

29th September, 2018

To,
The Manager
Department of Corporate Services
BSE Ltd.
Dalal Street, Fort
Mumbai – 400 001

Subj: submission of 37th Annual Report pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Reference: Scrip code – 538742

Dear Sir/ Madam,

With reference to the subject matter, we hereby enclose 37th Annual Report for the financial year 2017-18 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members in the 37th Annual General Meeting held on 27th September, 2018.

The same documents are also available on the Company's website at www.panache.co.in

This is for your and shareholders' information and records.

Thanking you,
Yours faithfully,

For Panache Innovations Limited


Priyank Sangoi
Company Secretary & Compliance Officer
Membership no.: A50896

Place: Mumbai

Encl.: a/a

37th Annual Report

2017-18

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Corporate Information

Board of Directors

Amit Devchand Rambhia

Chairman & Managing Director

Jayachandran Sunderamoorthy

Whole-Time Director & CFO (w.e.f 14th January, 2017)

Rohit Mathur

Independent Director (w.e.f 19th May, 2016)

Meeta K. Mehta

Independent Director (w.e.f 19th May, 2016)

Anil Dagade

Additional Independent Director (w.e.f 31st March, 2018)

Company Secretary & Compliance Officer

Priyank Sangoi (w.e.f 11th January, 2018)

Board Committees

Audit Committee

Meeta K. Mehta

Rohit Mathur

Amit Rambhia

Anil Jaychand Dagade

Nomination and Remuneration Committee

Rohit Mathur

Meeta K. Mehta

Anil Jaychand Dagade

Stakeholders Relationship Committee

Mr. Rohit Mathur

Mrs. Meeta Mehta

Mr. Amit Rambhia

Panache Innovations Limited

Registered Office

2nd Floor, Bldg No. A3, Unit 201A, Babosa Industrial, Park, Mumbai-Nashik Highway (NH3), Saravali Village, Bhiwandi, CIN: L51100MH1981PLC312742

(T): +91 9833995555

(E): info@panache.co.in

(W): www.Panache.co.in

Corporate Office

Unit No. 201/B1, Raheja Plaza – 1, LBS Marg, Ghatkopar West, Mumbai – 400 086, Maharashtra

Auditors

Jain Salia & Associates

Chartered Accountant

Share Registrars and Transfer Agents

Niche Technologies Private Limited

D-511, Bagree Market, 71,

B.R.B. Basu Road, Kolkata- 700001

(T): 033-2235 7270/7271, 22343576

(E): nichetechpl@nichetechpl.com

(W): www.nichetechpl.com

Internal Auditor

Sanket Sangoi & Associates

Secretarial Auditor

Payal Tachak

Bankers

Canara Bank

Listed On

BSE (Scrip Code – 538742)

Boards' Report

To the Members of Panache Innovations Limited

Your Directors have pleasure in presenting the 37th Annual Report on the business and operations of the Company together with the Audited Standalone & Consolidated Financial Statement of Panache Innovations Limited ("the Company") for the financial year ended March 31st, 2018.

STATE OF THE COMPANY'S AFFAIRS

Financial Results

The summarized standalone and consolidated financial results of your Company are given below:

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31/03/2018	31/03/2017	31/03/2018	31/03/2017
Revenue from operations (net)	3488.73	1099.95	4008.44	1120.63
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments	37.20	35.54	71.35	39.33
Depreciation and amortization expenses	1.26	1.22	1.26	1.22
Finance Cost	0.11	0.15	0.10	0.15
Profit before tax (PBT)	35.83	34.17	69.99	37.96
Profit after tax and minority interest (PAT)	29.17	27.51	63.30	31.30

(Rs. in lakhs)

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

Accounting treatment in preparation of Financial Statements

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Companies Act, 2013.

Standalone Performance

During the year under review, the Company achieved total revenue of ₹ 3488.73 Lakhs, as compared to ₹ 1099.95 Lakhs in the previous year, representing a year-on-year growth of 217.17%.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹ 37.20 Lakhs in the current year as compared to ₹ 35.54 Lakhs in the previous year, representing a year-on-year growth of 4.67%.

The Company registered growth of 6.03% in the Net Profit after Tax which stood at ₹ 29.17 Lakhs as compared to ₹ 27.51 Lakhs in the previous year.

Consolidated

During the year under review, the Company achieved consolidated total revenue of ₹ 4008.44 Lakhs as compared to ₹ 1120.63 Lakhs in the previous year, representing a year-on-year growth of 257.70%.

The Earnings before Interest, Depreciation, Tax and Appropriations (EBITDA) stood at ₹ 71.35 Lakhs in the current year as compared to ₹ 39.33 Lakhs in the previous year, representing a year-on-year growth of 81.41%.

The Company registered growth of 102.23% in the Net Profit after Tax which stood at ₹ 63.30 Lakhs as compared to ₹ 31.30 Lakhs in the previous year.

DIVIDEND

Keeping in view the continued good performance, future fund requirements of the Company and policy of the Company for rewarding Members, your directors are pleased to recommend a dividend of ₹ 0.50 per equity share of Face Value of ₹ 10/- on 30,39,900 Equity Shares (excluding the Equity Share upon which the members have waived/forgone his/their right to receive the dividend by him/them for Financial Year 2017-18) for the financial year 2017-18. The dividend, if approved by the members of the Company in the AGM, shall be subject to Dividend Distribution Tax to be paid by your Company but will be tax-free in the hands of the Members.

Members belonging to the promoter group of your Company have waived their right to receive dividend for the Financial Year 2017-18 and hence the Dividend, if any, approved by the Members at the ensuing Annual General Meeting shall be only upon 30,39,900 Equity Shares.

TRANSFER TO RESERVE

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

DEPOSITS

There were no public deposits accepted during the year under review or any amount of principal or interest thereof was outstanding in terms of section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, for the Financial Year ended on 31st March, 2018.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there is no change in the nature of the business of the Company.

SHARE CAPITAL

During the year under review, the Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

SUBSIDIARY COMPANY AND CONSOLIDATION OF FINANCIAL STATEMENT

During the year under review, Panache Innovations DMCC became Wholly Owned Subsidiary of your Company. The Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company and its Subsidiaries viz. Eddy and Andy International Limited and Panache Innovations DMCC, in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), which forms part of this Annual Report. A statement containing the salient features of the financial position of the subsidiary companies in Form AOC-1 is annexed as Annexure I. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of subsidiaries is also available on our website at www.panache.co.in.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at www.panache.co.in

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations and that such internal financial controls are adequate and were operating effectively.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- A. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- B. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- C. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- D. the directors had prepared the annual accounts on a going concern basis;
- E. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- F. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best Corporate Governance practices. The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities.

However, as per provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, providing a separate report on Corporate Governance under Regulation 27 (2) is not applicable to the Company.

RISK MANAGEMENT

The Company has formulated a Risk Management Policy for dealing with different kinds of risks, both internal and external, which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis.

For more details on the topic, please refer to the Management Discussion and Analysis report which form part of the Annual Report. Policy on Risk Management is available on the website of the Company www.panache.co.in

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

During the period under review, all transactions entered into with the related parties as defined under the Companies Act, 2013 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year other than those mentioned in Form AOC-2 at Annexure II of this Director's Report. Also, suitable disclosure as required by the Indian Accounting Standards (Ind AS 24) has been made in the notes to Financial Statements, which forms a part of the Annual Report.

All Related Party Transactions are placed before the Board / Audit Committee for approval. Prior omnibus approval of the Board / Audit Committee is obtained for the transactions which are of a foreseen or repetitive in nature. A statement of all Related Party Transactions is placed before the Board / Audit Committee for its review on a meeting to meeting basis, specifying the nature, value and terms and conditions of the transactions.

Policy on Related Party Transactions

As per Regulation 15 of SEBI (LODR) Regulations, 2015, Company is exempted from complying with Regulation 23 of SEBI (LODR) Regulations, 2015 and hence preparing a Policy on Related Party Transactions is not applicable to the Company.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report, as required under SEBI (LODR) Regulations 2015, forms part of the Annual Report is attached herewith marked as Annexure –III.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the period under review, the provisions of Section 135 of the Companies Act, 2013 w.r.t. Corporate Social Responsibility are not applicable to the Company.

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Changes in Directors & KMP

During the year under review, following changes took place in the Board and Key Managerial Personnel;

- Mr. Manan Mayur Trivedi was appointed as Chief Financial Officer of the Company by the Board of Directors with effect from 27th April, 2017.
- Mr. Vijay Patil had resigned from the post of Company Secretary & Compliance Officer of the Company with effect from 26th August, 2017.
- Mr. Manan Trivedi resigned from the post of Chief Financial Officer of the Company with effect from 25th October, 2017.
- Mr. Jayachandran Sunderamoorthy (holding DIN: 07706021) was liable to retire by rotation and being eligible was re-appointed as Whole-Time Director of the Company at the 36th Annual General Meeting held on 21st September, 2017.
- Mr. Jayachandran Sunderamoorthy (holding DIN: 07706021) was re-appointed as Whole-Time Director of the Company for a period of 3 years by the Board of Directors on 11th January, 2018 with effect from 14th January, 2018, subject to the approval of Members in the ensuing Annual General Meeting.
- Mr. Priyank Sangoi was appointed as Company Secretary and Compliance Officer with effect from 11th January, 2018.
- Mr. Jayachandran Sunderamoorthy (holding DIN: 07706021) was appointed as Chief Financial Officer of the Company and re-designated as “Whole-Time Director & Chief Financial Officer” with effect from 12th February, 2018, at the Board meeting held on same day, subject to the approval of Members in the ensuing Annual General Meeting.
- Mr. Anil Jaychand Dagade (holding DIN: 02701030) was appointed as Additional Independent Director of the Company for a term of Five years with effect from 31st March, 2018, at the Board meeting held on same day, subject to the approval of Members in the ensuing Annual General Meeting.

Director Retiring by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Amit Devchand Rambhia (holding DIN: 00165919), Managing Director of the Company, retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his reappointment as Director liable to retire by rotation at the ensuing Annual General Meeting.

Declaration by Independent Directors

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015. Also, in the opinion of the Board, the Independent directors meet the said criteria.

Number of Board Meetings and attendance thereat by Board:

Your Board of Directors (“Board”) meets at regular intervals to discuss and decide on various business policies, strategies, financial matters and other businesses. However, in case of an exigency or urgent business matters, the Board’s approval is taken by passing Resolutions by Circulation or on a shorter notice for such matters as permitted by law. The notice of Board meeting is given well in advance to all the Directors of the Company.

The maximum interval between any two meetings did not exceed 120 days as prescribed in the Companies Act, 2013.

During the Financial Year 2017-18, Total 8 (Eight) meetings of the Board of Directors of the Company were held on 27th April, 2017, 22nd May, 2017, 18th August, 2017, 12th September, 2017, 14th November, 2017, 11th January, 2018, 12th February, 2018 and 31st March, 2018. The details of attendance of each Director at the Board Meetings are given below;

Sr. No.	Name of Director	No. of meetings eligible	No. of Board Meetings attended
1	Amit Devchand Rambhia	8	8
2	Jayachandran Sunderamoorthy	8	8
3	Rohit Mathur	8	8
4	Meeta Mehta	8	8
5	Anil Jaychand Dagade	N.A	N.A

Committees of the Board:

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable statutes, rules and regulations applicable to the Company from time to time. The Committees also focus on critical functions of the Company in order to ensure smooth and efficient business operations. The Board of Directors is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committees meets at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation.

Currently, the Board of Directors has formulated the following committees, viz.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders’ Relationship Committee

Audit Committee:

During the year under review, the Audit Committee comprised of the following Directors;

Sr. No.	Name of the Committee Member	Position in the Committee
1	Meeta K. Mehta	Chairperson
2	Rohit Mathur	Member
3	Amit Rambhia	Member

The Audit Committee was reconstituted on 28th May, 2018 vide Circular Resolution passed by the Board of Directors and currently the Committee comprises as follows;

Sr. No.	Name of the Committee Member	Position in the Committee
1	Meeta K. Mehta	Chair Person
2	Rohit Mathur	Member
3	Amit Rambhia	Member
4	Anil Jaychand Dagade	Member

During the year under review there were Six (6) Meetings held on 27th April, 2017, 22nd May, 2017, 18th August, 2017, 12th September, 2017, 14th November, 2017 and 12th February, 2018. The details of attendance of each Director at the Audit Committee Meetings are given below;

Sr. No.	Name of Member	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Mrs. Meeta Mehta	6	6
2	Mr. Amit Rambhia	6	6
3	Mr. Rohit Mathur	6	6

Nomination and Remuneration Committee:

Composition of Nomination and Remuneration Committee comprised of the following Directors:

Sr. No.	Name of Member	Position in the Committee
1	Mr. Rohit Mathur	Chairman
2	Mr. Jayachandran Sunderamoorthy	Member
3	Mrs. Meeta Mehta	Member

The Nomination and Remuneration Committee was reconstituted on 11th January, 2018 by the Board of Directors and the Committee comprised as follows;

Sr. No.	Name of Member	Position in the Committee
1	Mr. Rohit Mathur	Chairman
2	Mr. Amit Rambhia	Member
3	Mrs. Meeta Mehta	Member

The Nomination and Remuneration Committee was reconstituted on 31st March, 2018 by the Board of Directors and currently the Committee comprises as follows;

Sr. No.	Name of the Committee Member	Position in the Committee
1	Rohit Mathur	Chairperson
2	Meeta K. Mehta	Member
3	Anil Jaychand Dagade	Member

During the year under review there were four (4) times during the financial year 2017-18 on 27th April, 2017, 11th January, 2018, 12th February, 2018 and 31st March, 2018.

SN	Name of Member	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Mrs. Meeta Mehta	4	4
2	Mr. Amit Rambhia	2	2
3	Mr. Rohit Mathur	4	4
4	Mr. Jayachandran Sunderamoorthy	2	2
5	Mr. Anil Jaychand Dagade	N.A	N.A

Stakeholders Relationship Committee:

During the year under review, the Stakeholders' Relationship Committee comprised of the following Directors;

Sr. No.	Name of Member	Position in the Committee
1	Mr. Rohit Mathur	Chairman
2	Mrs. Meeta Mehta	Member
3	Mr. Amit Rambhia	Member

During the year under review there was 1 (One) Meeting held on 12th February, 2018. The details of attendance of each Director at the Stakeholders' Relationship Committee Meetings are given below;

Sr. No.	Name of the Member	No. of Committee Meetings eligible	No. of Committee Meetings attended
1	Mr. Rohit Mathur	1	1
2	Mrs. Meeta Mehta	1	1
3	Mr. Amit Rambhia	1	1

The details of complaints received and resolved during the Financial Year 2017-18 are given in the table below:

Particulars	No. of Complaints Attended
Opening as on 1 st April, 2017	-
Received during the year	-
Resolved during the year	-
Closing as on 31 st March, 2018	-

During the year under review there was one General Meeting held on 19th September, 2017 i.e. Annual General Meeting and all the Four Directors were present at the said meeting.

Compliance with Secretarial Standards on Board and Annual General Meetings:

The Company has complied with Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

Annual Evaluation process

Pursuant to Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Company has "Directors Performance Evaluation Policy" in place. In accordance with the said Policy, all the Directors had filled up Questioner and feedback form for evaluation of individual Directors, Board as a whole, Chairman, Committees, and Independent Directors, which format forms a part of the policy. Thereafter Nomination & Remuneration Committee evaluated every Director including Independent Director on 12th February, 2018 and submitted a report on evaluation to the Chairman of the Company.

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

Independent Director's Separate Meeting

A separate meeting of Independent Directors of the Company, was held on 12th February, 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations.

At the meeting following matters were taken up;

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

All Independent Directors of the Company attended the Meeting of Independent Directors.

HUMAN RESOURCE

During the year under review, the personal relations with the employees remained cordial in all respects. The Company recognizes talent and has judiciously followed the principle of rewarding performance. The total number of employees on the rolls of the Company were seven as on 31st March, 2018. Material disclosures in the Human Resource front have been detailed under the head “Human Resource” in the Management Discussion & Analysis which forms a part of the Annual Report.

AUDITORS AND AUDITORS’ REPORT

Statutory Audit

The Members of the Company at their 36th Annual General Meeting (AGM) held in 2017, approved the appointment of M/s. Jain Salia & Associates, Chartered Accountants, Mumbai (Firm Registration No.116291W), as statutory auditors of the Company, for a term of five years and to hold office till conclusion of the Annual General Meeting to be held in the year 2022.

M/s. Jain Salia & Associates, the Statutory Auditor of the Company for the Financial Year 2017-18 have conducted the audit for the said period. There are no qualifications, reservations or adverse remarks made by M/s. Jain Salia & Associates, in their report and hence do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. Further the specific notes forming part of the Accounts referred to in the Auditor’s Report read with the notes to financial statements as referred to therein, are self-explanatory and give complete information and addresses the observations, if any.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Ms. Payal Tachak, a Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year 2017-18. The Secretarial Audit Report confirm that the company has complied with the applicable laws. The Secretarial Audit Report forms part of this Annual Report and is attached herewith marked as Annexure IV.

Internal Auditor:

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, the Board of Directors of the Company have appointed M/s. Sanket Sangoi & Associates, to conduct internal audit reviews for the Company.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitment affecting financial position which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Directors Report.

EVENTS WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE DIRECTORS’ REPORT

The Regional Director (RD), Kolkata, vide its order dated April 24, 2018, approved the shifting of Company’s registered office from the State of West Bengal to the State of Maharashtra.

The Board on August 1, 2018, vide their resolution passed through circulation, have approved the registered office address in Bhiwandi situated at 2nd Floor, Building No. A3, Unit No. 201A, Babosa Industrial Park, Mumbai-Nashik Highway (NH3), Saravali Village, Talathi Saja Temghar, Taluka Bhiwandi, Dist. Thane 421302, Maharashtra, India’ with effect from August 1, 2018.

DISCLOSURES

Vigil Mechanism

In line with the best Corporate Governance practices, the Company, has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct without fear of reprisal.

The Company has put in place a process by which employees and business associates have direct access to the Vigilance Officer and Chairperson of Audit Committee. The Whistle Blower Policy has been posted on the Company's website at www.panache.co.in

Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

The Company has complied with the constitution of Internal Complaints Committee as provided under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further the Company has not received any complaint of sexual harassment during the financial year 2017-18.

Significant and Material Orders Passed by the Regulators or Courts

The prayer was filed by the Company before the Hon'ble Court of Chief Judicial Magistrate, Alipore, Kolkata, for compounding and disposal of case no. **C.C. No. 6330A/14 of 2014** and **C.C. No. C/2523/14 of 2014** which was filed before the said Hon'ble Court by the Office of the Registrar of Companies, West Bengal, for the violation under Section 220 of the erstwhile Companies Act, 1956. Pursuant to same, the Hon'ble Court passed an order dated 10/01/2018 and 15/02/2018 respectively for both the cases in the following manner:

For **C.C. No. 6330A/14 of 2014**: Company was imposed a fine of Rs. 500/- wherein total fine involved in the order was Rs. 1,000/-

For **C.C. No. C/2523/14 of 2014**: Company was imposed a fine of Rs. 500/- wherein total fine involved in the order was Rs. 2,500/-

Your Company has paid the fine to the Hon'ble Court within the stipulated period.

Particulars of Loans given, Investments made, Guarantees given and Securities Provided

The Company has made compliance with the provisions of Section 186 of the Companies Act, 2013 during the year under review. Please refer Note 4,5 & 10 to the Standalone Financial Statement which forms a part of this Annual report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014, is attached as Annexure V which forms part of this Report.

Extract of Annual Return

In accordance with the provisions of Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, an extract of the Annual Return of the Company for the year ended 31st March, 2018, is provided in the prescribed Form MGT – 9 as Annexure VI which forms part of Directors Report.

Particulars of Employees and related disclosures

In terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 37th Annual General Meeting.

The statement containing information as required under the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure VII and forms part of this Report.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company is attached herewith marked as Annexure VIII and also placed on its website www.panache.co.in.

CAUTIONARY STATEMENT

Statements in this Report and the Management Discussion and Analysis may be forward looking within the meaning of the applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the Government of India, Governments of various countries, concerned State Governments, other Government Authorities, Departments and Agencies, the Stakeholders, Business Associates, Banks, Financial Institutions, Customers, Vendors and Service Providers for the valuable support and co-operation extended by them during the year.

Your Directors would also like to place on record their sincere thanks and appreciation for the contribution, consistent hard work, dedication and commitment of our employees at all levels

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 14/08/2018
Place: Mumbai

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Annexure I to Directors Report

FORM AOC-1

(Pursuant to first proviso to section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures u/s 129(3) read with rule 5 of Companies (Accounts) Rules, 2014

Part "A" – Subsidiary

Sr. No.	Particulars	Details	Details
1	Name of the subsidiary	Eddy and Andy International Limited	Panache Innovations DMCC
2	The date since when subsidiary was acquired	18/07/2016	06/09/2017
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR 65.0441 per USD	INR 65.0441 per USD
5	Share capital	0.83	8.86
6	Reserves & surplus	3.03	35.08
7	Total assets	4.40	61.58
8	Total Liabilities	4.40	61.58
9	Investments	Nil	Nil
10	Turnover	13.30	506.41
11	Profit before taxation	(0.70)	34.86
12	Provision for taxation	Nil	Nil
13	Profit after taxation	(0.70)	34.86
14	Proposed Dividend	-	-
15	% of shareholding	100%	100%

Indian Rupee equivalents of the figures given in foreign currencies in the accounts of the Subsidiary Companies, is based on the exchange rates as on 31.03.2018.

None of the subsidiaries of the Company are yet to commence business operations.

None of subsidiaries of the Company have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
- Not Applicable as the Company doesn't have associates and joint ventures for the Financial Year 2017-18

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 14/08/2018

Place: Mumbai

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

Annexure II to Directors Report

FORM NO. AOC-2

Form for 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

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis- NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis-

SN	Name of Related Party	Nature of Contract	Nature of Relationship	Duration of Contract	Date of approval of Board	Amount Paid as advances	Salient Terms	Amount
1	Panache Digilife Limited	Sales	Amit Rambhia is Promoter Member & Managing Director.	F.Y. 2017-18	27.04.2017	NIL	Transaction executed on Arm's length & in Ordinary Course of Business.	5,24,38,396
2	(Formerly Vardhaman Technology Ltd; Earlier	Purchases		F.Y. 2017-18	27.04.2017			5,70,63,541
3	Vardhaman Technology Pvt Ltd)	Service Rendered		F.Y. 2017-18	27.04.2017			12,56,700
4		Services availed (Use of facilities at Ghatkopar premises)		Due for renewal on 17.06.2019	10.06.2016 & 18.08.2017		As per 'Use of Facilities Agreement' which is on Arm's length & in Ordinary Course of Business	14,32,386

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 14/08/2018

Place: Mumbai

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

Annexure III to Directors Report

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian IT Industry is dynamic and highly competitive, with frequent changes in both technologies and business models. IT industry in India has been one of the most significant growth contributors for the Indian economy. The industry has helped India transform from a rural and agriculture-based economy to a knowledge-based economy.

2. OPPORTUNITIES AND THREATS

Opportunities

- Changing consumer preferences and growing Industrial base
- High Government Focus
- Technological Tie-ups & Research and development

Threats

- Competition from local and multinational players
- Execution risk
- Regulatory changes
- Input Cost risk
- Attraction and retention of human capital
- Technological Advancements

3. OUTLOOK

The last financial year has been year of new initiatives for company. Baring the unforeseen circumstances and the risks and concerns, the management is hopeful to achieve reasonable performance in the current financial year 2018-2019.

4. RISK AND CONCERNS

Like every business, the Company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy is drawn up wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the Company. The major risks are as follows, which Company strives hard to mitigate;

- Credit Risk
- Competition Risk
- Input Cost Risk
- Technology Related Risk

5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company implemented internal control systems to ensure that all assets are safeguarded and protected against loss and that transactions are recorded and reported correctly. The internal control system is commensurate with the size and nature of the Company's business. The systems are regularly reviewed for effectiveness.

6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

This has been covered in the Director's report specifically under the section on financial results and performance. The financial review for the year has also been separately covered in this Annual Report.

7. HUMAN RESOURCE

We believe that the domain knowledge and experience of our Promoters and our management team provides us with a significant competitive advantage as we seek to grow in our existing markets and enter new geographies. The Company has hired qualified professional management and key personnel, which will enable to run the Company independently. Further flexible HR policies reflecting our organization value of 'Trust' and work-life balance have been continuously devised. Employee engagement activities are conducted to make our workplace a fun-filled one. The staff strength of the Company as on 31st March, 2018 was Seven.

8. CAUTIONARY STATEMENT:

Statements in the Management Discussions and Analysis Report in regard to projections, estimates and expectations have been made in good faith. Many unforeseen factors may come into play and affect the actual results which could be different from what the Directors envisage in terms of future performance and outlook. Important factors that could make a difference to the Company's operations include among others, climatic conditions, economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 14/08/2018
Place: Mumbai**

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

Annexure IV to Directors Report

Secretarial Audit Report

For the Financial Year Ended on 31st March, 2017.

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

To,
The Members,
Panache Innovations Limited

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

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

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Panache Innovations Limited** ("the company") for the financial year ended March 31st, 2018 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
 - iv. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) 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;
2. Provisions of the following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 were not applicable to the Company under the financial year 2017-18:
 - a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and

During the period under review and as per the explanations and the clarifications given to me and the representation made by the Management of the Company, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

I further report that;

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

As represented by the Company and relied upon by me 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.

During the audit period the Company has passed Special Resolutions. However, which are not having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

During the audit period, there were no instances of:

- 1. Public/Right/Preferential Issue of securities;
- 2. Redemption/Buy Back of Securities;
- 3. Merger/Amalgamation etc.;
- 4. Foreign technical Collaborations

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, Accounting Standards etc. has not been reviewed in this Audit, since the same is subject to review by designated professional/s during the course of statutory financial audit.

I further state that my report of even date is to be read alongwith "**Annexure – A**" appended hereto.

FOR PAYAL TACHAK & ASSOCIATES

Practicing Company Secretary

CS PAYAL TACHAK

Proprietor
ACS 38016
CP 15010

Place: Mumbai

Date: 14.08.2018

ANNEXURE A

To,
The Members,
Panache Innovations Limited

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

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

FOR PAYAL TACHAK & ASSOCIATES
Practicing Company Secretary

CS PAYAL TACHAK
Proprietor
ACS 38016
CP 15010

Place: Mumbai
Date: 14.08.2018

Annexure V to Directors Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies Accounts) Rules 2014, and forming part of the Directors' Report for the year ended 31st March, 2018

A. Conservation of Energy

(i)	the steps taken or impact on conservation of energy	The Company's operations involve low energy consumption to run its office and therefore the scope of energy conservation is limited. The Company is taking all necessary measures for conservation of energy and creating awareness amongst the employees on the necessity of conservation of energy and the same is practiced regularly.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	NIL

B. Technology absorption

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

C. Foreign exchange earnings and Outgo

(Rs. In Lacs)

Particulars	2017-18	2016-17
Foreign Exchange Earned	Nil	Nil
Outgo of Foreign Exchange	8.51	0.83

By order of the Board of Directors of
Panache Innovations Limited

Date: 14/08/2018

Place: Mumbai

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Annexure VI to Directors Report

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31/03/2018
of

PANACHE INNOVATIONS LIMITED

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L51100MH1981PLC312742
2	Registration Date	16/06/1981
3	Name of the Company	Panache Innovations Limited (Formerly: Ruby Traders & Exporters Ltd)
4	Category/Sub-category of the Company	Public Company limited by Shares
5	Address of the Registered office & contact details	(A): 2nd Flr, Bldg No. A3, Unit 201A, Babosa Industrial, Park, Mumbai-Nashik Highway(NH3), Saravali Village, Bhiwandi, Thane 421302, Maharashtra, India. (E): info@panache.co.in (C): +91 98339 95555 (W): www.panache.co.in
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited (A): D-511, Bagree Market, 71 B.R.B. Basu Road, Kolkata-700001 (E): nichetechpl@nicetechpl.com (F): 033-2215 6823 (C): 033-2235 7270/7271, 22343576 (W): www.nichetechpl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of machinery, equipment and supplies	465	99%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN / GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable section
1	Eddy and Andy International Limited 13/F, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong	N.A. (Foreign Subsidiary)	Subsidiary	100%	Section 2(87)
2	Panache Innovations DMCC Unit No: 1807, DMCC Business Centre, Level No 1, Jewellery & Gemplex 3, Dubai, United Arab Emirates	N.A. (Foreign Subsidiary)	Subsidiary	100%	Section 2(87)

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

A. Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	1350100	0	1350100	30.754	1350100	0	1350100	30.754	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1)	1350100	0	1350100	30.754	1350100	0	1350100	30.754	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1350100	0	1350100	30.754	1350100	0	1350100	30.754	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / Financial Institutions	0	0	0	0	0	0	0	0	0
c) Central Governments	0	0	0	0	0	0	0	0	0
d) State Governments	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

	g) Foreign Institutional Investors (FII)	0	0	0	0	0	0	0	0	0
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
	i) Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B)(1)	0	0	0	0	0	0	0	0	-
(2)	Non-Institutions									
	a) Bodies Corporate									
	i) Indian	750	0	750	0.017	373050	0	373050	8.498	8.481
	ii) Overseas	0	0	0	0	0	0	0	0	0
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs 1 lakh	110238	85800	196038	4.466	125430	85800	211230	4.812	0.346
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2655095	0	2655095	60.481	2455420	0	2455420	55.932	-4.549
	c) Others Specify	0	0	0	0	0	0	0	0	0
	1. NRI	0	200	200	0.005	0	200	200	0.005	0.000
	2. Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
	3. Foreign Nationals	0	0	0	0	0	0	0	0	0
	4. Clearing Members	187817	0	187817	4.278	0	0	0	0	-4.278
	5. Trusts	0	0	0	0	0	0	0	0	0
	6. Foreign Bodies - D.R.	0	0	0	0	0	0	0	0	0
	Sub-total (B)(2)	2953900	86000	3039900	69.246	2953900	86000	3039900	69.246	0.000
	Total Public Shareholding (B) = (B)(1)+(B)(2)	2953900	86000	3039900	69.246	2953900	86000	3039900	69.246	0.000
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C)	4304000	86000	4390000	100	4304000	86000	4390000	100	0

B. Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Promoter								
1	Amit D Rambhia	425100	9.683	0	425100	9.683	0	0.000
2	Nikit D Rambhia	425000	9.681	0	425000	9.681	0	0.000
3	Devchand L Rambhia	500000	11.390	0	500000	11.390	0	0.000

C. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Name of the Shareholders	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of Company	Date of increase or decrease	No. of Shares	% of total Shares of Company	Reason	No. of Shares	% of total Shares of Company	No. of Shares	% of total Shares of Company
1	Amit D Rambhia	425100	9.683	No Change during the year						425100	9.683
2	Nikit D Rambhia	425000	9.681	No Change during the year						425000	9.681
3	Devchand L Rambhia	500000	11.390	No Change during the year						500000	11.390

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

SN	Name of the Shareholders	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of the Company	Date of increase or decrease	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Aakash Deepak Savla	110000	2.506	12/05/2017	-13000	0.296	Transfer	97000	2.21	74397	1.695
				26/05/2017	-29003	0.661	Transfer	67997	1.549		
				23/06/2017	-997	0.023	Transfer	67000	1.526		
				30/06/2017	-5050	0.115	Transfer	61950	1.411		
				15/09/2017	3350	0.076	Transfer	65300	1.487		
				22/09/2017	2099	0.048	Transfer	67399	1.535		
				30/09/2017	200	0.005	Transfer	67599	1.54		
				06/10/2017	100	0.002	Transfer	67699	1.542		
				27/10/2017	698	0.016	Transfer	68397	1.558		
				10/11/2017	200	0.005	Transfer	68597	1.563		
				17/11/2017	1300	0.03	Transfer	69897	1.592		
15/12/2017	2500	0.057	Transfer	72397	1.649						

				22/12/2017	1000	0.023	Transfer	73397	1.672			
				19/01/2018	1000	0.023	Transfer	74397	1.695			
2	Ambe Projects Limited	0	0	05/05/2017	20000	0.456	Transfer	20000	0.456	13310	3.032	
				12/05/2017	60000	1.367	Transfer	80000	1.822	0		
				23/06/2017	53000	1.207	Transfer	133000	3.03			
				23/03/2018	100	0.002	Transfer	133100	3.032			
3	Anurodh Merchandise Pvt Ltd	0	0	26/05/2017	75000	1.708	Transfer	75000	1.708	85200	1.941	
				26/01/2018	10100	0.23	Transfer	85100	1.938			
				09/03/2018	100	0.002	Transfer	85200	1.941			
4	Arihant Capital Markets Ltd	186734	4.254	07/04/2017	-111734	2.545	Transfer	75000	1.708	0	0.000	
				30/09/2017	-12000	0.273	Transfer	63000	1.435			
				03/11/2017	-63000	1.435	Transfer	0	0.000			
				15/12/2017	20000	0.456	Transfer	20000	0.456			
				22/12/2017	-1000	0.023	Transfer	19000	0.433			
				19/01/2018	-1000	0.023	Transfer	18000	0.41			
				02/02/2018	-2000	0.046	Transfer	16000	0.364			
				16/02/2018	-16000	0.364	Transfer	0	0			
5	Bhavini Sanjay Sheth	95000	2.164	No Change during the year							95000	2.164
6	Chetan Nanji Dedhia	100000	2.278	16/06/2017	-100	0.002	Transfer	99900	2.276	99900	2.276	
7	Chetna Chetan Dedhia	100000	2.278	16/06/2017	-100	0.002	Transfer	99900	2.276	99900	2.276	
8	Deepak Meghji Savla	135000	3.075	26/05/2017	-55000	1.253	Transfer	80000	1.822			
				02/06/2017	-19000	0.433	Transfer	61000	1.39			
				09/06/2017	-17500	0.399	Transfer	43500	0.991			
				16/06/2017	-29800	0.679	Transfer	13700	0.312			
				23/06/2017	-13700	0.312	Transfer	0	0.00			
				14/07/2017	200	0.005	Transfer	200	0.005			
				28/07/2017	1000	0.023	Transfer	1200	0.027	10650	0.243	
				15/09/2017	1850	0.042	Transfer	3050	0.069			
				30/09/2017	100	0.002	Transfer	3150	0.072			
				10/11/2017	2200	0.05	Transfer	5350	0.122			
				17/11/2017	800	0.018	Transfer	6150	0.14			
				15/12/2017	2500	0.057	Transfer	8650	0.197			
				02/02/2018	2000	0.046	Transfer	10650	0.243			
9	Geetha Jain	150000	3.417	10/11/2017	-150000	3.417	Transfer	0	0.000	0	0.000	
10	Kamalesh Shantilalji Jain	150000	3.417	28/04/2017	-8000	0.182	Transfer	142000	3.235	0	0.000	
				26/05/2017	-80000	1.822	Transfer	62000	1.412			
				16/06/2017	-62000	1.412	Transfer	0	0.000			
11	Madhuben Babulal Patel	0	0.000	07/07/2017	113650	2.589	Transfer	113650	2.589	113650	2.589	
12	Mahendra M Mehta HUF	100000	2.278	14/07/2017	-100	0.002	Transfer	99900	2.276	97100	2.212	
				15/09/2017	-2000	0.046	Transfer	97900	2.23			
				22/09/2017	-800	0.018	Transfer	97100	2.212			
13	Meenakshi Enterprises Ltd	0	0.000	10/11/2017	100000	2.278	Transfer	100000	2.278	15000	3.417	
				17/11/2017	50000	1.139	Transfer	150000	3.417	0		
14	Pratyush Bhartiya	102000	2.323	26/05/2017	-75000	1.708	Transfer	27000	0.615	27000	0.615	
15	Sanjay V Sheth	95000	2.164	No Change during the year							95000	2.164

16	Sejal J Shah	36446	0.83	07/04/2017	48000	1.093	Transfer	84446	1.924	10497 2	2.391
				22/09/2017	805	0.018	Transfer	85251	1.942		
				30/09/2017	803	0.018	Transfer	86054	1.96		
				06/10/2017	265	0.006	Transfer	86319	1.966		
				27/10/2017	1000	0.023	Transfer	87319	1.989		
				03/11/2017	10000	0.228	Transfer	97319	2.217		
				24/11/2017	7653	0.174	Transfer	104972	2.391		

E. Shareholding of Directors and Key Managerial Personnel

S N	Name of the Shareholder	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of the Company	Date of increase or decrease	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Amit D Rambhia	425100	9.683	No Change during the year				425100	9.683		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	--- NIL ---			
ii) Interest due but not paid				
iii) Interest accrued but not paid				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
Addition	--- NIL ---			
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	--- NIL ---			
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Sr. No.	Particulars of Remuneration	Amit D Rambhia (Chairman & Managing Director)	Jayachandran Sunderamoorthy Whole-Time Director & Chief Financial Officer	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	27,82,584	33,82,584
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	6,00,000	27,82,584	33,82,584

B. Remuneration to other directors:

(In Rs.)

Sr. No.	Particulars of Remuneration	Rohit Mathur	Meeta K. Mehta	Total Amount
1	Independent Directors			
	(a) Fee for attending board / committee meetings	24,000	38,000	62,000
	(b) Commission	-	-	-
	(c) Others, please specify	-	-	-
	Total (1)	24,000	38,000	62,000
2	Other Non-Executive Directors			
	(a) Fee for attending board / committee meetings	-	-	-
	(b) Commission	-	-	-
	(c) Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (1)+(2)	24,000	38,000	62,000

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD:

(In Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Priyank Sangoi CS & Compliance Officer	S. Jayachandran WTD & CFO	Total Amount
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	1,34,663	27,82,584	29,17,247
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	1,34,663	27,82,584	29,17,247

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Sec 220(3) of the Companies Act, 1956	C.C. No. 6330A/14 of 2014: Non- filing of Balance sheet and Profit & loss Account as at 31/03/2013 with ROC	Fine of Rs. 500/- each	Chief Judicial Magistrate Court, Alipore	No
	Sec 220(3) of the Companies Act, 1956	C.C. No. C/2523/14 of 2014: Non- filing of Balance sheet and Profit & loss Account as at 31/03/2012 with ROC	Fine of Rs. 500/- each	Chief Judicial Magistrate Court, Alipore	No
Punishment	NIL				
Compounding					
*B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL				
Punishment					
Compounding					

* Penalty imposed on Mr. Ramrati Choudhury, the then Director of the Company who is no more associated with the Company - C.C. No. 6330A/14 of 2014

* Penalty imposed on Mr. Rajnish Parolia, Mr. Ratan Pandit, Mr. Sovon Chakraborty, Mr. Nishant Kothari the then Directors of the Company who are no more associated with the Company - C.C. No. C/2523/14 of 2014

**By order of the Board of Directors of
Panache Innovations Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: 14/08/2018
Place: Mumbai

Annexure VII to Directors Report

DETAILS OF DIRECTORS AND EMPLOYEE REMUNERATION

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

Sr. No.	Particulars	Details
1	The ratio of the remuneration of each director to the median employees of the Company for the financial year	<ul style="list-style-type: none"> ➤ Mr. Jayachandran Sunderamoorthy– 9.28x ➤ Mr. Amit Rambhia – 2.00x
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<ul style="list-style-type: none"> ➤ There has been no increase in the remuneration of Mr. Amit Rambhia, Managing Director of the Company. ➤ There has been no increase in the remuneration of Mr. Jayachandran Sunderamoorthy, Whole-Time Director & CFO of the Company. ➤ Mr. Priyank Sangoi was appointed as the Company Secretary & Compliance Officer of the Company and was paid remuneration for the first time during the financial year and thus the details of increase in remuneration cannot be calculated.
3	The percentage increase in the median remuneration of employees in the financial year	There has been no percentage increase in the median remuneration of employees in the financial year.
4	The number of permanent employees on the rolls of company	As on 31 st March, 2018, there were 7 employees on the rolls of the Company.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration	There has been a decrease in the remuneration of both other than Managerial personnel and Managerial Personnel to the extent of 13-15%.
6	Remuneration is as per the remuneration policy of the company.	It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 14/08/2018
Place: Mumbai

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Annexure VIII to Directors Report

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated and approved by the Board of Directors.

1. DEFINITIONS

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

“Senior Managerial Personnel” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to Departmental/Functional Head.

2. OBJECTIVE

The objective of the policy is to ensure that

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel’s and Senior Managerial Personnel’s of the quality of work required to run the company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. ROLE OF THE COMMITTEE

The role of the NRC will be the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of independent directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iv. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

- v. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- vi. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- vii. Decide the amount of Commission payable to the Whole-Time Director / Managing Directors;
- viii. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- ix. To formulate and administer the Employee Stock Option Scheme;
- x. Devising a policy on Board diversity; and
- xi. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- iii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding his position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

5. TERM / TENURE

- i. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

- ii. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

6. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

7. REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

8. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

9. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

i. Remuneration to Managing Director / Whole-time Directors:

- a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-Time Directors.

ii. Remuneration to Non-Executive / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - The Services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

iii. Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b. The Fixed pay shall include monthly remuneration and may include employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

10. IMPLEMENTATION

- i. The clauses of policy shall be applicable as far as they are mandatory under the governing laws. In case if there is an exemption to company as per governing regarding implementation of the clause, it shall be voluntary for the Company to implement such a clause.
- ii. The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- iii. The Committee may delegate any of its powers to one or more of its members.

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 14/08/2018

Place: Mumbai

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

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders of
Panache Innovations Limited,
(Formerly Known as Ruby Traders & Exporters Limited)
68, Jessore Road, Diamond City Complex,
Block 5, Suite No.1E,
Kolkata, West Bengal - 700055.

Report on the Standalone Financial Statements

We have audited the accompanying Standalone financial statements of Panache Innovation Limited ('the Company') (Formerly Known as Ruby Traders & Exporters Limited) which comprise the Balance Sheet as at 31st March, 2018, Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards ("IND AS") specified under section 133 of the Act, read with rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

In conducting our audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder and the Order issued under sec 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year end on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - e. On the basis of written representations received from the directors as on 31st March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
 - f. With respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure-A'. Our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to explanations given to us:
 - (i) The Company has disclosed that there are no pending litigations which would impact its standalone financial statements.
 - (ii) The Company did not have any long term contracts for which there were any material foreseeable losses;
 - (iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we enclose herewith; 'Annexure-B', a statement on the matters specified in paragraphs 3 and 4 of the said Order.

***For Jain Salia & Associates
Chartered Accountants
[ICAI FRNo: 116291W]***

***Place: Mumbai
Dated: 30.05.2018***

***Partner
(CA Jayesh K. Salia)
(Membership No. 044039)***

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

We have audited the internal financial controls over financial reporting of Panache Innovations Limited ("the Company") (Formerly known as Ruby Traders & Exporters Limited) as of 31st March 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For Jain Salia & Associates
Chartered Accountants
[ICAI FRNo: 116291W]*

*Place: Mumbai
Dated: 30.05.2018*

*Partner
(CA Jayesh K. Salia)
(Membership No. 044039)*

(Referred to in Paragraph (2) of our Report of even date)

- (i)
 - a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets are physically verified by the management in a phased manner; which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, all the fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) Based on the information & explanation given to us and the records examined by us we are able to conclude that there are no immovable property held by the company as on the reporting date.
- (ii) The physical verification of inventory & spares has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification between physical stock and book records.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not given any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are applicable.
- (vi) According to the information and explanations given to us, the Company is not required to maintain any cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii)
 - a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, Income tax, VAT, CST, custom duty, cess and any other statutory dues with the appropriate authorities during the year.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, as on 31st March, 2017 for a period of more than six months from the date they became payable.
- (viii) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in re-payment of its dues to the Banks and no amounts were borrowed by the Company through Debentures from any financial institution.
- (ix) On the basis of our examination and according to the information and explanations given to us, the Company has not raised any money through Initial Public Offer (IPO) or Further Public Offer (FPO) in the current year.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to our company.

- (xiii) All the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

***For Jain Salia & Associates
Chartered Accountants
[ICAI FRNo: 116291W]***

***Place: Mumbai
Dated: 30.05.2018***

***Partner
(CA Jayesh K. Salia)
(Membership No. 044039)***

Balance Sheet

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018					
(All amounts in INR)					
Sr. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
I. ASSETS					
1	NON-CURRENT ASSETS				
(a)	Property, Plant & Equipments ...	2	12,752	15,639	42,722
(b)	Capital Work-In-Progress ...		0	0	0
(c)	Investment Properties ...		0	0	0
(d)	Goodwill ...		0	0	0
(e)	Other Intangible Assets ...	3	6,46,000	7,00,000	8,00,000
(f)	Intangible Assets Under Development ...		0	0	0
(g)	Biological Assets Other than Bearer Plants ...		0	0	0
(h)	Investments Accounted for Using the equity method ...		0	0	0
(i)	Financial Assets				
(i)	Investments ...	4	1,12,54,026	1,35,38,756	2,93,24,345
(ii)	Loans ...	5	1,84,02,543	0	0
(iii)	Other Financial Assets ...		0	0	0
(j)	Deferred Tax Assets (Net) ...		0	0	0
(k)	Other Non-Current Assets ...	6	28,000	4,77,318	10,78,128
2	CURRENT ASSETS				
(a)	Inventories ...	7	13,14,984	3,37,91,724	8,75,407
(b)	Financial Assets				
(i)	Investments ...		0	0	0
(ii)	Trade Receivables ...	8	12,32,67,229	8,76,71,323	36,46,062
(iii)	Cash and Cash Equivalents ...	9	1,91,718	6,46,226	31,50,309
(iv)	Bank Balances other than (iii) above ...		0	0	0
(v)	Loans ...	10	49,96,997	1,39,79,642	1,56,35,771
(vi)	Other Financial Assets ...		0	0	0
(c)	Other Current Assets ...	11	74,04,518	6,87,010	5,37,010
TOTAL ASSETS			16,75,18,767	15,15,07,639	5,50,89,754
II. EQUITY AND LIABILITIES					
1	EQUITY				
(a)	Equity Share Capital ...	12	4,39,00,000	4,39,00,000	4,39,00,000
(b)	Other Equity ...	13	(83,58,458)	(84,34,530)	78,34,445
2	LIABILITIES				
A	Non-Current Liabilities				
(a)	Financial Liabilities				
(i)	Borrowings ...		0	0	0
(ii)	Trade Payables ...		0	0	0
(iii)	Other Financial Liabilities ...		0	0	0
(b)	Provisions ...		0	0	0
(c)	Deferred Tax Liabilities (Net) ...	14	84,638	1,01,594	85,198
(d)	Other Non-Current Liabilities ...		0	0	0
B	Current Liabilities				
(a)	Financial Liabilities				
(i)	Borrowings ...	15	0	0	2,875
(ii)	Trade Payables ...	16	11,93,28,769	10,98,75,049	13,06,786
(iii)	Other Financial Liabilities ...		0	0	0
(b)	Other Current Liabilities ...	17	19,70,590	13,00,645	6,49,056
(c)	Provisions ...	18	5,39,739	20,15,041	0
(d)	Current Tax Liabilities (Net) ...	19	1,00,53,489	27,49,839	13,11,394
TOTAL EQUITY & LIABILITIES			16,75,18,767	15,15,07,639	5,50,89,754

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Place: Mumbai
Dated: 30.05.2018

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Statement on Profit & Loss

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018				
(All amounts in INR)				
Sr. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
A.	CONTINUING OPERATIONS			
I.	<u>REVENUE</u>			
	Revenue From Operations ...	20	34,88,73,426	10,99,95,316
	Other Income ...	21	15,95,125	20,09,382
	Other Gains / (Losses) - Net ...		0	0
	TOTAL INCOME		35,04,68,551	11,20,04,697
II.	<u>EXPENSES</u>			
	Cost of Goods Purchased ...	22	30,14,22,845	13,28,69,642
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	23	3,24,76,740	(3,29,16,317)
	Employee Benefit Expenses ...	24	78,68,171	50,26,466
	Finance Costs ...	25	10,487	14,728
	Depreciation and Amortisation Expenses ...	26	1,25,887	1,22,337
	Impairment of Goodwill and Other Non-Current Assets ...		0	0
	Other Expenses ...	27	48,47,817	34,80,398
	TOTAL EXPENSES		34,67,51,946	10,85,97,256
III.	Profit/(Loss) Before Exceptional items & Tax ...		37,16,605	34,07,441
	Exceptional Items ...	28	(1,33,930)	10,609
IV.	Profit/(Loss) Before Tax From Continuing Operations ...		35,82,675	34,18,050
	<u>Income Tax Expense</u>			
	Current Tax ...	29	6,82,680	6,50,240
	Deferred Tax ...		(16,956)	16,396
A.	PROFIT FROM CONTINUING OPERATIONS		29,16,952	27,51,414
B.	OTHER COMPREHENSIVE INCOME			
I.	Items that will not be reclassified to Profit or Loss A/c ...	30	(10,11,505)	(1,25,02,614)
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...		0	0
II.	Items that will be reclassified to Profit or Loss A/c		0	0
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c		0	0
B.	OTHER COMPREHENSIVE INCOME FOR THE PERIOD		(10,11,505)	(1,25,02,614)
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [A+B]		19,05,447	(97,51,200)
	<u>EARNINGS PER SHARE</u>			
	Basic EPS ...	31	0.66	0.63
	Diluted EPS ...	31	0.66	0.63

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Place: Mumbai
Dated: 30.05.2018

Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018 (STANDALONE)

(a) EQUITY SHARE CAPITAL

Balance as at 01st April 2016	Changes in Equity Share Capital During FY 2016-17	Balance as at 31st March 2017
4,39,00,000	Nil	4,39,00,000

Balance as at 01st April 2017	Changes in Equity Share Capital During FY 2017-18	Balance as at 31st March 2018
4,39,00,000	Nil	4,39,00,000

(b) OTHER EQUITY

(All amounts in INR)

Particulars	Share Application Money Pending for Allotment	Reserves & Surplus			Equity Instruments Through Other Comprehensive Income	Other items of other Comprehensive Income (Specify nature)	Total
		Securities Premium Reserve	Other Reserve (Specify Nature)	Retained Earnings			
Balance at the beginning of the reporting Period as at 01st April 2016.	0	0	0	81,19,075	0	0	81,19,075
Adjustments as per IND AS	0	0	0	(2,84,630)	0	0	(2,84,630)
Balance as per IND AS as on 01st April 2016.	0	0	0	78,34,445	0	0	78,34,445
Change in accounting Policy & Prior Period errors restated balance at the beginning of the reporting period.	0	0	0		0	0	0
Profit/Loss for the Year	0	0	0	27,51,414	0	0	27,51,414
Other Comprehensive Income for the Year	0	0	0	0	(1,25,02,614)	0	(1,25,02,614)
Dividends	0	0	0	(43,90,000)	0	0	(43,90,000)
Dividend Distribution Tax	0	0	0	(8,93,700)	0	0	(8,93,700)
Transfer to Reserves	0	0	0	0	0	0	0
Any Other Change (to be Specified)	0	0	0	(12,34,075)	0	0	(12,34,075)
Balance as at 31st March 2017	0	0	0	40,68,084	(1,25,02,614)	0	(83,34,530)
Profit/Loss for the Year	0	0	0	29,16,952	0	0	29,16,952
Other Comprehensive Income for the Year	0	0	0	0	(10,11,505)	0	(10,11,505)
Dividends	0	0	0	(15,19,950)	0	0	(15,19,950)
Dividend Distribution Tax	0	0	0	(3,09,425)	0	0	(3,09,425)
Any Other Change (to be Specified)	0	0	0		0	0	0
Balance as at 31st March 2018	0	0	0	51,55,661	(1,35,14,119)	0	(83,58,458)

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Place: Mumbai
Dated: 30.05.2018

Cash Flow Statement

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018			
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2018		FOR THE YEAR ENDED 31ST MARCH, 2017
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax as per Profit & Loss A/c		35,82,675	34,18,050
Adjustments for Non-cash Items			
Depreciation on Fixed Assets	1,25,887		1,22,337
Exchange Rate Fluctuation Gain/(loss)	(14,204)		0
Assets Written Off	0		19,746
Investments Written Off	0		1,08,530
Share Issue Expenses Written off	4,30,582		4,30,582
Preliminary Expenses Written off	1,01,228		1,01,228
		6,43,493	7,82,423
		42,26,168	42,00,473
Adjustments for Non-Operating Items			
Interest Income	(15,95,125)		(20,02,730)
Dividend Received	0		(5,625)
Profit on Sale of Investments	0		(2,75,295)
Interest on Dividend Distribution Tax	62,559		0
		(15,32,566)	(22,83,650)
Operating Profit before Working Capital Changes		26,93,602	19,16,823
Adjusted for Change in Working Capital:			
Inventories	3,24,76,740		(3,29,16,317)
Trade Receivable	(3,55,95,906)		(8,20,54,125)
Other Current Assets	(68,00,000)		(1,50,000)
Other Non-Current Assets	0		69,000
Trade Payable	94,53,720		10,85,68,263
Provisions	(14,75,303)		20,15,041
Other Current Liability	6,69,944		6,51,589
Current Tax Liability	71,55,876	58,85,072	19,88,205
			(18,28,344)
Cash Generated from Operations		85,78,674	88,479
Taxes Paid		(4,89,225)	(11,77,688)
Net Cash Flow from Operations (A)		80,89,449	(10,89,209)
CASH FLOW FROM INVESTING ACTIVITIES			
Cash Inflow			
FD Matured	0		0
Dividend Income	0		5,625
Interest Income	15,95,125		20,02,730
Loans Repaid by Parties	1,30,30,476		1,42,56,302
Profit on Sale of Investments	0		2,75,295
Sale of Investments	21,59,451	1,67,85,052	72,87,131
			2,38,27,083
Cash Outflow			
Purchase of Other Intangible Assets	69,000		0
Purchase of Investments	0		40,25,486
Investment in Subsidiary	8,86,226		87,200
Loans Given	2,24,81,849	(2,34,37,075)	1,58,42,695
			(1,99,55,382)
Net Cash Flow from Investing Activities (B)		(66,52,023)	38,71,702
CASH FLOW FROM FINANCING ACTIVITIES			
Cash Outflow			
Dividend Distributed	15,19,950		43,90,000
Dividend Distribution Tax	3,09,425		8,93,700
Interest on Dividend Distribution Tax	62,559		0
Borrowing Repaid	0	(18,91,934)	2,875
			(52,86,575)
Net Cash Flow from Financing Activities (C)		(18,91,934)	(52,86,575)

Continued

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2018	FOR THE YEAR ENDED 31ST MARCH, 2017
CASH FLOW FROM ALL ACTIVITIES (A+B+C)	(4,54,509)	(25,04,082)
<u>Cash and Cash Equivalents at the Beginning</u>		
Cash in Hand	47,449	7,06,079
Balance in Bank	5,98,777	94,604
FD With Bank	0	23,49,626
	<u>1,91,718</u>	<u>31,50,309</u>
<u>Closing Balance as per accounts</u>		
Cash in Hand	41,569	47,449
Balance in Bank	<u>1,50,149</u>	<u>5,98,777</u>
	<u>1,91,718</u>	<u>6,46,226</u>

Notes:

- Statement of Cash Flows has been prepared under indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Previous Year Figures have been regrouped/reclassified wherever necessary.

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Place: Mumbai
Dated: 30.05.2018

Notes to Financial Statement

Note No.1: General Notes to Accounts on Standalone Financial Statements for the year ended on 31st March, 2018.

1 Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March, 2018.

1.1 Basis of Preparation

The company's Financial Statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS"), as notified under the Companies (Indian Accounting Standards) (Amendment) Rules 2016 issued by Ministry of Corporate Affairs in respect of sections 133 of Companies Act 2013. The financials for the year ended 31st March 2018 of the company are the first Financial statements prepared in compliance with Ind AS. The date of transition is 01st April 2016. The financial statements upto the year ended 31st March 2017, were prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules 2006 ("I-GAAP") and other relevant provisions of the Act. The figures for the year ended 31st March 2017, have now been restated as per Ind AS to provide comparability.

1.2 System of Accounting

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

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

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

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

1.3 Going Concern

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

1.4 Presentation of Financial Statements

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

* Amounts in the Financial Statements are presented in Indian Rupees (INR).

1.5 Use of Estimates

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

1.6 Prior Period Errors

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

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

Accordingly, the company has rectified the prior period error occurred in case of amortization of Intangible Assets (Cavincally Brand) by restating the carrying amount of intangible asset as on 01st April 2016 (earliest prior period presented) and charging the difference to equity. Accordingly deferred tax effect on such restatement of carrying amount has also been accounted for.

Effect of such changes in financial statements as on 01.04.2016 is as follows:-

(Amount in INR)			
Particulars	Reported value	Prior period error which is rectified	Rectified value c/f
<u>Intangible Assets</u> Cavincally Brand	10,00,000	(2,00,000)	8,00,000
Deferred Tax Liabilities due to restatement of Intangible Asset.	568	84,630	85,198

1.7 Employee Benefits

i. Short Term Employee Benefits

Employee Benefits such as Salaries, Wages, short term compensated absences, and expected cost of bonus, ex-gratia, and performance linked rewards falling due, wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

ii. Post-Employment Benefits

- a. The company does not have any policy to make any contribution to defined contribution plans as the company is not mandatorily required to do so.
- b. The Company has not made any defined benefit plans.

1.8 Financial Instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value then, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss for the year.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when any current legal enforceable right arises to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

i. Financial Assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

Recognition

- Other investments in debt instruments – at amortised cost, subject to following conditions:
 - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The management has exercised its option to measure fair value changes in Equity Instruments through Other Comprehensive Income, as such Investments have not been held by the company for the purpose of trade.

Recognition of Income on Financial Assets

For financial assets that are measured at Fair Value Through Other Comprehensive Income (herein after referred to as FVTOCI), income by way of interest, dividend and exchange difference (on debt instrument) is recognised in the statement of profit or loss for the period and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity.

De-recognition

A Financial Asset is primarily De-recognized when:-

- the right to receive cash flows from the asset has 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 (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.
- On de-recognition of a financial asset (Other than investments in Equity Instruments) in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in the statement of profit or loss for the period.
- Impairment of financial assets: The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

ii. Financial Liabilities

Initial Recognition

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (hereafter referred to as FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

Subsequent Measurement

Financial Liabilities are carried at amortized cost using the Effective Interest Rate Method (EIR). For trade and other payables maturing within one year from the reporting date, the carrying amounts, approximate fair value due to the short maturity of these instruments.

1.9 Foreign Currencies

- The functional currency and presentation currency of the company is Indian Rupee (INR).
- Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date.
- At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the statement of profit or loss in the period in which they arise

1.10 Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1.11 Taxes on Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity where the tax is also recognised in Other Comprehensive Income or in Equity.

▪ Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals.

▪ Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the reporting date.

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

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

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.12 Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Considering the nature and scope of business of the company, the Chief Operating Decision Maker could identify the following operating segments

- i. Computer System
- ii. Consumer Electronic goods.

However, as the reporting criteria are not met by Consumer Electronic Goods segment, the company has not prepared segment information as per Ind AS 108.

However, a report on company's reliance on Major customers is as follows:-

Sales Made to Major Customers	Total Sales during the year 2017-18	% of total sales made to major customers
Rs. 24,70,44,551	Rs. 34,88,73,426	70.81%

1.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when:

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

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

Contingent liability is disclosed in case of:

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

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.14 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. all other items for which the cash effects are investing or financing cash flows.

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

1.15 Earnings per Share

Basic and Diluted earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period.

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

1.16 First Time Adoption on Ind AS

The company has prepared opening Balance Sheet as per Ind AS as of April 1, 2016 (transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the company under Ind AS 101 are as follows:

- i. The company has adopted the carrying value determined in accordance with previous I-GAAP for all of its property plant & equipment and investment property as deemed cost of such assets at the transition date.
- ii. The estimates as at April 1, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP.

2 Accounting Transactions

2.1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to not less than Rs.1,02,00,000/- for the year or not less than Rs.8,50,000/- per month, if employed for part of the year.

2.2 Outstanding balances as at 31st March, 2018 of Current & Non-Current Assets & Liabilities including Trade Receivables, Trade Payables are subject to confirmation.

2.3 In the opinion of the Board of Directors; the Current and Non-current Assets, Loans & Advances are recorded approximately at the value as if realised in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and are not in excess of the amounts reasonably necessary.

2.4 All the Directors have drawn remuneration for the Accounting Year 2017-18 aggregating to Rs.33,82,584/-

2.5 Treatment of Preliminary Expenses & Share Issue Expenses (Assets)

Expenditure pertaining to increase in Authorised Share Capital of the company and for listing of company's shares in Stock Exchange, incurred in FY 13-14 and FY 2014—15 respectively, has been carried in the balance sheet (to the extent not written off), as the management of the company perceives that the benefit of such expenditure would accrue to the company gradually in subsequent years. Accordingly, the management of the company has decided that it will amortise such expenditure over a period of 5 years.

3 Previous year's figures have been regrouped / reclassified wherever necessary.

4 Standards Issued , but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

- i. Issue of Ind AS 115 - Revenue from Contracts with Customers, Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

- ii. Amendments to Existing Ind AS

The MCA has also carried out amendments of the following accounting standards which are more likely to have effect on reporting of transactions by the enterprise in the subsequent financial years:

- Ind AS-21 – Effect of Changes in foreign currency
- Ind AS-12 – Income Taxes
- Ind AS-112 – Disclosure of Interest in other Entities

Application of above standards is not expected to have any significant impact on the current year financial Statements of the Company.

NOTE NO. 2
PROPERTY, PLANT & EQUIPMENTS

(a) Method Of Valuation Of Property,Plant & Equipments.

Property,Plant & Equipments (hereinafter referred to as PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of such PPE can be measured reliably.PPE is stated at original cost net of tax/duty credits availed,if any,as reduced by accumulated depreciation and cumulative impairment.

Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

(b) Value of Property,Plant & Equipments :-

The value of Property,Plant & Equipments in the books of Panache Innovations Limited as on 31st March 2018 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Actual cost	Additions	Deductions	Cost as on	Upto	Additions	Deductions	As at	As at	As at
	01.04.17	(sales / W/off)	31.03.18	01.04.17	31.03.18	01.04.17	31.03.18	01.04.17	31.03.18	31.03.18
Furnitures & Fixtures :										
Furnitures & Fixtures	34,725	0	0	34,725	19,086	2,887	0	21,973	15,639	12,752
	34,725	0	0	34,725	19,086	2,887	0	21,973	15,639	12,752

The value of Property,Plant & Equipments in the books of Panache Innovations Limited as on 31st March 2017 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Actual cost	Additions	Deductions	Cost as on	Upto	Additions	Deductions	As at	As at	As at
	01.04.2016	(sales / W/off)	31.03.2017	01.04.2016	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017
Furnitures & Fixtures :										
Furnitures & Fixtures	34,725			34,725	16,199	2,887	0	19,086	18,526	15,639
Plant & Machinery :										
Office Equipments	85,000	0	85,000	0	62,486	19,450	81,936	0	22,514	0
Computers & Laptops	1,70,400	0	1,70,400	0	1,68,718	0	1,68,718	0	1,682	0
	2,90,125	0	2,55,400	34,725	2,47,403	22,337	2,50,654	19,086	42,722	15,639

(c) Depreciation

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of assets less their residual values over their useful lives specified in Schedule- II of the Companies Act,2013.In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis

The Useful Life of Assets adopted by the management from Schedule II of Companies Act,2013; for calculating Depreciation to be charged on different classes of Assets for the current year are as follows:-

Class of Asset	Useful Life Adopted
Furnitures & Fixtures	10
Office Equipments	5
Computers & Laptops	3

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for,on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the company reviews the carrying amounts of its Property,Plant & Equipments, 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.

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

Recoverable amount is determined in the case of :-

- an individual asset, at the higher of the net selling price and the value in use; and
- 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.

If the recoverable amount of a PPE (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 PPE (or cash generating unit) is reduced to its recoverable amount.

(e) Impact of transition to Ind AS

For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of Property,Plant & Equipments previously measured as per I-GAAP,as reduced by accumulated depreciation and cumulative impairment till the date of transition, 01st April 2016.

NOTE NO. 3
OTHER INTANGIBLE ASSETS

(a) Method of Valuation of Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, as reduced by accumulated amortisation and cumulative impairment.

(b) Value of Intangible Assets

The value of Intangible Assets in the books of Panache Innovations Limited as on 31st March 2018 is as follows :-

PARTICULARS	GROSS BLOCK			AMORTISATION (S.L.M)				NET BLOCK		
	Actual cost 01.04.17	Additions (sales / W/off)	Deductions 31.03.18	Cost as on 31.03.18	Upto 01.04.17	Additions	Deductions 31.03.18	As at 31.03.18	As at 01.04.17	As at 31.03.18
Intangible Assets										
Brand(Cavin Cally)	10,00,000	0	0	10,00,000	3,00,000	1,00,000	0	4,00,000	7,00,000	6,00,000
Software	0	69,000	0	69,000	0	23,000	0	23,000	0	46,000
	10,00,000	69,000	0	10,69,000	3,00,000	1,23,000	0	4,23,000	7,00,000	6,46,000

The value of Intangible Assets in the books of Panache Innovations Limited as on 31st March 2017 is as follows :-

PARTICULARS	GROSS BLOCK			AMORTISATION (S.L.M)				NET BLOCK		
	Actual cost 01.04.2016	Additions (sales / W/off)	Deductions 31.03.2017	Cost as on 31.03.2017	Upto 31.03.2016	Additions	Deductions 31.03.2017	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017
Intangible Assets										
Brand(Cavin Cally)	10,00,000	0	0	10,00,000	2,00,000	1,00,000	0	3,00,000	8,00,000	7,00,000
Software	10,00,000	0	0	10,00,000	2,00,000	1,00,000	0	3,00,000	8,00,000	7,00,000

(c) Amortisation

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

Based on Technical evaluation considering the business specific needs & the potency of assets to generate future cash flows, the useful life of different class of intangible assets have been determined by the management, which are as follows:-

Class of Asset	Useful Life Adopted
Brand(Cavin Cally)	10
Software	3

The method of amortisation and useful life are reviewed at the end of each Financial Year with the effect of any changes in the estimate being accounted for on a straight line basis.

(d) Impairment Losses

As at the end of each accounting year, the company reviews the carrying amounts of its 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.

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.

NOTE NO. 4
INVESTMENTS (NON CURRENT)

(a) Investment in Subsidiaries

Looking forward to the growth prospect, the company has incorporated Wholly owned subsidiaries in Hongkong and Dubai to expand the company's business and put its footprints in the global market in near future.

List of Subsidiaries

NAME	COUNTRY	INCORPORATION DATE	% HOLDING
Eddy and Andy International Limited	Hongkong	18th July 2016	100%
Panache Innovations DMCC	Dubai (U.A.E)	06th September 2017	100%

(b) Measurement of Investments

The management has exercised its option to measure fair value changes in Equity Instruments through Other Comprehensive Income, as such Investments have not been held by the company for the purpose of trade. Quoted Equity Instruments have been valued at their respective market quotations as on reporting date, in an active market where such instruments are traded.

Unquoted Equity Instruments have been measured at cost, as there is a wide range of possible fair values which can be considered and the management has considered cost of such investment to be the best estimate of Fair value.

Investment in Foreign Subsidiary, classified as Financial Assets for the purpose of Separate Financial Statements of the company has been measured at cost, since the equity instruments of subsidiary are not quoted in any market.

(c) Considering the above mentioned Measurement basis, the Value of Investments of the Entity for different reporting dates are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
<u>Investment in Equity Instruments</u>			
Quoted Equity Instruments	14,96,600	28,73,556	1,65,33,615
Unquoted Equity Instruments	87,84,000	1,05,78,000	1,27,70,230
Investment in Debentures	0	0	20,500
<u>Investment in Foreign Subsidiary</u>			
Eddy & Andy International Limited	87,200	87,200	0
Panache Innovations DMCC	8,86,226	0	0
	1,12,54,026	1,35,38,756	2,93,24,345

(e) Impact of IND AS

Investments which were being carried at cost by following the guidelines prescribed under AS-13 have been remeasured to their respective fair values for the year ended March 2017, as such investments represent Financial Assets as per Ind AS 109. Such remeasurement has not been done at the transition date (April 2016) considering the Exception given under Ind AS 101.

NOTE NO. 5
LOANS (NON CURRENT)

(a) Measurement

Financial Assets represented by Loans & advances given to parties under the terms, wherein such Loans & advances are repayable on demand to the company have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Loans & Advances	1,84,02,543	0	0
	1,84,02,543	0	0

NOTE NO. 6
OTHER NON-CURRENT ASSETS

(a) Measurement Basis

Non Current Assets being in the nature of deposits given to parties for indeterminate period, have been measured at actual amounts given/paid, as the management considers that the Fair Value of such deposits does not materially defer from the actual amounts given/paid.

Preliminary Expenses and Share Issue Expenses which will not be Written off either wholly or partially within a period of 12 months from the end of reporting date have been classified as Non-Current Assets.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
<u>Deposits</u>			
Demat Deposit	3,000	3,000	0
MVAT Deposit	25,000	25,000	25,000
Security Deposit	0	0	72,000
<u>Miscellaneous Expenses</u>			
Preliminary Expenses	0	1,01,226	2,02,454
Share Issue Expenses	0	3,48,092	7,78,674
	28,000	4,77,318	10,78,128

NOTE NO. 7
INVENTORIES

(a) Valuation Method

Inventories comprise of Computers & its peripherals and Consumer Electronic Goods etc. which have been measured at weighted average cost or Net Realisable Value whichever is lower as per Ind AS-2. Cost of Inventories consist of its purchase price and other costs including any duties or taxes (to the extent not recoverable) incurred in bringing them to their present location and condition.

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

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Closing Stock of Goods	13,14,984	3,37,91,724	8,75,407
	13,14,984	3,37,91,724	8,75,407

NOTE NO. 8
TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Secured, Considered good	0	0	0
Unsecured, Considered good	11,62,48,686	8,52,12,875	36,46,062
Doubtful	0	0	0
	11,62,48,686	8,52,12,875	36,46,062
Receivable from Related Parties (Refer Note No. 34)	70,18,544	24,58,448	0
	12,32,67,229	8,76,71,323	36,46,062

NOTE NO. 9
CASH AND CASH EQUIVALENTS

- (a) Investments in Fixed Deposits have been considered by the management to be short term in nature, made against letter of credit facility and buyers credit from the Bank and hence they are valued at cost plus accrued interest on it.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
<u>Cash & Cash Equivalents</u>			
Balance with Banks	1,50,149	5,98,777	94,604
Cash on Hand	41,569	47,449	7,06,079
Fixed Deposits With Bank	0	0	23,49,626
	1,91,718	6,46,226	31,50,309

NOTE NO. 10
LOANS (CURRENT)

- (a) Measurement
Short Term Loans, advances and other short term receivables with no stated interest rates have been measured at their carrying values as the effect on discounting on such Loans and Advances is considered to be immaterial.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Loans & Advances	49,96,997	1,36,83,163	1,41,19,576
Motor Car Advances	0	0	15,000
Advance Salary	0	2,50,800	1,99,130
MAT Credit Entitlement	0	0	12,19,145
TDS Receivable	0	45,679	82,920
	49,96,997	1,39,79,642	1,56,35,771

NOTE NO. 11
OTHER CURRENT ASSETS

- (a) Measurement
Preliminary Expenses and Share Issue Expenses which will be Written off either wholly or partially within a period of 12 months from the end of reporting date have been classified as Current Assets.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Preliminary Expenses	1,01,226	1,01,228	1,01,228
Share Issue Expenses	3,48,092	4,30,582	4,30,582
Advance to Sundry Creditors	69,55,200	1,55,200	5,200
	74,04,518	6,87,010	5,37,010

NOTE NO. 12
EQUITY SHARE CAPITAL

a. Capital Structure of the Company

PARTICULARS OF SHARE CAPITAL	AS AT 31ST MARCH 2018		AS AT 31ST MARCH 2017		AS AT 01ST APRIL 2016	
	No. Of Shares	Total Value	No. Of Shares	Total Value	No. Of Shares	Total Value
AUTHORISED						
Equity Shares of Rs.10/- each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP :						
Equity Shares of Rs.10/- each	43,90,000	4,39,00,000	43,90,000	4,39,00,000	43,90,000	4,39,00,000
	43,90,000	4,39,00,000	43,90,000	4,39,00,000	43,90,000	4,39,00,000
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP:						
	0	0	0	0	0	0
	0	0	0	0	0	0

b. Details of Shareholding as at different Reporting Dates

Shareholders holding more than 5% of Equity :

Sr. No	NAME OF SHAREHOLDER	NO. OF SHARES AS ON 31ST MARCH 2018	PERCENTAGE HOLDING (%)	NO. OF SHARES AS ON 31ST MARCH 2017	PERCENTAGE HOLDING (%)	NO. OF SHARES AS ON 01ST APRIL 2016	PERCENTAGE HOLDING (%)
A.	EQUITY SHARES						
1.	Amit Devchand Rambhia	4,25,100	9.68%	4,25,100	9.68%	3,00,100	6.84%
2.	Nikit Devchand Rambhia	4,25,000	9.68%	4,25,000	9.68%	3,00,000	6.83%
3.	Devchand Rambhia	5,00,000	11.39%	5,00,000	11.39%	4,60,000	10.48%
4.	Sparkle Securities Solutions Private Limited..	0	0.00%	0	0.00%	2,90,000	6.61%

c. Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Number of Shares at the beginning of the year	43,90,000	43,90,000	43,90,000
(+) Bonus shares issued	0	0	0
(-) Shares forfeited	0	0	0
Number of Shares at the end of the year	43,90,000	43,90,000	43,90,000

d. Voting Rights

The company has one class of equity shares having face value of Rs.10 per share. Each shareholder is eligible for one voting right.

NOTE NO. 13
OTHER EQUITY

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
<u>Balance of Reserves as per Statement of Changes in Equity</u>			
Retained Earnings	51,55,661	40,68,084	78,34,445
Securities Premium	0	0	0
Other Comprehensive Income	(1,35,14,119)	(1,25,02,614)	0
	(83,58,458)	(84,34,530)	78,34,445

NOTE NO. 14
DEFERRED TAX LIABILITIES(NET)

PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILITY RECOGNISED IN BALANCE SHEET
Balance as on 31.03.2016		568	0	
Adjustments As per IND AS		84,630	0	
Balance as on 01.04.2016		85,198	0	85,198
For the Year 2016-17				
On Carrying Values of Property Plant & Equipment	3,28,783	1,01,594	0	
(DTA)/DTL as on 31.03.2017		1,01,594	0	1,01,594
For the Year 2017-18				
Carrying Value of Property Plant & Equipment	2,73,910	84,638	0	
(DTA)/DTL as on 31.03.2018		84,638	0	84,638

NOTE NO. 15
BORROWINGS (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
<u>Secured</u> Bank Overdraft	0	0	2,875
	0	0	2,875

NOTE NO. 16
TRADE PAYABLES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Trade payables	7,44,82,762	8,97,82,365	13,06,786
Trade Payables to Related Parties (Refer Note No. 34)	4,48,46,007	2,00,92,684	0
Due to Micro, Small and Medium Enterprises (On the basis of Information & records available with the management).	0	0	0
	11,93,28,769	10,98,75,049	13,06,786

(a) Disclosure

There are no overdue amounts to Micro Small and Medium Enterprises as at 31st March 2018 for which disclosure requirements under Micro Small and Medium Enterprises Development Act 2006, are applicable.

NOTE NO. 17
OTHER CURRENT LIABILITIES

(a) Measurement of Current Liabilities

Current Liabilities, being in the nature of Short term payables with no stated interest rates, have been measured at their Carrying Values as the effect of discounting on such Liabilities has been considered to be immaterial.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
TDS Payable	5,38,124	4,86,997	1,000
Employees Profession Tax Payable	1,000	1,775	0
Audit Fees Payable	90,000	0	60,000
Filing Fees Payable	0	0	4,630
Salaries Payable	2,61,843	7,24,373	5,09,870
Office Rent Payable	35,000	87,500	0
Advance from Debtors	1,26,080	0	0
Panache Innovations DMCC	8,86,226	0	0
Others	32,317	0	73,556
	19,70,590	13,00,645	6,49,056

NOTE NO. 18
PROVISIONS

PARICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Director's Remuneration Payable	4,93,638	19,83,591	0
Dividend Payable (Unclaimed)	46,101	31,450	0
	5,39,739	20,15,041	0

NOTE NO. 19
CURRENT TAX LIABILITIES(NET)

PARICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Direct Taxes	7,98,014	6,50,240	12,00,000
Indirect Taxes	92,55,475	20,99,599	1,11,394
	1,00,53,489	27,49,839	13,11,394

NOTE NO. 20
REVENUE FROM OPERATIONS

(a) Recognition of Revenue

Revenue is recognized based on the nature of activity when consideration can be measured and recovered with reasonable certainty. Revenue is measured at fair value of consideration received or receivable and is reduced for discounts, rebates and other similar allowances.

Goods & Services tax (GST) has been implemented with effect from 1st July ,2017 which replaces other input taxes. According to the requirements of Ind AS, revenue for the year ended 31st March, 2017 are reported inclusive of taxes like VAT, CST and Service Tax. As per Ind AS, the revenue for the year ended 31st March,2018 are reported net of GST and other aforementioned taxes. In view of aforesaid restructuring of indirect taxes, Revenue from sale of products & services for the year ended 31st March, 2018 are not comparable with the previous period.

PARICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Net Sales (Domestic)	34,70,88,426	10,99,95,316
Service Charges	17,85,000	0
	34,88,73,426	10,99,95,316

(b) Revenue from Sales

Net Sales Include Revenue from sale of Computers & its peripherals and Consumer Electronic Goods, etc. Revenue from sale of such traded goods is recognized when the goods are delivered and titles have been passed, provided all the following conditions are satisfied.

- Significant risks and rewards of ownership of the goods are transferred to buyer;
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(c) Revenue from Rendering of Services

Service Charges includes revenue from repairing and servicing of electronic goods, provided by in-house servicing staffs of the company. Revenue from such services are recognised on completed service contract method as such services are completed within a time span of hours, for which, adoption of stage of completion method shall prove to be inappropriate. Moreover such revenues are recognised only when the following conditions are satisfied :-

- The amount can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the entity.
- The costs incurred in respect of the transaction can be measured reliably.

NOTE NO. 21
OTHER INCOME

PARICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Discount Received (Net)	0	1,027
Dividend Received	0	5,625
Interest Income	15,95,125	20,02,730
	15,95,125	20,09,382

Measurement of Other Incomes

- Dividend Income is accounted for, in the period in which the right to receive the same is established.
- Interest Income is accrued on a time basis by reference to the principal amount outstanding and the effective interest rate.

NOTE NO. 22
COST OF GOODS PURCHASED

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Net Purchase	30,14,22,145	13,28,69,642
Freight charges	700	0
	30,14,22,845	13,28,69,642

NOTE NO. 23
CHANGES IN INVENTORIES OF WORK-IN-PROGRESS, STOCK-IN-TRADE AND FINISHED GOODS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Opening Stock / Inventories	3,37,91,724	8,75,407
<u>Less:</u> Closing Stock / Inventories	13,14,984	3,37,91,724
	3,24,76,740	(3,29,16,317)

NOTE NO. 24
EMPLOYEE BENEFIT EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Director's Remuneration	33,82,584	25,29,705
Salary & Bonus to Employees	43,79,941	24,94,846
Incentives to Staff	1,05,000	0
Staff Welfare Expenses	646	1,915
	78,68,171	50,26,466

NOTE NO. 25
FINANCE COSTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Bank Charges	10,487	14,710
Interest on Bank Overdraft	0	18
	10,487	14,728

NOTE NO. 26
DEPRECIATION AND AMORTISATION EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Depreciation on Property, Plant & Equipment	2,887	22,337
Amortisation of Intangible Assets	1,23,000	1,00,000
	1,25,887	1,22,337

NOTE NO. 27
OTHER EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Advertisement Expenses	98,742	86,688
Commission Expenses	2,74,112	0
Conveyance	32,197	19,254
CST Paid	0	33,433
Custodial Fees	17,250	17,175
Donation	0	3,00,000
Demat & Registration Charges	1,509	7,778
Electricity Charges	0	16,850
Filing & Uploading Fees	66,100	65,362
Interest on TDS	34,424	1,591
Listing Fees	2,87,500	2,96,805
Miscellaneous Exepenses	1,36,194	1,056
Octroi Charges	0	2,949
Office Rent	11,50,000	4,40,600
Payment to Auditors	1,84,000	1,15,000
Penalty paid to Court	3,500	0
Professional Fees	8,91,410	2,06,358
Profession Tax	2,500	2,500
(Profit)/Loss on Exchange rate fluctuation	(14,204)	0
Preliminary Expenses Written off	1,01,228	1,01,228
Printing & Stationery	24,285	13,492
Postage & Stamp	37,212	34,305
Royalty Expenses	50,000	0
Sales Promotion & Advt Expenses	74,285	5,000
Service Tax Paid	0	41,735
Share Issue Expenses Written off	4,30,582	4,30,582
Stamp duty and Registration Charges	34,310	0
Sundry Expenses	51,109	15,470
Telephone & Mobile Charges	0	11,835
Trainee Expenses	1,55,861	0
Transportation Charges	5,83,332	0
Travelling Expenses	1,35,879	12,101
Value Added Tax Paid	0	11,72,466
Warehousing Expenses	0	13,785
Website Development Charges	4,500	15,000
	48,47,817	34,80,398

NOTE NO. 27.1

DETAILS OF PAYMENTS TO AUDITORS

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Payment to Auditors</u>		
Statutory Audit	75,000	86,250
Tax Audit	25,000	28,750
Internal Audit	84,000	0
Total Payments Made to Auditors	1,84,000	1,15,000

NOTE NO. 28
EXCEPTIONAL ITEMS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Assets Written Off	0	(19,746)
Profit/(Loss) On Sale of Investment	0	2,75,295
Investments Written Off	0	(1,08,530)
Interest on Income Tax paid	(71,371)	(1,36,410)
Interest on Dividend Distribution Tax	(62,559)	0
	(1,33,930)	10,609

NOTE NO. 29
INCOME TAX EXPENSE

A. Disclosure Pursuant to Ind AS 12

(a) Major Components of Income Tax

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act, 1961	6,82,680	6,50,240
	Adjustments in respect of income tax of previous years.	0	0
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	(16,956)	16,396
	Tax Expense Reported in statement of Profit or Loss [(i) + (ii)]	6,65,724	6,66,636
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) Income Tax	0	0
	(ii) Deferred Tax	0	0
	Tax Expense Reported in Other Comprehensive Income [(i) + (ii)]	0	0

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Profit Before Tax (A)	35,82,675	34,18,050
Corporate Tax Rate as per Income Tax Act, 1961 (B)	25.75%	30.90%
Tax on Accounting Profit [(A) * (B)]	9,22,539	10,56,177
<u>Adjustments as per Income Tax</u>		
<u>Less: Tax savings on Incomes Exempt From Tax</u>		
Dividend	0	(1,738)
<u>Less: Tax savings on Items Taxable at Lower Rate</u>		
Short Term Capital Gain Taxable @ 15%	0	(30,680)
Long Term Capital Gain on Unlisted Securities Taxable @ 20%	0	(15,996)
<u>Add: Tax on Expenses not Deductible as per Income Tax Act, 1961</u>	76,668	2,17,211
<u>Less: Tax on Expenses allowable not Debited to Books</u>	(34,913)	(40,167)
<u>Less: Other Deductions</u>	0	(46,350)
Tax payable by company after adjustments as per Income Tax Act, 1961	9,64,295	11,38,459
<u>Less: MAT Credit Set Off under section 115JAA</u>	(2,81,615)	(4,88,220)
Net Income Tax Payable by the company (C)	6,82,680	6,50,240
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets	(16,956)	16,396
Incremental Deferred Tax Liability/(Asset) due to Other Items	0	0
Net Deferred Tax Expense/(Benefit) (D)	(16,956)	16,396
Total Tax Expense Recognised for the Year (E) = [(C)+(D)]	6,65,724	6,66,636
Effective Tax Rate on Standalone Results of the Company [(E)/(A) * 100]	18.58	19.50

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Basic Tax Rate Applicable to the Company as per Income Tax Act	25%	30%
Surcharge Applicable	0%	0%
Education Cess	3%	3%
Corporate Tax Rate as per Income Tax Act,1961	<u>25.75%</u>	<u>30.90%</u>

NOTE NO. 30
OTHER COMPREHENSIVE INCOME

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Items that will not be reclassified to Profit & Loss A/c</u>		
Fair Value Changes on Equity Instruments designated through OCI	(10,08,000)	(1,25,02,614)
Profit/(Loss) On Sale of Equity Instruments	(3,505)	0
	<u>(10,11,505)</u>	<u>(1,25,02,614)</u>

NOTE NO. 31
EARNINGS PER SHARE

The Basic and Diluted Earnings Per Share (EPS) computed as per the requirements under Ind AS 33 on 'Earnings Per Share' issued by Institute of Chartered Accountants of India are as under :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Calculation of Basic EPS</u>		
A. Profit From Continuing Operations (Numerator)	29,16,952	27,51,414
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	43,90,000	43,90,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	43,90,000	43,90,000
Basic Earnings Per Share(EPS) [(A) / (B)]	0.66	0.63
<u>Calculation of Diluted EPS</u>		
A. Profit From Continuing Operations (Numerator)	29,16,952	27,51,414
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	43,90,000	43,90,000
b. Potential Equity shares	0	0
Total Equity Shares for Calculation of Diluted EPS (Denominator)	43,90,000	43,90,000
Diluted Earnings Per Share(EPS) [(A) / (B)]	0.66	0.63

NOTE NO. 32
DISCLOSURE OF CURRENT ASSETS & LIABILITIES

A. Basis of classification of Current Assets

The company classifies an asset as current asset when :-

- (i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) it holds the asset primarily for the purpose of trading;
- (iii) it expects to realise the asset within twelve months after the reporting period; or
- (iv) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as Non-Current

Recovery Period for Current Assets

Pursuant to requirements of Ind AS-1, disclosures regarding current assets which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018			AS AT 31ST MARCH 2017			AS AT 01ST APRIL 2016		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Inventories	13,14,984	0	13,14,984	3,37,91,724	0	3,37,91,724	8,75,407	0	8,75,407
Trade Receivables	12,32,67,229	0	12,32,67,229	8,76,71,323	0	8,76,71,323	36,46,062	0	36,46,062
Loans-Current	49,96,997	0	49,96,997	1,39,79,642	0	1,39,79,642	1,56,35,771	0	1,56,35,771
Other Current Assets	74,04,518	0	74,04,518	6,87,010	0	6,87,010	5,37,010	0	5,37,010

B. Basis of classification of Current Liabilities

An entity shall classify a liability as current liability when :-

- (i) it expects to settle the liability in its normal operating cycle;
- (ii) it holds the liability primarily for the purpose of trading;
- (iii) the liability is due to be settled within twelve months after the reporting period; or
- (iv) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period .

All other Liabilities have been classified as Non-Current

b. Credit Period for Current Liabilities

Pursuant to requirements of Ind AS-1, disclosures regarding current Liabilities which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018			AS AT 31ST MARCH 2017			AS AT 01ST APRIL 2016		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Trade Payables	11,93,28,769	0	11,93,28,769	10,98,75,049	0	10,98,75,049	13,06,786	0	13,06,786
Other Current Liabilities	19,70,590	0	19,70,590	13,00,645	0	13,00,645	6,49,056	0	6,49,056
Provisions	5,39,739	0	5,39,739	20,15,041	0	20,15,041	0	0	0
Current Tax Liabilities	1,00,53,489	0	1,00,53,489	27,49,839	0	27,49,839	13,11,394	0	13,11,394

NOTE NO. 33
RISK MANAGEMENT

The company's Board of Directors has overall responsibility for establishment and oversight of the Company's risk management framework.

The Company, through three layers of defence viz: policies & procedures, review mechanism, and assurance, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee oversees the formulation and implementation of Risk Management Policies. The risk and mitigation plan are identified, deliberated and reviewed at appropriate Forums.

A. Market Risk Management

Market Risk is the risk that changes in market prices-such as foreign exchange rates-will affect the company's income or the value of Financial Instruments. The objective of Market Risk Management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

i. Foreign Exchange Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than the functional currency of the Group.

In General, the company is a net receiver of Foreign Currency. Accordingly, changes in exchange rates and in particular a strengthening of Indian rupee will negatively affect the Company's net results as expressed in Indian Rupees. The currency towards which the company is exposed to risk is USD .

The Quantitative Summary about the company's exposure to currency risk as on different reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018			
	USD	Equivalent in INR	Other Currency	Equivalent in INR
Reimbursement Receivable from Subsidiary	16,511.20	10,73,956	0	0
Current Liabilities	13,625.00	8,86,226	0	0

Sensitivity Analysis

A reasonable possible strengthening/weakening of foreign currencies to which the company is exposed to, against all other currencies at 31st March would have affected the measurement of financial exposure denominated in a foreign currency and would have affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and ignores any impact on forecast sales and purchases.

Sensitivity to Movement in Foreign Currency	% Movement in Rupee (Assumed)	Profit or (Loss) Before Tax	
		Strengthening of Rupee	Weakening of Rupee
<u>As at 31st March 2018</u>			
US DOLLAR	1%	(1,877)	1,877

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is not exposed to any such kind of interest rate risk.

B. Financial Risk Management

i. Credit Risk

Credit Risk is the Risk of Financial Loss to the company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade Receivable and other financial assets

The company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The company's review includes external ratings (if they are available), financial statements, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry, trade history with the Company and existence of previous financial difficulties.

Expected Credit loss for trade receivable:

The Company, based on internal assessment which is driven by the historical experience/current facts available in relation to defaults and delays in collection thereof, the credit risk for trade receivable is considered low.

ii. Liquidity Risk

Liquidity Risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's Finance Department is responsible for managing the short term and long term liquidity requirements. Short term liquidity finance is reviewed daily by finance department. Long Term Liquidity position is reviewed on a regular basis by the board of directors and appropriate decisions are taken according to the situation.

Maturity Analysis

The remaining contractual maturities on non-derivative Financial Liabilities are as follows:-

As at 31st March 2018

Non-Derivative Financial Liabilities	Contractual Cash Flows		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Trade Payables	11,93,28,769	0	11,93,28,769

As at 31st March 2017

Non-Derivative Financial Liabilities	Contractual Cash Flows		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Trade Payables	10,98,75,049	0	10,98,75,049

As at 31st March 2016

Non-Derivative Financial Liabilities	Contractual Cash Flows		TOTAL
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	
Borrowings	2,875	0	2,875
Trade Payables	13,06,786	0	13,06,786

NOTE NO. 34
RELATED PARTY DISCLOSURES

a. List of Related Parties on whom control is established by the Company

NAME OF RELATED PARTY	RELATIONSHIP WITH THE COMPANY	Whether Transaction Entered During the Year
Eddy and Andy International Limited Panache Innovations DMCC	Subsidiary Subsidiary	No Yes

b. List of Transactions with Related Parties

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

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 17-18
Amit D Rambhia	Director	Remuneration	6,00,000
Jayachandran Sunderamoorthy	Director & CFO	Remuneration	27,82,584
Manan Trivedi	CFO	Remuneration	2,76,883
Vijay Patil	Company Secretary	Remuneration	80,992
Priyank Sangoi	Company Secretary	Remuneration	1,34,663
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Sales	57,89,678
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Purchases	9,14,354
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Services availed	69,000
Panache Digilife Limited	Company Having Common Director	Sales	5,36,95,096
Panache Digilife Limited	Company Having Common Director	Purchases	5,72,65,927
Panache Digilife Limited	Company Having Common Director	Rent Paid	12,30,000
Rambhia IPR Services LLP	LLP in Which Director is Designated Partner	Royalty Paid	50,000
Panache Innvoations DMCC	Subsidiary	Pre-incorporation Expenses Paid	10,73,956
Panache Innvoations DMCC	Subsidiary	Equity Contribution	8,86,226

The above mentioned transactions with related parties are carried out at arms length prices.

c. Amount Receivable / Payable from / to related parties as on reporting dates are as Follows:-

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017	AS AT 01ST APRIL 2016
Amounts Receivable from Related Parties			
Receivables For Sales & Services Provided			
Panache Digilife Limited	0	2,32,448	0
ICT Infratech Services Private Limited	70,18,544	22,26,000	0
	70,18,544	24,58,448	0
Loans & Advances Recoverable			
Recoverable from Subsidiary			
Panache Innovations DMCC	10,73,956	0	0
	10,73,956	0	0
Total Receivables from Related Parties	80,92,500	24,58,448	0
Amounts Payable to Related Parties			
Payables for Purchases & Services Availed			
Panache Digilife Limited	4,48,01,007	2,00,86,324	0
Rambhia IPR Services	45,000	0	0
ICT Infratech Services Private Limited	0	6,360	0
	4,48,46,007	2,00,92,684	0
Payables to KMP as Remuneration			
Amit Rambhia	3,69,200	10,09,450	0
Nikit Rambhia	0	7,46,000	0
Jayachandran Sunderamoorthy	1,24,438	2,28,141	0
Nitesh Savla	0	3,59,701	0
Vijay Patil	0	16,714	0
Priyank Sangoi	24,354	0	0
	5,17,992	23,60,006	0
Total Payables to Related Parties	4,53,63,999	2,24,52,690	0

NOTE NO. 35

FAIR VALUE MEASUREMENT HIERARCHY

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

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

PARTICULARS	AS AT	AS AT	AS AT
	31ST MARCH 2018	31ST MARCH 2017	01ST APRIL 2016
Financial Assets			
<u>Measured at Amortised Cost</u>			
Loans	2,33,99,540	1,39,79,642	1,56,35,771
Trade Receivables	12,32,67,229	8,76,71,323	36,46,062
Cash & Cash Equivalents	1,91,718	6,46,226	31,50,309
Total financial Assets Measured at Amortised Cost (I)	14,68,58,487	10,22,97,192	2,24,32,142
<u>Measured at Fair Value Through Other Comprehensive Income (FVTOCI):-</u>			
Investment in Equity Shares	1,12,54,026	1,35,38,756	2,93,24,345
Total of Financial Assets Measured at FVTOCI (II)	1,12,54,026	1,35,38,756	2,93,24,345
Total Value of Financial Assets [(I)+(II)]	15,81,12,513	11,58,35,948	5,17,56,487
Financial Liabilities			
<u>Measured at Amortised Cost</u>			
Borrowings	0	0	2,875
Trade Payables	11,93,28,769	10,98,75,049	13,06,786
Total of Financial Liabilities Measured at Amortised Cost	11,93,28,769	10,98,75,049	13,09,661
Total Value of Financial Liabilities	11,93,28,769	10,98,75,049	13,09,661

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

PARTICULARS	FOR THE YEAR	FOR THE YEAR
	ENDED	ENDED
	31ST MARCH 2018	31ST MARCH 2017
Net gains/(losses) on financial assets measured at amortised cost :-		
(i) Exchange Difference Gains/ Losses on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	(14,204)	0
(ii) Interest Income on Loans & Advances given	15,95,125	20,02,730
Total	15,80,921	20,02,730
Net gains/(losses) on financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) :-		
(i) Gains/(losses) on Fair Valuation of Equity Instruments	(10,08,000)	(1,25,02,614)
(ii) Gains/(losses) on sale of Equity Instruments	(3,505)	0
Total	(10,11,505)	(1,25,02,614)

B. Disclosure pursuant to Ind AS 113 "Fair Value Measurement"- Fair Value Hierarchy of Financial assets and Financial Liabilities :-

AS AT 31ST MARCH 2018	Carrying Value in Books	Level of Input Used for Fair Valuation		
		Level 1	Level 2	Level 3
Financial Assets				
Investments *	14,96,600	14,96,600	--	--

* Excludes group company Investments (Rs.9,73,426) and investments in private companies (Rs.87,84,000), which have been measured at cost.

AS AT 31ST MARCH 2017	Carrying Value in Books	Level of Input Used for Fair Valuation		
		Level 1	Level 2	Level 3
Financial Assets				
Investments *	28,73,556	28,73,556	--	--

* Excludes group company Investments (Rs.87,200) and investments in private companies (Rs.1,05,78,000) which have been measured at cost.

AS AT 01ST APRIL 2016	Carrying Value in Books	Level of Input Used for Fair Valuation		
		Level 1	Level 2	Level 3
Financial Assets				
Investments *	1,65,33,615	--	--	--

* Investments have not been remeasured as on 01st April 2016 pursuant to exemption given under Ind AS 101 and hence carried at the carrying values of such investment as per IGAAP as on 31.03.2016.

NOTE NO. 36
RECONCILIATION

A. Effect of Ind AS Adoption on Balance Sheet as at 01st April,2016.

(Amount in INR)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 01ST APRIL 2016		
			CARRYING VALUE AS PER IGAAP	ADJUSTMENTS AS PER IND AS	CARRYING VALUE AS PER IND AS
I.	ASSETS				
1	NON-CURRENT ASSETS				
	Property, Plant & Equipments	...	42,722	0	42,722
	Other Intangible Assets	...	10,00,000	(2,00,000)	8,00,000
	<u>Financial Assets</u>				
	(i) Investments	...	2,93,24,345	0	2,93,24,345
	Other Non-Current Assets	...	10,78,128	0	10,78,128
	TOTAL NON-CURRENT ASSETS		3,14,45,195	(2,00,000)	3,12,45,195
2	CURRENT ASSETS				
	Inventories	...	8,75,407	0	8,75,407
	<u>Financial Assets</u>				
	(ii) Trade Receivables	...	36,46,062	0	36,46,062
	(iii) Cash and Cash Equivalents	...	31,50,309	0	31,50,309
	(v) Loans	...	1,56,35,771	0	1,56,35,771
	Other Current Assets	...	5,37,010	0	5,37,010
	TOTAL CURRENT ASSETS		2,38,44,559	0	2,38,44,559
	TOTAL		5,52,89,754	(2,00,000)	5,50,89,754
II.	EQUITY AND LIABILITIES				
1	EQUITY				
	Equity Share Capital	...	4,39,00,000	0	4,39,00,000
	Other Equity	...	81,19,075	(2,84,630)	78,34,445
	TOTAL EQUITY (A)		5,20,19,075	(2,84,630)	5,17,34,445
2	LIABILITIES				
A	Non-Current Liabilities				
	Deferred Tax Liabilities(Net)	...	568	84,630	85,198
	TOTAL NON-CURRENT LIABILITIES (B)		568	84,630	85,198
B	Current Liabilities				
	<u>Financial Liabilities</u>				
	(i) Borrowings	...	2,875	0	2,875
	(ii) Trade Payables	...	13,06,786	0	13,06,786
	Other Current Liabilities	...	6,49,056	0	6,49,056
	Provisions	...	0	0	0
	Current Tax Liabilities(Net)	...	13,11,394	0	13,11,394
	TOTAL CURRENT LIABILITIES		32,70,111	0	32,70,111
	TOTAL		5,52,89,754	(2,00,000)	5,50,89,754

B. Statement of Reconciliation of Equity under Ind AS and equity reported under I-GAAP as at 01st April,2016.

(Amount in INR)

PARTICULARS	AMOUNT
Equity Reported under I-GAAP	5,20,19,075
Adjustments to Carrying Amount of Intangible Assets	(2,00,000)
Changes in Carrying value of Deferred Tax Liabilities	(84,630)
Equity Reported under Ind AS	5,17,34,445

NOTE : A

CHANGES IN PROPERTY, PLANT & EQUIPMENT

The company has rectified the prior period error occurred in case of amortization of Intangible Assets by restating the carrying amount of intangible asset as on 01st April 2016 (Earliest Prior Period Presented) by charging the difference to equity.

NOTE : B

CHANGES IN DEFERRED TAX ASSETS / LIABILITIES

Restatement of Carrying value of Intangible Assets has led to increase in Deferred tax Liability by Rs.84,630, which has now been accounted for.

NOTE : C

The Previously Reported I-GAAP Figures have been reclassified / regrouped to make them comparable with Ind AS Presentation.

C. Effect of Ind AS Adoption on Balance Sheet as at 31st March, 2017.

(Amount in INR)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2017		
			CARRYING VALUE AS PER IGAAP	ADJUSTMENTS AS PER IND AS	CARRYING VALUE AS PER IND AS
I.	ASSETS				
1	NON-CURRENT ASSETS				
	Property, Plant & Equipments	...	15,639	0	15,639
	Other Intangible Assets	...	9,00,000	(2,00,000)	7,00,000
	<u>Financial Assets</u>				
	(i) Investments	...	2,60,41,370	(1,25,02,614)	1,35,38,756
	Other Non-Current Assets	...	4,77,318	0	4,77,318
	TOTAL NON-CURRENT ASSETS		2,74,34,327	(1,27,02,614)	1,47,31,713
2	CURRENT ASSETS				
	Inventories	...	3,37,91,724	0	3,37,91,724
	<u>Financial Assets</u>				
	(ii) Trade Receivables	...	8,76,71,323	0	8,76,71,323
	(iii) Cash and Cash Equivalents	...	6,46,226	0	6,46,226
	(v) Loans	...	1,39,79,642	0	1,39,79,642
	Other Current Assets	...	6,87,010	0	6,87,010
	TOTAL CURRENT ASSETS		13,67,75,926	0	13,67,75,926
	TOTAL		16,42,10,253	(1,27,02,614)	15,15,07,639
II.	EQUITY AND LIABILITIES				
1	EQUITY				
	Equity Share Capital	...	4,39,00,000	0	4,39,00,000
	Other Equity	...	42,06,285	(1,26,40,815)	(84,34,530)
	TOTAL EQUITY (A)		4,81,06,285	(1,26,40,815)	3,54,65,470
2	LIABILITIES				
A	Non-Current Liabilities				
	Deferred Tax Liabilities(Net)	...	1,63,394	(61,800)	1,01,594
	TOTAL NON-CURRENT LIABILITIES (B)		1,63,394	(61,800)	1,01,594
B	Current Liabilities				
	<u>Financial Liabilities</u>				
	(ii) Trade Payables	...	10,98,75,049	0	10,98,75,049
	Other Current Liabilities	...	13,00,645	0	13,00,645
	Provisions	...	20,15,041	0	20,15,041
	Current Tax Liabilities(Net)	...	27,49,839	0	27,49,839
	TOTAL CURRENT LIABILITIES		11,59,40,574	0	11,59,40,574
	TOTAL		16,42,10,253	(1,27,02,614)	15,15,07,639

D. Effect of Ind AS Adoption on Statement of Profit/Loss as at 31st March,2017.

(Amount in INR)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2017		
			CARRYING VALUE AS PER IGAAP	ADJUSTMENTS AS PER IND AS	CARRYING VALUE AS PER IND AS
I. REVENUE					
	Revenue From Operations	...	10,99,95,315	0	10,99,95,315
	Other Income	...	20,09,382	0	20,09,382
	TOTAL INCOME		11,20,04,697	0	11,20,04,697
II. EXPENSES					
	Cost of Materials Purchased		13,28,69,642	0	13,28,69,642
	Changes in Inventories of Work-in-Progress, Stock-in-Trade, and Finished Goods		(3,29,16,317)	0	(3,29,16,317)
	Employee Benefit Expenses		50,26,466	0	50,26,466
	Finance Costs		14,728	0	14,728
	Depreciation and Amortisation Expenses		1,22,337	0	1,22,337
	Impairment of Goodwill and Other Non-Current Assets		34,80,398	0	34,80,398
	Other Expenses				
	TOTAL EXPENSES		10,85,97,255	0	10,85,97,256
III. Profit/(Loss) Before Exceptional items & Tax					
			34,07,442	0	34,07,441
	Exceptional Items		10,609	0	10,609
IV. Profit/(Loss) Before Tax From Continuing Operations					
			34,18,051	0	34,18,050
	<u>Income Tax Expense</u>				
	Current Tax		(6,50,240)	0	(6,50,240)
	Deferred Tax	C	(5,912)	(10,484)	(16,396)
A. PROFIT FROM CONTINUING OPERATIONS					
			27,61,899	(10,484)	27,51,414
B. OTHER COMPREHENSIVE INCOME					
I. Items that will not be reclassified to Profit or Loss A/c					
			0	(1,25,02,614)	(1,25,02,614)
	Income Tax Relating to items that will not be reclassified to Profit or Loss		0	0	0
II. Items that will be reclassified to Profit or Loss A/c					
			0	0	0
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c		0	0	0
B. OTHER COMPREHENSIVE INCOME FOR THE PERIOD					
			0	(1,25,02,614)	(1,25,02,614)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [A+B]					
			27,61,899	(1,25,13,098)	(97,51,200)

E. Statement of Reconciliation of Equity under Ind AS and equity reported under I-GAAP as at 31st March,2017.

(Amount in INR)

PARTICULARS	AMOUNT
Equity Reported under I-GAAP	4,81,06,285
Fair Value changes on investments accounted through Other Comprehensive Income	(1,25,02,614)
Others	(1,38,200)
Equity Reported under Ind AS	<u>3,54,65,471</u>

NOTE : A

CHANGES IN PROPERTY, PLANT & EQUIPMENT

The company has rectified the prior period error occurred in case of amortization of Intangible Assets by restating the carrying amount of intangible asset as on 01st April 2016 (Earliest Prior Period Presented) by charging the difference to equity. However, since cumulative effect of amortisation charge for the previous two years was not provided for, in the previously issued IGAAP financial Statements as on 31st March 2017, the same adjustment, made in April 2016 has effect on balance sheet as per Ind AS as on 31st March 2017 also.

NOTE : B

CHANGES IN CARRYING VALUE OF INVESTMENTS

All investments except investments in group companies and private equities have been fair valued in accordance with Ind AS 109. Investment in quoted equity instruments are fair valued through Other Comprehensive Income. Under I-GAAP the current investments were carried at cost net of diminution in their value as at the Balance Sheet date. The Long Term investments were carried at cost, net of permanent diminution, if any.

NOTE : C

CHANGES IN DEFERRED TAX ASSETS / LIABILITIES

Deferred Tax under Ind AS has been recognised for temporary differences between tax base and accounts base of the relevant assets and liabilities. Under I-GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

NOTE : D

The Previously Reported I-GAAP Figures have been reclassified / regrouped to make them comparable with Ind AS Presentation.

**As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]**

**CA JAYESH K. SALIA
Partner
(Mem No. 044039)**

**Place: Mumbai
Dated: 30.05.2018**

For and on behalf of Board of Directors, Panache Innovations Limited

**Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919**

**Place: Mumbai
Dated: 30.05.2018**

**Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021**

**Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896**

Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders of
Panache Innovations Limited,
(Formerly Known as Ruby Traders & Exporters Limited)
68, Jessore Road, Diamond City Complex,
Block 5, Suite No.1E,
Kolkata, West Bengal - 700055.

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial statements of Panache Innovations Limited ('hereinafter referred to as the Holding Company')(Formerly Known as Ruby Traders & Exporters Limited) and its subsidiaries 'Eddy & Andy International Limited' and 'Panache Innovations DMCC', which comprise the Consolidated Balance Sheet as at 31st March, 2018 and the Consolidated Statement of Profit and Loss (Including other Comprehensive Income), The Consolidated Cash Flow Statement and the consolidated statement of change in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind-AS Financial Statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters specified in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position and the consolidated financial performance of the Company in accordance with the Indian Accounting Standards (IND AS) specified under section 133 of the Act, read with rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting & auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder and the Order issued under sec 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Financial Statements to give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in other matter paragraph below, is sufficient to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on Financial Statements of the subsidiaries referred to in the other matters paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year end on that date.

Other Matters Paragraph

The Financial Statements of the wholly owned subsidiaries 'Eddy & Andy International Limited', incorporated in Hong Kong on 18th July 2016 and 'Panache Innovations DMCC' incorporated in Dubai on 06th September 2017, has been audited by C. K. Liu & Company (Certified Public Accountants, Hong Kong) and by M/s. Score Plus Auditing respectively, for the period ended on 31st March 2018. We have relied upon the report given by the aforesaid auditor for the purpose of consolidation of Financial Statements. The salient features of the subsidiaries Financial Statements are as Follows;

Sr.No.	Particulars	Amount in INR
1.	Net Assets	Rs. 49,67,769
2.	Total Revenue	Rs.5,19,70,972
3.	Net Income	Rs. 34,15,597

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of accounts as required by law relating to the preparation and presentation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of relevant books & records, returns and the report of the other auditor.
- c. The Consolidated Balance Sheet, and the Consolidated Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on 31st March 2017, taken on record by the Board of Directors of the Holding Company and based on the report of the Statutory auditor of its Subsidiaries, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in 'Annexure-A', which is based on auditor report of the Holding and its Foreign subsidiaries.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - (i) The Holding Company has disclosed that there are no pending litigations which would impact its consolidated financial position.

- (ii) The Holding Company did not have any long term contracts for which there were any material foreseeable losses;
- (iii) The Holding Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

***For Jain Salia & Associates
Chartered Accountants
[ICAI FRNo: 116291W]***

***Place: Mumbai
Dated: 30.05.2018***

***Partner
(CA Jayesh K. Salia)
(Membership No. 044039)***

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

We have audited the internal financial controls over financial reporting of Panache Innovations Limited ("hereinafter referred to as the Parent") (Formerly known as Ruby Traders & Exporters Limited) as of 31st March 2018 in conjunction with our audit of the Consolidated Ind-AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Parent company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated 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 Parent company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Parent company's assets that could have a material effect on the consolidated Ind-AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter Paragraph

Our report on the Operating Effectiveness of Internal Financial Control's of the Group is limited only to the extent of Parent Company's controls, as the subsidiaries included in the group are Foreign Subsidiary for whom, such requirements are not applicable as per the relevant statutes of those countries.

***For Jain Salia & Associates
Chartered Accountants
[ICAI FRNo: 116291W]***

***Place: Mumbai
Dated: 30.05.2018***

***Partner
(CA Jayesh K. Salia)
(Membership No. 044039)***

Balance Sheet

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018				
(All amounts in INR)				
Sr. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
I. ASSETS				
1	NON-CURRENT ASSETS			
(a)	Property, Plant & Equipments ...	2	12,752	15,639
(b)	Capital Work-In-Progress ...		0	0
(c)	Investment Properties ...		0	0
(d)	Goodwill ...		0	0
(e)	Other Intangible Assets ...	3	6,46,000	7,00,000
(f)	Intangible Assets Under Development ...		0	0
(g)	Biological Assets Other than Bearer Plants ...		0	0
(h)	Investments Accounted for Using the equity method ...		0	0
(i)	<u>Financial Assets</u>			
(i)	Investments ...	4	1,02,80,600	1,34,51,556
(ii)	Loans ...	5	1,84,02,543	0
(iii)	Other Financial Assets ...		0	0
(j)	Deferred Tax Assets (Net) ...		0	0
(k)	Other Non-Current Assets ...	6	45,723	4,77,318
2	CURRENT ASSETS			
(a)	Inventories ...	7	13,14,984	3,37,91,724
(b)	<u>Financial Assets</u>			
(i)	Investments ...		0	0
(ii)	Trade Receivables ...	8	12,82,35,298	8,79,31,602
(iii)	Cash and Cash Equivalents ...	9	6,21,621	8,90,746
(iv)	Bank Balances other than (iii) above ...		0	0
(v)	Loans ...	10	39,23,041	1,39,79,642
(vi)	Other Financial Assets ...		0	0
(c)	Other Current Assets ...	11	77,00,511	6,87,010
TOTAL ASSETS			17,11,83,072	15,19,25,238
II. EQUITY AND LIABILITIES				
1	EQUITY			
(a)	Equity Share Capital ...	12	4,39,00,000	4,39,00,000
(b)	Other Equity ...	13	(45,59,124)	(80,63,786)
2	LIABILITIES			
A	Non-Current Liabilities			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...		0	0
(ii)	Trade Payables ...		0	0
(iii)	Other Financial Liabilities ...		0	0
(b)	Provisions ...		0	0
(c)	Deferred Tax Liabilities(Net) ...	14	91,917	98,312
(d)	Other Non-Current Liabilities ...		0	0
B	Current Liabilities			
(a)	<u>Financial Liabilities</u>			
(i)	Borrowings ...		0	0
(ii)	Trade Payables ...	15	11,93,83,219	10,99,25,187
(iii)	Other Financial Liabilities ...		0	0
(b)	Other Current Liabilities ...	16	17,73,831	13,00,645
(c)	Provisions ...	17	5,39,739	20,15,041
(d)	Current Tax Liabilities(Net) ...	18	1,00,53,489	27,49,839
TOTAL EQUITY & LIABILITIES			17,11,83,072	15,19,25,238

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Place: Mumbai
Dated: 30.05.2018

Statement of Profit & Loss

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018				
(All amounts in INR)				
Sr. No.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
A.	CONTINUING OPERATIONS			
I.	REVENUE			
	Revenue From Operations ...	19	40,08,44,399	11,20,63,172
	Other Income ...	20	15,95,426	20,09,614
	Other Gains / (Losses) - Net ...		0	0
	TOTAL INCOME		40,24,39,825	11,40,72,786
II.	EXPENSES			
	Cost of Goods Purchased ...	21	34,82,24,180	13,43,93,801
	Changes in Inventories of Work-in-Progress, Stock-in-Trade and Finished Goods ...	22	3,24,76,740	(3,29,16,317)
	Employee Benefit Expenses ...	23	78,68,171	50,26,466
	Finance Costs ...	24	10,487	14,728
	Depreciation and Amortisation Expenses ...	25	1,25,887	1,22,337
	Impairment of Goodwill and Other Non-Current Assets ...		0	0
	Other Expenses ...	26	66,64,718	36,46,245
	TOTAL EXPENSES		39,53,70,182	11,02,87,261
III.	Profit/(Loss) Before Exceptional items & Tax ...		70,69,643	37,85,525
	Exceptional Items ...	27	(71,371)	10,608
IV.	Profit/(Loss) Before Tax From Continuing Operations ...		69,98,272	37,96,133
	<u>Income Tax Expense</u>			
	Current Tax ...	28	6,82,680	6,50,240
	Deferred Tax ...		(13,673)	16,396
A.	PROFIT FROM CONTINUING OPERATIONS		63,29,265	31,29,498
B.	OTHER COMPREHENSIVE INCOME			
I.	Items that will not be reclassified to Profit or Loss A/c ...	29	(10,11,505)	(1,25,02,614)
	Income Tax Relating to items that will not be reclassified to Profit or Loss A/c ...			0
II.	Items that will be reclassified to Profit or Loss A/c ...		23,556	(10,622)
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c ...		(7,279)	3,282
B.	OTHER COMPREHENSIVE INCOME FOR THE PERIOD		(9,95,228)	(1,25,09,954)
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [A+B]		53,34,037	(93,80,456)
	<u>EARNINGS PER SHARE</u>			
	Basic EPS ...	30	1.44	0.71
	Diluted EPS ...	30	1.44	0.71

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Place: Mumbai
Dated: 30.05.2018

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018 (CONSOLIDATED)

(a) EQUITY SHARE CAPITAL

(All amounts in INR)

Balance as at 01st April 2016	Changes in Equity Share Capital During FY 2016-17	Balance as at 31st March 2017
4,39,00,000	Nil	4,39,00,000

Balance as at 01st April 2017	Changes in Equity Share Capital During FY 2017-18	Balance as at 31st March 2018
4,39,00,000	Nil	4,39,00,000

(b) OTHER EQUITY

(All amounts in INR)

Particulars	Share Application Money Pending for Allotment	Reserves & Surplus			Equity Instruments Through Other Comprehensive Income	Other items of other Comprehensive Income (Specify nature)	Total
		Securities Premium Reserve	Other Reserve (Specify Nature)	Retained Earnings			
Balance at the beginning of the reporting Period as at 01st April 2016.	0	0	0	81,19,075	0	0	81,19,075
Adjustments as per IND AS	0	0	0	(2,84,630)	0	0	(2,84,630)
Balance as per IND AS as on 01st April 2016.	0	0	0	78,34,445	0	0	78,34,445
Change in accounting Policy & Prior Period errors restated balance at the beginning of the reporting period.	0	0	0		0	0	0
Profit/Loss for the Year	0	0	0	31,29,498	0	0	31,29,498
Other Comprehensive Income for the Year	0	0	0	0	(1,25,02,614)	(7,340)	(1,25,09,954)
Dividends	0	0	0	(43,90,000)	0	0	(43,90,000)
Dividend Distribution Tax	0	0	0	(8,93,700)	0	0	(8,93,700)
Transfer to Reserves	0	0	0	0	0	0	0
Any Other Change (to be Specified)	0	0	0	(12,34,075)	0	0	(12,34,075)
Balance as at 31st March 2017	0	0	0	44,46,168	(1,25,02,614)	(7,340)	(80,63,786)
Profit/Loss for the Year	0	0	0	63,29,265	0	0	63,29,265
Other Comprehensive Income for the Year	0	0	0	0	(10,11,505)	16,277	(9,95,228)
Dividends	0	0	0	(15,19,950)	0	0	(15,19,950)
Dividend Distribution Tax	0	0	0	(3,09,425)	0	0	(3,09,425)
Any Other Change (to be Specified)	0	0	0		0	0	0
Balance as at 31st March 2018	0	0	0	89,46,058	(1,35,14,119)	8,937	(45,59,124)

As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]

CA JAYESH K. SALIA
Partner
(Mem No. 044039)

Place: Mumbai
Dated: 30.05.2018

For and on behalf of Board of Directors, Panache Innovations Limited

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Place: Mumbai
Dated: 30.05.2018

Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021

Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896

Cash Flow Statement

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018	
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2018
CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit Before Tax as per Profit & Loss A/c	69,98,272
Adjustments for Non-cash Items	
Depreciation on Fixed Assets	1,25,887
Assets Written Off	0
Investments Written Off	0
Share Issue Expenses Written off	4,30,582
Preliminary Expenses Written off	4,80,922
	10,37,391
	80,35,663
Adjustments for Non-Operating Items	
Interest Income	(15,95,426)
Dividend Received	0
Profit on Sale of Investments	0
Interest on Dividend Distribution Tax	62,559
	(15,32,867)
Operating Profit before Working Capital Changes	65,02,796
Adjusted for Change in Working Capital:	
Inventories	3,24,76,740
Trade Receivable	(4,03,03,695)
Other Current Assets	(70,95,993)
Other Non-Current Assets	(17,723)
Trade Payable	94,58,032
Provisions	(14,75,303)
Other Current Liability	4,73,186
Current Tax Liability	71,55,876
	6,71,120
Cash Generated from Operations	71,73,916
Taxes Paid	(4,89,226)
Net Cash Flow from Operations (A)	66,84,690
CASH FLOW FROM INVESTING ACTIVITIES	
Cash Inflow	
Dividend Income	0
Interest Income	15,95,426
Loans Repaid by Parties	1,30,30,476
Foreign Currency Translation Reserve	23,556
Profit on Sale of Investments	0
Sale of Investments	21,59,451
	1,68,08,909
Cash Outflow	
Purchase of Other Intangible Assets	69,000
Purchase of Investments	0
Incorporation expenses of Subsidiary	3,79,694
Loans Given	2,14,22,097
	(2,18,70,791)
Net Cash Flow from Investing Activities (B)	(50,61,882)
CASH FLOW FROM FINANCING ACTIVITIES	
Cash Outflow	
Dividend Distributed	15,19,950
Dividend Distribution Tax	3,09,425
Interest on Dividend Distribuion Tax	62,559
Borrowing Repaid	0
	(18,91,934)
Net Cash Flow from Financing Activities (C)	(18,91,934)

Continued...

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018	
PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2018
CASH FLOW FROM ALL ACTIVITIES (A+B+C)	(2,69,126)
<u>Cash and Cash Equivalents at the Beginning</u>	
Cash in Hand	47,449
Balance in Bank	8,43,297
	8,90,746
	6,21,621
<u>Closing Balance as per accounts</u>	
Cash in Hand	4,46,102
Balance in Bank	1,75,518
	6,21,621

Notes:

Statement of Cash Flows has been prepared under indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

Previous Year Figures have been regrouped/reclassified wherever necessary.

Since the subsidiaries of the Group were incorporated in FY 2016-17, it is not possible for the Group to present consolidated Cash Flow Statement for FY 2016-17.

**As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]**

**CA JAYESH K. SALIA
Partner
(Mem No. 044039)**

**Place: Mumbai
Dated: 30.05.2018**

For and on behalf of Board of Directors, Panache Innovations Limited

**Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919**

**Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021**

**Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896**

**Place: Mumbai
Dated: 30.05.2018**

Notes to Financial Statement

Note No.1: General Notes to Accounts on Consolidated Financial Statements for the year ended on 31st March, 2018.

- 1 Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March, 2018.
 - 1.1 Basis of Preparation
The Group's Financial Statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS"), as notified under the Companies (Indian Accounting Standards) (Amendment) Rules 2016 issued by Ministry of Corporate Affairs in respect of sections 133 of Companies Act 2013. The financials for the year ended 31st March 2018 of the Group are the first Financial statements prepared in compliance with Ind AS. The date of transition is 01st April 2016. The financial statements upto the year ended 31st March 2017, were prepared in accordance with the Accounting Standards notified under the Companies (Accounting Standards) Rules 2006 ("I-GAAP") and other relevant provisions of the Act. The figures for the year ended 31st March 2017, have now been restated as per Ind AS to provide comparability.
 - 1.2 System of Accounting
 - 1.2.1 The Group follows Mercantile System of Accounting and recognizes Income & Expenditure on an accrual basis.
 - 1.2.2 Accounts of the Group are prepared under the Historical Cost convention method, except for certain financial instruments that are measured at fair value in accordance with Ind AS.
 - 1.2.3 Fair Value measurements under Ind As are categorized as below based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to their fair value measurement in its entirety.
 - Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date.
 - Level 2 inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
 - Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.
 - 1.3 Going Concern
Fundamental Accounting assumption of going concern is followed in preparation of the financial statement.
 - 1.4 Presentation of Financial Statements
The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

* Amounts in the Financial Statements are presented in Indian Rupees (INR).
 - 1.5 Use of Estimates
The preparation of Financial Statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. As such estimates are based on the management's best

knowledge of the current events and actions; there are possibilities of such estimates resulting in outcome's requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

1.6 Basis of Consolidation

- Since there was no existence of any subsidiary prior to financial year ended 31st March 2017 and hence consolidated financial statement for periods prior to Financial Year ended 31st March 2017 has not been presented.
- The consolidated financial statements incorporate the financial statements of the Parent Group and its subsidiaries. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Group is treated as subsidiary. The Parent Group together with its subsidiaries constitute the Group. Control exists when the Parent Group, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.
- Consolidation of a subsidiary begins when the Parent Group, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Group, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Group, directly or indirectly, gains control until the date when the Parent Group, directly or indirectly, ceases to control the subsidiary.
- The consolidated financial statements of the Group combines financial statements of the Parent Group and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Group. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Group's standalone financial statements.

1.7 Employee Benefits

- i. Short Term Employee Benefits
Employee Benefits such as Salaries, Wages, short term compensated absences, and expected cost of bonus, ex-gratia, and performance linked rewards falling due, wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.
- ii. Post-Employment Benefits
 - i. The Group does not have any policy to make any contribution to defined contribution plans as the group is not mandatorily required to do so.
 - ii. The Group has not made any defined benefit plans.

1.8 Financial Instruments

Financial assets and/or financial liabilities are recognised when the Group becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction values and where such values are different from the fair value then, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss for the year.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when any current legal enforceable right arises to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

i. Financial Assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

Recognition

- Other investments in debt instruments – at amortised cost, subject to following conditions:
 - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- The management has exercised its option to measure fair value changes in Equity Instruments through Other Comprehensive Income, as such Investments have not been held by the Group for the purpose of trade.

Recognition of Income on Financial Assets

For financial assets that are measured at Fair Value Through Other Comprehensive Income (herein after referred to as FVTOCI), income by way of interest, dividend and exchange difference (on debt instrument) is recognised in the statement of profit or loss for the period and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity.

De-recognition

A Financial Asset is primarily De-recognized when:-

- the right to receive cash flows from the asset has expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the Group has transferred substantially all the risks and rewards of the asset, or b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- On de-recognition of a financial asset (Other than investments in Equity Instruments) in its entirety, the differences between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in the statement of profit or loss for the period.
- Impairment of financial assets: The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

ii. Financial Liabilities

Initial Recognition

Financial liabilities, including derivatives and embedded derivatives, which are designated for measurement at Fair Value Through Profit & Loss (hereafter referred to as FVTPL) are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

Subsequent Measurement

Financial Liabilities are carried at amortized cost using the Effective Interest Rate Method (EIR). For trade and other payables maturing within one year from the reporting date, the carrying amounts, approximate fair value due to the short maturity of these instruments.

1.9 Foreign Currencies

- The functional currency and presentation currency of the Group is Indian Rupee (INR).
- Transactions in currencies other than the Group's functional currency are recorded on initial recognition using the exchange rate at the transaction date.

- At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the statement of profit or loss in the period in which they arise except for:

Financial statements of foreign operations whose functional currency is different than Indian Rupee are translated into Indian Rupees as follows:

- Assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
- Income and expenses for each income statement are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in equity for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.10 Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1.11 Taxes on Income

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in Equity where the tax is also recognised in Other Comprehensive Income or in Equity.

▪ Current Tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals.

▪ Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the reporting date.

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

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

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.12 Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Group to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

Considering the nature and scope of business of the Group, the Chief Operating Decision Maker could identify the following operating segments

- i. Computer System
- ii. Consumer Electronic Goods.

However, as the reporting criteria are not met by Consumer Electronic Goods segment, the Group has not prepared segment information as per Ind AS 108.

However, a report on Group’s reliance on Major customers is as follows:-

Sales Made to Major Customers	Total Sales during the year 2017-18	% of total sales made to major customers
Rs. 24,70,44,551	Rs. 40,08,44,399	61.63%

1.13 Provisions, Contingent Liabilities and Contingent Assets.

Provisions are recognised only when:

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

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

Contingent liability is disclosed in case of:

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

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.14 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the net profit for the effects of:

- i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. all other items for which the cash effects are investing or financing cash flows.

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

1.15 Earnings per Share

Basic and Diluted earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period.

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

1.16 First Time Adoption on Ind AS

The Group has prepared balance sheet as per Ind AS as on 31st March 2017 (Earliest prior period applicable for Consolidated Financial Statements of the Group in the absence of subsidiaries before that period). The Balance Sheet as on 31st March 2017, has been prepared by recognising all assets and liabilities whose recognition is required by Ind AS, derecognising items of assets or liabilities which are not permitted to be recognised by Ind AS, reclassifying items from I-GAAP to Ind AS as required and applying Ind AS to measure the recognised assets and liabilities. The exemptions availed by the Group under Ind AS 101 are as follows:

- i. The Group has adopted the carrying value determined in accordance with previous I-GAAP for all of its property plant & equipment and investment property as deemed cost of such assets at the transition date.
- ii. The estimates as at March 31, 2017 are consistent with those made for the same dates in accordance with I-GAAP.

2 Accounting Transactions

2.1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to not less than Rs.1,02,00,000/- for the year or not less than Rs.8,50,000/- per month, if employed for part of the year.

2.2 Outstanding balances as at 31st March, 2018 of Current & Non-Current Assets & Liabilities including Trade Receivables, Trade Payables are subject to confirmation.

2.3 In the opinion of the Board of Directors; the Current and Non-current Assets, Loans & Advances are recorded approximately at the value as if realised in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and are not in excess of the amounts reasonably necessary.

2.4 All the Directors have drawn remuneration for the Accounting Year 2017-18 aggregating to Rs.33,82,584/-

2.5 Treatment of Preliminary Expenses & Share Issue Expenses (Assets)

Expenditure pertaining to increase in Authorised Share Capital of the Group and for listing of shares in Stock Exchange, incurred in FY 13-14 and FY 14-15, has been carried in the balance sheet (to the extent not written off), as the Group perceives that the benefit of such expenditure would accrue to the Group gradually in subsequent years. Accordingly, the Group has decided that it will amortise such expenditure over a period of 5 years.

3 Previous year's figures have been regrouped / reclassified wherever necessary.

4 Standards Issued , but not yet effective

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Group from April 01, 2018.

i. Issue of Ind AS 115 - Revenue from Contracts with Customers, Ind AS 115 will supersede the current revenue recognition guidance including Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

ii. Amendments to Existing Ind AS

The MCA has also carried out amendments of the following accounting standards which are more likely to have effect on reporting of transactions by the enterprise in the subsequent financial years:

- Ind AS-21 – Effect of Changes in foreign currency
- Ind AS-12 – Income Taxes
- Ind AS-112 – Disclosure of Interest in other Entities

Application of above standards is not expected to have any significant impact on the current year financial Statements of the Group.

NOTE NO. 2
PROPERTY, PLANT & EQUIPMENTS

(a) Method Of Valuation Of Property,Plant & Equipments.

Property,Plant & Equipments (hereinafter referred to as PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of such PPE can be measured reliably.PPE is stated at original cost net of tax/duty credits availed,if any,as reduced by accumulated depreciation and cumulative impairment.

Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

(b) Value of Property,Plant & Equipments :-

The value of Property,Plant & Equipments in the books of the Group as on 31st March 2018 is as follows :-

PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
	Actual cost 01.04.17	Additions (sales / W/off)	Deductions	Cost as on 31.03.18	Upto 01.04.17	Additions	Deductions	As at 31.03.18	As at 01.04.17	As at 31.03.18
Furnitures & Fixtures :	34,725	0	0	34,725	19,086	2,887	0	21,973	15,639	12,752
Furnitures & Fixtures	34,725	0	0	34,725	19,086	2,887	0	21,973	15,639	12,752

* There are no PPE held in the name of Subsidiaries during the FY 2016-17 and FY 2017-18.

(c) Depreciation

Depreciation on PPE is recognised using Straight Line Method so as to write off the cost of assets less their residual values over their useful lives specified in Schedule- II of the Companies Act,2013.In case of PPE purchased/sold during the year, Depreciation has been provided on pro-rata basis

The Useful Life of Assets adopted by the management from Schedule II of Companies Act,2013; for calculating Depreciation to be charged on different classes of Assets for the current year are as follows:-

Class of Asset	Useful Life Adopted
Furnitures & Fixtures	10
Office Equipments	5
Computers & Laptops	3

The estimated useful life and residual values are also reviewed at end of each financial year and the effect of any change in the estimates of useful life/residual value is accounted for,on prospective basis as per Ind AS-8.

(d) Impairment Losses

As at the end of each accounting year, the Group reviews the carrying amounts of its Property,Plant & Equipments, 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.

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

Recoverable amount is determined in the case of :-

- an individual asset, at the higher of the net selling price and the value in use; and
- 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.

If the recoverable amount of a PPE (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 PPE (or cash generating unit) is reduced to its recoverable amount.

(e) Impact of transition to Ind AS

For transition to Ind AS, the Group has elected to adopt as deemed cost, the carrying value of Property,Plant & Equipments previously measured as per I-GAAP,as reduced by accumulated depreciation and cumulative impairment till the date of transition.

NOTE NO. 3
OTHER INTANGIBLE ASSETS

(a) Method of Valuation of Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.Intangible assets are stated at original cost net of tax/duty credits availed,if any,as reduced by accumulated amortisation and cumulative impairment.

(b) Value of Intangible Assets

The value of Intangible Assets in the books of the Group as on 31st March 2018 is as follows :-

PARTICULARS	GROSS BLOCK				AMORTISATION (S.L.M)				NET BLOCK	
	Actual cost 01.04.17	Additions (sales / W/off)	Deductions	Cost as on 31.03.18	Upto 01.04.17	Additions	Deductions	As at 31.03.18	As at 01.04.17	As at 31.03.18
Intangible Assets	10,00,000	0	0	10,00,000	3,00,000	1,00,000	0	4,00,000	7,00,000	6,00,000
Brand(Cavin Cally)	0	69,000	0	69,000	0	23,000	0	23,000	0	46,000
Software	10,00,000	69,000	0	10,69,000	3,00,000	1,23,000	0	4,23,000	7,00,000	6,46,000

* There are no Intangible Assets held in the name of Subsidiaries during the FY 2016-17 and FY 2017-18.

(c) Amortisation

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

Based on Technical evaluation considering the business specific needs & the potency of assets to generate future cash flows, the useful life of different class of intangible assets have been determined by the management, which are as follows:-

Class of Asset	Useful Life Adopted
Brand(Cavin Cally)	10
Software	3

The method of amortisation and useful life are reviewed at the end of each Financial Year with the effect of any changes in the estimate being accounted for on a straight line basis.

(d) Impairment Losses

As at the end of each accounting year, the Group reviews the carrying amounts of its 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.

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.

NOTE NO. 4

INVESTMENTS (NON CURRENT)

(a) Measurement of Investments

The Group has exercised its option to measure fair value changes in Equity Instruments through Other Comprehensive Income, as such Investments have not been held by the Group for the purpose of trade. Quoted Equity Instruments have been valued at their respective market quotations as on reporting date, in an active market where such instruments are traded. Unquoted Equity Instruments have been measured at cost, as there is a wide range of possible fair values which can be considered and the Group considers Cost of such investment to be the best estimate of Fair value.

(b) Considering the above mentioned Measurement basis, the Value of Investments of the Entity for different reporting dates are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
<u>Investment in Equity Instruments</u>		
Quoted Equity Instruments	14,96,600	28,73,556
Unquoted Equity Instruments	87,84,000	1,05,78,000
Investment in Debentures	0	0
<u>Investment in Foreign Subsidiary</u>		
Eddy & Andy International Limited	0	0
Panache Innovations DMCC	0	0
	1,02,80,600	1,34,51,556

(c) Impact of IND AS

Investments which were being carried at cost by following the guidelines prescribed under AS-13 have been remeasured to their respective fair values for the year ended March 2017, as such investments represent Financial Assets as per Ind AS 109.

NOTE NO. 5

LOANS (NON CURRENT)

(a) Measurement

Financial Assets represented by Loans & advances given to parties under the terms, wherein such Loans & advances are repayable on demand to the Group have been measured at their respective carrying Values as the management considers that the carrying value of such loans & advances to be the best estimate of its Fair Value.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Loans & Advances	1,84,02,543	0
	1,84,02,543	0

NOTE NO. 6

OTHER NON-CURRENT ASSETS

(a) Measurement Basis

Non Current Assets being in the nature of deposits given to parties for indeterminate period, have been measured at actual amounts given/paid, as the management considers that the Fair Value of such deposits does not materially defer from the actual amounts given/paid.

Preliminary Expenses and Share Issue Expenses which will not be Written off either wholly or partially within a period of 12 months from the end of reporting date have been classified as Non-Current Assets.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
<u>Deposits</u>		
Demat Deposit	3,000	3,000
MVAT Deposit	25,000	25,000
Security Deposit	17,723	0
<u>Miscellaneous Expenses</u>		
Preliminary Expenses	0	1,01,226
Share Issue Expenses	0	3,48,092
	45,723	4,77,318

NOTE NO. 7
INVENTORIES

(a) Valuation Method

Inventories comprise of Computers & its peripherals and Consumer Electronic Goods, etc. which have been measured at weighted average cost or Net Realisable Value whichever is lower as per Ind AS-2. Cost of Inventories consist of its purchase price and other costs including any duties or taxes (to the extent not recoverable) incurred in bringing them to their present location and condition.

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

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Closing Stock of Goods	13,14,984	3,37,91,724
	13,14,984	3,37,91,724

NOTE NO. 8
TRADE RECEIVABLES

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Secured, Considered good	0	0
Unsecured, Considered good	12,12,16,754	8,54,73,154
Doubtful	0	0
	12,12,16,754	8,54,73,154
Receivable from Related Parties (Refer Note No. 33)	70,18,544	24,58,448
	12,82,35,298	8,79,31,602

NOTE NO. 9
CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
<u>Cash & Cash Equivalents</u>		
Balance with Banks	1,75,518	8,43,297
Cash on Hand	4,46,102	47,449
	6,21,621	8,90,746

NOTE NO. 10
LOANS (CURRENT)

(a) Measurement

Short Term Loans, advances and other short term receivables with no stated interest rates have been measured at their carrying values as the effect on discounting on such Loans and Advances is considered to be immaterial.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Loans & Advances	39,23,041	1,36,83,163
Motor Car Advances	0	0
Advance Salary	0	2,50,800
MAT Credit Entitlement	0	0
TDS Receivable	0	45,679
	39,23,041	1,39,79,642

NOTE NO. 11
OTHER CURRENT ASSETS

(a) Measurement

Preliminary Expenses and Share Issue Expenses which will be Written off either wholly or partially within a period of 12 months from the end of reporting date have been classified as Current Assets.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Preliminary Expenses	1,01,226	1,01,228
Share Issue Expenses	3,48,092	4,30,582
Advance to Sundry Creditors	69,55,200	1,55,200
Others	14,435	0
Prepaid Expenses	2,81,558	0
	77,00,511	6,87,010

NOTE NO. 12
EQUITY SHARE CAPITAL

a. Capital Structure of the Company

PARTICULARS OF SHARE CAPITAL	AS AT 31ST MARCH 2018		AS AT 31ST MARCH 2017	
	No. Of Shares	Total Value	No. Of Shares	Total Value
AUTHORISED				
Equity Shares of Rs.10/- each	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP :				
Equity Shares of Rs.10/- each	43,90,000	4,39,00,000	43,90,000	4,39,00,000
	43,90,000	4,39,00,000	43,90,000	4,39,00,000
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP:				
	0	0	0	0
	0	0	0	0

b. Details of Shareholding as at different Reporting Dates

Shareholders holding more than 5% of Equity :

Sr. No	NAME OF SHAREHOLDER	NO. OF SHARES AS AT 31ST MARCH 2018	PERCENTAGE HOLDING (%)	NO. OF SHARES AS AT 31ST MARCH 2017	PERCENTAGE HOLDING (%)
A.	EQUITY SHARES				
1.	Amit Devchand Rambhia	4,25,100	9.68%	4,25,100	9.68%
2.	Nikit Devchand Rambhia	4,25,000	9.68%	4,25,000	9.68%
3.	Devchand Rambhia	5,00,000	11.39%	5,00,000	11.39%

c. Reconciliation of the number of Equity Shares outstanding

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Number of Shares at the beginning of the year	43,90,000	43,90,000
(+) Bonus shares issued	0	0
(-) Shares forfeited	0	0
Number of Shares at the end of the year	43,90,000	43,90,000

d. Voting Rights

The company has one class of equity shares having face value of Rs.10 per share. Each shareholder is eligible for one voting right.

NOTE NO. 13
OTHER EQUITY

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Balance of Reserves as per Statement of Changes in Equity		
Retained Earnings	89,46,058	44,46,168
Securities Premium	0	0
Other Comprehensive Income	(1,35,14,119)	(1,25,02,614)
Foreign Currency Translation Reserve	8,937	(7,340)
	(45,59,124)	(80,63,786)

NOTE NO. 14
DEFERRED TAX LIABILITIES(NET)

PARTICULARS	TAXABLE/ (DEDUCTIBLE) TEMPORARY DIFFERENCES	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF PROFIT/LOSS	DEFERRED TAX (ASSET)/ LIABILITY ON ITEMS OF OCI	TOTAL DEFERRED TAX (ASSET)/LIABILIT Y RECOGNISED IN BALANCE SHEET
Balance as on 01.04.2016		85,198	0	85,198
<u>For the Year 2016-17</u>				
On Carrying Values of Property Plant & Equipment	3,28,783	1,01,594	0	
Gains/(losses) from Translating Financial Statements of Foreign	(10,622)	0	(3,282)	
(DTA)/DTL as on 31.03.2017		1,01,594	(3,282)	98,312
<u>For the Year 2017-18</u>				
Carrying Value of Property Plant & Equipment	2,73,910	84,638	0	
Gains/(losses) from Translating Financial Statements of Foreign	23,556	0	7,279	
(DTA)/DTL as on 31.03.2018		84,638	7,279	91,917

NOTE NO. 15
TRADE PAYABLES (CURRENT)

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Trade payables	7,45,37,212	8,98,32,503
Trade Payables to Related Parties (Refer Note No. 33)	4,48,46,007	2,00,92,684
Due to Micro, Small and Medium Enterprises (On the basis of Information & records available with the management).	0	0
	11,93,83,219	10,99,25,187

(a) Disclosure

There are no overdue amounts to Micro Small and Medium Enterprises as at 31st March 2018 for which disclosure requirements under Micro Small and Medium Enterprises Development Act 2006, are applicable.

NOTE NO. 16
OTHER CURRENT LIABILITIES

(a) Measurement of Current Liabilities

Current Liabilities, being in the nature of Short term payables with no stated interest rates, have been measured at their Carrying Values as the effect of discounting on such Liabilities has been considered to be immaterial.

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
TDS Payable	5,38,124	4,86,997
Employees Profession Tax Payable	1,000	1,775
Audit Fees Payable	2,26,593	0
Filing Fees Payable	0	0
Salaries Payable	2,61,843	7,24,373
Office Rent Payable	35,000	87,500
Advance from Debtors	1,26,080	0
Others	5,85,192	0
	17,73,831	13,00,645

NOTE NO. 17
PROVISIONS

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Director's Remuneration Payable	4,93,638	19,83,591
Dividend Payable (Unclaimed)	46,101	31,450
	5,39,739	20,15,041

NOTE NO. 18
CURRENT TAX LIABILITIES(NET)

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Direct Taxes	7,98,014	6,50,240
Indirect Taxes	92,55,475	20,99,599
	1,00,53,489	27,49,839

NOTE NO. 19
REVENUE FROM OPERATIONS

(a) Recognition of Revenue

Revenue is recognized based on the nature of activity when consideration can be measured and recovered with reasonable certainty. Revenue is measured at fair value of consideration received or receivable and is reduced for discounts, rebates and other similar allowances.

Goods & Services tax (GST) has been implemented with effect from 1st July ,2017 which replaces other input taxes. According to the requirements of Ind AS, revenue for the year ended 31st March, 2017 are reported inclusive of taxes like VAT, CST and Service Tax. As per Ind AS, the revenue for the year ended 31st March,2018 are reported net of GST and other aforementioned taxes. In view of aforesaid restructuring of indirect taxes, Revenue from sale of products & services for the year ended 31st March, 2018 are not comparable with the previous period.

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Net Sales (Domestic)	39,90,59,399	11,20,63,172
Service Charges	17,85,000	0
	40,08,44,399	11,20,63,172

(b) Revenue from Sales

Net Sales Include Revenue from sale of Computers & its peripherals and Consumer Electronic Goods, etc. Revenue from sale of such traded goods is recognized when the goods are delivered and titles have been passed, provided all the following conditions are satisfied.

- (i) Significant risks and rewards of ownership of the goods are transferred to buyer;
- (ii) The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) The amount of revenue can be measured reliably;
- (iv) It is probable that the economic benefits associated with the transaction will flow to the Group; and
- (v) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

(c) Revenue from Rendering of Services

Service Charges includes revenue from repairing and servicing of electronic goods, provided by in-house servicing staffs of the Group. Revenue from such services are recognised on completed service contract method as such services are completed within a time span of hours, for which, adoption of stage of completion method shall prove to be inappropriate. Moreover such revenues are recognised only when the following conditions are satisfied :-

- (i) The amount can be measured reliably.
- (ii) It is probable that the economic benefits associated with the transaction will flow to the entity.
- (iii) The costs incurred in respect of the transaction can be measured reliably.

NOTE NO. 20
OTHER INCOME

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Discount Received (Net)	0	1,027
Dividend Received	0	5,625
Interest Income	15,95,426	20,02,962
	15,95,426	20,09,614

Measurement of Other Incomes

- (i) Dividend Income is accounted for, in the period in which the right to receive the same is established.
- (ii) Interest Income is accrued on a time basis by reference to the principal amount outstanding and the effective interest rate.

NOTE NO. 21
COST OF GOODS PURCHASED

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Net Purchase	34,82,23,480	13,43,93,801
Frieght charges	700	0
	34,82,24,180	13,43,93,801

NOTE NO. 22
CHANGES IN INVENTORIES OF WORK-IN-PROGRESS,STOCK-IN-TRADE AND FINISHED GOODS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Opening Stock / Inventories	3,37,91,724	8,75,407
<u>Less:</u> Closing Stock / Inventories	13,14,984	3,37,91,724
	3,24,76,740	(3,29,16,317)

NOTE NO. 23
EMPLOYEE BENEFIT EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Director's Remuneration	33,82,584	25,29,705
Salary & Bonus to Employees	43,79,941	24,94,846
Incentives to Staff	1,05,000	0
Staff Welfare Expenses	646	1,915
	78,68,171	50,26,466

NOTE NO. 24
FINANCE COSTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Bank Charges	10,487	14,710
Interest on Bank Overdraft	0	18
	10,487	14,728

NOTE NO. 25
DEPRECIATION AND AMORTISATION EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Depreciation on Property,Plant & Equipment	2,887	22,337
Amortisation of Intangible Assets	1,23,000	1,00,000
	1,25,887	1,22,337

NOTE NO. 26
OTHER EXPENSES

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Advertisement Expenses	98,742	86,688
Accounting & Administration Expenses	5,49,349	0
Commission Expenses	2,74,112	0
Conveyance	1,08,279	19,254
CST Paid	0	33,433
Custodial Fees	17,250	17,175
Donation	0	3,00,000
Demat & Registration Charges	1,509	7,778
Electricity Charges	0	16,850
Filing & Uploading Fees	66,100	65,362
Interest on Dividend Distribution Tax	62,559	0
Interest on TDS	34,424	1,591
License Fees	2,02,589	0
Listing Fees	2,87,500	2,96,805
Miscellaneous Exepenses	1,80,762	1,056
Octroi Charges	0	2,949
Office Rent	13,17,640	4,40,600
Payment to Auditors	3,65,514	1,57,312
Penalty paid to Court	3,500	0
Professional Fees	9,69,673	2,79,727
Profession Tax	2,500	2,500
(Profit)/Loss on Exchange rate fluctuation	(14,204)	0
Preliminary Expenses Written off	4,80,922	1,01,228
Printing & Stationery	24,285	13,492
Postage & Stamp	37,212	34,305
Royalty Expenses	50,000	0
Sales Promotion & Advt Expenses	74,285	5,000
Service Tax Paid	0	41,735
Share Issue Expenses Written off	4,30,582	4,30,582
Stamp duty and Registration Charges	53,043	0
Sundry Expenses	1,07,020	65,635
Telephone & Mobile Charges	0	11,835
Trainee Expenses	1,55,861	0
Transportation Charges	5,83,332	0
Travelling Expenses	1,35,879	12,101
Value Added Tax Paid	0	11,72,466
Warehousing Expenses	0	13,785
Website Development Charges	4,500	15,000
	66,64,718	36,46,245

NOTE NO. 26.1

DETAILS OF PAYMENTS TO AUDITORS

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Payment to Auditors</u>		
Statutory Audit	2,56,514	1,28,562
Tax Audit	25,000	28,750
Internal Audit	84,000	0
Total Payments Made to Auditors	3,65,514	1,57,312

NOTE NO. 27
EXCEPTIONAL ITEMS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Assets Written Off	0	(19,746)
Profit/(Loss) On Sale of Investment	0	2,75,295
Investments Written Off	0	(1,08,530)
Interest on Income Tax paid	(71,371)	(1,36,410)
	(71,371)	10,608

NOTE NO. 28
INCOME TAX EXPENSE

A. Disclosure Pursuant to Ind AS 12

(a) Major Components of Income Tax

Sr. No.	PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
(a)	<u>Tax on Items Routed Through Profit or Loss Section</u>		
	(i) <u>Income Tax</u>		
	Current Tax under Income Tax Act,1961	6,82,680	6,50,240
	Adjustments in respect of income tax of previous years.	0	0
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	(13,673)	16,396
	Tax Expense Reported in statement of Profit or Loss [(i) +(ii)]	6,69,007	6,66,636
(b)	<u>Tax on Items Routed Through Other Comprehensive Income</u>		
	(i) <u>Income Tax</u>	0	0
	(ii) <u>Deferred Tax</u>		
	Tax Expense on Origination & Reversal of Temporary Difference	(7,279)	3,282
	Tax Expense Reported in Other Comprehensive Income [(i) +(ii)]	(7,279)	3,282

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Profit Before Tax (A)	69,98,272	37,96,133
Corporate Tax Rate as per Income Tax Act,1961 (B)	25.75%	30.90%
Tax on Accounting Profit [(A) * (B)]	18,02,055	11,73,005
<u>Adjustments as per Income Tax</u>		
<u>Less: Tax savings on Incomes Exempt From Tax</u>		
Dividend	0	(1,738)
Income of Foreign Subsidiaries	(8,79,516)	(1,16,828)
<u>Less: Tax savings on Items Taxable at Lower Rate</u>		
Short Term Capital Gain Taxable @ 15%	0	(30,680)
Long Term Capital Gain on Unlisted Securities Taxable @ 20%	0	(15,996)
<u>Add: Tax on Expenses not Deductible as per Income Tax Act,1961</u>	76,668	2,17,211
<u>Less: Tax on Expenses allowable not Debited to Books</u>	(34,913)	(40,167)
<u>Less: Other Deductions</u>	0	(46,350)
Tax payable by Group after adjustments as per Income Tax Act,1961	9,64,295	11,38,459
<u>Less: MAT Credit Set Off under section 115JAA</u>	(2,81,615)	(4,88,220)
Net Income Tax Payable by the Group (C)	6,82,680	6,50,240
Incremental Deferred Tax Liability/(Asset) on account of PPE and Intangible Assets	(13,673)	16,396
Incremental Deferred Tax Liability/(Asset) due to Other Items	0	0
Net Deferred Tax Expense/(Benefit) (D)	(13,673)	16,396
Total Tax Expense Recognised for the Year (E) = [(C)+(D)]	6,69,007	6,66,636
Effective Tax Rate on Consolidated Results of the Group. [(E)/(A) * 100]	9.56	17.56

C. Calculation of Corporate Tax Rate

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Basic Tax Rate Applicable to the Group as per Income Tax Act	25%	30%
Surcharge Applicable	0%	0%
Education Cess	3%	3%
Corporate Tax Rate as per Income Tax Act,1961	25.75%	30.90%

NOTE NO. 29

OTHER COMPREHENSIVE INCOME

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Items that will not be reclassified to Profit & Loss A/c</u>		
Fair Value Changes on Equity Instruments designated through OCI	(10,08,000)	(1,25,02,614)
Profit/(Loss) On Sale of Equity Instruments	(3,505)	0
	(10,11,505)	(1,25,02,614)
<u>Items that will be reclassified to Profit & Loss A/c</u>		
Gains/(Losses) arising from translating financial Statements of Foreign Opertions.	23,556	(10,622)
	23,556	(10,622)

NOTE NO. 30

EARNINGS PER SHARE

The Basic and Diluted Earnings Per Share (EPS) computed as per the requirements under Ind AS 33 on 'Earnings Per Share' issued by Institute of Chartered Accountants of India are as under :-

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
<u>Calculation of Basic EPS</u>		
A. Profit From Continuing Operations (Numerator)	63,29,265	31,29,498
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	43,90,000	43,90,000
Total Equity Shares for Calculation of Basic EPS (Denominator)	43,90,000	43,90,000
Basic Earnings Per Share(EPS) [(A) / (B)]	1.44	0.71
<u>Calculation of Diluted EPS</u>		
A. Profit From Continuing Operations (Numerator)	63,29,265	31,29,498
B. <u>Equity Shares Outstanding as on Balance sheet Date</u>		
a. Weighted Average Number of Equity Shares	43,90,000	43,90,000
b. Potential Equity shares	0	0
Total Equity Shares for Calculation of Diluted EPS (Denominator)	43,90,000	43,90,000
Diluted Earnings Per Share(EPS) [(A) / (B)]	1.44	0.71

NOTE NO. 31
DISCLOSURE OF CURRENT ASSETS & LIABILITIES

A. Basis of classification of Current Assets

The Group classifies an asset as current asset when :-

- (i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (ii) it holds the asset primarily for the purpose of trading;
- (iii) it expects to realise the asset within twelve months after the reporting period; or
- (iv) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets have been classified as Non-Current

Recovery Period for Current Assets

Pursuant to requirements of Ind AS-1, disclosures regarding current assets which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018			AS AT 31ST MARCH 2017		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Inventories --- ---	13,14,984	0	13,14,984	3,37,91,724	0	3,37,91,724
Trade Receivables --- ---	12,82,35,298	0	12,82,35,298	8,79,31,602	0	8,79,31,602
Loans-Current --- ---	39,23,041	0	39,23,041	1,39,79,642	0	1,39,79,642
Other Current Assets --- ---	77,00,511	0	77,00,511	6,87,010	0	6,87,010

B. Basis of classification of Current Liabilities

The Group classifies a Liability as current liability when :-

- (i) it expects to settle the liability in its normal operating cycle;
- (ii) it holds the liability primarily for the purpose of trading;
- (iii) the liability is due to be settled within twelve months after the reporting period; or
- (iv) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period .

All other Liabilities have been classified as Non-Current

b. Credit Period for Current Liabilities

Pursuant to requirements of Ind AS-1, disclosures regarding current Liabilities which are expected to be recovered within twelve months and after twelve months from the reporting date are as follows:-

PARTICULARS	AS AT 31ST MARCH 2018			AS AT 31ST MARCH 2017		
	Within Twelve Months	After Twelve Months	Total	Within Twelve Months	After Twelve Months	Total
Trade Payables --- ---	11,93,83,219	0	11,93,83,219	10,99,25,187	0	10,99,25,187
Other Current Liabilities --- ---	17,73,831	0	17,73,831	13,00,645	0	13,00,645
Provisions --- ---	5,39,739	0	5,39,739	20,15,041	0	20,15,041
Current Tax Liabilities --- ---	1,00,53,489	0	1,00,53,489	27,49,839	0	27,49,839

NOTE NO. 32
RISK MANAGEMENT

The Group's Board of Directors has overall responsibility for establishment and oversight of the Compa'n's risk management framework.

The Group, through three layers of defence viz: policies & procedures, review mechanism, and assurance, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The audit committee of the parent oversees the formulation and implementation of Risk Management Policies. The risk and mitigation plan are identified, deliberated and reviewed at appropriate Forums.

A. Market Risk Management

Market Risk is the risk that changes in market prices-such as foreign exchange rates-will affect the Group's income or the value of Financial Instruments. The objective of Market Risk Management is to manage and control market risk exposure within acceptable parameters, while optimizing the return.

i. Foreign Exchange Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than the functional currency of the Group.

However, the group is not exposed to such kind of Foreign Exchange Risk on the reporting date, as there are no assets or liabilities which are recoverable/payable in currencies other than the functional currency of the Group.

ii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to any such kind of interest rate risk.

B. Financial Risk Management

i. Credit Risk

Credit Risk is the Risk of Financial Loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Trade Receivable and other financial assets

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings (if they are available), financial statements, industry information and business intelligence.

In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry, trade history with the Group and existence of previous financial difficulties.

Expected Credit loss for trade receivable:

The Group, based on internal assessment which is driven by the historical experience/current facts available in relation to defaults and delays in collection thereof, the credit risk for trade receivable is considered low.

ii. Liquidity Risk

Liquidity Risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by cash or another financial asset. The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Group's Finance Department is responsible for managing the short term and long term liquidity requirements. Short term liquidity finance is reviewed daily by finance department. Long Term Liquidity position is reviewed on a regular basis by the board of directors and appropriate decisions are taken according to the situation.

Maturity Analysis

The remaining contractual maturities on non-derivative Financial Liabilities are as follows:-

As at 31st March 2018

Non-Derivative Financial Liabilities	Contractual Cash Flows		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Trade Payables	11,93,83,219	0	11,93,83,219

As at 31st March 2017

Non-Derivative Financial Liabilities	Contractual Cash Flows		
	PAYABLE WITHIN ONE YEAR	PAYABLE AFTER ONE YEAR	TOTAL
Trade Payables	10,99,25,187	0	10,99,25,187

**NOTE NO. 33
RELATED PARTY DISCLOSURES**

a. List of Transactions with Related Parties

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

NAME OF THE PERSON / ENTITY	RELATION WITH THE COMPANY	NATURE OF TRANSACTION	VOLUME OF TRANSACTION IN FY 17-18
Amit D Rambhia	Director	Remuneration	6,00,000
Jayachandran Sunderamoorthy	Director & CFO	Remuneration	27,82,584
Manan Trivedi	CFO	Remuneration	2,76,883
Vijay Patil	Company Secretary	Remuneration	80,992
Priyank Sangoi	Company Secretary	Remuneration	1,34,663
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Sales	57,89,678
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Purchases	9,14,354
ICT Infratech Services Pvt Ltd	Director having more than 25% share holding	Services availed	69,000
Panache Digilife Limited	Company Having Common Director	Sales	5,36,95,096
Panache Digilife Limited	Company Having Common Director	Purchases	5,72,65,927
Panache Digilife Limited	Company Having Common Director	Rent Paid	12,30,000
Rambhia IPR Services LLP	LLP in Which Director is Designated Partner	Royalty Paid	50,000

The above mentioned transactions with related parties are carried out at arms length prices.

b. Amount Receivable / Payable from / to related parties as on reporting dates are as Follows:-

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Amounts Receivable from Related Parties		
Receivables For Sales & Services Provided		
Panache Digilife Limited	0	2,32,448
ICT Infratech Services Private Limited	70,18,544	22,26,000
Total Receivables from Related Parties	70,18,544	24,58,448
Amounts Payable to Related Parties		
Payables for Purchases & Services Availed		
Panache Digilife Limited	4,48,01,007	2,00,86,324
Rambia IPR Services	45,000	0
ICT Infratech Services Private Limited	0	6,360
	4,48,46,007	2,00,92,684
Payables to KMP as Remuneration		
Amit Rambhia	3,69,200	10,09,450
Jayachandran Sunderamoorthy	1,24,438	2,28,141
Nikit Rambhia	0	7,46,000
Nitesh Savla	0	3,59,701
Vijay Patil	0	16,714
Priyank Sangoi	24,354	0
	5,17,992	23,60,006
Total Payables to Related Parties	4,53,63,999	2,24,52,690

NOTE NO. 34

FAIR VALUE MEASUREMENT HIERARCHY

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

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

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Financial Assets		
Measured at Amortised Cost		
Loans	2,23,25,584	1,39,79,642
Trade Receivables	12,82,35,298	8,79,31,602
Cash & Cash Equivalents	6,21,621	8,90,746
Total financial Assets Measured at Amortised Cost (I)	15,11,82,502	10,28,01,991
Measured at Fair Value Through Other Comprehensive Income (FVTOCI):-		
Investment in Equity Shares	1,02,80,600	1,34,51,556
Total of Financial Assets Measured at FVTOCI (II)	1,02,80,600	1,34,51,556
Total Value of Financial Assets [(I)+(II)]	16,14,63,102	11,62,53,547
Financial Liabilities		
Measured at Amortised Cost		
Trade Payables	11,93,83,219	10,99,25,187
Total of Financial Liabilities Measured at Amortised Cost	11,93,83,219	10,99,25,187
Total Value of Financial Liabilities	11,93,83,219	10,99,25,187

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

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH 2018	FOR THE YEAR ENDED 31ST MARCH 2017
Net gains/(losses) on financial assets measured at amortised cost :-		
(i) Exchange Difference Gains/ Losses on revaluation or settlement of items denominated in Foreign Currency (Trade Receivables, Loans Given, etc.)	(14,204)	0
(ii) Interest Income on Loans & Advances given	15,95,426	20,02,962
Total	15,81,222	20,02,962
Net gains/(losses) on financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI) :-		
(i) Gains/(losses) on Fair Valuation of Equity Instruments	(10,08,000)	(1,25,02,614)
(ii) Gains/(losses) on sale of Equity Instruments	(3,505)	0
Total	(10,11,505)	(1,25,02,614)

B. Disclosure pursuant to Ind AS 113 "Fair Value Measurement"- Fair Value Hierarchy of Financial assets and Financial Liabilities :-

AS AT 31ST MARCH 2018	Carrying Value in Books	Level of Input Used for Fair Valuation		
		Level 1	Level 2	Level 3
<u>Financial Assets</u>				
Investments *	14,96,600	14,96,600	--	--

* Excludes investments in private companies (Rs.87,84,000) ,which have been measured at cost.

AS AT 31ST MARCH 2017	Carrying Value in Books	Level of Input Used for Fair Valuation		
		Level 1	Level 2	Level 3
<u>Financial Assets</u>				
Investments *	28,73,556	28,73,556	--	--

* Excludes investments in private companies (Rs.1,05,78,000) which have been measured at cost.

NOTE NO. 35
RECONCILIATION

A. Effect of Ind AS Adoption on Balance Sheet as at 31st March,2017.

(Amount in INR)

SI. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2017		
			CARRYING VALUE AS PER IGAAP	ADJUSTMENTS AS PER IND AS	CARRYING VALUE AS PER IND AS
I.	ASSETS				
1	NON-CURRENT ASSETS				
	Property, Plant & Equipments	...	15,639	0	15,639
	Other Intangible Assets	...	9,00,000	(2,00,000)	7,00,000
	<u>Financial Assets</u>				
	(i) Investments	...	2,59,54,170	(1,25,02,614)	1,34,51,556
	Other Non-Current Assets	...	4,77,318	0	4,77,318
	TOTAL NON-CURRENT ASSETS		2,73,47,127	(1,27,02,614)	1,46,44,513
2	CURRENT ASSETS				
	Inventories	...	3,37,91,724	0	3,37,91,724
	<u>Financial Assets</u>				
	(ii) Trade Receivables	...	8,79,31,602	0	8,79,31,602
	(iii) Cash and Cash Equivalents	...	8,90,746	0	8,90,746
	(v) Loans	...	1,39,79,642	0	1,39,79,642
	Other Current Assets	...	6,87,010	0	6,87,010
	TOTAL CURRENT ASSETS		13,72,80,724	0	13,72,80,725
	TOTAL		16,46,27,851	(1,27,02,614)	15,19,25,238
II.	EQUITY AND LIABILITIES				
1	EQUITY				
	Equity Share Capital	...	4,39,00,000	0	4,39,00,000
	Other Equity	...	45,73,745	(1,26,37,531)	(80,63,786)
	TOTAL EQUITY (A)		4,84,73,745	(1,26,37,531)	3,58,36,214
2	LIABILITIES				
A	Non-Current Liabilities				
	Deferred Tax Liabilities(Net)	...	1,63,394	(65,082)	98,312
	TOTAL NON- CURRENT LIABILITIES (B)		1,63,394	(65,082)	98,312
B	Current Liabilities				
	<u>Financial Liabilities</u>				
	(ii) Trade Payables	...	10,99,25,187	0	10,99,25,187
	Other Current Liabilities	...	13,00,645	0	13,00,645
	Provisions	...	20,15,041	0	20,15,041
	Current Tax Liabilities(Net)	...	27,49,839	0	27,49,839
	TOTAL CURRENT LIABILITIES		11,59,90,712	0	11,59,90,712
	TOTAL		16,46,27,851	(1,27,02,614)	15,19,25,238

B. Effect of Ind AS Adoption on Statement of Profit/Loss as at 31st March,2017.

(Amount in INR)

Sl. No.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH 2017		
			CARRYING VALUE AS PER IGAAP	ADJUSTMENTS AS PER IND AS	CARRYING VALUE AS PER IND AS
I. REVENUE					
	Revenue From Operations	...	11,20,63,171	0	11,20,63,172
	Other Income	...	22,84,909	(2,75,295)	20,09,614
	TOTAL INCOME		11,43,48,080	(2,75,294)	11,40,72,786
II. EXPENSES					
	Cost of Materials Purchased		13,43,93,802	0	13,43,93,801
	Changes in Inventories of Work-in-Progress, Stock-in-Trade, and Finished Goods		(3,29,16,317)	0	(3,29,16,317)
	Employee Benefit Expenses		50,26,466	0	50,26,466
	Finance Costs	D	64,893	(50,165)	14,728
	Depreciation and Amortisation Expenses		1,22,337	0	1,22,337
	Impairment of Goodwill and Other Non-Current Assets	D	37,32,490	(86,245)	36,46,245
	Other Expenses				
	TOTAL EXPENSES		11,04,23,671	(1,36,410)	11,02,87,260
III. Profit/(Loss) Before Exceptional items & Tax					
			39,24,409	0	37,85,525
	Exceptional Items	D	(1,28,276)	1,38,884	10,608
IV. Profit/(Loss) Before Tax From Continuing Operations					
			37,96,133	1,38,884	37,96,133
<u>Income Tax Expense</u>					
	Current Tax		(6,50,240)	0	(6,50,240)
	Deferred Tax	C	(5,912)	(10,484)	(16,396)
A. PROFIT FROM CONTINUING OPERATIONS					
			31,39,981	1,28,400	31,29,497
B. OTHER COMPREHENSIVE INCOME					
I. Items that will not be reclassified to Profit or Loss A/c					
			0	(1,25,02,614)	(1,25,02,614)
	Income Tax Relating to items that will not be reclassified to Profit or Loss		0	0	0
II. Items that will be reclassified to Profit or Loss A/c					
			0	(10,622)	(10,622)
	Income Tax Relating to items that will be reclassified to Profit or Loss A/c		0	3,282	3,282
B. OTHER COMPREHENSIVE INCOME FOR THE PERIOD					
			0	(1,25,09,954)	(1,25,09,954)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD [A+B]					
			31,39,981	(1,23,81,553)	(93,80,456)

C. Statement of Reconciliation of Equity under Ind AS and equity reported under I-GAAP as at 31st March,2017.

(Amount in INR)

PARTICULARS	AMOUNT
Equity Reported under I-GAAP	4,84,73,745
Fair Value changes on investments accounted through Other Comprehensive Income	(1,25,02,614)
Others	(1,34,918)
Equity Reported under Ind AS	3,58,36,213

NOTE : A

CHANGES IN PROPERTY, PLANT & EQUIPMENT

The company has rectified the prior period error occurred in case of amortization of Intangible Assets by restating the carrying amount of intangible asset by charging the difference to equity.

NOTE : B

CHANGES IN CARRYING VALUE OF INVESTMENTS

All investments except investments private equities have been fair valued in accordance with Ind AS 109. Investment in quoted equity instruments are fair valued through Other Comprehensive Income. Under I-GAAP the current investments were carried at cost net of diminution in their value as at the Balance Sheet date. The Long Term investments were carried at cost, net of permanent diminution, if any.

NOTE : C

CHANGES IN DEFERRED TAX ASSETS / LIABILITIES

Deferred Tax under Ind AS has been recognised for temporary differences between tax base and accounts base of the relevant assets and liabilities. Under I-GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.

NOTE : D

The Previously Reported I-GAAP Figures have been reclassified / regrouped to make them comparable with Ind AS Presentation.

**As per our report of even date
For JAIN SALIA & ASSOCIATES,
Chartered Accountants
[ICAI FRNo. 116291W]**

**CA JAYESH K. SALIA
Partner
(Mem No. 044039)**

**Place: Mumbai
Dated: 30.05.2018**

For and on behalf of Board of Directors, Panache Innovations Limited

**Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919**

**Mr. Jayachandran Sunderamoorthy
Whole-Time Director & CFO
DINo:- 07706021**

**Mr. Priyank Sangoi
Company Secretary
Mem. No. A50896**

**Place: Mumbai
Dated: 30.05.2018**

NOTICE TO MEMBERS

Notice is hereby given that the 37th Annual General Meeting (AGM) of the Members of Panache Innovations Limited will be held on Thursday, 27th September, 2018 at 3.00 p.m. at Shangrila Resort, Mumbai-Nashik Highway, Bhiwandi By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane, Maharashtra 421302 to transact the following business;

Ordinary Business:

1. **To receive, consider and adopt –**
 - a. The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2018, and the report of the Board of Directors and Auditors thereon.
 - b. The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2018, and the report of the Auditors thereon.

2. **To declare dividend of ₹ 0.50 per Equity Share of Face Value of ₹ 10/- each for the Financial Year ended 31st March, 2018.**

“**RESOLVED THAT** a dividend at ₹ 0.50/- per equity share of Face Value Rs. 10/- each on 30,39,900 Equity Shares (Excluding the Equity Share upon which the members have waived/forgone his/their right to receive the dividend by him/them for financial year 2017-18) absorbing thereby ₹15,19,950/- (excluding dividend distribution tax) as at 31st March, 2018 be and is hereby declared for payment to those holders of Equity Shares whose names appear in the Register of Members of the Company as on 19th September, 2018”

3. **To appoint a Director in place of Mr. Amit Devchand Rambhia, Director, (DIN 00165919), who retires by rotation and being eligible, offers himself for re-appointment.**

Special Business:

4. **To alter object clause of Memorandum of Association**

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

“**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the statutory or regulatory authority, as may be necessary, the Clause III (A) of Memorandum of Association of the Company dealing with the “**The objects to be pursued by the Company on its incorporation are**” be and is hereby altered by replacing the existing Clause III(A)(1) with the following new Clause III(A)(1):

1. **To carry on the business of designing, manufacturing, trading, distributing, importing, exporting, repairing, buy, sell, conduct research, impart training, develop, maintain, hire, let on hire, alter, design, provide services including consultancy or otherwise deal in computer and computer peripherals, computer parts, laptops, servers, monitors, AIO, kiosks, CVTs, UPS, power systems, PCB (Printed Circuit Boards), Plastic parts, Plastic components, plastic granules & raw materials, Rubber parts & components, metal parts & components, routers, patch cord, micro server, thin client, Thin PC, Net PC, Internet of Things (IOT) Devices, Software, Stick PC, CCTV Systems, RFID Solutions, Modems, Video Conferencing, security devices, consumer durables and domestic appliances including, but not limited to all types of home-appliances, spare parts and accessories Electronics and Electrical equipments, electro-mechanical devices, networking systems and products, wireless and telecommunication systems and products including mobile phones, accessories, implementation of LAN and WAN systems, analytical data extraction thereof including solutions providing, computer maintenance and technical support services.*

RESOLVED FURTHER THAT Mr. Amit Rambhia, Mr. Jayachandran Sunderamoorthy or Mr. Priyank Sangoi, be and are hereby severally authorized to file, sign, verify and execute all such e-forms, papers or documents, as may be required and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this Resolution, including agreeing to any change to the aforesaid Clause of the Memorandum of Association of the Company, as may be required by the ROC and/or any statutory/regulatory authority.”

5. To re-appoint Mr. Jayachandran Sunderamoorthy as Whole-Time Director of the Company

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

“RESOLVED THAT pursuant to Section 2(78), 2(94), 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“including any statutory modification(s) or re-enactment thereof, for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, consent of the Members be and is hereby accorded for reappointment of Mr. Jayachandran Sunderamoorthy (holding DIN: 07706021) as Whole-Time Director of the Company, for a further period of 3 years w.e.f. 14th January, 2018 till 13th January, 2021, liable to retire by rotation, on the following terms and condition;

1. Aggregate Salary payable to Mr. Jayachandran Sunderamoorthy shall be upto Rs. 32.00 Lakh p.a.
2. All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

RESOLVED FURTHER THAT the Board of Directors (which term shall always be deemed to include any Committee as constituted or to be constituted by the Board to exercise its powers including the powers conferred under this resolution) be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, as the case may be, is within the overall limits as specified under the relevant provisions of the Companies Act, 2013 and / or as approved by the members or Central Government or such other competent authority.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of Mr. Jayachandran Sunderamoorthy, Whole-Time Director, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company may pay to Mr. Jayachandran Sunderamoorthy, Whole-Time Director, the above remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT Mr. Amit Rambhia, Mr. Jayachandran Sunderamoorthy or Mr. Priyank Sangoi, be and is hereby authorized to file necessary forms with the Registrar of Companies, and to do all such acts, deeds, matters and things in his absolute discretion as he may deem necessary, proper or desirable in order to give to the aforesaid resolution.”

6. To re-designate Mr. Jayachandran Sunderamoorthy, as Whole-Time Director & Chief Financial Officer of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 179, 196, 197 and 203 read with Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and such other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force as amended from time to time), consent of the Members be and is hereby accorded for re-designating Mr. Jayachandran Sunderamoorthy, as Whole-Time Director & Chief Financial Officer of the Company w.e.f. 12th February, 2018, on the following terms and conditions:

1. Aggregate salary payable to Mr. Jayachandran Sunderamoorthy as “Whole-Time Director & Chief Financial Officer” shall be upto Rs. 32.00 Lakh p.a.
2. All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

RESOLVED FURTHER THAT pursuant to the provisions of Section 203 of the Companies Act, 2013, the designation of Chief Financial Officer shall be treated as Key managerial Personnel of the Company as per the requirements of section and not the designation of Whole-Time Director.

RESOLVED FURTHER THAT in the event in any financial year during the tenure of Mr. Jayachandran Sunderamoorthy, Whole-Time Director & Chief Financial Officer”, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule V to the Companies Act, 2013, the Company

may pay to Mr. Jayachandran Sunderamoorthy, Whole-Time Director & Chief Financial Officer, the above remuneration as the minimum remuneration by way of salary and allowances as specified above and subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT Mr. Amit Rambhia, Mr. Jayachandran Sunderamoorthy or Mr. Priyank Sangoi, be and is hereby authorized to file necessary forms with the Registrar of Companies, and to do all such acts, deeds, matters and things in his absolute discretion as he may deem necessary, proper or desirable in order to give to the aforesaid resolution.”

7. To appoint Mr. Anil Jaychand Dagade (holding DIN: 02701030), as Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and any other applicable provisions of Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded for appointment of Mr. Anil Jaychand Dagade (holding DIN: 02701030), who has submitted a declaration that he meets the criteria of Independence as provided in section 149(6) of the Act, as an Independent Director of the company to hold office for a term of Five years, i.e. with effect from 31st March, 2018 till 30th March, 2023, not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Amit Rambhia, Mr. Jayachandran Sunderamoorthy or Mr. Priyank Sangoi be and are hereby authorised to do all such acts, deeds and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution.

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 14/08/2018
Place: Mumbai**

**Priyank Sangoi
CS & Compliance Officer
Membership No. A50896**

NOTES:

1. PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY

Pursuant to the provisions of Section 105 of the Companies Act, 2013 and Rules framed there under a person can act as Proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. However, a Member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other Member. The Instrument appointing the Proxy, in order to be valid and effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 (forty-eight) hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies etc. must be supported by an appropriate resolution / authority, as applicable. Every Member entitled to vote at the Meeting can inspect the proxies lodged at the Company, at any time during the business hours of the Company, during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending on the conclusion of the Meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

2. **Corporate Members:** Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
3. **Explanatory Statement:** The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting is annexed hereto and forms part of the Notice.
4. **Cut-off Date for Dispatch:** Members of the Company, holding shares either in dematerialised form or physical form, as on 17th August, 2018 (cut-off for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2017-18, physically or through their registered mail id.
5. **Communication:** Electronic copy of the Annual Report 2017-18 and the Notice of the 37th AGM of the Company inter alia with Attendance Slip and Proxy Form is being sent to all the Members, whose email IDs are registered with the Company's Registrar and Share Transfer Agents / Depository Participants for communication purposes unless any Member has requested for a hard copy of the same. For Members, who have not registered their email IDs, physical copies of the Annual Report 2017-18 and the Notice of the 37th AGM of the Company inter alia with Attendance Slip and Proxy Form is being sent through permitted mode. Members are requested to produce the enclosed attendance slip, duly signed as per the specimen signature recorded with the Company, for admission to the meeting hall. Members holding shares in dematerialised form are requested to bring their DP-ID and Client-ID numbers for easier identification for attendance at the meeting. Annual Report for 2017-18 along with Notice of the AGM is also available at the website of the Company www.panache.co.in.
6. **Registrar & Share Transfer Agents and Depository Participant:** Members holding Shares in physical mode are requested to intimate changes in their address, bank details, ECS mandate, nomination, power of attorney, change in name/ address etc. to Niche Technologies Private Limited, Registrar and Share Transfer Agents (RTA) of the Company located at D-511, Bagree Market, 71 B.R.B. Basu Road, Kolkata-700001. Members holding Shares in electronic mode are requested to send the intimation for change of address, bank details, ECS mandate, nomination, power of attorney, change in name/ address etc. to their respective Depository Participants, any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
7. **Nomination Facility:** Members holding shares in the physical form and desirous of making / changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Niche Technologies Private Limited, who will provide the form on request. In respect of shares held in electronic / demat form, the Members may please contact their respective depository participant.

8. **Book Closure:** Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 21st September, 2018 to Thursday, 27th September, 2018 (both days inclusive) for the purpose of electronic credit / dispatch of dividend and AGM.
9. **Dividend waiver:** The actual equity dividend to be declared by the members at the 37th AGM will be for only equity shares other than the equity shares in respect of which the equity Member(s) has / have waived / forgone his / their right to receive the dividend for the financial year ended 31st March, 2018.
10. **Dividend:** Subject to the provisions of Section 123 to Section 127 of the Companies Act, 2013, Dividend on Equity Shares for the year ended 31st March, 2018 as recommended by the Board (Excluding the shares upon which the members have waived/forgone his/their right to receive the dividend by him/them for financial year 2017-18), if sanctioned at the AGM, will be paid within a period of 30 days from the date of declaration to those Members who have not waived their right to receive the dividend for the Financial year 2017-18 -
 - a. in respect of shares held in physical form, whose names appear on the Company's Register of Members, at the close of business hours on Thursday, 20th September, 2018, after giving effect to all valid transfers in physical form lodged on or before Thursday, 20th September, 2018, with the Company and / or its Registrar and Share Transfer Agents; and
 - b. in respect of Shares held in electronic form, to all beneficial owners as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, as on Thursday, 20th September, 2018.

The dividend, if approved, will be paid by crediting into the bank account, as provided by NSDL and CDSL through ECS or NECS or electronic transfer, of those shareholders holding shares in electronic form / demat. In respect to shareholders holding shares in physical form or in case of ECS, NECS, or electronic payment rejected, dividend will be paid by dividend warrant or demand draft. The Company or its Registrar and Share Transfer Agents (RTA) cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

11. **Go Green Initiative:** Members holding Shares in physical form are requested to register their email IDs with the Company's Registrar and Share Transfer Agents (RTA) i.e. Niche Technologies Private Limited and Members holding Shares in electronic / demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above. Members are requested to carry their copies of the Annual Report along with attendance slip to the Meeting.
12. **Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, Niche Technologies Private Limited.
13. **Unclaimed Dividend:** Members are requested to note that as per Section 124(5) of the Companies Act, 2013, dividends not encashed/ claimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against the Company. Members are requested to contact M/s. Niche Technologies Private Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on the website of the Company at www.panache.co.in.
14. **Inspection by Members:** All Statutory Registers and relevant documents referred to in the Notice and the Explanatory Statement shall be available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during the Business hours up to the date of the 37th AGM.

The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the 37th AGM.

Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.

- 15. Subsidiary Accounts:** In accordance with the provisions of Section 136 of the Companies Act, 2013, the Company will provide a copy of separate audited financial statements in respect of each of its subsidiary, to any member of the Company on making requisition to the Company Secretary or email at compliance@panache.co.in.

A Statement containing the salient features of the financial statement of subsidiaries forms part of the Annual Report of the Company. The audited financial statements will also be available for inspection at the Registered Office of the Company and the concerned subsidiary companies on all working days, except Saturdays, Sundays and public holidays, during business hours up to the date of the 37th AGM. Further, the documents shall also be available on the website of the Company www.panache.co.in.

16. Voting through electronic means (E- Voting):

- I. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting by electronic means. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited.
- II. The facility for voting through poll paper shall be made available at the AGM and Members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through poll paper.

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

The instructions for Members voting electronically are as under:

- a. The e-voting period commences on Monday, 24th September, 2018 (9.00 am) to Wednesday, 26th September, 2018 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- b. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- c. Click on “Shareholders” tab.
- d. Now Enter your User ID
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- e. Next enter the Image Verification as displayed and Click on Login.
- f. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

- g. If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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 as mentioned in instruction (d).

- h. After entering these details appropriately, click on "SUBMIT" tab.
- i. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- j. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- k. Click on the EVSN for the relevant Panache Innovations Limited on which you choose to vote.
- l. 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.
- m. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- n. 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.
- o. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- p. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- q. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- r. Members can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- s. Note for Non – Individual Members and Custodians
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- t. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
17. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on cut-off date i.e. Thursday, 20th September, 2018, may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company, Niche Technologies Private Limited, or send an e-mail at helpdesk.evoting@cdslindia.com.
 18. The Members may also contact in case of any grievance connected with e-voting to:

Compliance Officer: Priyank Sangoi
Email id: compliance@panache.co.in.
Contact: 022 2500 7502
 19. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, 20th September, 2018.
 20. Any person who is not a Member as on the cut-off date i.e. 20th September, 2018, should treat this Notice for information purposes only.
 21. The Company has appointed Ms. Payal Tachak, proprietor of M/s. Payal Tachak & Associates, Practising Company Secretary, as the Scrutinizer who will conduct the remote e-voting process in a fair and transparent manner.
 22. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the meeting, thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the total votes casted in favour or against, if any, forthwith, to the Chairman or a person authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.
 23. As per the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of the e-voting are to be submitted to the Stock Exchange(s) within 48 hours of the conclusion of the AGM. The results declared along with Scrutiniser’s Report shall be simultaneously placed on the Company’s website www.panache.co.in.
 24. The resolutions shall be deemed to be passed on the date of the Meeting, i.e. 27th September, 2018 subject to receipt of the requisite number of votes in favour of the resolutions.
 25. The Route Map of venue of the AGM is given at the end of this Notice.
 26. Brief resume of the Directors including those proposed to be appointed / re-appointed, their functional expertise and qualification, names of the Companies in which they hold directorships etc. as stipulated under Companies Act, 2013 Secretarial Standard on General Meetings (SS- 2) and Regulation 36(3) of SEBI (LODR) Regulations, 2015, are provided below as Annexure A & B and forming part of the Notice.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolution at item No. 4, 5, 6 & 7.

Item No. 4:

The Members are hereby informed that your Company intends to expand and diversify its present scope of operations and it is proposed to have more specification in the current main Object Clause of the Memorandum of Association of the Company (MoA).

The proposed alteration in the Main Object Clause of the memorandum of association as set out in the resolution is to facilitate more backing to the existing business of the Company along with diversification. This will enable the company to carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the company. This will also enlarge the area of operations of the company.

The above amendment would be subject to the approval of the Registrar of Companies, Maharashtra, Mumbai and any other Statutory or Regulatory Authority, as may be necessary.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days upto the date of the 37th Annual General Meeting

Pursuant to section 13 of the Act, the above said proposal requires consent of the members by way of special resolution and hence the Board proposes to the members of the Company for their assent to the resolution at item no. 4.

None of the directors or the Key Managerial persons of your company and their relatives are concerned or interested financially or otherwise in this resolution.

Item No. 5 & 6:

Based on the recommendation of Nomination & Remuneration Committee, the Board of Directors at its meeting held on 11th February, 2018 re-appointed Mr. Jayachandran Sunderamoorthy (holding DIN 07706021) as Whole-Time Director of the Company w.e.f. 14th January, 2018 to 13th January, 2021, for a period of 3 years and is liable to retire by rotation, subject to approval of the Members. He was further appointed as a Chief Financial Officer w.e.f. 12th February, 2018, and re-designated as "Whole-Time Director & Chief Financial Officer" subject to approval of the Members.

The designation of Chief Financial Officer shall be treated as Key managerial Personnel of the Company as per the requirements of section 203 of the Companies Act, 2013.

The said appointment is on the following terms and conditions:

1. Aggregate salary payable to Mr. Jayachandran Sunderamoorthy as "Whole-Time Director & Chief Financial Officer" shall be upto Rs. 32.00 Lakh p.a.
2. All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.

The Board of Directors (which term shall be deemed to include any committee of the Board constituted to exercise its powers) can alter and vary the terms and conditions of remuneration, subject to the same not exceeding the limits specified under the relevant provisions of the Companies Act, 2013 and/ or as approved by the members or Central Government or such other competent authority.

None of the Directors/Key Managerial Personnel of the Company/their relatives other than Mr. Jayachandran Sunderamoorthy is concerned or interested in the resolution.

The resolutions as set out at Item No. 5 & 6 of this Notice are accordingly commended for your approval.

Information about Mr. Jayachandran Sunderamoorthy, in accordance with Regulation 26(4) & 36(3) of SEBI (LODR), 2015 is annexed to the Notice as **Annexure A**.

The additional detailed information as per Section – II of Schedule V is annexed to the Notice as **Annexure B**.

Item No.7:

Based on the recommendation of Nomination & Remuneration Committee, the Board of Directors in their Meeting held on 31st March, 2018 have appointed Mr. Anil Jaychand Dagade as an Additional Independent Director of the company to hold office up to the date of next Annual General Meeting for a term of Five years, i.e. with effect from 31st March, 2018 till 30th March, 2023, whose office shall not be liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting (“AGM”).

As an Additional Director, Mr. Anil Jaychand Dagade holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has also received a declaration from Mr. Anil Jaychand Dagade confirming that he meets the criteria of independence as prescribed under the Act. He is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

Except Mr. Anil Jaychand Dagade none other Directors, Key Managerial Personnel and their relatives are, in any way concerned or interested in resolution set out at Item no. 7 of the Notice.

The resolutions as set out at Item No. 7 of this Notice are accordingly commended for your approval.

Information about Mr. Anil Jaychand Dagade, in accordance with Regulation 26(4) & 36(3) of SEBI (LODR), 2015 is annexed to the Notice as **Annexure A**.

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 14/08/2018
Place: Mumbai**

**Priyank Sangoi
CS & Compliance Officer
Membership No. A50896**

Annexure A to 37th AGM Notice

Information about directors seeking appointment / reappointment in this Annual General Meeting in compliance with Regulation 26(4) & 36 (3) of SEBI LODR and 1.2.5 of the Secretarial Standard on General Meetings (SS- 2)

Name of the Director	Mr. Amit Rambhia	Mr. Jayachandran Sunderamoorthy	Mr. Anil Jaychand Dagade
Father's Name	Mr. Devchand Rambhia	Mr. Sunderamoorthy	Mr. Jaychand Dagade
DIN	00165919	07706021	02701030
Date of Birth	23/09/1974	14/01/1956	12/10/1971
Age	43	62	46
Educational Qualification	Bachelor's degree in Computer Science from Mumbai University; MBA from IIM Indore	Bachelors in Commerce and Graduate Diploma in Materials Management (GDMM) from Indian Institute of Materials Management (IIMM)	Bachelor in Commerce from Mumbai University
Experience / Expertise	Amit Rambhia always had a passion for technology. He ventured into IT hardware business in 1993, Starting with computer assembly business and soon it moved into white box manufacturing of innovative computing systems. He was the 1 st to bring Small Form Factor computers into India. Under his robust leadership, the Company has been recognized by several awards like SME National Award for Excellence in IT, best system builder, Intel embedded hero award and accolades for the kind of innovations they have made in PC segment.	Mr. Jayachandran Sunderamoorthy is competent & versatile Management Professional offering rich and varied exposure of 35+ years to the entire spectrum of Business activities.	Mr. Anil Jaychand Dagade, is competent and has rich and varied experience in Trading and Marketing. Mr. Anil also has an experience in Development of Products and Marketing. He has 8 years of experience in the field of Manufacturing and Trading. He brings many years of well-rounded administrative, practical and business knowledge.
Nature of his expertise in specific functional area	Management & overall business execution	Materials Management	Manufacturing and Trading
Terms and conditions of appointment or re-appointment	Director liable to retire by rotation and being eligible, he offers himself for re-appointment.	1. Aggregate salary payable to Mr. Jayachandran Sunderamoorthy as "Whole-Time Director & Chief Financial Officer" shall be upto Rs. 32.00 Lakh p.a. 2. All other benefits are as applicable to other employees of the Company including but not limited to gratuity and leave entitlement.	Upon recommendation of Nomination & Remuneration Committee, the Board appointed him as an Additional Independent Director to hold office up to the date of next Annual General Meeting for a term of 5 years with effect from 31 st March, 2018 to 30 th March, 2023, subject to members approval.

Last drawn remuneration	50,000 p.m	2,31,882 p.m	N.A.
Date of 1 st Appointment on the Board	02/02/2016	14/01/2017	31/03/2018
Number of Meetings of the Board attended during the year 2017-18	8	8	N.A.
No. of share held as on date	4,25,100 shares	NIL	NIL
Relationship with other directors, manager & KMP	NIL	NIL	NIL
Other Directorships	Panache Digilife Limited White Organic Retail Limited Clevermart Private Limited	Kudos Kids Utilities Private Limited	NIL
Committee Memberships in Companies as on 14 th August, 2018	Panache Innovations Limited Stakeholders Relationship Committee (Member) Audit Committee (Member) Panache Digilife Limited Audit Committee (Member)	NIL	Panache Innovations Limited Nomination & Remuneration Committee (Member) Audit Committee (Member)

Annexure B to 37th AGM Notice

The additional detailed information as per Section – II of Schedule V is annexed to the Notice as

I. General Information:												
(a) Nature of Industry	Wholesale of Electronics, Computer & its Peripherals.											
(b) Date or expected date of commencement of commercial production.	N.A. since the Company has already commenced its business activities											
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	NA											
(d) Financial performance based on given indicators.	Financial year 2017-18 Standalone Financial Performance: Revenue & other Income: ₹35,04,68,551 Net Profit before tax: ₹35,82,675 Net Profit after Tax: ₹29,16,952											
(e) Foreign investments or collaborators, if any	The Company has 2 (two) Foreign Subsidiaries: <table border="1" data-bbox="766 761 1396 1041"> <thead> <tr> <th>Name of Foreign Subsidiary Company</th> <th>% Shareholding</th> <th>Date of becoming Subsidiary</th> </tr> </thead> <tbody> <tr> <td>Eddy & Andy International Limited</td> <td>100%</td> <td>18/07/2016</td> </tr> <tr> <td>Panache Innovations DMCC</td> <td>100%</td> <td>06/09/2017</td> </tr> </tbody> </table>			Name of Foreign Subsidiary Company	% Shareholding	Date of becoming Subsidiary	Eddy & Andy International Limited	100%	18/07/2016	Panache Innovations DMCC	100%	06/09/2017
Name of Foreign Subsidiary Company	% Shareholding	Date of becoming Subsidiary										
Eddy & Andy International Limited	100%	18/07/2016										
Panache Innovations DMCC	100%	06/09/2017										
II. Information about the appointee:												
(a) Background details	Mr. Jayachandran Sunderamoorthy is a Bachelor in Commerce and has done Graduate Diploma in Materials Management (Indian Institute of Materials Management). He is competent & versatile Management Professional offering rich and varied exposure of 35+ years to the entire spectrum of Business activities. He has worked with renowned companies like BARC, Zenith Computers Ltd, PCS Technology Ltd., Patni Healthcare Ltd.											
(b) Past remuneration	27,82,584/- p.a											
(c) Recognition or awards	He has won an award for executing an export order to Russia in 1991 from Zenith computers Ltd. Won cash reward for increasing the margin by procuring material at competitive rates in 1993 from Zenith computers Ltd. Won best award for increasing the margin by procuring material at competitive rates in 1996 from Zenith computers Ltd. Won best Purchase Manager Award for increasing the margin by procuring material at competitive rates in 1996 from Zenith computers Ltd. Won award in the year 2004 and 2006 from PCS Technology Ltd.											
(d) Job profile and his suitability	He is the Whole-Time Director & CFO of the Company and devotes whole time attention to the management for the affairs of the Company and exercises powers under the supervision and superintendence of the Board of the Company.											
(e) Remuneration proposed	As mentioned in the resolution											

(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses.
(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Apart from receiving managerial remuneration, he does not have any other pecuniary relationship with the Company.
III. Other information:	
(a) Reasons of loss or inadequate profits	The New Promoters have recently bought in the Company and are now trying to restructure the Company's Business with a change in the Business Objects. Mr Jayachandran is a veteran in the IT Hardware and Peripherals Industry having experience of more than 35 years in the Industry. Moreover, he has taken the additional charge of being the Executive Director as well as the CFO of the Company. The expansion plans will fructify in the coming years contributing in enhanced profits for the company.
(b) Steps taken or proposed to be taken for improvement	<p>The Company has been earning profits in the past consistently on standalone basis and we expect to do well in future also.</p> <p>Further the Company has been exploring new markets and focusing on cost cutting and improving profitability so that your company can achieve the scale of economy and maintain higher margin of profit</p>
(c) Expected increase in productivity and profits in measurable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by the activities of the Company.

PANACHE INNOVATIONS LIMITED

(Formerly known as Ruby Traders & Exporters Limited)

Reg. Off.: 2nd Floor, Bldg No. A3, Unit 201A, Babosa Industrial Park, Mumbai-Nashik Highway (NH3), Saravali Village, Bhiwandi, Thane 421302, Maharashtra, India.

Corporate Off.: Unit No. 201/B1, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai – 400086, MH, India
Tel: 9833995555; Email: info@panache.co.in; Website: www.panache.co.in; CIN: L51100MH1981PLC312742

Form MGT-11 - Proxy Form

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

Name of the member(s)		E-mail Id	
Registered Address		Folio No./ *Client ID- *DP ID No.	

I / We, being the holder/s of _____ equity shares of Panache Innovations Limited, hereby appoint:

1. Name: _____ E-Mail ID: _____

Address: _____

Signature: _____, or failing him/her

2. Name: _____ E-Mail ID: _____

Address: _____

Signature: _____, or failing him/her

3. Name: _____ E-Mail ID: _____

Address: _____

Signature: _____, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on the Thursday, 27th September, 2018 at 03:00 P.M. at Shangrila Resort, Mumbai-Nashik Highway, Bhiwandi By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane, Maharashtra 421302 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Resolut ion No.	Particulars	For	Against
Ordinary Business:			
1	Consider and adopt: a) the audited Standalone Financial Statement of the Company for the year ended March 31, 2018 and the report of the Board of Directors and Auditors thereon. b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2018 and the report of the Auditors thereon.		
2	Declare dividend on Equity Shares for the financial year ended 31 st March, 2018		
3	Appoint a Director in place of Mr. Amit Devchand Rambhia, Director, (DIN 00165919), who retires by rotation and being eligible, offers himself for re-appointment		
Special Business:			
4	Alter Object Clause of Memorandum of Association of the Company		
5	Re-appoint Mr. Jayachandran Sunderamoorthy as Whole-Time Director of the Company		
6	Re-designate Mr. Jayachandran Sunderamoorthy, as Whole-Time Director & Chief Financial Officer of the Company		
7	Appointment of Mr. Anil Jaychand Dagade as an Independent Director of the Company		

*Applicable for investors holding shares in electronic form.

**This is Optional

Signed this _____ day of _____, 2018

Please Affix
Revenue
Stamp

Signature of Member

Signature of Proxy Holder

Notes:

- i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- ii. **It is optional to indicate your preference. If you leave the 'For' or 'Against' blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

PANACHE INNOVATIONS LIMITED

(Formerly known as Ruby Traders & Exporters Limited)

Reg. Off.: 2nd Floor, Bldg No. A3, Unit 201A, Babosa Industrial Park, Mumbai-Nashik Highway (NH3), Saravali Village, Bhiwandi, Thane 421302, Maharashtra, India.

Corporate Off.: Unit No. 201/B1, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai – 400086, MH, India
Tel: 9833995555; Email: info@panache.co.in; Website: www.panache.co.in; CIN: L51100MH1981PLC312742

Attendance Slip**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL****Joint Shareholders may obtain additional Slip at the venue of the meeting**

Name of the Member:	
Address of the Member:	
DP Id*	Folio No.
Client Id*	No. of Shares

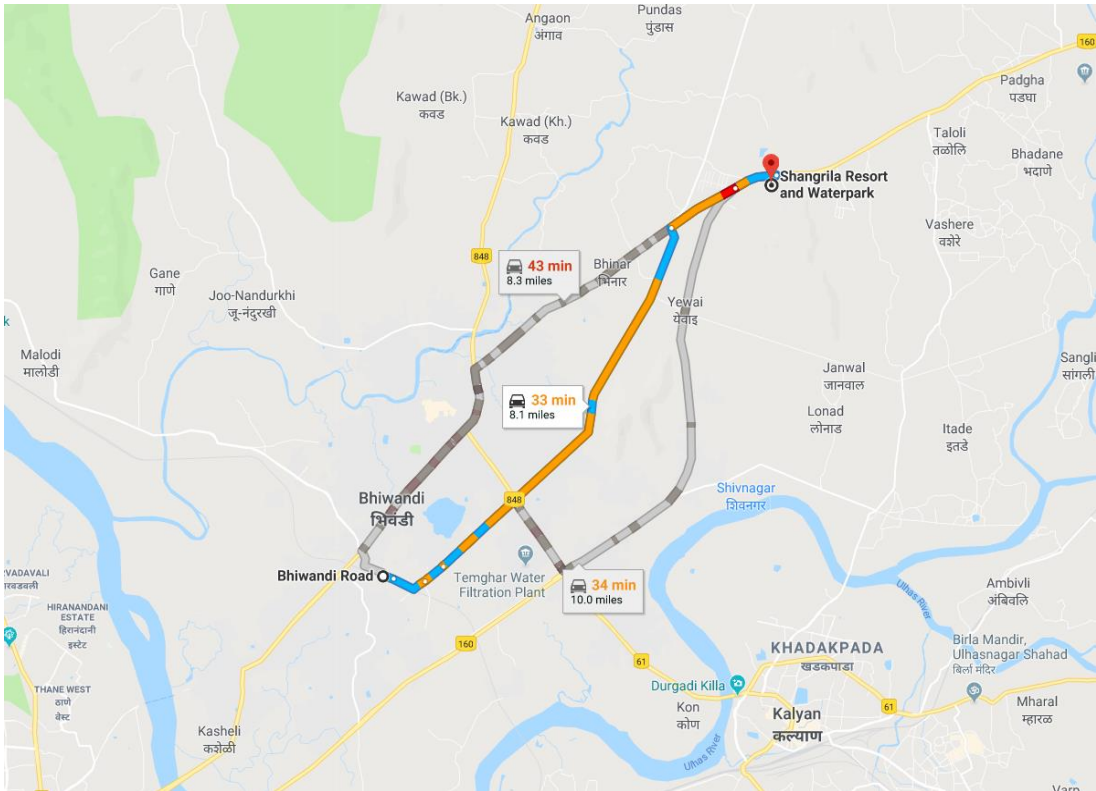
I hereby record my presence at the 37th AGM of the Company held on Thursday, 27th September, 2018 at 03:00 P.M. at Shangrila Resort, Mumbai-Nashik Highway, Bhiwandi By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane, Maharashtra 421302

Signature of member/Proxy holder(s)

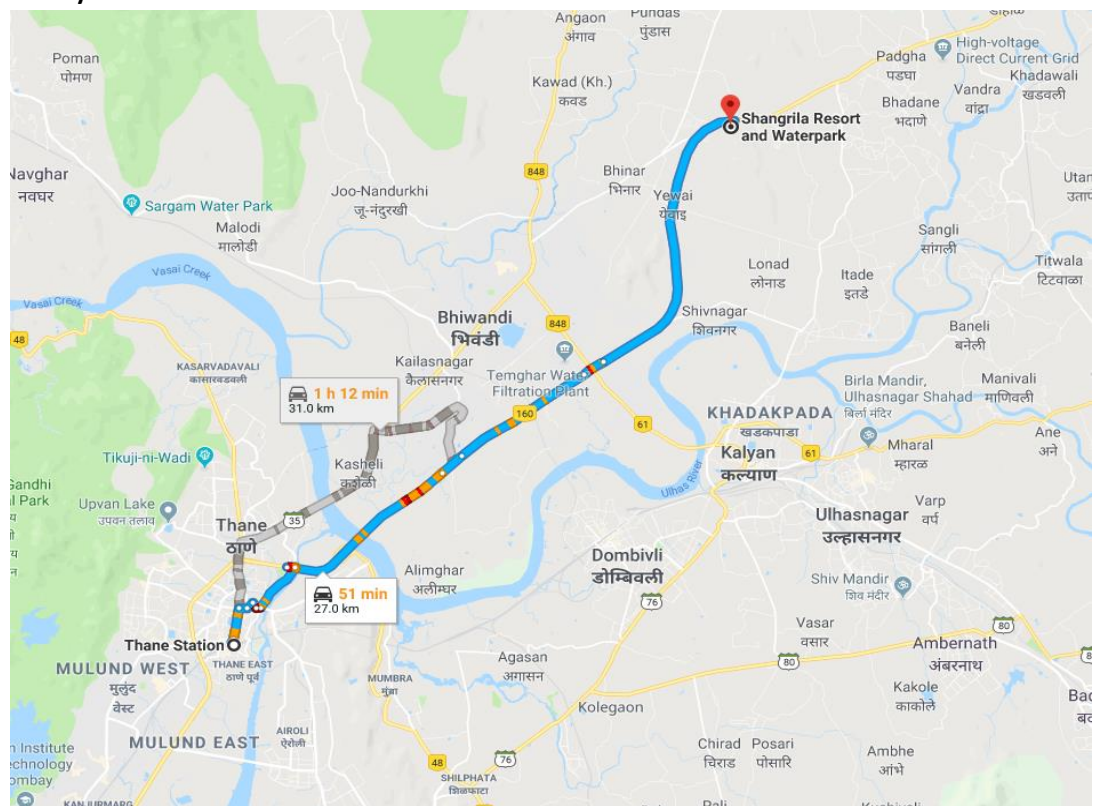
*Applicable for investors holding shares in electronic form.

Route Map for the Venue of AGM

Via Bhiwandi Road



Via Thane Railway Station



Panache Innovations Limited

Venue of AGM: Shangrila Resort, Mumbai-Nashik Highway, Bhiwandi By Pass End, Gangaram Pada, Vadpe, Bhiwandi, Thane, Maharashtra 421302

Date of AGM: 27th September, 2018 (Thursday) | **Time of AGM:** 3.00 pm

Panache Innovations Limited

(Formerly Known as Ruby Traders & Exporters Limited)

Registered: A3/201A, Babosa Industrial Park,
Mumbai-Nashik Highway (NH3),
Saravali Village, Bhiwandi,
Thane - 421302, MH

Corporate: 201/B1, Raheja Plaza-1, LBS Marg,
Ghatkopar West, Mumbai – 400 086, MH

CIN: L51100MH1981PLC312742

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(W): www.panache.co.in

(C): 022 2500 7002