883/2023

Place: Mumbai
Date: 10th August, 2024

**Annexure V****MANAGEMENT DISCUSSION AND ANALYSIS**

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The Company undertakes no obligation to publicly update or revise any of the opinion or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

INDUSTRY STRUCTURE AND DEVELOPMENTS OF THE COMPANY AND THRUST OF THE BUSINESS:

Pentokey Organy (India) Ltd has is in the business of trading of Pharmaceutical products.

The Company constantly monitors the external environment and is availing the opportunities for increasing the business of the Company.

BUSINESS PERFORMANCE AND SEGMENT REPORTING:

The Company operates in single segment. During the year under review, the Company's Revenue from operation is Rs. 439.63 Lakh as against the Revenue from operation of Rs. 436.55 Lakh in the previous year.

OUTLOOK, RISKS, CONCERNS, OPPORTUNITIES AND THREATS:

The markets have opened up. However, companies are taking cautious approach due to economic and another external factors. The management is taking efforts and believes that their strategy will enable the company to achieve substantial growth in the coming years.

ADEQUACY OF INTERNAL FINANCIAL CONTROL:

The Company has robust internal control systems in place which are commensurate with the size and nature of the business. The internal controls are aligned with statutory requirements and designed to safeguard the assets of the Company. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. Increased attention is given to auto generation of MIS reports as against manual reports to take care of possible human errors or alteration of data. The Management reviews and strengthens the controls periodically.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players.

SEGMENT-WISE PERFORMANCE

The Company is into single reportable segment only.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total revenue of the Company for the year ended 31st March, 2024 stood at Rs. 484.77 Lakhs (previous year Rs. 672.15 Lakhs). The Company has profit after tax of Rs. 87.25 Lakhs.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR INCLUDING:

| Particulars | 2023-2024 | 2022-2023 | EXPLANATION |
|-------------------------|-----------|-----------|--------------------------------------|
| Debtors Turnover | 42.99% | 3.34% | Due to increase in Trade receivables |
| Inventory Turnover | NIL | 4.72% | NIL inventory at year end. |
| Interest Coverage Ratio | 145.53 | 112.43 | Reduction in Interest cost |
| Current Ratio | 37.10 | 15.60 | Mainly increase in Trade receivables |



PENTOKY ORGANY (INDIA) LIMITED

| | | | |
|-----------------------------|-------|--------|--|
| Debt Equity Ratio | NA | NA | |
| Operating Profit Margin (%) | 9.72% | 19.42% | Reduction in profit margin due to higher purchase cost. |
| Net Profit Margin (%) | 18% | 47.24% | Reduction in profit margin during the year and in last year the net profit included recovery of Bad debts and amount write back of Rs. 205 lakhs |

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF.

The Net worth of the Company as at the Financial Year ending on 31st March, 2024 is Rs. 926.29 Lakhs/- as compared to Rs. 837.90 lakhs/- as at the end of previous financial year ended on 31st March, 2023.

CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

**For and on behalf of the Board of Directors
For Pentokey Organy (India) Limited**

Mr. Purshottam Kejriwal
Director
(DIN: 02476745)
Date: 10.08.2024
Place: Mumbai

Mr. Kostuv Kejriwal
Director
(DIN: 00285687)



Independent Auditors' Report

To the Members of Pentokey Organy (India) Limited

Report on the audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Pentokey Organy (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 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.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.
5. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
6. 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.

Responsibilities of management and those charged with governance for the financial statements

7. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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



PEN TOKEY ORGANY (INDIA) LIMITED

the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the 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 also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the 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 financial statements.
10. 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 to the financial statements;
 - ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
 - iv) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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



PENTOKEY ORGANY (INDIA) LIMITED

- (h) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement. (h) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with

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

FOR VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 112118W

Sandeep Verma

Partner

M.N.045711

Place: Mumbai

Date: 13/05/2024

UDIN: 24045711BKIAGQ5780



Annexure - A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2024, we report that:

- (i) In respect of Company's property plant and equipment:
 - (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment.
 - (a) (B) The Company has generally maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a system for verification to cover all the items of fixed assets and fixed assets have been physically verified by the management at reasonable intervals and no discrepancy was noticed on such verification.
 - (c) the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the period.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) And in respect Company's inventories, The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured or provided any guarantees or security to parties covered under section 185 of the Act. The Company has not granted loans, no investments has been made, no guarantees or security are given to parties covered under section 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost accounting records. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) in respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax,value added tax, duty of excise, duty of customs, service tax, GST ,professional tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of excise, duty of customs, service tax, GST, professional tax, cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.



PENTOKEY ORGANY (INDIA) LIMITED

- (b) According to the information and explanations given to us, details of statutory dues which have not been deposited with the appropriate authorities on account of any dispute are given as follows

| Name of Statute | Nature of Dues | Forum where dispute is pending | Period | Amount Un-Paid (Rs in lakhs) |
|---------------------|----------------|--------------------------------------|-------------|------------------------------|
| Income Tax Act 1961 | Income Tax | Commissioner of Income-Tax (Appeals) | A.Y 2015-16 | Rs. 171.58 lakhs. |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions that have been not recorded in the books of account that have been surrendered or disclosed as income during the period under audit in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) According to the information and explanations given to us, the Company has not defaulted any loans or borrowings from any financial institution, banks, government or debenture holders during the year.
- (x) The Company did not raise any moneys by way of initial public offer or further public offer (including debt instruments) or by way of Term Loans during the year.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by applicable Ind AS .
- (xiv) The Company has an internal audit system commensurate with the size and nature of its business. The reports of the Internal Auditors for the period under audit have been considered by us during the course of our audit
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses for the period ended on 31st March 2024 and 31st March 2023
- (xviii) The Statutory Auditor's of the Company has not resigned during the period ended on 31st March 2024. Thus, paragraph 3(xviii) of the Order is not applicable.
- (xix) on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of the audit report regarding the Company's capabilities of meeting its liabilities as and when they fall due within a period of one year from the balance sheet date.



(xx) The company does not have net worth of Rupees five hundred crore or more the relevant provisions of section 135 of Companies Act, 2013 are not applicable to the company.

FOR VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 112118W

Sandeep Verma

Partner

M.N.045711

Place: Mumbai

Date: 13/05/2024



Annexure B

to the Independent Auditor's Report of even date on the Financial Statements of Pentokey Organy (India) Limited

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

We have audited the internal financial controls over financial reporting of Pentokey Organy (India) Limited ("the Company") as of March 31, 2024 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 ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the 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, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

FOR VERMA MEHTA & ASSOCIATES

Chartered Accountants

Firm's Registration No: 112118W

Sandeep Verma

Partner

M.N.045711

Place: Mumbai

Date: 13/05/2024



BALANCE SHEET AS AT 31ST MARCH, 2024

Rs In Lakhs

| Particulars | Note No. | As at 31st Mar, 2024. | As at 31st Mar, 2023. |
|---|----------|--------------------------|--------------------------|
| ASSETS | | | |
| 1 Non-current Assets | | | |
| a) Property, Plant and Equipment | 3 | 0.14 | 0.43 |
| b) Non-current financial assets | | | |
| (i) Non-current investments | 4 | 3.76 | 2.62 |
| (ii) Other Bank Balances | 4 | 10.14 | 9.57 |
| (iii) Security Deposit | 4 | 34.33 | 34.33 |
| c) Other non current Asset | 5 | 1.00 | 1.00 |
| Total Non-current Assets | | 49.38 | 47.95 |
| 2 Current Assets | | | |
| a) Inventories | 6 | - | 20.57 |
| b) Financial assets | | | |
| (i) Trade receivables | 6 | 189.01 | 14.56 |
| (ii) Cash and cash equivalent | 6 | 6.90 | 11.36 |
| (iii) Bank balance other than (ii) above | 6 | 541.08 | 438.16 |
| (iv) Loans | 6 | 114.65 | 200.00 |
| (v) Others | 6 | | 3.60 |
| c) Other current assets | 7 | 46.04 | 152.81 |
| d) Current Tax Assets - Net | 8 | 3.52 | 3.01 |
| Total Current Assets | | 901.20 | 844.07 |
| TOTAL ASSETS | | 950.58 | 892.02 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| a) Equity share capital | 9 | 627.26 | 627.26 |
| b) Other equity | 10 | 299.03 | 210.64 |
| Total Equity | | 926.29 | 837.90 |
| Liabilities | | | |
| 1 Non-current Liabilities | | | |
| 2 Current Liabilities | | | |
| a) Financial liabilities | | | |
| (i) Trade payable MSME | 11 | - | 0.34 |
| (ii) Trade Payable Non-MSME | 11 | 4.34 | 39.38 |
| (iii) Other current financial liabilities | 11 | 1.11 | 13.89 |
| b) Other Current Liabilities | 12 | 18.85 | 0.49 |
| Total Current Liabilities | | 24.29 | 54.11 |
| Total Liabilities | | 24.29 | 54.11 |
| TOTAL EQUITY AND LIABILITIES | | 950.58 | 892.02 |
| Significant Accounting Policies and Notes to Accounts | 1 to 38 | | |

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants

Sandeep Verma
Partner
M.N. 045711
UDIN : 24045711BKIAGQ5780

For and on behalf of the Board of Directors

Kostuv Kejriwal
Director
DIN: 00285687

Purshottam Kejriwal
Director
DIN: 02476745

Divya Desai
Company Secretary
ACS: 61179

R.B Gujrathi
Chief Executive &
Financial Officer

Place : Mumbai
Date : 13.05.2024

Place : Mumbai
Date : 13.05.2024



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Rs In Lakhs

| Sr. | Particulars | Note No. | Year Ended 31st March, 2024 | Year Ended 31st March, 2023 |
|-----|---|----------|-----------------------------|-----------------------------|
| 1 | Revenue From Operations (Gross) | 13 | 439.63 | 436.55 |
| 2 | Other Income | 14 | 45.14 | 235.60 |
| 3 | Total Income (1+2) | | 484.77 | 672.15 |
| 4 | Expenses | | | |
| a) | Purchase of Stock-in-trade | 15 | 324.56 | 341.38 |
| b) | Changes in Inventories of Finished Goods, Work-in-Process | 16 | 20.57 | (20.57) |
| c) | Employee Benefits Expenses | 17 | 14.27 | 13.78 |
| d) | Finance Costs | 18 | 0.60 | 2.85 |
| d) | Depreciation and Amortisation Expense | 3 | 0.29 | 0.39 |
| e) | Other Expenses | 19 | 37.23 | 16.77 |
| | Total Expenses | | 397.52 | 354.60 |
| 5 | Profit / (Loss) before Tax | | 87.25 | 317.55 |
| 6 | Extraordinary Items | | - | - |
| 7 | Profit / (Loss) before tax (5 +6) | | 87.25 | 317.55 |
| 8 | Tax Expense: | | - | - |
| 9 | Profit / (Loss) for the Year (7 -8) | | 87.25 | 317.55 |
| 10 | Other Comprehensive Income | | | |
| A | (i) Items that will not be reclassified to profit or loss | | 1.14 | 0.15 |
| | (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| B | (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| 11 | Total Comprehensive Income for the year (9 +10) | | 88.39 | 317.70 |
| 12 | Earnings Per Equity Share of face value Rs.10/- in Rs. | | | |
| | Basic | | 1.39 | 5.06 |
| | Diluted | | 1.39 | 5.06 |

Significant Accounting Policies and Notes to Accounts 1 to 38

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants**Sandeep Verma**
Partner
M.N. 045711
UDIN : 24045711BKIAGQ5780Place : Mumbai
Date : 13.05.2024

For and on behalf of the Board of Directors

Kostuv Kejriwal
Director
DIN: 00285687**Divya Desai**
Company Secretary
ACS: 61179Place : Mumbai
Date : 13.05.2024**Purshottam Kejriwal**
Director
DIN: 02476745**R.B Gujrathi**
Chief Executive &
Financial Officer



CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

| Particulars | Rs In Lakhs | |
|--|--------------------------------|--------------------------------|
| | Year Ended 30th March, 2024 | Year Ended 30th March, 2023 |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax | 87.25 | 317.55 |
| Adjustment for: | | |
| Depreciation | 0.29 | 0.39 |
| Profit on Sale of Property, Plant and Equipment | | - |
| Fixed Assets W/off | | - |
| Interest Income | (44.24) | (30.52) |
| Provision for Bad and Doubtful Debts | | - |
| Dividend Income | (0.06) | (0.04) |
| Unrealised Foreign Currency (Gains)/ Losses | | - |
| Interest and Finance Charges | 0.60 | 2.85 |
| Operating Profit before Working Capital Changes | 43.84 | 290.24 |
| Adjusted for: | | |
| Inventories | 20.57 | (20.57) |
| Trade Receivable | (174.45) | (14.56) |
| Loans and Advances | 195.72 | (314.87) |
| Trade Payable and Other Liabilities | (29.82) | 48.93 |
| Net Cash from/(used in) Operating Activities | 55.85 | (10.83) |
| Taxes Paid | (0.52) | 0.89 |
| Net Cash from/(used in) Operating Activities | 55.34 | (9.94) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest Income | 44.24 | 26.92 |
| Dividend Income | 0.06 | 0.04 |
| Fixed deposits and Margin Money | (103.49) | (8.04) |
| Cash generated from/(used in) Investing Activity | (59.19) | 18.91 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest & Finance Charges | (0.60) | (2.85) |
| Cash generated from/(used in) Financing Activity | (0.60) | (2.85) |
| Net Increase/(Decrease) in Cash & Cash Equivalents | (4.46) | 6.12 |
| Cash and Cash Equivalents at beginning of the year | 11.36 | 5.24 |
| Cash and Cash Equivalents at end of the year | 6.90 | 11.36 |

As per our report of even date attached

For Verma Mehta & Associates
Chartered Accountants

Sandeep Verma
Partner
M.N. 045711
UDIN : 24045711BKIAGQ5780

Place : Mumbai
Date : 13.05.2024

For and on behalf of the Board of Directors

Kostuv Kejriwal
Director
DIN: 00285687

Divya Desai
Company Secretary
ACS: 61179

Place : Mumbai
Date : 13.05.2024

Purshottam Kejriwal
Director
DIN: 02476745

R.B Gujrathi
Chief Executive &
Financial Officer

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

| A EQUITY SHARE CAPITAL | | Rs In Lakhs |
|--|--|--------------------|
| Particulars | | Amount |
| Balance at the beginning of the reporting period as on 01.04.2022 | | 627.26 |
| Changes during 2022-23 | | - |
| Balance at the end of the reporting period as on 31.03.2023 | | 627.26 |
| Changes during 2023-24 | | - |
| Balance at the end of the reporting period as on 31.03.2024 | | 627.26 |

B OTHER EQUITY

| Particulars | Capital Reserve | General Reserve | Retained Earnings | Total | |
|--|------------------------|------------------------|--------------------------|--------------|---------------|
| As on 31.03.2023 | | | | | |
| Balance at the beginning of the reporting period as on 01.04.2022 | 30.00 | 17.20 | (154.26) | - | (107.06) |
| Total Copenhensive Income | | | 317.70 | - | 317.70 |
| Balance at the end of the reporting period as on 31.03.2023 | 30.00 | 17.20 | 163.44 | - | 210.64 |
| As on 31.03.2024 | | | | | |
| Balance at the beginning of the reporting period as on 01.04.2023 | 30.00 | 17.20 | 163.44 | - | 210.64 |
| Total Copenhensive Income | | | 88.39 | | 88.39 |
| Balance at the end of the reporting period as on 31.03.2024 | 30.00 | 17.20 | 251.83 | - | 299.03 |

As per our report of even date attached

For Verma Mehta & Associates
Chartered AccountantsSandeep Verma
Partner
M.N. 045711
UDIN : 24045711BKIAGQ5780Place : Mumbai
Date : 13.05.2024

For and on behalf of the Board of Directors

Kostuv Kejriwal
Director
DIN: 00285687Purshottam Kejriwal
Director
DIN: 02476745Divya Desai
Company Secretary
ACS: 61179R.B Gujrathi
Chief Executive &
Financial OfficerPlace : Mumbai
Date : 13.05.2024



PEN TOKEY ORGANY (INDIA) LIMITED

NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Note 1: CORPORATE INFORMATION

These statements comprise financial statements of Pentokey Organy (India) Limited referred to as (“the Company”) (CIN: L24116MH1986PLC041681) for the year ended March 31, 2024. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity shares are listed on The Bombay Stock Exchange in India. The registered office of the company is located at 509, Western Edge-I, Off Western Express Highway, Borivali East, Mumbai - 400 066.

The Company is principally engaged in trading of Pharmaceutical Goods.

The financial statements were approved by the Board of Directors and authorized for issue on May 13, 2024.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation of Ind AS Financial Statements:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for:

- i) Certain financial assets are measured at fair value,

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS') notified under Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

B) Use of Estimates:

The preparation of Ind AS financial statement requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

C) Property, Plant and Equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of PPE measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

Gains or losses arising from de-recognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

D) Depreciation on Property, plant and equipment

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under the Schedule II to the Companies Act, 2013.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

E) Intangible assets

Computer software

Costs relating to software, which are acquired, are capitalized and amortized on a straight-line basis over their useful life of three years.

F) Financial instruments

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Debt instrument at FVTOCI

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

A financial asset is primarily derecognized and removed from the Company's balance sheet when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of Financial Assets

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a Group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an expected 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the trade receivables or a Group of trade receivables is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix at every reporting date is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

G) Inventories:

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

- i. Raw Materials, Stores and Spares are valued at cost.
- ii. Finished stock, Work in process stock and Stock in Trade are valued at cost or net realisable value whichever is lower.
- iii. The valuation of inventories includes taxes, duties of non refundable nature and direct expenses, and other direct cost attributable to the cost of inventory, net of excise duty / counter-vailing duty / education cess and value added tax.

**NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS****H) Provision for Current tax and Deferred tax:**

- i) Provision for current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rates and laws that are enacted or substantively enacted at the balance sheet date. The tax is recognised in statement of profit and loss, except to the extent that it related to items recognised in the other comprehensive income (OCI) or in other equity. In this case, the tax is also recognised in other comprehensive income and other equity.
- ii) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax asset on unabsorbed depreciation and carried forward losses is recognised only to the extent of deferred tax liability.
- iii) Provisions of MAT are not applicable to the Company due to opting for new tax regime.

I) Provisions , Contingent Liabilities and Contingent Assets:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

J) Contingent Liabilities:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where 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.

K) Contingent Assets

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

L) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if the following conditions are satisfied:

- The Company has transferred risks and rewards incidental to ownership to the customer;
 - The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - It is probable that the economic benefit associated with the transaction will flow to the Company; and
- i. It can be reliably measured and it is reasonable to expect ultimate collection.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

- ii. Dividends are recognised when the right to receive them is established.
- iii. Interest and Other Income are accounted on accrual basis.

M) Employee Benefits:

- i. Short Term employee benefits are recognised as expenses at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- ii. Post employment employee benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable.

N) Impairment of Assets:

As at the end of each accounting year, the company reviews the carrying amounts of its non-financial assets e.g.PPE, investment property, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

O) Borrowing Cost:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

P) Foreign Currency Transaction:

- i) Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss.
- ii) Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss are also recognised in OCI or statement of profit and loss, respectively).

Q) Leases

Where the Company is a lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Note 3 : Property, Plant and Equipment, Depreciation and Amortisation Expense

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|-----------------------------|-----------------------|----------|------------------------|------------------------|-----------------------------|----------------------|------------------------|--------------------------------|------------------------|------------------------|
| | As at 1st April, 2023 | Addition | Deletion / Adjustments | As at 31st March, 2024 | For The Year | Transfer to Reserves | Deletion / Adjustments | Total Dep./ Amrt. for the Year | As at 31st March, 2024 | As at 31st March, 2023 |
| | Rs In Lakhs | | | | | | | | | |
| A) Tangible Assets | | | | | | | | | | |
| Office Equipments | 0.42 | - | - | 0.42 | 0.41 | - | - | - | 0.41 | 0.01 |
| Computers | 1.84 | - | - | 1.84 | 0.26 | - | - | 0.26 | 1.82 | 0.02 |
| Furniture & Fixtures | 0.32 | - | - | 0.32 | 0.03 | - | - | 0.03 | 0.21 | 0.14 |
| Subtotal (A) | 2.58 | - | - | 2.58 | 0.29 | - | - | 0.29 | 2.44 | 0.14 |
| B) Intangible Assets | | | | | | | | | | |
| Computer Software | - | - | - | - | - | - | - | - | - | - |
| Patents & Trade Mark | - | - | - | - | - | - | - | - | - | - |
| Subtotal (B) | - | - | - | - | - | - | - | - | - | - |
| TOTAL (A) + (B) | 2.58 | - | - | 2.58 | 0.29 | - | - | 0.29 | 2.44 | 0.14 |

| PARTICULARS | GROSS BLOCK | | | | DEPRECIATION / AMORTISATION | | | | NET BLOCK | |
|-----------------------------|-----------------------|----------|------------------------|------------------------|-----------------------------|----------------------|------------------------|--------------------------------|------------------------|------------------------|
| | As at 1st April, 2022 | Addition | Deletion / Adjustments | As at 31st March, 2023 | For The Year | Transfer to Reserves | Deletion / Adjustments | Total Dep./ Amrt. for the Year | As at 31st March, 2023 | As at 31st March, 2022 |
| | Amount in ` | | | | | | | | | |
| A) Tangible Assets | | | | | | | | | | |
| Office Equipments | 0.42 | - | - | 0.42 | 0.01 | - | - | 0.01 | 0.41 | 0.02 |
| Computers | 1.84 | - | - | 1.84 | 0.34 | - | - | 0.34 | 1.56 | 0.62 |
| Furniture & Fixtures | 0.32 | - | - | 0.32 | 0.04 | - | - | 0.04 | 0.18 | 0.18 |
| Subtotal (A) | 2.58 | - | - | 2.58 | 0.39 | - | - | 0.39 | 2.15 | 0.82 |
| B) Intangible Assets | | | | | | | | | | |
| Computer Software | - | - | - | - | - | - | - | - | - | - |
| Patents & Trade Mark | - | - | - | - | - | - | - | - | - | - |
| Subtotal (B) | - | - | - | - | - | - | - | - | - | - |
| TOTAL (A) + (B) | 2.58 | - | - | 2.58 | 0.39 | - | - | 0.39 | 2.15 | 0.82 |



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

| Note | Particulars | As at 31st Mar 2024 | As at 31st Mar 2023 |
|-----------------|---|------------------------|------------------------|
| Note 4 : | Non-current Financial Assets | | |
| | i) Non-current investments | | |
| | Non Trade Investment | | |
| | Investment in Equity Instrument | | |
| | Quoted Investment | | |
| | 500 (Previous Year 500) Equity Shares of Re.1/- (Previous Year Re. 1/- each fully paid up of State Bank of India [Market value of quoted investment Rs. 3.76 Lakh (Previous Year Rs. 2.62 Lakh)] | 3.76 | 2.62 |
| | TOTAL | 3.76 | 2.62 |
| | ii) Other Bank Balances | | |
| | Margin Money with Bank (Pledged) | 10.14 | 9.57 |
| | TOTAL | 10.14 | 9.57 |
| | iii) Other non-current Financial Assets | | |
| | Security Deposits & Other Deposits Unsecured, Considered good | 34.33 | 34.33 |
| | TOTAL | 34.33 | 34.33 |
| Note 5 : | Other non current Asset | | |
| | i) Other Advances | | |
| | Unsecured, Considered good | 1.00 | 1.00 |
| | TOTAL | 1.00 | 1.00 |
| Note 6 : | Inventories | | |
| | Stock in trade | - | 20.57 |
| | TOTAL | - | 20.57 |
| Note 6 : | Financial Assets | | |
| | i Trade Receivables | | |
| | Unsecured, Considered good | 189.01 | 14.56 |
| | TOTAL | 189.01 | 14.56 |
| | ii Cash and Cash Equivalentants | | |
| | Balance with Banks in Current Accounts | 4.30 | 10.76 |
| | Cash on Hand | 2.60 | 0.60 |
| | TOTAL | 6.90 | 11.36 |
| | iii Other Bank Balances | | |
| | Earmarked Bank Accounts for Dividend | 0.02 | 0.02 |
| | Fixed Deposit with Bank | 541.06 | 438.14 |
| | TOTAL | 541.08 | 438.16 |



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

| Note | Particulars | As at 31st Mar 2024 | As at 31st Mar 2023 |
|--------------------------------------|--|------------------------|------------------------|
| iv | Loans | | |
| | Unsecured, Considered Good | | |
| | Others | 114.65 | 200.00 |
| | TOTAL | 114.65 | 200.00 |
| v | Other current Financial Assets | | |
| | Unsecured, Considered good | | |
| | Interest Receivable | - | 3.60 |
| | TOTAL | - | 3.60 |
| Note 7 : Other current assets | | | |
| | (Unsecured considered good) | | |
| | VAT / GST Refund Receivable | 33.58 | 38.24 |
| | Other Advances - Unsecured, Considered Good | 12.46 | 114.57 |
| | TOTAL | 46.04 | 152.81 |
| Note 8 : Current Tax Assets | | | |
| | Current Tax Assets - Net | 3.52 | 3.01 |
| | TOTAL | 3.52 | 3.01 |
| Note 9 : Equity Share Capital | | | |
| | Equity Share Capital consist of the following: | | |
| i | Authorised | | |
| | 4,00,00,000 (P. Y. 4,00,00,000)Equity Shares of Rs. 10/- each | 4,000.00 | 4,000.00 |
| ii | Issued | | |
| | 62,72,629 (P. Y. 62,72,629)Equity Shares of Rs. 10/- each | 627.26 | 627 |
| iii | Subscribed and Paid-up | | |
| | 62,72,629 (P. Y. 62,72,629)Equity Shares of Rs. 10/- each | 627.26 | 627 |
| | Including Bonus Shares Issued on 19.12.2012 | | |
| | 6,38,296 Equity Shares of Rs. 10/- each | | |
| | Total Share Capital | 627.26 | 627.26 |

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars | 2023-24 | 2022-23 |
|---|---------------|---------------|
| | No. of Shares | No. of Shares |
| Equity Shares of Rs.10/- each fully paid : | | |
| Shares outstanding at the beginning of the year | 62,72,629 | 62,72,629 |
| Shares issued during the year | - | - |
| Shares bought back during the year | - | - |
| Shares outstanding at the end of the year | 62,72,629 | 62,72,629 |

iv Terms / Rights attached to Equity Shares :

The Company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each holder of Equity Shares is entitled to one vote per share.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

| Note | Particulars | As at 31st Mar 2024 | As at 31st Mar 2023 |
|------|-------------|------------------------|------------------------|
|------|-------------|------------------------|------------------------|

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

V Details of Equity Shareholding of the Promotors of the Company

AS AT 31.03.2024

| Name of Promoters | As at 31st March, 2024 | As at 31st March, 2024 |
|-------------------------------|---------------------------|---------------------------|
| | % of Shareholding | No. of Shares |
| Purshottam Lal Kejriwal | 35.72 | 2240386 |
| Shantanu Purushottam Kejriwal | 15.94 | 10,00,000 |
| Vibhu Kejriwal | 14.76 | 9,26,110 |
| Kostuv Kejriwal | 6.45 | 4,04,463 |

AS AT 31.03.2023

| Name of Promoters | As at 31st March, 2023 | As at 31st March, 2023 |
|-------------------------------|---------------------------|---------------------------|
| | % of Shareholding | No. of Shares |
| Purshottam Lal Kejriwal | 35.72 | 2240386 |
| Shantanu Purushottam Kejriwal | 15.94 | 10,00,000 |
| Vibhu Kejriwal | 14.76 | 9,26,110 |
| Kostuv Kejriwal | 6.45 | 4,04,463 |

There is no change in Promotors shreholdings during FY 2023-24

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders, regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

vi There are no Shareholders Other than above Promotors holding more than 5% of Equity Shares

Note 10 : Other equity

| | | | |
|--------------------------------|--------------|--------------|--|
| i Capital Reserve | | | |
| Closing/ Opening Balance | 30.00 | 30.00 | |
| | <u>30.00</u> | <u>30.00</u> | |
| ii General Reserves | | | |
| Opening Balance | 17.20 | 17.20 | |
| Add : Transfer during the year | - | - | |
| | <u>17.20</u> | <u>17.20</u> | |



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

| Note | Particulars | As at 31st Mar 2024 | As at 31st Mar 2023 |
|--|---|--|--|
| ii | Retained Earnings | | |
| | Opening Balance | 163.44 | (154.26) |
| | Add : Profit / (Loss) for the year | 88.39 | 317.70 |
| | | <u>251.83</u> | <u>163.44</u> |
| | TOTAL | <u>299.03</u> | <u>210.64</u> |
| Note 11 :Financial liabilities | | | |
| i) | Trade Payable (Non MSME) | 4.34 | 39.38 |
| | Trade Payable (MSME) | - | 0.34 |
| | TOTAL | <u>4.34</u> | <u>39.72</u> |
| ii) | Other current financial liabilities | | |
| | Unclaimed Dividend | 0.02 | 0.02 |
| | Others | 1.09 | 13.87 |
| | TOTAL | <u>1.11</u> | <u>13.89</u> |
| Note 12 : Other Current Liabilities | | | |
| | Duties and Taxes | 0.50 | 0.49 |
| | Advance from Customers | 18.35 | |
| | TOTAL | <u>18.85</u> | <u>0.49</u> |
| | Particulars | Year ended 31st March, 2024 | Year Ended 31st March, 2023 |
| Note 13 : REVENUE FROM OPERATIONS (GROSS) | | | |
| a) | Particulars of Sales of Product | | |
| | Trading - Pharma Products | 439.63 | 436.55 |
| | Other | | |
| | TOTAL REVENUE FROM OPERATIONS | <u>439.63</u> | <u>436.55</u> |
| Note 14 : OTHER INCOME | | | |
| | Interest Received | 44.12 | 30.43 |
| | Interest Received - Income Tax | 0.12 | 0.09 |
| | Dividend Received from Long-term Investment | 0.06 | 0.04 |
| | Bad Debts Recovery | - | 200.00 |
| | Sundry Balance Written/back | - | 5.00 |
| | Excess Provision W/back | - | 0.05 |
| | Duty drawback received | 0.84 | - |
| | TOTAL | <u>45.14</u> | <u>235.60</u> |



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

| Particulars | Year ended 31st March, 2024 | Year Ended 31st March, 2023 |
|---|--------------------------------|--------------------------------|
| Note 15 : PURCHASE OF STOCK-IN-TRADE | | |
| Purchase Trading | 324.56 | 341.38 |
| TOTAL | 324.56 | 341.38 |
| Note 16 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| Closing Inventories | | |
| Stock-in-trade | - | 20.57 |
| | | 20.57 |
| Less: Opening Inventories | | |
| Stock-in-trade | 20.57 | - |
| | 20.57 | - |
| TOTAL | 20.57 | (20.57) |
| Note 17 : EMPLOYEE BENEFITS EXPENSE | | |
| Salary, Wages and Bonus | 14.08 | 13.72 |
| Contribution to PF and ESIC | 0.19 | 0.06 |
| Staff Welfare Expenses | - | - |
| TOTAL | 14.27 | 13.78 |
| Note 18 : FINANCE COST | | |
| Interest - Bank | 0.60 | 2.85 |
| TOTAL | 0.60 | 2.85 |
| Note 19 : OTHER EXPENSES | | |
| Labour Charges | 16.04 | - |
| Rent, Rates and Taxes | 0.68 | 0.68 |
| Legal and Professional Charges | 6.10 | 6.66 |
| Postage- Courior and Telephone | 0.26 | - |
| Printing and Stationery | 0.35 | 0.33 |
| Sundry Balances w/off | 2.13 | - |
| Auditors Remuneration | 1.20 | 1.20 |
| Other Expenses | 1.19 | 1.50 |
| Transport Charges | 0.49 | 0.58 |
| Bank Charges | 0.07 | 0.00 |
| Listing Fees Paid | 3.65 | 3.45 |
| Directors Sitting Fees | 1.75 | 2.38 |
| Clearing and forwarding Exp | 0.41 | - |
| Freight Charges exports | 1.63 | - |
| Packing & labour charges | 0.04 | - |
| Product development charges | 0.13 | - |
| Registration Fees | 0.18 | - |
| GST Expenses w/off | 0.92 | - |
| TOTAL | 37.23 | 16.77 |



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Note 20: The Company has no overdue balance payable to Micro and Small Enterprises as at 31st March 2024. This information is required to be disclosed under Micro, Small and Medium Enterprises Act, 2006 (MSMED Act) and has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 21: Contingent Liabilities :

1. Labour Matter:

Two Complaints were filed by the District Labour Officer against the Company and its then Directors (2007) for alleged violation of Section 13 of Payment of Wages Act read with rule 4, 3, 18, 28 and 24 of the Maharashtra Payment of Wages Rules 1963 and the Bonus Act, as follows.

- i) It has been alleged that the company failed to show the records to the Labour Officer upon his visit to the factory on February 9, 2007 and the Labour Officer noted that the Company has failed to pay four months' salary (October 2006 to January 2007), till that date of inspection (due date is on or before 7 days from the date of closing the calendar month for the respective month) to the employees.

The non-payment of salary during the above period was due to sickness of the company.

- ii) also alleged on February 9, 2007 against the Company and its then Directors for failure to pay Bonus to its employees for the F.Y. 2005 – 2006, before the due date (Due date is before 15th Nov of every year for the previous F.Y.).

Company Advocate for both the complaints argued in the lower Court on the maintainability of the complaints in view of the relief provided by the BIFR. Court rejected Company's say in both the cases. The Company filed two revision petitions against the above trial Court's order dated 14th March 2014 and argued by the company showing exemption of the BIFR Order against the maintainability of the case. The revision petitions were also dismissed on March 30, 2021. The matter now will continue before the Judicial Magistrate FC, Khed once the orders of dismissing the revision petitions are received by the Lower Court.

The listing and next date in the matter awaited. Company has paid all dues to its employees subsequently during 2008 itself, once the factory restarted after lockout. The liabilities and penalties, if any, cannot be quantified.

2. Income Tax: Assessment Year 2015-16 (Financial year 2014-15)- Rs.171.58 Lakhs

- The case was re-opened for A.Y. 2015-16 and arbitrary order was passed by the ITO NFAC, Delhi (ITO) without giving opportunity been heard.
- The Assessing officer failed to give reasons recorded for issue of notice, not giving copy of sanction received for issue of notice u/s 148 of IT Act and not giving show cause notice and draft assessment order as per the provisions of Income Tax Law.
- This resulted into addition of Rs. 214.29 Lakhs to the total income and a tax liability demand of Rs. 171.58 Lakhs.
- The ITO also calculated the total income erroneously without giving the benefit of set-off of brought forward losses.

Against the above demand, the Company has filed rectification application on 27/04/2022 and the Company has filed appeal to the Commissioner of Income-Tax (Appeals) on 29/04/2022 which is pending.



NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Note 22: Loans and Advances including ₹ 34 Lakhs (Previous Year 34 Lakhs) towards amount paid to Maharashtra State Electricity Distribution Co. Ltd. (MSEDCL), formerly known as Maharashtra State Electricity Board (MSEB), which has been appropriated by MSEDCL, details as under: ₹ in Lakhs

| | | |
|----|---|--------------|
| 1. | Minimum Demand Charges, Interest and late payment charges | 29.06 |
| 2. | Deposits | 22.48 |
| | Total upto 31st March, 2017 | 51.54 |

The Company has contested the aforesaid appropriation, based on the concession given by Board for Industrial and Financial Reconstruction (BIFR) vide its Order dated 26th September, 2007, and a Writ has been filed at Hon'ble High Court, Bombay. The Company has been legally advised that the aforesaid appropriation by MSEDCL is not tenable and the Company is entitled for the refund. However, due to uncertainty of the above amount receivable, the same has been written off during the year 2016-17 in the books of accounts.

The Company has deposited additional amount of ₹ 34 Lakhs during the year 2018-19 without prejudice to the right of contention pursuant to the interim Order of Bombay High Court in order to transfer the electric connection/meter in the name of Gharda Chemicals Ltd. The Company is hopeful of recovery of the said amount.

Note 23: The values of Current Assets and Loans and Advances are stated at realisable in ordinary course of the business in the Balance Sheet, as per the opinion of the Management of the Company.

Note 24: Disclosure of Retirement Benefits (IND AS-19):

a) Defined Benefit Plan: During the year, there was no liability for Gratuity and Leave Encashment.

b) **Defined Contribution Plan**

Contribution to defined contribution plans recognised as expense for the year as under:

| Particulars | ₹ in Lakhs | |
|---|------------|---------|
| | 2023-24 | 2022-23 |
| Employers Contribution to Provident Fund and Pension Fund | 0.19 | 0.06 |

Note 25: Disclosure of Segment Reporting (IND AS-108):

i) The business segment has been considered as the primary segment. The only segment in which the Company engaged is Trading of Pharmaceutical Products. Hence disclosure of business segment (primary disclosure) is not applicable to the Company.

ii) The Secondary disclosure as required by the Accounting Standard "Segment Reporting" is as follows:

| Sr. | Particulars | ₹ in Lakhs | |
|-----|----------------|---------------|---------------|
| | | 2023-24 | 2022-23 |
| 1 | Domestic Sales | 372.92 | 436.55 |
| 2 | Export Sales | 66.71 | - |
| | Total | 439.63 | 436.55 |

iii) The Company does not have any Property, Plant and Equipment outside India.

Note 26: Disclosure of Related Party (IND AS-24)

a. **List of Related Parties:**

| | |
|--|---|
| Associate Concern in which directors are interested. | Merit Organics Limited |
| Key Management Personnel | Rajendra B. Gujarathi - Chief Executive Officer and also Chief Financial Officer w.e.f 12.08.2023) Sanjeev Dubey - Chief Financial Officer (up to 30.06.2023) Divya Desai – Company Secretary |



b. Transactions with Related Parties:

₹ in Lakhs

| Particulars | 2023-24 | 2022-23 |
|--|----------------|----------------|
| <u>Associates Concern</u> | | |
| MERIT ORGANICS LTD | | |
| SALES (Net of GST) | 213.68 | 319.88 |
| PURCHASES (Net of GST) | 0.08 | |
| Advance Given Against Purchase Order at year end | 0 | 90.00 |
| Trade Receivable at year end | 182.17 | 0 |
| <u>Key Management Personnel</u> | 2023-24 | 2022-23 |
| Remuneration | | |
| Rajendra B. Gujarathi | 7.32 | 3.53 |
| Sanjeev Dubey 30.06.2023) | 1.59 | 6.38 |
| Divya Desai | 2.80 | 3.81 |

Note 27: Disclosure of operating Lease (IND AS-17): NIL

Note 28: Disclosure of Earning Per Share (IND AS-33):

₹ in Lakhs

| Particulars | 2023-24 | 2022-23 |
|--|-----------|-----------|
| Total Income/ (Loss) for the year after Tax | 87.25 | 317.55 |
| No. of Equity Shares of ` 10/- each | 62,72,629 | 62,72,629 |
| No. of Diluted Equity Shares of ` 10/- each. | 62,72,629 | 62,72,629 |
| Earnings Per Share In RS | | |
| – Basic | 1.39 | 5.06 |
| – Diluted | 1.39 | 5.06 |
| Face value of Equity Shares in Rs. | 10 | 10 |

Note 29: Disclosure Deferred Tax (IND AS-12):

In view of significant brought forward losses as detailed below, the Company has not provided net deferred Tax Asset on prudence basis.

₹ in Lakhs

| Particulars | As at 31 st March, 2024 | As at 31 st March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Accelerated Depreciation for tax purposes-DTA | 0.5 | 0.1 |
| Gratuity | - | - |
| Leave Encashment / Bonus | - | - |
| Losses available for offsetting against future taxable income | 259.09 | 359.86 |
| Net Deferred Tax Assets | 259.14 | 359.87 |
| Net Deferred Tax Assets Recognised | - | - |



PEN TOKEY ORGANY (INDIA) LIMITED

Note 30: Estimated value of contracts remaining to be executed on capital account and not provided for in the accounts as at 31st March, 2024 was ₹ NIL (Previous year ₹ NIL)

Note 31: Remuneration to Auditors

₹ in Lakhs

| Particulars | 2023-24 | 2022-23 |
|----------------|-------------|-------------|
| Audit Fees | 1.20 | 1.20 |
| Tax Audit Fees | - | - |
| Other Matter | - | - |
| Total | 1.20 | 1.20 |

Note 32: FOB Value of exports during the year Rs.65.08 Lakhs (PY NIL)

Note 33: Fair Value Measurements

i. Financial Instruments by Category

₹ in Lakhs

| Particulars | Carrying Amount | | Fair Value | |
|----------------------------------|-----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| FINANCIAL ASSETS | | | | |
| Amortised cost | | | | |
| Trade Receivables | 189.01 | 14.56 | 189.01 | 14.56 |
| Cash and Cash Equivalents | 6.90 | 11.36 | 6.90 | 11.36 |
| Other Bank Balances | 551.22 | 447.73 | 551.22 | 447.73 |
| Loans | 114.65 | 200.00 | 114.65 | 200.00 |
| Security Deposits | 34.33 | 34.33 | 34.33 | 34.33 |
| Other Financial Assets | 0 | 3.60 | 0 | 3.60 |
| FVTOCI | | | | |
| Investment in Equity Instruments | 3.76 | 2.62 | 3.76 | 2.62 |
| Total | 899.87 | 714.20 | 899.87 | 714.20 |
| FINANCIAL LIABILITIES | | | | |
| Amortised cost | | | | |
| Borrowings | - | - | - | - |
| Trade Payables | 4.34 | 39.72 | 4.34 | 39.72 |
| Other financial liabilities | 1.10 | 13.90 | 1.10 | 13.90 |
| Total | 5.44 | 53.62 | 5.44 | 53.62 |

The management assessed that the fair value of cash and cash equivalent, trade receivables, security deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.



ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

₹ in Lakhs

| Particulars | March 31, 2024 | | | Total |
|-----------------------------------|--|--|--|-------------|
| | Fair value measurement using | | | |
| | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
| Financial Assets | | | | |
| Financial Investments at FVTPL | | | | |
| Investments in Equity Instruments | 3.76 | - | - | 3.76 |
| Total Financial Assets | 3.76 | - | - | 3.76 |

| Particulars | March 31, 2023 | | | Total |
|-----------------------------------|--|--|--|-------------|
| | Fair value measurement using | | | |
| | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | |
| Financial Assets | | | | |
| Financial Investments at FVTPL | | | | |
| Investments in Equity Instruments | 2.62 | - | - | 2.62 |
| Total Financial Assets | 2.62 | - | - | 2.62 |

iii. Fair value measurement

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity shares.

There have been no transfers among Level 1, Level 2 and Level 3 during the period

iv. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments



PEN TOKEY ORGANY (INDIA) LIMITED

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

The fair value of unquoted equity instruments is not significantly different from their carrying value and hence the management has considered their carrying amount as fair value.

v. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team regularly in line with the company's reporting periods.

Note 34: Financial Risk Management

The company's activity expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

(A) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, financial assets carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

i. Credit risk management

To manage the credit risk, Company periodically assesses the financial reliability of customers; taking into account factors such as credit track record in the market and past dealings with the company for extension of credit to Customer. Company monitors the payment track record of the customers, restrict credit limited in SAP, credit rating etc. Concentrations of credit risk are limited as a result of the company's large and diverse customer base.

ii. Provision for expected credit losses - Trade Receivables

The company follows 'simplified approach for recognition of loss allowance on Trade receivables

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Exposure - Trade Receivables: Rs.in Lakhs 189.01 (PY 14.56) The Company does not expect credit loss on Trade Receivable.

iii. Provision for expected credit losses - Other financial assets

The carrying amount of cash and cash equivalents, loans, deposits with banks and financial institutions and other financial assets represents the maximum credit exposure. The maximum exposure to credit risk is **Rs. In Lakhs 899.87 (PY ₹ 714.20)**. The Company does not expect credit loss on other financial assets.

**(B) Liquidity risk**

Liquidity risk is the risk that a company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled by delivering cash or other financial assets. The group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date for which there is no Liquidity risk as sufficient current assets are available to discharge the same.

Contractual maturities of financial liabilities

| Particulars | Carrying Amount | Total | Less than 1 year | 1 to 5 years | More than 5 years |
|--|-----------------|--------------|------------------|--------------|-------------------|
| March 31, 2024 | | | | | |
| Non-derivatives | | | | | |
| Borrowings | - | - | - | - | - |
| Trade payables | 4.34 | 4.34 | 4.34 | - | - |
| Other financial liabilities | 1.10 | 1.10 | 1.10 | - | - |
| Total non- derivative liabilities | 5.44 | 5.44 | 5.44 | - | - |
| Derivatives | | | | | |
| Foreign exchange forward contracts | - | - | - | - | - |
| Total derivative liabilities | - | - | - | - | - |
| March 31, 2023 | | | | | |
| Non-derivatives | | | | | |
| Borrowings | - | - | - | - | - |
| Trade payables | 39.72 | 39.72 | 39.72 | - | - |
| Other financial liabilities | 13.90 | 13.90 | 13.90 | - | - |
| Total non- derivative liabilities | 53.62 | 53.62 | 53.62 | - | - |
| Derivatives | | | | | |
| Foreign exchange forward contracts | - | - | - | - | - |
| Total derivative liabilities | - | - | - | - | - |

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as commodity price risk.

(i) Foreign currency risk

Foreign currency risk arises commercial transactions that recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR).

- **Foreign currency risk exposure: NIL**



(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position.

- **Interest rate risk exposure: NIL**

(iii) Inventory price risk

The Inventory of the Company consist of Stock in trade of Rs. NIL (PY Rs. 20.57 Lakhs) which is subject to inventory price risk.

Note 35: For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company's policy is to keep the gearing ratio restricted to 40%. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

₹ in Lakhs

| Particulars | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Net Debt/ Liabilities other than convertible preference shares | - | - |
| Trade payables | 4.34 | 39.72 |
| Other payables | 19.95 | 14.39 |
| Less: cash and cash equivalents | 6.90 | 11.36 |
| Net Debt (A) | 17.39 | 42.75 |
| Equity share capital | 627.26 | 627.26 |
| Other equity | 299.03 | 210.64 |
| Total Capital (B) | 926.29 | 837.90 |
| Capital and net debt(A+B) | 943.68 | 880.65 |
| Gearing ratio [A/(A+B)%] | 1.84% | 4.85% |

In order to achieve the objective of maximize shareholders value, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. The above capital gearing ratio has achieved the desired objectives.

Note 36: Ind AS optional exemptions

i. Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets covered by Ind AS 38 - Intangible Assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**ii. Estimates**

The estimates at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from Impairment of financial assets based on expected credit loss model.

The estimates used by the company to present these amounts in accordance with Ind AS reflect conditions at April 1, 2016, the date of transition to Ind AS and as of March 31, 2024.

iii. Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS Accordingly, the classification and measurement of financial assets have been done on the basis of the facts and circumstances that existed at the date of transition and end of comparative year.

Note 37: Additional Regulatory Information as per amended Schedule III is furnished only to the extent applicable to the Company :

i) Trade Receivable Ageing Schedule (Outstanding from due date of payments in Rs in Lakhs) :

| Particulars | Less than Six months | Six months To 1 Year | 1-2 years | TOTAL |
|--|----------------------|----------------------|-----------|-------------------|
| Undisputed Trade receivables – considered good | 0 (14.56) | 189.01 (0) | 0 | 189.01 (14.56) |

ii) Trade Payable Ageing Schedule (Outstanding from due date of payments in Rs in Lakhs) :

| Particulars | Less than Six months | Six months To 1 Year | TOTAL |
|---------------------------------|----------------------|----------------------|-----------------|
| Undisputed Trade Payable MSME | 0 (0.34) | 0 | 0 (0.34) |
| Undisputed Trade Payable Others | 4.34 (39.38) | 0 | 4.34 (39.38) |

(ii) Ratios

Applicable Ratios are given below: Amoun Rs. In Lakhs

| Ratio | 2023-24 | 2022-23 | Reason for significant change>25% |
|---|--------------------|--------------------|--------------------------------------|
| Current Ratio Current (Assets/Current Liabilities) | 901.20/24.29=37.10 | 844.06/54.11=15.60 | Mainly increase in Trade receivables |
| Debt Service Coverage Ratio (EBIT/ Interest) | 87.85/0.60=145.53 | 320.40/2.85=112.43 | Reduction in Interest |



| | | | |
|--|--------------------------|---------------------------|--|
| Return on Equity/ Capital Employed Ratio (Net Profit / Shareholders Fund) | 87.25/926.29 =9.42 % | 317.55/837.90 =37.90 % | Net Profit lower due to reduction in margin during the year and last there was Recovery of Bad debts and write back of Rs. 205 lakhs, |
| Inventory Turnover Ratio | No inventory at year end | 20.57/436.55=4.72% | |
| Trade Receivable turnover ratio, | 189.01/439.63=42.99% | 14.56/436.55=3.34% | Increase in Trade Receivable |
| Trade Payables turnover ratio, | 4.34/439.63=0.99% | 39.72/436.55=9.10% | |
| Net Capital turnover ratio (Net Capital=Shareholders Fund) | 926.29/439.63=210.70% | 837.90/436.55=191.94% | |
| Net Profit ratio (Net Profit/ Total Income) | 87.25/484.77 =18 % | 317.55/672.15 =47.24 % | Reduction in Net Profit during the year as detailed above |
| Return on investment | 0.06/3.76= 1.50% | 0.04/2.62= 1.36% | |

Note 38: The figures of the previous year have been regrouped and rearranged wherever necessary so as to make them comparable with those of the current financial year.

For Verma Mehta & Associates
Chartered Accountants
F.R.N. 112118W

Sandeep Verma
Partner
M.N. 045711

For Pentokey Organy (India) Limited

Purshottam Kejriwal
Director
DIN: 02476745

Kostuv Kejriwal
Director
DIN: 00285687

Divya Desai
Company Secretary
ACS: 61179

R.B.Gujarathi
Chief Executive & Financial Officer

Place : Mumbai
Date : 13th May, 2024

Place : Mumbai
Date : 13th May, 2024



If undelivered, please return to

DATAMATICS FINANCIAL SERVICES LIMITED

Unit: Pentokey Organy (India) Limited

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