

PCL/CS/16439

29th October, 2024

The Secretary
The Bombay Stock Exchange Limited
25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Sub: Regulation 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the Financial Year 2023-24

Dear Sir,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 and Companies Act, 2013 and to comply with the ROC extension order to convene the AGM within extended period of 02(Two) months i.e. on or before 30th November, 2024, this is to inform you that 43rd Annual General Meeting of the company will be held on **Thursday, 28th November, 2024 at 1100 Hrs through Video Conferencing (VC) / Other Audio Visual Means (OAVM).**

Further, in terms of Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Annual Report of Punjab Communications Limited for the Financial Year 2023-24 containing the copy of Notice calling 43rd Annual General Meeting of the Company as to be send to Shareholders of the Company.

The Company shall commence dispatch of the Annual Report for FY 2023-24 containing the Notice of 43rd AGM, to the shareholders from today i.e. Tuesday, 29th October, 2024 through e-mails only, in accordance with Point no. 3 (A) (III) of MCA General Circular No. 09/2024 dated 19th September, 2024 read with General Circular No. 20/2020 dated 5th May, 2020 and to further comply with the provisions of SEBI (LODR) Regulations, 2015 read with SEBI Circular no. SEBI/HO/CFD/CFD/PoD-2/P/CIR/2024/133 dated 3rd October, 2024 in continuation to Circular no SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020.

The Annual Report for FY 2023-24 containing the Notice of 43rd AGM is also uploaded on the Company's Website Link at <http://www.puncom.com/financials/financial-report>

Kindly take the same on your records.

Thanking you,

Yours Faithfully,

For Punjab Communications Limited

(Company Secretary)

Encl: a.a



43rd ANNUAL REPORT

2023-24

PUNCOM

PUNJAB COMMUNICATIONS LIMITED

www.puncom.com



FOR YOUR INFORMATION

- All correspondence relating to shares of the company may please be sent to the following addresses:

Registered Share Transfer Agents
(Both for Physical & Demat Category)

Alankit Assignments Limited
DP & RTA
Alankit House,
4E/2, Jhandewalan Extension, New Delhi - 110055
Ph.: (011) 42541234, 23541234
Fax : 91-11-23552001

Company's Registered Office

B-91, Phase-VIII, Industrial Area,
S.A.S. Nagar, Mohali-160071 (Punjab)
Phone : +91-172-2237101 (4 Lines),
5022901 (4 Lines)
Fax : +91-172-2237125

- 43rd Annual General Meeting of the company is scheduled to be held on 28th day of November 2024, (Thursday at 1100 HRS through Video Conferencing / Other Audio Visual Means (VC/OAVM) (Notice Enclosed).
- Shareholders intending to require information about accounts to be explained in the meeting are requested to inform the Company at least 10 days in advance of the Annual General Meeting.
- The Trading of Puncom's scrip has come under compulsory Demat for all investors w.e.f. August 28, 2000 (ISIN INE0609A01010).
- The Annual Report also covers reports on "Management Discussion & Analysis" and "Corporate Governance".
- The shares of your company are listed with The Bombay Stock Exchange Ltd., Mumbai (BSE) only.
- As per Amendments to clause 32 of Equity Listing Agreement and Modification of SEBI Circular No. SEBI/CFD/DIL/LA/2/2007/26/4 dated 26.4.2011 towards Green Initiatives in the Corporate Governance, Listed Companies are required to send Balance Sheet etc. by electronic mail to its members. Thus, Shareholders having Shares in Electronic Form are requested to **register their e-mail address with concerned Depository Participant (DP)** and Shareholders having Shares in Physical Form are requested to register their e-mail address through letter duly signed with our Share Transfer Agent i.e. **Alankit Assignments Ltd., New Delhi**.
- Further, in compliance with the MCA General Circular No. 09/2024 dated 19th September 2024 in continuation to earlier General Circular No. 09/2023 dated 25th September 2023, Circular No. 10/2022 dated 28th December 2022, Circular No. 02/2022 dated 5th May 2022 General Circular No. 02/2021 dated 13th January 2021 and circular no. 20/2020 dated 5th May, 2020 read with SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular Number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January 2021, Circular Number SEBI/HO/CFD/CMD 2 / CIR/ P/ 2022 / 62 dated 13th May 2022, Circular Number SEBI/ HO/CFD/PoD-2/ P/CIR/2023/4 dated 5th January 2023, Circular Number SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 and Circular Number SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 the Notice of 43rd Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Annual Report 2023-24 containing Board's Report, Auditors' Report, Audited Financial Statements and other documents, is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories.
- Updation of KYC data of Physical Shareholders**
As per the SEBI directions vide Circular No:SEBI/HO/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 read with Circular No:SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, Circular No:SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, Circular No:SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 and Circular No:SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November, 2023 Company made efforts to update the KYC details of Physical Shareholders. To comply with the SEBI Circulars Company dispatched an Intimation Letter to Physical Shareholders to furnish forms such as ISR-1 (Request for registering PAN, KYC Details or Changes / Updation thereof), ISR-2 (Confirmation of Signature of Security holder by Banker), ISR-3 (Declaration Form for Opting-out of Nomination by holders of physical securities), SH-13 (Nomination Form) & SH-14 (Cancellation or Variation of Nomination) to Alankit Assignments Limited (Unit: Punjab Communications Limited), 205-208, Anarkali Complex, JhandewqJan Extension, New Delhi-110055 towards updation of KYC. All these forms are available at Company's website i.e www.puncom.com.

Annual General Meeting

Date & Time : 28th November, 2024, Thursday at 1100 HRS
Deemed Venue : B-91, Phase VIII, Industrial Area, SAS Nagar, Mohali

PUNJAB COMMUNICATIONS LIMITED

Web : www.puncom.com CIN No: L32202PB19815GC004616

Corporate Information

as on 07.08.2024

Board of Directors	Designation	DIN No.
Sh. Tejveer Singh, IAS	Chairman	07896141
Sh. Mohinder Pal, IAS	Sr. Vice Chairman	02975536
Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	10298745
Dr. V.P. Chandan, IRSSE (Retd.)	Independent Director	00225793
Dr. Neelu Jain	Independent Director	09548731
CA. D K Singla	Independent Director	01430327

Contents	Page No.
Financial Highlights	2
Balance Sheet	3
Profit & Loss Account	4
Cash Flow Statement	27
Statement of change in Equity	28
Independent Auditors' Report	29
CAG Comments	36
Boards' Report	
— Boards' Report	37
— AOC-2	46
— Management Discussion & Analysis Report	47
— Corporate Governance Report	52
— Secretarial Audit Report	66
— Certificate on Corporate Governance	69
Status of Winding up Subsidiaries	
— Punjab Digital Indl. Sys. Ltd. (Under Liquidation)	69
AGM Notice	
— Notice	70
— Explanatory Statement	77

Company Secretary

CS Pratima Yadav

Chief Financial Officer

CA Ramesh Goel

Statutory Auditors

M/s Jain & Associates
Chartered Accountants

Bankers

State Bank of India
Indian Bank (Allahabad Bank merged with Indian Bank)

Registered Office

B-91, Phase VIII, Industrial Area,
S.A.S. Nagar (Mohali)
Punjab - 160071

Committee of Directors

Audit Committee

Dr. V.P. Chandan, IRSSE (Retd.)	Chairman
CA. D K Singla	Member
Dr. Neelu Jain	Member

Stakeholders' Relationship Committee

Dr. V.P. Chandan, IRSSE (Retd.)	Chairman
CA. D K Singla	Member
Dr. Neelu Jain	Member

Listing Regulations wherever appearing in the Annual Report means SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

Financial Highlights 2019-2020 to 2023-2024

Particulars	Amount (₹ in Lacs)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Sales	2759.85	2,057.55	1075.90	1058.87	1504.59
Other Income	896.53	846.76	788.82	802.38	696.13
Total Income	3656.38	2,904.31	1864.72	1861.25	2200.72
Earning/Loss before Dep.	-1099.02	-1152.26	-1293.01	-1535.76	1084.58
Interest and Tax(EBDIT)	44.02	35.15	28.93	23.14	19.79
Depreciation	-1143.04	-1190.29	-1248.79	-1562.46	1015.22
Profit/Loss after Tax	-93.47	76.20	-23.09	-14.10	3.68
Other Comprehensive Income	-1236.51	-1114.09	-1271.88	-1576.56	1018.90
Total Comprehensive Income	-	-	-	-	-
Equity Dividend (%)	-	-	-	-	-
Dividend Payout	-	-	-	-	-
Equity Share Capital	1202.36	1202.36	1202.36	1202.36	1202.36
Reserves & Surplus	4621.89	3507.80	2235.93	659.36	1678.26
Tangible Net Worth	5826.69	4712.59	3440.73	1864.16	2883.06
Gross Property, Plant and Equipment & Investment Property	5678.65	5679.19	5570.79	5551.54	5543.50
Net Property, Plant and Equipment & Investment Property	497.12	462.52	411.79	388.83	371.47

Key Ratios 2019-2020 to 2023-2024

Particulars	Amount (₹ in Lacs)				
	2019-20	2020-21	2021-22	2022-23	2023-24
Earning /loss Per Share (in Rs)	-9.51	-9.90	-10.39	-13.00	8.44
Cash Earning/Loss Per Share (in Rs)	-6.26	-9.43	-10.55	-12.80	8.61
Book Value Per Share (in Rs)	48.46	39.19	28.62	15.50	23.98
Debt/Equity Ratio	0.00	0.00	0.00	0.00	0.00
Current Ratio	1.84	1.68	1.41	1.09	1.39

Note: The figures have been regrouped and restated wherever necessary, to make them comparable and to be complied with Ind-AS also.

PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB1981SGC004616

PART-I BALANCE SHEET AS ON 31st MARCH, 2024

Particulars	Note	Amount (₹ in Lacs)	
		As on 31st March 2024	As on 31st March 2023
ASSETS			
(1) Non-Current Assets			
a) Property Plant & Equipment	2	287.85	304.95
b) Investment Property	2A	83.61	83.88
c) Financial Assets			
Investments	3	-	698.74
Loans and advances	4	13.37	14.64
Other Financial Assets	5	253.75	516.27
d) Deferred tax assets (net)	6	-	-
e) Other non-current assets	7	259.53	153.26
(2) Current Assets			
a) Inventories	8	302.88	204.08
b) Financial Assets			
Trade receivables	9	1072.13	1,022.22
Cash and cash equivalents	10	2316.74	342.76
Other Bank Balances	11	3170.53	4,045.91
Loans and advances	12	1.22	3.03
Other Financial Assets	13	412.53	471.07
c) Other Current Assets	14	1.60	11.12
(3) Non current assets held for sale	14A	23.41	23.41
TOTAL		8,199.16	7,895.34
EQUITY AND LIABILITIES			
Equity			
a) Share Capital	15	1204.80	1,204.80
b) Other Equity	16	1678.26	659.36
Liabilities			
(1) Non-Current Liabilities			
a) Financial Liabilities			
Other Financial liabilities	17	48.82	45.75
b) Provisions	18	-	373.39
c) Other Non Current Liabilities	19	0.35	3.66
(2) Current Liabilities			
a) Financial Liabilities			
Borrowings	20	-	-
Trade Payables	21	1528.69	1,417.64
Other Financial liabilities	22	3453.60	3,477.24
b) Other Current Liabilities	23	156.79	133.51
c) Provisions	24	127.84	189.99
(3) Liabilities directly associated with Non current assets classified as held for sale	24A		
TOTAL		8199.16	7,895.34
Significant accounting policies	1		
Notes to accounts	2-47		
The notes referred to above form an integral part of Balance Sheet			

In terms of our separate report of even date.

For and on behalf of Board of Directors

For Jain & Associates.

CHARTERED ACCOUNTANTS
FRN: 001361N

Parminder Pal Singh Sandhu, IAS
Managing Director
DIN: 10298745

V. P. Chandan
DIRECTOR
DIN: 00225793

CA Krishan Mangawa
(PARTNER)

M.No: 513236

CA Ramesh Goel
CHIEF FINANCIAL OFFICER

Pratima Yadav
COMPANY SECRETARY

UDIN: 24513236BKAMVG1528

PLACE: S.A.S. Nagar (Mohali)
DATED: 28.05.2024

PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB1981SGC004616

PART-II STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024

		Amount (₹ in Lacs)	
Particulars	Note	For the Year Ended 31st March, 2024	For the Year Ended 31st March, 2023
I. Revenue from operations	25	1,504.59	1,058.87
II. Other Income	26	696.13	802.38
III. Total Income		2,200.72	1,861.25
IV. Expenses:			
Cost of materials consumed	27	556.54	397.88
Purchases of Stock-in-Trade	28	156.97	25.29
Changes in inventories of Finished Goods/ Work-in-process and Stock-in-trade	29	-104.19	47.55
Employee benefits expenses	30	1,485.86	1,940.62
Finance costs	31	49.57	3.56
Depreciation and amortization expenses	2, 2A, 14A	19.79	23.14
Other expenses	32	307.27	291.82
Total expenses		2,471.81	2,729.86
V. Profit/(Loss) before tax (III-IV)		-271.09	-868.61
VI. Exceptional Items *		-261.77	-693.85
Exceptional Items-Interest Income under OTS **		1,548.08	-
VII. Profit/(Loss) before tax (V-VI)		1,015.22	-1,562.46
VIII. Tax expenses:			
(1) Provision for Income tax write back for previous year			
(2) Current tax		-	-
(3) Deferred tax		-	-
IX Profit/ (Loss) for the year (VII-VIII)		1,015.22	-1,562.46
X Other Comprehensive Income/(losses)	33	-	-
Items that will not be reclassified subsequently to P&L			
Re-measurement of defined benefit plan		3.68	-14.10
XI Total Comprehensive Income/(losses) for the year		1,018.90	-1,576.56
Earnings per share from continuing operations attributable to the equity holders of the Company during the year	34		
(1) Basic		8.44	-13.00
(2) Diluted		8.44	-13.00
Significant Accounting Policies	1		
Notes to accounts	2-47		

* (Exceptional Item represents Rs.261.77 lacs (Previous year Rs. 693.85 Lacs) which the company had paid to its 8 employees during the year 2023-24 and to 22 employees during the previous year 2022-23 , who have opted for the VRS scheme implemented by the Company).

** (Exceptional item represents Rs. 1548.08 lacs towards the interest income of the company during the year under one time settlement (OTS) from U.P. Co-Operative Spinning Mills Federation Ltd.) Please refer Note 3 on Investments.

In terms of our separate report of even date.

For and on behalf of Board of Directors

For Jain & Associates.

CHARTERED ACCOUNTANTS
FRN: 001361N

Parminder Pal Singh Sandhu, IAS
Managing Director
DIN: 10298745

V. P. Chandan
DIRECTOR
DIN: 00225793

CA Krishan Mangawa
(PARTNER)

M.No: 513236

CA Ramesh Goel
CHIEF FINANCIAL OFFICER

Pratima Yadav
COMPANY SECRETARY

UDIN: 24513236BKAMVG1528

PLACE: S.A.S. Nagar (Mohali)

DATED: 28.05.2024

PUNJAB COMMUNICATIONS LIMITED

NOTE 2 : PROPERTY, PLANT & EQUIPMENT

DESCRIPTION OF FIXED ASSETS	GROSS BLOCK				DEPRECIATION				Amount (₹ in Lacs)	
	AS AT 01.04.2023	ADDITIONS	SALE/TRF	AS AT 31.03.2024	UPTO 01.04.2023	FOR THE PER- OD INCL:TRF	SALE/TRF ADJUSTMENTS WRITTEN BACK	UPTO 31.03.2024	AS AT 31.03.2023	AS AT 31.03.2023
I TANGIBLE ASSETS										
LAND (Freehold)*	65.09	0.00	0.00	65.09	4.32	0.00	0.00	4.32	60.77	60.77
BUILDING	341.37	0.00	0.00	341.37	315.86	2.44	0.00	318.29	23.08	25.51
PLANT & MACHINERY	3992.10	0.00	0.00	3992.10	3790.65	14.87	0.00	3805.52	186.58	201.45
TEMPORARY STRUCTURE	44.19	0.00	0.00	44.19	44.01	0.00	0.00	44.01	0.18	0.18
ELECTRICAL INSTALLATION	261.05	0.00	0.00	261.05	253.57	0.00	0.00	253.58	7.47	7.47
OFFICE EQUIPMENT	196.02	2.49	2.13	196.38	190.97	1.39	1.99	190.36	6.01	5.05
FURNITURE & FIXTURE	101.58	0.52	0.00	102.10	100.69	0.12	0.00	100.81	1.28	0.89
VEHICLES	59.62	0.00	8.91	50.71	56.01	0.70	8.46	48.24	2.47	3.61
SUB TOTAL (A)	5061.02	3.01	11.04	5052.99	4756.07	19.52	10.46	4765.14	287.85	304.95
II INTANGIBLE ASSETS										
TECHNICAL KNOW HOW	162.24	0.00	0.00	162.24	162.24	0.00	0.00	162.24	0.00	0.00
SUB TOTAL (B)	162.24	0.00	0.00	162.24	162.24	0.00	0.00	162.24	0.00	0.00
III CAPITAL WORK-IN-PROCESS										
SUB TOTAL (C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IV INTANGIBLE ASSETS UNDER DEVELOPMENT										
SUB TOTAL (D)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL (A+B+C+D) CURRENT YEAR	5223.27	3.01	11.04	5215.23	4918.31	19.52	10.46	4927.37	287.85	304.95
TOTAL (PREVIOUS YEAR FIGURES)	5242.52	1.16	20.41	5223.27	4914.88	22.87	19.44	4918.31	304.95	327.62
NOTE 2 (A) : Investment Property**										
DESCRIPTION OF INVESTMENT PROPERTY \$										
	AS AT 01.04.2023	ADDITIONS	SALE/TRF	AS AT 31.03.2024	UPTO 01.04.2023	FOR THE PERIOD	DEPRECIATION SALE/TRF ADJUSTMENTS WRITTEN BACK	UPTO 31.03.2024	AS AT 31.03.2024	AS AT 31.03.2023
I LAND (Freehold)*	70.76	0.00	0.00	70.76	4.99	0.00	0.00	4.99	65.77	65.77
BUILDING	257.51	0.00	0.00	257.51	239.40	0.27	0.00	239.67	17.84	18.11
TOTAL	328.27	0.00	0.00	328.27	244.39	0.27	0.00	244.65	83.61	83.88
(PREVIOUS YEAR FIGURES)	328.27	0.00	0.00	328.27	244.11	0.28	0.00	244.39	83.88	84.16

*Date of conversion into freehold land is 05/02/2003

**During the FY 20-21, an owner occupied PPE (Land & building) had been transferred/classified into Investment property and therefore Gross value of Rs. 83.80 lacs and accumulated depreciation of Rs.50.97 lacs had also been transferred accordingly.

**During the FY 21-22, the company had decided to sell one of its investment property (C-134 Building) to M/s Punjab Pollution Control Board (PPCB) at a round off price of Rs.19.50 Crore. Accordingly, the said Investment property was transferred/classified into Non Current Asset classified as held for sale and therefore Gross value of Rs. 104.07 Lacs and accumulated depreciation of Rs.80.66 lacs had also been transferred accordingly. Refer Note 14A.

\$ For disclosures related to investment property, refer Note no 1(III) & 42.

Managing Director

DIRECTOR

CFO

C.S

PARTICULARS	Amount (₹ in Lacs)	
	31.03.2024	31.03.2023
Note 3: INVESTMENTS		
(NON CURRENT FINANCIAL ASSETS)		
(At cost adjusted for diminution in value)		
UNQUOTED AND NON TRADE:-		
U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD., NIL (Previous year	-	698.74
14,000 bonds @ Rs. 5000/- each fully paid up) 14.90% (Taxable) Secured Redeemable UPSCMF bonds fully guaranteed by the Govt of U.P.*		
WHOLLY OWNED SUBSIDIARY COMPANIES		
PUNJAB DIGITAL INDUSTRIAL SYSTEMS LTD. **	24.79	24.79
2,46,640 (2,46,640) Equity Shares of Rs.10/- each, fully paid up		
Less:- Provision for diminution in value	24.79	24.79
	-	-
	-	698.74

- i * The Company had invested a sum of Rs. 698.74 Lacs (Face Value Rs. 700 Lacs) net of commission amounting to Rs.1.26 lacs in the Bonds of UP Co-operative Spinning Mills Federation Ltd. (UPCSMFL) for a tenure of 18 months, which was duly guaranteed by the UP State Government. The Company approached UPSCMFL for redemption of bonds on due date i.e. 20th December, 1999. Upon failure of UPSCMFL to redeem the bonds on due date, the Company invoked the aforesaid Government Guarantee through suit filed on 28th November, 2001 at Lower Court, Chandigarh against UPSCMFL & UP State Govt. for recovery of the aforesaid amount and the Hon'ble Lower Court passed decree in favour of the Company vide its order dated 30th January, 2004.
- ii UP State through Special Secretary filed an application under Order 9 Rule 13 for setting aside the above said Decree being ex parte on 2nd September 2004 and also applied for stay of execution at the Lower Court Chandigarh. Stay application of UP State was dismissed on 13th September 2004 and the application under 9/13 was kept pending.
- iii UP State Govt. filed the Revision Petition, against the order of dismissal of stay by the lower court, at Hon'ble Punjab & Haryana High Court, Chandigarh. In order to admit their Revision Petition, the Court ordered UP State Govt. to deposit a sum of Rs.735.63 lacs (50% of the Decretal amount). The aforesaid sum of Rs.735.63 lacs was released to the Company against furnishing of Bank Guarantee of equivalent amount on 22nd April, 2006.
- iv On 12th March 2010 the application filed by UP State under Order 9 Rule 13 was dismissed by the Lower Court Chandigarh. UP State filed an Appeal in the Court of Add. Dist. Judge Chandigarh and got the stay on 21st July, 2010. The application of UP State for Stay got dismissed on 10th November, 2012. UP State filed Civil Revision against the order of Distt. Judge Chandigarh at Punjab and Haryana High Court Chandigarh. The Civil Revision filed by UP State was dismissed by the Hon'ble Punjab and Haryana High Court on 20th September, 2013.
- v UP State Govt. filed appeal against the aforesaid order of the Hon'ble Punjab & Haryana High Court with the Hon'ble Supreme Court through SLP. The Hon'ble Supreme Court vide it's order dated 19th January, 2015 directed the company to refund the aforesaid sum of Rs 735.63 Lacs to the UP State Government. In compliance with the aforesaid orders of the Hon'ble Supreme Court, the company refunded Rs. 735.63 Lacs by allowing the Hon'ble Court to invoke the Bank Guarantee of the equivalent amount submitted to the court earlier.
- vi In view of the aforesaid order passed by Hon'ble Supreme Court maintaining that the UP State was not a party defended before the trial court, the company was constrained to file a fresh civil suit against the State of U.P at District Court Chandigarh as on 11th March 2016 for recovery of Rs 68,40,31,048/- in order to preserve its right of huge claim. Later on, after aforesaid invocation of the Bank guarantee of Rs 7,35,63,325/- the company filed a revised claim on 30th October 2018 to the tune of Rs.75,75,94,373/- (Rs 68,40,31,046/- plus Rs 7,35,63,325/-) which is pending. UPSCMFL, is presently under liquidation and the company has filed it's claim with the Official Liquidator on 23rd May, 2016 at Kanpur and later, on account of invocation of Bank Guarantee, a revised claim was filed on 26th September 2018 to the tune of Rs. 1,10,75,01,023/- with interest as on 28th August, 2018 in order to maintain its valuable rights in future. The revised claim was sent through the authorised representative of the company and was duly acknowledged by the officials of UPSCMFL. It was also sent through the Registered Post which has not been received back thus duly served.
- vii In the light of the aforesaid orders of Hon'ble Supreme Court, the decree is not maintainable against the State of U.P, therefore, the Company filed a fresh execution application against the principal debtor i.e UPSCMFL at the Hon'ble Lucknow Court on 30th January, 2016 (as the Decree was issued against both the parties viz., UPSCMFL and the State of UP).
- viii Meanwhile, the Board of Directors of the company discussed that pursuant of Supreme Court Order, the litigation in this case is a prolonged one and it was decided that besides the ongoing litigation which the company may carry on, efforts need to be made to settle this case out of the Court at Government Level. Accordingly DO Letters were sent to Chief Secretary State of Uttar Pradesh and to the Secretary, Inter State Council. After a few correspondence through DO Letters at Chief Secretary Level and at Inter State Council Level, the company received communication from UPSCMFL and after necessary formalities, a meeting was conducted between Chairman and MD PUNCOM with the Additional Chief Secretary, State of Uttar Pradesh and the MD UPSCMFL through Video Conferencing as a result of which the State of Uttar Pradesh offered a One Time Settlement Scheme (OTS), whereby they offered an interest @ 4.50% along with the Principle of Rs. 7 Crore. The said proposal of OTS offered by the State of Uttar Pradesh was placed in the Board Meeting of the company held on 12th November 2021, whereby it was suggested that an effort may be made to improve the offer by requesting UPSCMFL to give rate equivalent to borrowings of the company which is in the range of 6% to 7%. Accordingly a Counter Offer was sent to State of Uttar Pradesh as well as to the MD, UPSCMFL which was rejected later. Thereafter, the proposal was sent to Department of Finance, DPED, Govt of Punjab for its concurrence for accepting the OTS offer. Later, the Core Group of Officers on Disinvestment (CGOD) in its meeting called by DPED, decided to place the matter before the Council of Ministers, Government of Punjab, for its final approval.
- ix Further to above, U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD., vide its letter No. 1143 SMF 2023-24 dated 20th October 2023, offered One Time Settlement(OTS) and sent the calculations to the company for amount payable by them till 31.03.2023, amounting Rs. 22,48,08,356/- (Rs. 7,00,00,000/- towards Principal amount and Rs. 15,48,08,356/- towards simple interest @ 9.5% per annum for the period 21.12.1999 to 31.03.2023). The offer was approved by the Competent Authority of the Company and required documents were submitted by the company to U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD on dated 18th March 2024. Rs. 20,93,27,456/- (after deduction of TDS on interest amounting Rs. 1,54,80,900/- from the Gross settlement of Rs. 22,48,08,356/-) was received by the Company on dated 28th March 2024 in its Current Account maintained with State Bank of India. Accordingly, Investments have been stated at NIL during the financial year 2023-24 and interest amount of Rs. 15,48,08,356/- have been accounted for under Exceptional Items - Income during the year. No interest has been provided for the period from 01.04.2023 to 28.03.2024, amounting to Rs. 65,77,322.
- x Till the financial year 2022-23, The company has reflected the value of investment in bonds at cost. Further, the principal amount of bond is fully guaranteed by the UP State Government, but due to the protracted litigation the time of recovery is indeterminable. [Also Refer note 5 and 41(a)]

** Refer Note 36

Managing Director	Director	CFO	CS
-------------------	----------	-----	----

PARTICULARS	31.03.2024	31.03.2023
Note 4: LOANS AND ADVANCES		
(NON CURRENT FINANCIAL ASSETS)		
Festival Advance *	13.37	14.51
Loans and Advance to Employees**	-	0.13
Due from Subsidiary companies (PDISL)	40.35	40.35
Less:- Provision for doubtful advances	40.35	40.35
	<u>13.37</u>	<u>14.64</u>

* Festival Advance (Interest -free) recoverable has been valued at present value @10% as per IND AS -109. Also Refer

Note 41(e)

** Refer Note 41 (b)

Note 5: OTHER NON-CURRENT FINANCIAL ASSETS

Security Deposits*	47.69	34.16
Principal Amount of Fixed Deposits with banks (having maturity period of more than 12 months from BS date)	199.28	479.23
Interest accrued on fixed deposits (having maturity period of more than 12 months from BS date)	6.78	2.88
Interest Accrued on U.P. Co-operative Spinning Mills Federation Ltd.,14000 (14000) 14.90% (Taxable) Secured Redeemable UPCSMFL Bonds fully guaranteed by the Govt of U.P. of Rs. 5000/- each fully paid up**	-	152.52
Less:- Provision against Interest accrued	-	152.52
	<u>253.75</u>	<u>516.27</u>

* Security deposits are shown as Non current Financial Assets for the year ended 31st March, 2024 in line with Schedule III of Companies Act, 2013.

** Refer Note-3 The company, till the financial year 2022-23 had recognized and received interest income to the extent of Rs. 156.45 lacs (@ 14.90% on Principal) for a tenure of 18 months. In view of the protracted litigation and uncertainty of the amount realizable, pending settlement of the case, the company has provisioned the already recognized interest income of Rs. 152.52 lacs up to 31st March 2001 of which Rs. 115.63 Lacs was provisioned in FY 2014-15 and remaining Rs. 36.89 Lacs in FY 2015-16.

The Company, till the financial year 2022-23 has not recognized accrued interest, keeping in view uncertainty involved in the matter of realization of interest due to litigation. The same is in conformity with applicable IND AS, which allows recognition of revenue only when it is probable that the economic benefits associated with the transaction will flow to the entity.

Also, Refer Note 41(c)

Note 6: DEFERRED TAX ASSET (NET)

Deferred Tax Asset:		
Relating to brought forward loss & other allowances under Income Tax Act	31.69	31.54
Deferred Tax Liability:		
Relating to Fixed assets	-31.69	-31.54
Deferred Tax Asset/Liability*	<u>-</u>	<u>-</u>

* In accordance with IND AS 12 "Income Taxes" the company reviews the carrying amount of a deferred tax asset at the end of each reporting period and reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable profit will be available. Also refer Point XII of Note-1.

Note 7: OTHER NON CURRENT ASSETS

Income Tax Recoverable for Previous years	52.39	104.51
Income Tax Recoverable for current year	198.17	250.56
Less: Provision for Income Tax/MAT	-	47.02
Prepaid Expenses*	8.97	1.73
	<u>259.53</u>	<u>153.26</u>

*Prepaid expenses, the period of which extend beyond 12 months from Balance Sheet date have been treated as Non current in accordance with Company's Accounting policy Note-1 (Point XV).

Managing Director

Director

CFO

CS

PARTICULARS	31.03.2024	31.03.2023
-------------	------------	------------

Note 8: INVENTORIES

Inventories (As taken, valued, and certified by the management)

Stores, Spares & Packing Material	14.53	14.53
Raw material	1,100.13	1,148.28
Less: Provision for Obsolete/slow moving items	<u>1,023.63</u>	<u>1,023.63</u>
	76.50	124.65
Work in Process/Sub assemblies:		
Work -in -process	167.49	34.66
Sub-assemblies	395.12	423.76
Less: Provision for Obsolete/slow moving items	<u>409.7</u>	<u>409.7</u>
	152.91	48.72
Goods -in -transit	58.79	16.03
Stock-in-Trade	0.15	0.15
	<u>302.88</u>	<u>204.08</u>

As per the provisions of IND AS-2 "Inventories" the stock are valued at Cost or NRV whichever is less on FIFO basis.

Note 9: TRADE RECEIVABLES

Trade Receivable considered good – Unsecured*	1,072.13	1,022.22
Less:- Provision for doubtful debt	-	-
Trade Receivable considered good – Unsecured	<u>1,072.13</u>	<u>1,022.22</u>
Trade Receivable credit impaired - Unsecured	130.59	130.59
Less :- Provision for credit impaired	<u>130.59</u>	<u>130.59</u>
Total Trade Receivable	<u>1,072.13</u>	<u>1,022.22</u>

*Includes due from Subsidiary (PDISL) Rs.4.55 Lacs (Rs.4.55 Lacs)

Trade Receivable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 Years	2-3 Years	More than 3 years	
(I) Undisputed Trade Receivables – considered good	522.47	84.12	84.00	27.79	353.75	1,072.13
(Previous year ending 31.03.2023)	378.28	18.61	53.37	130.95	441.01	1,022.22
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	2.19	128.40	130.59
(Previous year ending 31.03.2023)	-	-	-	2.19	128.40	130.59
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

The company had sent balance confirmation letters to all parties requesting them to confirm the balance within 15 days, failing which the balance will be presumed to be correct as per the terms of the letter. Also Refer Note 41(d).

Note 10: CASH & CASH EQUIVALENTS

Cash and Cash equivalents

Balance with banks:

In Current Accounts	2191.74	242.76
In Fixed Deposits (having original maturity period of less than 3 months)	125.00	100.00
Cash in hand	-	-
	<u>2316.74</u>	<u>342.76</u>

Refer Note 41(d).

Note 11: OTHER BANK BALANCES

Principal Amount of Fixed Deposits (Other than Fds reflected in Note 10)*	3,369.53	4,524.86
In Fixed deposit account (Unclaimed Buyback Amount)**	0.28	0.28
	<u>3,369.81</u>	<u>4,525.14</u>
Less: Fixed Deposits (having maturity period of more than 12 months from BS date transferred to Other Non-Current Assets)	-199.28	-479.23
FDs having maturity less than 12 months from BS date	<u>3,170.53</u>	<u>4,045.91</u>

* Includes the pledged value of FDRs against Bank guarantees and overdrafts limits/LC is Rs.1443.66 Lacs (Rs.1603.62 lacs). FDRs further include an amount of Rs. 3010.21 Lacs (Rs.3010.21 Lacs) received by Company through encashment of Bank Guarantee submitted by VMC Systems Ltd . Also refer Note-22 and Note 41(d).

Managing Director	Director	CFO	CS
-------------------	----------	-----	----

PARTICULARS	31.03.2024	31.03.2023
** Despite company's best efforts, 5 shareholders could not be traced, against which an amount of Rs 0.28 Lacs is still unpaid and was kept in Unclaimed Buy Back Account. In order to keep the amount separate, a Fixed Deposit Account with Indian Bank has been opened for an amount of Rs. 0.28 Lacs which shall be payable on demand to respective shareholders only.		
Note 12: LOANS & ADVANCES (CURRENT & FINANCIAL ASSETS) (Unsecured and considered good unless otherwise stated)		
Loan and Advance to Employees*	1.22	3.03
Claims Recoverable	-	-
	<u>1.22</u>	<u>3.03</u>

* Refer Note 41 (b) and Note 41(d)

Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

*Loan to employees include loan to KMPs given in the ordinary course of business and as per the service rules of the Company.	Balance As on 31/03/2024	Balance As on 31/03/2023	Maximum amount due at any time during the year ended 31/03/2024	Maximum amount due at any time during the year ended 31/03/2023
No repayment schedule or repayment beyond seven years.	NIL	NIL	NIL	NIL
No interest or at an interest rate below which is specified in Section 186 (7) of Companies Act, 2013	NIL	NIL	NIL	NIL

Note 13: OTHER CURRENT FINANCIAL ASSETS

Security deposits*	24.71		31.26	
Less: Provision for Doubtful Amounts	<u>4.76</u>	19.95	<u>4.76</u>	26.50
Accruals :				
Interest accrued but not due on Fixed deposits (having maturity < 12 months from BS Date)		70.46		122.45
Others:				
In Escrow account (Money held on behalf of VMC & its Associated Companies)**		<u>322.12</u>		322.12
		<u>412.53</u>		<u>471.07</u>

* Refer Note no 5 and 41 (b)

** Refer Note 21

Refer Note 41(d)

Note 14: OTHER CURRENT ASSETS

Balance with Government Departments				
Income Tax Recoverable for Previous years			-	-
Other Advances:-				
Considered good	1.60		11.12	
Doubtful Advances	<u>2.35</u>		<u>2.35</u>	
Less: Provision for Doubtful Advances	3.95		13.47	
	<u>2.35</u>	1.60	2.35	11.12
		<u>1.60</u>		<u>11.12</u>

Note 14A: NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE*

Freehold Land	15.56	15.56
Building	<u>7.85</u>	<u>7.85</u>
	<u>23.41</u>	<u>23.41</u>

* The Board of Directors of the company has decided to sell one of its buildings to cover the deficient Working Capital Limit and M/s Punjab Pollution Control Board (PPCB) expressed its interest in buying the C-134 building of our company. Then, the Board in its 206th meeting has decided to send the Offer Letter to PPCB at a round off price of Rs 19.50 Crore. Accordingly, an offer letter dated 25th June, 2021 was sent to PPCB. In furtherance to this, the first installment of 20% i.e. Rs. 3.90 Crore was released by PPCB which was realized by our company on 2nd March, 2022. During the FY 2022-23, the Board approved the final sale agreement with PPCB. Thereafter, the proposal was shared with Department of Finance, DPED, Govt of Punjab. Later, the Core Group of Officers on Disinvestment (CGOD) in its meeting called by DPED, decided to place the matter before the Council of Ministers, Government of Punjab, for its final approval.

During the financial year 2023-24, according to discussions and agreement between PPCB and the Competent Authority of the Company, it was decided to return the advance received from PPCB plus interest earned by the Company and same was paid to PPCB on dated 15.12.2023. Nothing is due to PPCB now. Refer Note 2A, 24A & 42.

Managing Director

Director

CFO

CS

PARTICULARS	31.03.2024	31.03.2023
Note 15 : SHARE CAPITAL		
AUTHORISED		
1,98,00,000 (1,98,00,000) Equity Shares of Rs. 10/- each	1,980.00	1,980.00
20,000 (20,000) Preference Redeemable Shares of Rs. 100/- each	20.00	20.00
	<u>2,000.00</u>	<u>2,000.00</u>

ISSUED AND SUBSCRIBED & FULLY PAID UP

1,20,23,565 (1,20,23,565) Equity Shares of Rs. 10/- each*	1,202.36	1,202.36
Add: Share forfeited (Amount paid-up)	2.44	2.44
	<u>1,204.80</u>	<u>1,204.80</u>

*The shareholding of promoter comprises of 8551501 number of shares (demated) of PICTCL, 9700 number of shares (physical) of PSEDPCCL (erstwhile name of PICTCL) and 9475 number of shares (demated) of PSIDC (another corporation of Government of Punjab). 9700 shares have been sold by PSEDPCCL in year 2000 but have not been presented or registered for transfer by the buyer in their name till now.

15.1 The detail of shareholders holding more than 5% shares:

Name of the Shareholder	No of shares	% of Holding	No of shares	% of Holding
Punjab Information & Comm Tech Corp Ltd (Holding Co.)	85,51,501	71.12	85,51,501	71.12

15.2 The Reconciliation of number of shares outstanding is set out below:

Particulars	No of shares	No of shares
Shares outstanding at the beginning of the year	1,20,23,565	1,20,23,565
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	1,20,23,565	1,20,23,565

Terms/ rights and restrictions attached to Equity Shares and Preference Shares are as per provisions of the Companies Act, 2013.

15.3 The details of shareholding of promoters of the Company as on 31.03.2024

Name of the Promoter	No of shares	% of Holding	% change during the year*
Punjab Information & Comm Tech Corp Ltd (Holding Co.)	85,51,501	71.12	-
Punjab State Electronics Dev & Pro. Corporation Ltd.	9,700	0.08	-
Punjab State Industrial Development Corporation Ltd.	9,475	0.08	-

*There is no change in the shareholding of promoters of the company during the FY 2023-24

Note 16: OTHER EQUITY

RESERVES & SURPLUS

(a) Securities premium	6,850.44		6,850.44	
Add:-Shares Forfeited (Amount paid-up)	58.59	6,909.03	58.59	6,909.03
(b) Other Reserves				
(i) Capital Redemption Reserve		400.79		400.79
(ii) General Reserve:		895.93		895.93
(c) Retained Earnings				
Opening Balance	-7,546.38		-5,969.82	
Add/(Less): Transfer from Statement of Profit & Loss	1,015.22		-1,562.46	
Add/(Less): Remeasurement of Defined employee benefit plans	3.68	-6,527.48	-14.10	-7,546.38
		<u>1,678.26</u>		<u>659.36</u>

NON-CURRENT LIABILITIES

Note 17: OTHER FINANCIAL LIABILITIES

Security Received	48.82	45.75
	48.82	45.75

Carrying amount of Security deposits have been reinstated as per IND AS-109, Refer Note 19, 23 & 41 (f).

Note 18: NON CURRENT PROVISIONS

Provision for Employee benefits		
Gratuity	-	363.38
Leave Encashment	-	-
Long term service award	-	10.01
	-	<u>373.39</u>

Liabilities towards Gratuity & Leave encashment of employees has been valued in accordance with provisions of IND AS 19- "Employee Benefits". Also Refer Note- 24 & 30.

Managing Director	Director	CFO	CS
-------------------	----------	-----	----

PARTICULARS	31.03.2024	31.03.2023
Note 19: OTHER NON CURRENT LIABILITIES		
Deferred Income	0.35	3.66
	<u>0.35</u>	<u>3.66</u>

Deferred Income pertains to Security deposits which have been reinstated as per IND AS-109. Refer note-17, note-23 & note 41(f).

CURRENT LIABILITIES

Note 20: SHORT TERM BORROWINGS (Secured)

Loans Repayable on demand from Banks	-	-
	<u>-</u>	<u>-</u>

Note 21: TRADE PAYABLES

i. Dues of Micro, Small & Medium Enterprises	5.30	8.96
ii. Dues of other Creditors*	1,523.39	1,408.68
	<u>1,528.69</u>	<u>1,417.64</u>

Trade Payable Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(I) MSME	5.30	-	-	-	5.30
<i>(Previous year ending 31.03.2023)</i>	8.96	-	-	-	8.96
(ii) Others	244.19	13.27	2.60	1263.33	1523.39
<i>(Previous year ending 31.03.2023)</i>	84.73	24.67	2.88	1296.40	1408.68
(iii) Disputed Dues MSME	-	-	-	-	-
(iii) Disputed Dues Others	-	-	-	-	-

*Includes Rs.477.96 Lacs (Rs.477.96 Lacs) due to VMC Systems Ltd (earlier Vuppalamritha Magnetic Components Pvt Ltd) against which Rs.322.12 Lacs (Rs.322.12 Lacs) lies in the Escrow Account (Refer Note 13).

The company had sent balance confirmation letters to all parties requesting them to confirm the balance within 15 days of the receipt of the letter, failing which the balance will be presumed to be correct. The company has no other means of confirming the balances for which no response has been received except presuming them to be correct as per the terms of the letter. Also refer note 41 (d).

The disclosure as required by section 22 of The Micro, Small and medium Enterprises Development Act, 2006 are given below:

i	The Principal amount and the interest due thereon unpaid to any supplier		
	Principal Amount	5.30	8.96
	Interest thereon	NIL	NIL
ii	The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day	NIL	NIL
iii	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	NIL	NIL
iv	The amount of interest accrued and remaining unpaid.	NIL	NIL
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises for the purpose of dis-allowance as a deductible expenditure under section 23 of this Act.	NIL	NIL

Note 22: OTHER FINANCIAL LIABILITIES

Unclaimed Buy back amount*	0.28	0.28
Trade / Security Deposits received**	3,042.07	3,039.93
Others	411.25	437.04
	<u>3,453.60</u>	<u>3,477.25</u>

*Refer Note-11

**Includes an amount of Rs.3010.21 Lacs (Rs.3010.21 Lacs) received by the Company through encashment of the Bank Guarantees of VMC Systems Ltd. The Company has not accounted for or created Provisions towards interest (if any) on such Security.

Also refer note 41 (d).

Managing Director

Director

CFO

CS

PARTICULARS	31.03.2024	31.03.2023
Note 23: OTHER CURRENT LIABILITIES		
Advance from customers	79.97	56.58
Statutory remittances	73.51	73.61
Deferred Income*	3.32	3.32
	156.79	133.51

*Deferred Income pertains to Security deposits which have been reinstated as per IND AS-109.

Refer note-17, note-19 & note 41(f).

Note 24: SHORT TERM PROVISIONS

Provision for Employee benefits

Gratuity	110.95	175.00
Leave Encashment	16.29	11.51
Service award	0.60	3.48
	127.84	189.99

Liabilities towards Gratuity & Leave encashment of employees has been restated in accordance with provisions of IND AS 19- "Employee Benefits". Also refer Note-18 & 30.

Note 24A: Liabilities directly associated with Non current assets classified as held for sale

Liabilities directly associated with Non current assets classified as held for sale*	-	390.00
	-	390.00

*Refer Note-14A

Note 25: REVENUE FROM OPERATIONS

(i) Sale of manufactured products	1,086.86	766.44
(ii) Sale of services	208.26	262.65
(iii) Sale of traded items	209.47	29.02
(iv) Other Operating revenues (Scrap sales)	-	0.76
Net Revenue from operations	1,504.59	1,058.87

Particulars of Sale of products*

(i) PLCC (Systems/Spares)	138.79	65.80
(ii) VMUX (Systems/ Spares)	876.63	672.15
(iii) Power Plant & Others	71.44	28.49
(iv) Income from traded items	209.47	29.02
(v) Services Income	208.26	262.65
(vi) Scrap Sales	-	0.76
	1,504.59	1,058.87

* includes various items of different configuration and spares

Customer Wise Sales	Current Year		Previous Year		
	Customer	Amount (Rs. In Lacs)	% of Total Turnover	Amount (Rs. In Lacs)	% of Total Turnover
(i) Power Sector		156.01	10.37%	100.92	9.53%
(ii) Railways		329.39	21.89%	384.67	36.33%
(iii) Others		1019.19	67.74%	573.28	54.14%
Total		1504.59	100.00%	1058.87	100.00%

Note 26: OTHER INCOME

(i) Interest from banks on deposits				
Interest on Fixed Deposits		298.89		301.20
(ii) Interest on Income Tax refund		6.18		4.99
(iii) Other Income				
Miscellaneous Income		2.58		2.05
Profit on sale of Fixed Assets		0.23		0.75
Rent Income		387.82		416.94
Provision for Doubtful written back		-		52.87
Amount Written Back		0.43		23.58
		696.13		802.38

Managing Director

Director

CFO

CS

PARTICULARS	31.03.2024	31.03.2023
Note 27 : COST OF MATERIALS CONSUMED		
Opening Stock	1,148.28	1,310.09
Add Purchases	<u>508.38</u>	<u>236.06</u>
	1,656.67	1,546.15
Less: Closing Stock	<u>1,100.13</u>	<u>1,148.28</u>
Net consumption	<u>556.54</u>	<u>397.87</u>
Note 28: PURCHASES OF STOCK-IN-TRADE		
Purchases of Stock-in-Trade *	<u>156.97</u>	<u>25.29</u>
	<u>156.97</u>	<u>25.29</u>

* includes various items of different configuration and spares

Note 29: CHANGES IN INVENTORIES

(I) OPENING STOCKS

(a) Work in process:

i Work in process	34.66	14.03	
ii Sub-assemblies	423.76	491.94	
iii stock in trade	<u>0.15</u>	<u>458.57</u>	<u>0.15</u>
			506.12

(II) CLOSING STOCKS

(b) Work in process:

i Work in process	167.49	34.66	
ii Sub-assemblies	395.12	423.76	
iii Stock-in-Trade	<u>0.15</u>	<u>562.76</u>	<u>0.15</u>
			458.57

Decrease(+) / Increase (-) in stock (I-II)	<u>-104.19</u>	<u>47.55</u>
--	----------------	--------------

Note 30 : EMPLOYEE BENEFITS EXPENSES

Salary, Wages, Other Allowances & Benefits	1,275.42	1,675.91
Contribution/Provision towards provident and other funds	209.36	262.89
Bonus	<u>1.08</u>	<u>1.82</u>
	<u>1,485.86</u>	<u>1,940.62</u>

Disclosure on employee benefits with regard to Gratuity and Leave Encashment, funded defined benefit plans, as per IND AS 19 is as below:

	Defined benefit plans :-	Gratuity		Leave Encashment	
		As on 31/03/2024	As on 31/03/2023	As on 31/03/2024	As on 31/03/2023
1	Assumptions				
	Discount Rate	7.18%	7.36%	7.18%	7.36%
	Salary Escalation	3.00%	3.00%	3.00%	3.00%
	Rate of return on Plan assets (estimated)	7.36%	6.63%	7.36%	6.63%
	Rate of return on Plan assets (actual)	7.67%	7.42%	7.67%	7.42%
2	Table showing changes in present value of obligations				
	Present value of obligations as at beginning of year	1,400.65	1,642.63	533.87	613.55
	Interest cost	103.09	108.90	39.29	40.68
	Past Service Cost (Note I below)	-	-	-	-
	Current Service Cost	36.73	41.36	42.18	47.40
	Benefits Paid	223.24	407.34	64.09	122.87
	Actuarial (gain)/Loss on obligations	-1.95	15.10	-40.72	-44.89
	Present value of obligations as at end of year	1,315.28	1,400.65	510.52	533.87
3	Table showing changes in the fair value of plan assets				
	Fair value of plan assets at beginning of year	862.32	908.39	522.36	604.50
	Expected return on plan assets	63.47	60.23	38.45	40.08
	Contributions	500.05	300.04	0.00	1.06
	Benefits paid	223.24	407.34	64.09	122.87
	Actuarial Gain / (Loss) on Plan assets	1.74	1.00	-2.48	-0.41
	Adjustment to opening balance (Note (ii) below)	-	-	-	-
	Managing Director	Director	CFO	CS	

PARTICULARS		31.03.2024		31.03.2023	
Defined benefit plans :-		Gratuity		Leave Encashment	
	Fair value of plan assets at the end of year	1,204.34	862.32	494.24	522.36
4	Table showing fair value of plan assets				
	Fair value of plan assets at beginning of year	862.32	908.39	522.36	604.50
	Actual return on plan assets	65.21	61.23	35.97	39.67
	Contributions	500.05	300.04	-	-
	Benefits Paid	223.24	407.34	64.09	122.87
	Fair value of plan assets at the end of year	1,204.34	862.32	494.24	522.36
	Funded status	-110.94	-538.33	-16.29	-11.51
	Excess of Actual over estimated return on plan assets	1.74	1.00	-2.48	-0.41
5	Actuarial Gain/Loss recognized				
	Actuarial (gain)/Loss for the year – Obligation	-1.95	15.10	-40.72	-44.89
	Actuarial (gain)/Loss for the year – Plan assets	-1.74	-1.00	2.48	0.41
	Total (Gain)/Loss for the year	-3.68	14.10	-38.24	-44.48
	Actuarial (gain)/Loss recognized in the year	-3.68	14.10	-38.24	-44.48
6	The amounts to be recognized in the Balance Sheet and Statement of Profit and Loss				
	Present value of obligations as at the end of year	1,315.28	1,400.65	510.52	533.87
	Fair value of plan assets as at the end of the year	1,204.34	862.32	494.24	522.36
	Funded status	-110.95	-538.33	-16.29	-11.51
	Net Asset/(liability) recognized in balance sheet	-110.95	-538.33	-16.29	-11.51
7	Expenses recognized in statement of Profit & loss				
	Service cost	36.73	41.36	42.18	47.40
	Interest Cost	103.09	108.90	39.29	40.68
	Expected return on plan assets	63.47	60.23	38.45	40.08
	Net Actuarial (gain)/Loss recognized in P&L	-	-	-38.24	-44.48
	Expenses/ (Income) recognized in statement of Profit & loss	76.34	90.03	4.78	3.52
	Net Actuarial (gain)/Loss recognized in Other Comprehensive Income	-3.68	14.10	-	-
8	Sensitivity analysis and Impact on Present value of obligations				
	Increase in Discount rate by 0.50%	-26.24	-31.21	-10.93	-12.95
	Decrease in Discount rate by 0.50%	27.19	32.44	11.40	13.55
	Increase in salary inflation by 1%	50.11	60.11	21.95	26.42
	Decrease in salary inflation by 1%	-48.76	-59.17	-20.51	-24.56

The Gratuity valuation has been done with ceiling of Rs. 20 lacs as per Provisions of Payment of Gratuity Act, 1972.

Amount (₹ in Lakh)

Note 31: FINANCE COSTS

Interest on loan against FDR's for working capital	49.57	3.52
Finance Charges *		
Loss on exchange fluctuations	-	0.05
	49.57	3.57

* Includes Rs. 46.91 lacs paid to PPCB on refund of advance received from them in March 2022. Please refer Note No. 14A

Note 32: OTHER EXPENSES

(A): MANUFACTURING & INSTALLATION EXPENSES

Stores & Spares	3.14	9.06
Power & Fuel	54.74	61.04
Carriage & Cart, Inward	0.57	0.47
Installation charges/ AMC Services Expenses	38.38	18.23
Miscellaneous Production expenses	5.22	0.96
	102.05	89.76

(B): ADMINISTRATION AND OTHER EXPENSES

Travelling & conveyance (including for Directors Rs. 0.61 Lacs (Rs.0.30 Lacs)	17.94	14.52
Printing & Stationery	3.77	3.11
Office electricity & Water	-	1.89
Postage, Telephone & Telex	3.33	3.69
Property Tax	29.60	31.61
Insurance (net)	4.65	9.77

PARTICULARS	Amount (₹ in Lacs)	
	31.03.2024	31.03.2023
Rates & Taxes	15.55	6.29
Directors sitting fee	2.95	3.15
Meeting expenses	0.51	2.14
REPAIR & MAINTENANCE :-		
- Building	0.95	0.43
- Plant & Machinery	2.01	3.35
- General maintenance	1.02	1.38
Vehicle running & maintenance	10.55	10.49
Membership fee and subscription	0.47	0.32
Internal audit fees & expenses	0.58	0.55
Auditors payments:-		
- Audit fee	1.10	1.60
- Tax audit fees	0.20	0.40
- Out of pocket	0.40	0.53
- Certification & other services	0.20	0.25
Legal & professional fees	8.32	4.67
Office Expenses	90.51	90.07
Miscellaneous expenses	0.06	1.63
Secretarial Audit Fee	-	0.70
Bank charges	0.42	0.42
Bad Debts written off	-	-
	<u>195.09</u>	<u>192.96</u>
Provisions		
Provision for slow moving stocks	-	-
Provision for Doubtful Debts	-	-
Amount written off	-	-
	<u>-</u>	<u>-</u>
Total Administration & Other Expenses	<u>195.09</u>	<u>192.96</u>
<u>(C):SELLING AND DISTRIBUTION EXPENSES</u>		
Advertisement and publicity	0.65	1.05
Sales promotion expenses	4.47	4.38
Freight outwards	-3.39	-4.07
Carriage & Cartage Outward	6.76	3.35
Packing & Forwarding expenses	10.97	7.29
Service Expenses	2.71	2.09
	<u>22.16</u>	<u>14.09</u>
<u>(D):NET (GAIN)/LOSSES ON FAIR VALUE CHANGES</u>		
(a) (Income)/expense on Festival advance	-1.87	-3.38
(b) (Income)/expense on Financial liabilities (Security deposits)	0.80	0.45
(c) (Income)/expense on Service Awards	-10.96	-2.05
	<u>-12.03</u>	<u>-4.98</u>
TOTAL OTHER EXPENSES (A+B+C+D)	<u>307.27</u>	<u>291.83</u>
<u>Note 33: OTHER COMPREHENSIVE INCOME / (LOSSES)</u>		
Items that will not be reclassified subsequently to P&L	-	-
Re-measurement of defined benefit plan	3.68	-14.10
	<u>3.68</u>	<u>-14.10</u>
<u>Note 34 : EARNINGS PER SHARE</u>		
From continuing and discontinued operations attributable to the equity holders of the Company during the year		
(a) Profit / (Loss)after Tax before OCI (Rs. In Lakhs)	1,015.22	-1,562.46
(b) Weighted average no. of ordinary shares	120.24	120.24
(c) Weighted average no. of diluted shares	120.24	120.24
(d) Nominal Value of ordinary share (Rs.)	10.00	10.00
(e) Basic Earning/(-Loss) Per Share (Rs)	8.44	-13.00
(f) Diluted Earning/ (-Loss) Per Share (Rs)	8.44	-13.00
Managing Director	Director	CFO
		CS

PARTICULARS	31.03.2024	31.03.2023
Note : 35 Contingent liabilities not provided for in the accounts :-		
a) Claims against company, not acknowledged as debts,		
- by Sales Tax Authorities	-	-
- by Excise & Custom Authorities	-	-
b) Court cases *	3,736.11	3,644.34
c) PSPCL Demand **	27.96	27.96
d) Bank Guarantees (Refer Note 38)	1,433.66	1,518.91
Total	5,197.73	5,191.21

* Includes C-Dot Case. Refer Note-37. Further, financial impact of certain cases cannot be determined as it entirely depends on the discretion of the adjudging authorities.

** Company received a Demand Notice from PSPCL Mohali which is being contested through a Lessee as per Lease Agreement.

Note : 36 Punjab Digital Industrial Systems Ltd (PDISL), the fully-owned subsidiary, has been ordered to be wound up by the Hon'ble Punjab & Haryana High Court vide their order dated 20/02/2009. The Company has filed its statement of affairs with the Official Liquidator appointed by the said court and all books of accounts/records and store items have been handed over to him. The loss on account of permanent diminution in investment in equity shares of Rs.24.79 lacs in PDISL had been provided for. Full provision amounting to Rs.40.35 lacs against amount recoverable of Rs.40.35 lacs (Rs.40.35 lacs) and Rs. 4.55 Lacs (Rs. 4.55 Lacs) against balance appearing in Sundry Debtors had also been made. Also Refer Note-3

Note : 37 C-DOT had filed claim of Rs.197.20 Lacs against the company under the agreement for transfer of Max-XL technology with Indian Council of Arbitration, New Delhi (ICA). The award was passed by ICA for an amount of Rs. 226.17 Lacs (Claim of Rs.182.15 Lacs plus Interest of Rs.29.54 Lacs till date of award and Arbitration fee of Rs. 14.47 Lacs) in favour of C-Dot. The said award passed by ICA is being contested by the company before the Hon'ble High Court-Delhi. The application for setting aside the award has already been admitted by Delhi High Court and accordingly Interest & Arbitration cost liability of Rs. 260.85 Lacs (Rs.235.45 Lacs) on account of non payment of award amount has been shown as contingent liability, pending appeal in the Hon'ble High Court, Delhi. Refer Note -35.

C-DOT had also filed another claim of Rs. 24.88 Lacs against the Company under the agreement for transfer of AN-RAX technology which was dismissed by sole arbitrator appointed by Hon'ble Delhi High Court thru its award dated 7.12.2018 as not maintainable.

Note : 38 The company has been giving performance guarantees against equipments supplied to various customers and has not incurred any material expenditure on replacement of any part or equipment except for expenditure on travelling of service engineers which is accounted for as and when incurred. Keeping in view the past pattern and the concept of materiality, no provision has been created or disclosure has been made. This is in accordance with the requirements of IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Note : 39 Related Party Disclosure

Relation	Name of Party/Person
Holding Company	Punjab Information & Communication Technology Corporation Limited (PCTCL)
Key Management Personnel (CEO)	Mr.Parminder Pal Singh Sandhu, IAS (Managing Director)
Key Management Personnel (CFO)	CA Ramesh Goel
Key Management Personnel (CS)*	CS Pratima Yadav

* CS Madhur Bain Singh ceased to be Company Secretary of the Company wef 2nd April, 2023 and in his place, Mrs. Pratima Yadav has been appointed as Company Secretary wef 5th April, 2023.

(figures in brackets denote previous year figures)

Details of related party transactions

(Rs. In Lacs)

Nature of transaction	Holding Company	CEO	CFO	CS
During the financial year 2023-24				
Salary **	-	12.90	25.55	46.72
Balances outstanding as on 31.03.2024	-	-	-	-
During the previous financial year 2022-23				
Salary **	-	-	53.17	20.04
Balances outstanding as on 31.03.2023	-	-	-	-

** Includes Gratuity, Leave encashment & LTA and Ex-gratia paid on VRS

During the Financial year 2023-24, Salary to CS includes Rs. 39.61 lacs paid to Mr. Madhur Bain Singh as he opted for VRS on 02.04.2023

Note : 40 Financial Risk Management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Risk Management Committee of the Company.

(a) **Liquidity risk:** Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. The Company's principal sources of liquidity are cash flows generated from operations and other income generated from rented properties and interest on fixed deposits.

The company is subject to liquidity risk to pay trade payables, short term borrowings and other financial liabilities & statutory remittances total amounting to Rs. 5266.92 lacs (Rs. 5186.95 lacs). Further, provision for doubtful debts as on 31.03.2024 stands at Rs. 130.59 lacs (Rs.130.59 lacs).

(b) **Market Risk:** Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

(c) **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 has invested in fixed deposits which will fetch a fixed rate of interest, hence, the income and operating cash flows are substantially independent of changes in market interest rates.

(d) **Foreign currency risk:** Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has very limited foreign currency exposure which are mainly due to nominal imports of raw materials and equipment.

(e) **Price Risk:** The Company has not invested in any financial instruments which are subject to price risk.

(f) **Credit risk** Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations, The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its investing activities, including deposits with banks.

Trade receivables: Trade receivables are non-interest bearing and outstanding customer receivables and these are regularly monitored. Major portion of customer base of the company is Government Organizations, thereby reducing the risk of not meeting contractual obligations by the customer.

Other financial assets: Credit risk from balances with banks is managed by Company's in accordance with the board approved policy. Investment of surplus funds are made only with approved financial institutions who meet the minimum threshold requirements under the counter party risk assessment process in which certain criterias are evaluated at the time of making investments.

Note : 41 Fair value of Financial Assets and Financial Liabilities

(Rs. In Lacs)

Categories wise disclosure of carrying value of each financial assets/liabilities vis-a vis fair value and Fair value heirarchy used for measuring different financial assets and liabilities along with detail of valuation techniques and key inputs.

Particulars	31.03.2024		31.03.2023		Note no. Reference	Foot Note Ref
	Carrying Amount	Fair value	Carrying Amount	Fair value		
Financial Assets at Amortised Cost						
Non current						
Investments	-	-	698.74	698.74	Note-3	a
Loans and advances	-	-	0.13	0.13	Note-4	b
Other Financial assets	253.75	253.75	516.27	516.27	Note-5	c
Current						
Trade receivables	1,072.13	1,072.13	1,022.22	1,022.22	Note-9	d
Cash & Cash equivalents	2,316.74	2,316.74	342.76	342.76	Note-10	d
Other Bank Balances	3,170.53	3,170.53	4,045.91	4,045.91	Note-11	d
Loans and advances	1.22	1.22	3.03	3.03	Note-12	d
Other Financial assets	412.53	412.53	471.07	471.07	Note-13	d
Financial Assets at FVTPL						
Loans and advances (Non Current)	13.37	13.37	14.51	14.51	Note-4	e
Financial Liabilities at FVTPL						
Other Financial Liabilities (Non Current)	48.82	48.82	45.75	45.75	Note-17	f
Financial Liabilities at Amortised Cost						
Current						
Borrowings	-	-	-	-	Note-20	d
Trade Payables	1,528.69	1,528.69	1,417.64	1,417.64	Note-21	d
Other Financial Liabilities	3,453.60	3,453.60	3,477.25	3,477.25	Note-22	d

The following methods / assumptions were used to estimate the fair values:

- The Company has reflected the value of the investment in Bonds at Cost as the same has been decreed in favour of the company and fully guaranteed by the UP State Government but due to protracted litigation the time of recovery is indeterminable.
- Loans and advances include loans to employees on which the Company charges interest at the rate 10 percent p.a, therefore their carrying values are not expected to be significantly different from their fair values. Further, Security deposits (interest-free) lying with government departments agencies and other parties have been shown at its carrying value due to non determination of any fixed period with regard to receipts against such security deposits.
- The fair values of other financial assets are assessed by the management to be same as their carrying value and is not expected to be significantly different if estimated by using Present value techniques.
- The carrying value of these financial assets and financial liabilities approximate their fair value mainly due to the short-term maturities (I.e within 1 year) of these instruments.
- The Company has used Level-3 inputs from Fair value hierarchy (key input: interest rate applicable to loans and advances to employees i.e 10 percent p.a) for measurement of Loans & advances to employees (Festival advance) at Fair value through Profit & loss using Present value technique (effective interest rate method)
- The Company has used Level-3 of fair value hierarchy and used Present Value Technique to measure the fair value of security deposits wherein part of deposits recognized in the future cash flows are classified under deferred income which has been further divided into Current & Non-Current. The discount rate used by the company is 9 percent per annum.

Managing Director

Director

CFO

CS

Note: 42 Information regarding income and expenditure of Investment property

Particulars	2023-24	2022-23
Rental income derived from investment properties	387.82	416.94
Direct expenses generating rental income (Property tax+Repair/main-tenance)	29.6	31.61
Profit arising from investment properties	358.22	385.33

The investment properties consist of industrial properties which are used to generate rental income. These are accounted for at Written down value in books of accounts. During the FY 20-21, an owner occupied PPE (Land & building) had been transferred/classified into Investment property. Total fair Value of the properties was Rs. 8052.55 lacs as at 31st March, 2022. These market valuations were performed by an accredited independent registered valuer during FY 21-22. The fair value is categorized in Level 1 fair value hierarchy. Also refer Note-1 (III) & Note 2A & Note 14A. However, the Fair Value of building C-134 (Non current Asset held for sale) was Rs 1893 lacs as at 31st March, 2022.

Note : 43 Financial Ratios of the Company

	Ratio	Numerator	Denominator	31st March, 2024	31st March, 2023	% of Vari-ance
a	Current Ratio*	Current Assets	Current Liabilities	1.39	1.09	26.96%
b	Debt Equity Ratio **	Total Debt	Shareholder's Equity	-	-	-
c	Debt Service coverage ratio **	Earning available for debt service	Debt Service	-	-	-
d	Return on Equity ratio***	Net Profit after Taxes	Average shareholder's Equity	42.77%	-58.91%	172.61%
e	Inventory turnover ratio ****	Sales	Average Inventory	5.94	3.36	76.46%
f	Trade receivables turnover ratio ****	Net Credit sale	Average Account Receivable	1.44	1.03	40.09%
g	Trade Payables turn-over ratio#	Net Credit Purchase	Average trade Payable	0.45	0.18	156.77%
h	Net Capital turnover ratio **	Net sales	Working Capital	0.74	2.06	-64.01%
i	Net profit ratio ***	Net profit	Net sales	67.48%	-147.56%	145.73%
j	Return on capital employed ***	Earning before interest and taxes	Capital employed	35.21%	-83.82%	142.01%
k	Return on investment \$	Income generated from Investments	Time-weighted Average investments	-	-	-

Reason for variances

* This is on account of Receipt of Rs. 20.93 Crores net OTS amount from UP Coperative Spinning mills Federation Limited

** No debt on the Company.

*** Due to interest of Rs. 15.48 crore received under OTS from UP Coperative Spinning mills Federation Limited

**** Reduction in Inventory due to old Inventory used during the year.

\$ Refer Note no 3 & Note no 4

Better payment realisation from customers during the year

Note : 44 Capital Management

Equity includes all capital and reserves of the Company that are managed as capital. The primary objective of the Company's Capital Management is to maximize the shareholder value by maintaining an efficient capital structure and safeguard Company's ability to continue as a going concern. The Company maintains the optimal capital structure so as to reduce the cost of capital.

The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investors', creditors' and market's confidence. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note : 45 The previous Year figures have been regrouped/re-classified & re-arranged wherever necessary to conform with the current presentation as per Schedule III of the Companies Act, 2013 (and amendments thereon) and applicable IND AS. The amounts shown under Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of Changes in Equity and accompanying notes, etc. have been rounded off to rupees in lakhs (unless otherwise stated). Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

Managing Director

Director

CFO

CS

Note : 46 The company has been selected for disinvestment by Cabinet Committee on Disinvestment, Government of Punjab. During the FY 2019-20, the Directorate of Public Enterprises and Disinvestment, Government of Punjab had appointed M/s Resurgent India Limited, Gurgaon (Haryana) as Transaction Advisor for Puncom Disinvestment. During FY 20-21, the Government of Punjab has closed the submission of "Expression of Interest" (EOI) by eligible bidders on 1st February, 2021 vide Corrigendum-5. Further, as part of the disinvestment, the company was under the process of due diligence activity. For this purpose, DPED has approved the site visit from the period 21/06/2021 onwards till 12/07/2021 i.e. within a three week period to carry out the due diligence. Accordingly, the due diligence was conducted during this given period. Subsequent to site visit, certain queries were raised to Puncom, which has been addressed. Thereafter, certain queries have been raised with the Director, Industries and Commerce, which as per our knowledge, is being replied. However, during FY 2022-23, the services of Transaction Advisor, M/s Resurgent India Limited have been dispensed with by the Directorate of Public Enterprises and Disinvestment, Government of Punjab and other modalities regarding the same be worked out as per the agreement and its clauses.

Note : 47 Disclosure on Additional Regulatory Information- In view of disclosure requirements of Schedule III of the Companies Act, 2013, the company hereby declares that:

- a) During the year, the company has been sanctioned working capital limits including non fund based limits from banks against 100% margin in excess of five crores on the basis of security of FDRs and is not declared as a wilful defaulter by any bank or financial Institution or any other lender. As the limits are against 100% margin, bank have not initiated on filing of charges & thus no charges or satisfaction thereof is required to be registered with ROC by the company. During the year, the company has availed the bank guarantee and overdrafts limits/ LC against the pledged FDRs to the tune of Rs. 1433.66 lacs (Rs. 1518.91 Lacs).
- b) The title deeds of all the immovable properties of the company are held in the name of the company only and no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- c) During the year, the company has not revalued its Property, Plant and Equipment and Intangible asset under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.
- d) No amount of Loan or Advances in the nature of loans is granted to any promoter, director, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- e) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- f) During the tax assessments under the Income Tax Act, 1961, no transaction has been surrendered or disclosed as income for not being recorded in the books of accounts.
- g) The Company does not meet the criteria for the applicability of provisions of Corporate Social Responsibility (CSR) as per section 135 of the Companies Act, 2013, being a loss making company.
- h) As per books of accounts, the Company has following transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956;

Name of struck off company	Nature of transactions with struck off company	Balance outstanding - Rs. in lacs	Relationship with the struck off company, if any, to be disclosed
BCC Fuba(I) Limited	Payables	1.285	Vendor
Singh Systech (P) Limited	Payables	0.015	Vendor
JEJE Prototype (P) Limited	Payables	0.029	Vendor
Xenis Circuit (P) Limited	Payables	0.043	Vendor
Protectron Electromech (P) Ltd Bang	Payables	0.131	Vendor
i)	The restrictions related to number of layers as prescribed under Companies (Restriction on number of Layers) Rules, 2017 do not apply to our company, being a government company.		
j)	The Company has not directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries, during the year.		

In terms of our separate report of even date.

For and on behalf of Board of Directors

For Jain & Associates.

CHARTERED ACCOUNTANTS
FRN: 001361N

Parminder Pal Singh Sandhu, IAS
Managing Director
DIN: 10298745

V. P. Chandan
DIRECTOR
DIN: 00225793

CA Krishan Mangawa
(PARTNER)

M.No: 513236

CA Ramesh Goel
CHIEF FINANCIAL OFFICER

Pratima Yadav
COMPANY SECRETARY

UDIN: 24513236BKAMVG1528

PLACE: S.A.S. Nagar (Mohali)
DATED: 28.05.2024

Note 1 SIGNIFICANT ACCOUNTING POLICIES

I Basis of preparation of Financial Statements

- a) The Company has adopted Indian Accounting Standards (the 'Ind AS') prescribed under section 133 of the Companies Act, 2013 (the 'Act'), read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016, with effect from 1st April 2017 with 1st April 2016 as the date of transition as per MCA notification dated 16th Feb, 2015 . Accordingly the financial statements have been prepared in accordance with the said Ind AS & Rules and other recognized accounting practices & policies to the extent applicable. The company has applied IND AS to items which are material and made specific disclosure required by an Ind AS if the information is material or when required by law in accordance with said notification. Accounting policies unless referred to otherwise are consistent with generally accepted accounting principles. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
- b) The Company follows mercantile system of accounting and recognizes all the items of income and expenditure on accrual basis. Further, certain items of income and expenditure are recognized as and when they are incurred, ascertained or settled in line with accounting policies which are as under:
- i) Additional demand for taxes arising on completion of assessments are accounted for as and when determined as payable.
 - ii) Refunds on account of excise duty, custom duty, income tax, VAT and insurance claims are accounted for on settlement.
 - iii) Customer claims, recoveries, liquidated damages and penal interest for delay in execution of the contracts are provided for as and when settled.
 - iv) Ex-Gratia payments to employees are accounted for as and when incurred.
 - v) The claims for price escalation on sales are accounted for on settlement.
 - vi) Expenditure on warranty and guarantee of satisfactory performance of equipments is accounted for when incurred.

II Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles in India (Ind AS) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

III Property, Plant and Equipment (PPE) & Investment property

Investment properties are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

The items of Property Plant & equipment are measured at Cost less any accumulated depreciation and any accumulated impairment losses. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non –refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, the obligation for which an enterprise incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the cost of the Property, Plant and Equipment.

Non Current Asset held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

Depreciation

- a) The depreciation on property, plant and equipment and Investment property is provided on written down value (WDV) method at the rates determined after taking into account the prescribed useful life for respective class of assets which is in line with Schedule II of the Companies Act, 2013. The property, plant and equipment amounting to Rs. 5000/-or less individually purchased during the year are depreciated at the rate of 100%. Residual value has been taken as 5% of original cost of said assets or WDV as on 31.3.2014 whichever is lower except those valued at Rs. 5,000/- or less individually. The estimated useful lives of assets are as mentioned below:

Asset Class	Period (Years)
Buildings – Factory	30
Building (Other than Factory)	60
Temporary Structure	3
Plant and Machinery*	15
Electrical Installations and Equipment	10
Furniture and Fixture	10
Vehicles	8
Office Equipment (Other than Computers)	5
Computers	3

* Includes Computers & Data Processing units which are part of Plant and machinery and classified under P & M head and their useful life is also taken accordingly.

- b) Depreciation also includes amount written off in respect of leasehold properties and assets (if any) over the respective lease period.
- c) Calculation of depreciation on the additions during the year is done on pro-rata basis from the date of its receipt plus 10 days for installations.

Impairment:

As per IND AS 36, the carrying amount of assets including Property, plant and equipment & Investment property are reviewed at each Balance Sheet date to assess impairment, if any based on internal / external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed, if there has been an improvement in recoverable amount.

IV Intangible Assets

Intangible assets (if any) purchased are measured at cost on the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any as per IND AS-38.

V Borrowing Costs:

As per IND AS 23 Borrowing Costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

VI Cash and Cash Equivalents

Cash and Cash Equivalents comprises cash at bank, cash in hand and other short term highly liquid Investments/Fixed Deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value in accordance with IND AS 7

VII Valuation of Inventories:

- a) Inventories are valued at the lower of cost or estimated net realizable value. Inventories are valued according to FIFO method of valuation.
- b) Cost of Work in process includes cost of material plus direct labour.
- c) Cost of Finished sub assemblies includes cost of material plus overheads apportioned on the basis of actual stage of completion as at year end.
- d) Finished goods are valued at lower of cost or net realizable value.
- e) Goods received after the cut off date (for physical verification as at the year end) and goods for which the documents are retired are included in goods in transit.
- f) Any Shortage/excess in Raw Material detected at the time of physical verification is included in consumption of goods.
- g) Purchases and inventories are valued at cost excluding eligible GST.
- h) Provision for obsolete inventories is reviewed periodically and provided for as per the assessment of management.

VIII Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, which is generally the nominal value of the transaction unless the terms of the contract provide otherwise. Revenue is recognized net of rebates and discounts and excludes amounts collected on behalf of government such as goods and services taxes.

Sale of Goods

Revenue from sale of goods is recognized when the company has transferred to the buyer the significant risks and rewards of ownership of the goods and the company retains neither ownership nor effective control over the goods sold;

Services

Revenue from services are recognized as and when they are rendered based on agreements/arrangements with the respective parties and recognized excluding eligible GST (ITC). Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognized over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. For AMC contracts, revenue is recognized on completion of specific periods or as specified as per terms of the contract with the customers.

Interest Income on Bonds will be recognised when it becomes reasonably certain that consideration amount will be realised.

IX Government Grants

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attaching conditions will be complied with. Grants related to specific expenses are recognised in profit or loss in the same period as the relevant expenses. Grants relating to depreciable assets are treated as deferred income which is recognized in the statement of profit and loss on a systematic and rational basis over the useful life of the asset in accordance with IND AS 20.

X Transactions in Foreign currency

Foreign currency transactions are recorded at the exchange rate prevailing at the time of transaction. At the balance sheet date, all monetary assets and liabilities denominated in foreign currency are converted at exchange rate prevailing at the year end. Resultant loss/gain is charged to Statement of Profit and Loss. When the transaction is settled within the same accounting period as that in which it occurred, all the exchange difference is recognized in that period as per IND AS 21.

In case of forward foreign exchange contracts where an underlying asset or liability exists, the difference between the forward rate and the exchange rate at the inception of the contract is recognized as income or expense over the life of the contract. Exchange rate difference on such a contract are recognized in the statement of profit and loss account as on Balance sheet. Any profit or loss arising on cancellation or renewal of forward contract is recognized as income or expense in the year in which such cancellation or renewal is made.

XI Employee Benefits

- a) **Short term employee benefits** are recognized as an expense on accrual basis.
- b) **Post Employment Benefits**

- i) **Defined Contribution Plans:** The Company's state governed Provident Fund scheme, Employee State Insurance scheme etc are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- ii) **Defined Benefit Plans:** The Employees' Gratuity liability is covered under the qualifying Insurance policy of Life Insurance Corporation of India. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date. Expenses are recognized in the Statement of Profit and Loss or other comprehensive income in the manner laid down in IND AS 19. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis in Balance Sheet.

c) **Other Long term Employee benefits:**

Accumulated compensated absences/Leave encashment –The Employees' Leave encashment liability is also covered under the qualifying Insurance policy of Life Insurance Corporation of India. The obligation for long term compensated absences/Leave encashment is recognized in the same manner as in the case of defined benefit plans as mentioned in XI (b) (ii) above.

Long Term service awards which are expected to be availed beyond 12 months from the end of the balance Sheet date, are treated as other long term employee benefits. The present value of the said liability determined on each Balance Sheet date for recognizing the same in the books of accounts. Liability towards Service awards due with in 12 months from the date of Balance Sheet is classified under head Short term Provisions.

XII Income Tax

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period. Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. In accordance with IND AS 12 "Income Taxes" the company reviews the carrying amount of a deferred tax asset at the end of each reporting period and reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

As the company has a history of recent losses, the company does not recognise deferred tax asset arising from MAT credit as there is no convincing evidence that sufficient taxable profit under the normal provisions of the Income Tax Act, 1961 within the period specified in said Act will be available against which the unused tax losses or unused tax credits can be utilised by the company.

XIII Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the year adjusted for the effects of all dilutive potential equity shares.

XIV Provision, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- b) A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that arises from past event but is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.
- c) A Contingent Asset is not recognised, however it is disclosed where an inflow of economic benefit is probable as per IND AS 37

XV Classification of Current / Non Current Assets

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to The Companies Act, 2013 and amendments thereon. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has assumed its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

XVI Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The company recognises a financial asset or a financial liability in its balance sheet when, and only when, it becomes a party to the contractual provisions of the instrument.

Classification: The company has classified Financial assets and Financial liabilities in accordance with definition contained in IND AS 32 Financial Instruments: Presentation

Measurement: Financial assets and financial liabilities which are material are measured at Fair value/Amortised cost (using the effective interest rate method) based on their nature and contractual arrangements entered into, in accordance with Ind AS 109, unless specified otherwise.

Managing Director

Director

CFO

CS

PUNJAB COMMUNICATIONS LIMITED**STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 read with rule 5 of Companies (Accounts) Rules, 2014**

a)	Name of the Subsidiary	Punjab Digital Industrial System Ltd.
b)	Reporting period	Under Winding up process
c)	Reporting Currency and Exchange rate as on last date of relevant Financial year in case of foreign subsidiaries.	NA
d)	Share Capital	Refer Note 1 below
e)	Reserves & Surplus	Refer Note 1 below
f)	Total Assets	Refer Note 1 below
g)	Total Liabilities	Refer Note 1 below
h)	Investments	Refer Note 1 below
l)	Turnover	NIL
j)	Profit before taxation	NIL
k)	Provision for taxation	NIL
l)	Profit after taxation	NIL
m)	Proposed Dividend	NIL
n)	% of Shareholding	100

Notes:

- 1 M/s Punjab Digital Industrial Systems Ltd (PDISL), the fully owned subsidiary, has been ordered to be wound up by the order of Hon'ble Punjab & Haryana High Court vide order dated 20/02/2009. The company has filed its statement of affairs with the Official Liquidator appointed by the said court and all books of accounts/records and store items have been handed over to him. A provision of Rs. 40.35 lacs towards expenses incurred by the company on their behalf, Rs. 4.55 Lacs in Sundry Debtor's and Rs.24.79 lacs being investment in PDISL has been kept in the accounts of holding company.
- 2 PCL Telecom Ltd, another subsidiary company, which was ordered to be wound up by the Hon'ble Punjab and Haryana High Court vide its order dated 20th October 2005, has been dissolved and accordingly written off in books of accounts.

For and on behalf of the Board of Directors

Parminder Pal Singh Sandhu, IASManaging Director
DIN: 10298745**V. P. Chandan**
DIRECTOR
DIN: 00225793**CA RAMESH GOEL**
CHIEF FINANCIAL OFFICER**PRATIMA YADAV**
COMPANY SECRETARYPLACE : S.A.S. NAGAR (Mohali)
DATED : 28.05.2024

PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB1981SGC004616

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

PARTICULARS	(Amount Rs. In Lacs)	
	For the Year Ended 31st March, 2024	For the Year Ended 31st March 2023
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1,015.22	-1,562.46
Adjustment for :-	-	
Depreciation & Amortization	19.79	23.14
Long term Provision for Employee Benefits	-369.71	-262.89
Short term Provision for Employee Benefits	-62.15	47.05
Provision for doubtful written back	-	-52.87
Bad Debt written off	-	-
Interest & other financial expenses	49.57	3.56
Profit on sale of fixed assets	-0.23	-0.75
Provision for slow moving stock	-	-
Interest/Rental Income	-686.71	-718.14
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	-34.22	-2,523.36
Adjustment for :-		
Trade and Other Receivables	-49.91	73.28
Inventories	-98.80	221.42
Short Term Loans and Advances	1.81	2.87
Other Financial assets	58.54	-19.81
Other Non Current Assets	-106.27	-7.38
Other Current assets	9.52	6.26
Long Term Loans and Advances	1.27	5.72
Trade and Other Payables	111.05	-29.29
Other current financial liabilities	-23.64	-27.31
Other Non current liabilities	-3.31	-3.32
Other current liabilities	23.28	0.28
Movement in Non Current financial Liabilities	3.07	3.77
CASH FROM/(USED IN) OPERATIONS	-107.60	-2,296.87
Income Tax Paid	-	-
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	-107.60	-2,296.87
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-3.01	-1.16
Sale of Fixed Assets	0.82	1.73
Movement in Non- Current Investments	698.74	0.00
Movement in Non- Current Financial Assets	262.52	20.57
Other Bank Balances (Incr)/Dec	875.38	1,569.07
Interest/Rental Income	686.71	718.14
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	2,521.16	2,308.34
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-49.57	-3.56
Movement in Working Capital Borrowings	-	-
Movement in Liabilities directly associated with Non current assets classified as held for sale	-390.00	-
NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	-439.57	-3.56
Net Change in Cash & Cash Equivalents (A+B+C)	1,973.98	7.92
Cash & Cash Equivalents at the beginning of the year	342.75	334.83
Cash & Cash Equivalents at the end of the year	2,316.74	342.75

PLACE: S.A.S. Nagar (Mohali)

DATED: 28.05.2024

Managing Director

Director

CFO

CS

AUDITOR'S CERTIFICATE ON CASH FLOW STATEMENT

To,

The Board of Directors,
Punjab Communications Limited,
S.A.S. Nagar (Mohali)

We have examined the attached Cash Flow Statement of Punjab Communications Limited for the period ended 31st March, 2024. The Statement has been prepared by the Company in accordance with the requirements of Regulation 34(2)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is based on and in agreement with the corresponding Statement of Profit and Loss account and Balance Sheet of the Company covered by our report to the members of the Company.

For JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

FRN: 001361N

CA. KRISHAN MANGAWA

PARTNER

M. No: 513236

Place : S.A.S. Nagar (MOHALI)

Dated : 28.05.2024

PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB1981SGC004616

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

Amount (Rs. In Lacs)

(1) For the period ended 31st March, 2024

Balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	changes in equity share capital during the current year	Balance at the end of the current reporting period
1204.80	-	-	1204.80

(2) For the period ended 31st March, 2023

Amount (Rs. In Lacs)

Balance at the beginning of the current reporting period	Restated balance at the beginning of the current reporting period	changes in equity share capital during the current year	Balance at the end of the current reporting period
1204.80	-	-	1204.80

B. OTHER EQUITY

(1) For the period ended 31st March, 2024

S. No.	PARTICULARS	Reserves & Surplus				
		Security Premium Account	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
(i)	Balance at the beginning of the current reporting period as on 01-04-2023	6909.03	400.79	895.93	(7,546.38)	659.36
(ii)	Change in accounting policy or prior period errors	-	-	-	-	-
(iii)	Restated balance at the beginning of the reporting period	-	-	-	-	-
(iv)	Total Comprehensive Income for the Year					
(v)	Remeasurement of Employee Benefits (Gratuity)	-	-	-	3.68	3.68
(vi)	Dividends	-	-	-	-	-
(vii)	Transfer to Retained Earnings	-	-	-	1,015.22	1,015.22
(viii)	Any other change (to be specified)	-	-	-	-	-
(ix)	Balance at the end of the reporting period as on 31.03.2024	6909.03	400.79	895.93	(6,527.48)	1678.26

(2) For the period ended 31st March, 2023

S. No.	PARTICULARS	Reserves & Surplus				
		Security Premium Account	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
(i)	Balance at the beginning of the current reporting period as on 01-04-2022	6909.03	400.79	895.93	(5,969.82)	2235.92
(ii)	Change in accounting policy or prior period errors	-	-	-	-	-
(iii)	Restated balance at the beginning of the reporting period	-	-	-	-	-
(iv)	Total Comprehensive Income for the Year					
(v)	Remeasurement of Employee Benefits (Gratuity)	-	-	-	(14.10)	(14.10)
(vi)	Dividends	-	-	-	-	-
(vii)	Transfer to Retained Earnings	-	-	-	(1,562.46)	(1,562.46)
(viii)	Any other change (to be specified)	-	-	-	-	-
(xi)	Balance at the end of the reporting period as on 31.03.2023	6909.03	400.79	895.93	(7,546.38)	659.36

Managing Director

Director

CFO

CS

INDEPENDENT AUDITOR'S REPORT

To,
**The Members,
Punjab Communications Limited**

Revised Independent Auditor's Report on the Audit of the Standalone Financial Statements

This Revised Independent Auditor's Report is being issued in supersession of our original Independent Auditor's Report dated 28th May, 2024. The revised report is being issued due to inadvertent omission of our comments on the use of accounting software by the company having audit trail feature and it's reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 which is applicable from 1st April, 2023. Further, we confirm that none of the figures have undergone any change in the standalone financial Statements of the Company as at 31st March 2024.

Opinion

We have audited the Standalone Financial Statements of Punjab Communications Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity, and statement of Cash Flows for the year then ended, and Notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive income and changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Emphasis of Matters

We would like to draw the attention to the following matters:

1. Emphasis is being drawn on Note No. 3 and Note No. 41(a), During the year, U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD., vide its letter No. 1143 SMF 2023-24 dated 20th October 2023, offered One Time Settlement (OTS) and sent the calculations to the company for amount payable by them till 31.03.2023, amounting Rs. 22,48,08,356/- (Rs. 7,00,00,000/- towards Principal amount and Rs. 15,48,08,356/- towards simple interest @ 9.5% per annum for the period 21.12.1999 to 31.03.2023. The offer was approved by the Competent Authority of the Company and required documents were submitted by the company to U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD on 18th March 2024. Rs. 20,93,27,456/- (after deduction of TDS on interest amounting Rs. 1,54,80,900/- from the Gross settlement of Rs. 22,48,08,356/-) was received by the Company on 28th March 2024 in its Current Account maintained with State Bank of India. Accordingly, Investments have been stated at NIL during the financial year 2023-24 and interest amount of Rs. 15,48,08,356/- have been accounted for under Exceptional items - Income during the year. No interest has been recorded in the books of accounts for period 01-04-2023 to 28-03-2024 amounting to Rs. 65,77,322/-
2. As per the information and explanations given to us, the company has been selected for disinvestment by the Cabinet Committee on Disinvestment, Government of Punjab. During the FY 2019-20, the Directorate of Public Enterprises and Disinvestment, Government of Punjab had appointed M/s Resurgent India Limited, Gurgaon (Haryana) as Transaction Advisor for Puncom Disinvestment. During the financial year 2020-21, the Government of Punjab has closed the submission of "Expression of interest" (EOI) by eligible bidders on 1st February 2021. Further, as part of the disinvestment, the company was in the process of Due Diligence activity. For this purpose, DPED had approved the site visit from the period 21/06/2021 onwards till 12/07/2021 i.e. within a three-week period to carry out the due diligence. Accordingly, due diligence was conducted during the given period. As informed Subsequent to the site visit, certain queries were raised to Puncom, which were addressed. Thereafter, certain queries were raised with the Director, Industries, and Commerce which were replied to as informed. Further, during FY 2022-23, the services of Transaction Advisor, M/s Resurgent India Limited have been dispensed with by the Directorate of Public Enterprises and Disinvestment, Government of Punjab.
3. Receivable & payable are shown in the balance sheet which significantly consists of Trade receivable, and trade payables are subject to confirmation. (Refer to note no. 9 & 21 of notes to accounts of Standalone financial statements).

Our opinion is not modified in respect of the above matters.

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 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 Ind AS 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 the safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

The management and Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements.

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

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

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified

in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for 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, the Cash Flow Statement, and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) In terms of GSR 463 dated 05th June 2015 issued by MCA, the provisions of section 164(2) of Companies Act, 2013 regarding the disqualifications of Directors do not apply to Government Company. Hence the same is not applicable.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that section 197 does not apply to the Government companies.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its notes to Standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
 - iii. The company is not required to transfer any amount to the Investor Education and Protection Fund.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
 - v. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
 - vi. Since the Company has not declared or paid any dividend during the year, accordingly, commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 is not applicable.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

Krishan Mangawa
Partner
Membership No.: 513236

Place: Chandigarh
Date: 27.08.2024
UDIN: 24513236BKAMYC1848

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT**Referred to in Paragraphs under the heading "Report on other Legal and Regulatory requirements" of our report of even date**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of the audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's Property, Plant, and Equipment and Intangible Assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment and Investment Property;
The company has maintained proper records showing full particulars of Intangible Assets;
 - (b) The company has a regular system of verification of Property, Plant, and Equipment at the end of each year, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. Pursuant to the system, Property, Plant & Equipment were verified by the company and no material discrepancies were noticed on such verification;
 - (c) As per our examination, the title deeds of all immovable properties of the company are held in the name of the company.
 - (d) The company has not revalued any of its Property, Plant & Equipment, and Intangible Assets during the year;
 - (e) As per the information and explanations provided to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- ii. In our opinion and according to the information and explanations provided to us:
 - (a) The company has a regular system of verification of the inventory at the end of the year and we are of the opinion that the coverage and procedure of such verification are appropriate having regard to the size of the company. Also, no material discrepancies were noticed in such verification.
- iii. According to the information and explanations are given to us, during the year the company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs, or any other parties. Hence reporting under clause 3(iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the company has not granted any loans, given guarantees and securities, or made investments to the parties covered under the provisions of sections 185 and 186 of the Companies Act, 2013. Hence, reporting under clause 3(iv) of the Order is not applicable.
- v. According to the information and explanations given to us, we are of the opinion that the company has not accepted any deposit or amounts which are deemed to be deposits in pursuance of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- vi. The company was not required to maintain cost records as per the provisions of Section 148(1). Accordingly, this clause is not applicable.
- vii. According to the information and explanations given to us, books and records as produced and examined by us in respect of statutory dues:
 - (a) The company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, the duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. Further, we report that no undisputed amount payable with respect to such statutory dues was outstanding as at March 31, 2024, for a period of more than six months from the date they became payable.
 - (b) There are no outstanding statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of disputes.
- viii. In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations are given to us:
 - (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - (b) The company has not been declared a wilful defaulter by any bank or financial institution or any other lender;
 - (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) During the year, the company has not taken any funds on a short-term basis. Accordingly, this clause is not applicable;
 - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary;
 - (f) The Company has not raised any loans on the pledge of securities held in its subsidiary during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable;

- x. In our opinion and according to the information and explanations given to us:
- (a) The Company has not raised moneys by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.;
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly, or optionally), and hence reporting under clause 3(x)(b) of the Order is not applicable;
- xi. In our opinion and according to the information and explanations given to us:
- (a) No fraud by or on the company has been noticed or reported during the course of our audit;
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
 - (c) During the year, no whistleblower complaints have been received by the company.
- xii. The company is a manufacturing company and not a Nidhi Company. Accordingly, this clause does not apply to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the requisite details have been disclosed in the Standalone financial statement, etc., as required by the applicable Indian Accounting Standards.
- xiv. In our opinion and according to the information and explanations given to us:
- (a) The company has an internal audit system commensurate with the size and nature of its business.
 - (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, the company has not entered into any non-cash transactions with its Directors or with persons connected with him. Hence provisions of section 192 of the Companies Act, 2013 do not apply to the Company.
- xvi. In our opinion:
- (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
 - (b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has earned cash Profit during the current financial year 2023-24 amounting to Rs. 10.35 Crores (Including Interest income during the year, under OTS with U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD amounting Rs. 15.48 Crores) and incurred Cash losses in the preceding financial year 2022-23 amounting to Rs. 15.39 Crores.
- xviii. There has been no resignation of the statutory auditor of the company during the year.
- xix. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, and other information accompanying the Standalone financial statements we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the company does not meet the criteria for the applicability of Section 135 of the Companies Act, 2013. Accordingly, reporting under this clause is not applicable.
- xxi. In our opinion and according to the information and explanations given to us, the company has a fully owned subsidiary company (Punjab Digital Industrial Systems Ltd.) which has been ordered to be wound up by the order of Hon'ble Punjab and Haryana High Court vide order dated 20/02/2009, Due to which the financial statements of PDISL are not being prepared, so we are unable to give our opinion on the same.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

Krishan Mangawa
Partner
Membership No.: 513236
Date: 27.08.2024
UDIN: 24513236BKAMYC1848

"ANNEXURE-B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date).

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 Punjab Communications Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone 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 ("ICAI"). These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 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 the preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with the authorizations of management and directors of the company; and
- (3) Provides reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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, to the best of our knowledge and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting, and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

Krishan Mangawa
Partner
Membership No.: 513236
Date: 27.08.2024
UDIN: 24513236BKAMYC1848

REPORT ON DIRECTIONS u/s 143(5) of the Companies Act 2013

As per the directions issued under Section 143 (5) of the Act, we report that:

1. As per information and records produced before us, the company has clear title deeds for immovable properties.
2. As informed to us, there is no case of the waiver/write-off of debts/loans/interest during the year under review.
3. As informed to us, no such inventories are lying with third parties and no assets have been received by the company as gifts from the Government or other authorities during the year under audit.
4. As informed to us, there is no dispute in any contract for the supply of hardware or software except for cases against which the company has made provisions.
5. As informed to us, the company does not provide manpower services to any agency. Therefore, it is not applicable.
6. As per information and explanations provided to us, no franchise agreement had been entered into by the company during the year under audit.
7. As per information and explanations provided to us, no cases have come to our notice wherein software, hardware and IT-enabled systems are redundant/outdated.
8. No grants have been received by the company during the year under audit.

For JAIN & ASSOCIATES

Chartered Accountants

(Regd No.:001361N)

Krishan Mangawa

Partner

Membership No.: 513236

Date: 27.08.2024.

UDIN: 24513236BKAMYC1848

COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of **PUNJAB COMMUNICATIONS LIMITED** for the year ended 31.03.2024 in accordance with the directions/sub-directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

For JAIN & ASSOCIATES

Chartered Accountants

(Regd No.:001361N)

Krishan Mangawa

Partner

Membership No.: 513236

Date: 27.08.2024

UDIN:24513236BKAMYC1848

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF PUNJAB COMMUNICATIONS LIMITED, MOHALI FOR THE YEAR ENDED 31st MARCH 2024.

The preparation of financial statements of the **Punjab Communication Limited** for the year ended **31 March 2024** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **28th May 2024**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Punjab Communication Limited** for the year ended **31 March 2024** under section 143(6)(a) of the Act. This supplementary audit has been conducted independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Disclosure**A1 Information regarding income and expenditure of investment property (Note 42).**

The Company has not measured the fair value of its four investment properties during 2023-24. The properties were accounted for at the FV measurement of the previous 2021-22 (as Rs 8052.52 lakh) in non-observance of the provisions of Ind AS -40.

A2 Other Bank Balances-Note-11

A reference is invited to explanatory note below Note no.11 which states that principal amount of FDRs (other than FDRs reflected in Note 10) amounting to Rs 3369.81 lakh includes the pledged value of FDRs against bank guarantees and overdraft limits/LC is Rs 1443.66 lakh (Rs. 1603.62 lakh). FDRs further include an amount of Rs 3010.21 lakh received by Company through encashment of bank guarantees submitted by VMC Systems Limited.

The position stated in the said explanatory note is not in agreement with the balances in the financial statements.

**For and on behalf of the
Comptroller & Auditor General of India**

Place : Chandigarh
Date : 22-10-2024

Sd/-
(Nazli J. Shayin)
Principal Accountant General (Audit),
Punjab, Chandigarh

BOARDS' REPORT

Your Board have pleasure in presenting the Forty Third Annual Report of your Company together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2024 along with Independent Auditors' Report thereon and Secretarial Audit Report for the financial year under report.

Financial Results

(Rs. In lacs)

Particulars	2023-24	2022-23
Gross Income	2200.72	1861.25
Expenditure	2471.81	2729.86
Exceptional item	-1286.31	693.85
Total expenditure	1185.50	3423.71
Profit before tax	1015.22	-1562.46
Profit/(Loss) after tax	1015.22	-1562.46
Other comprehensive Income/(Loss)	3.68	-14.10
Total Comprehensive Income/(Loss)	1018.90	-1576.56
Dividend	Nil	Nil
Paid up equity	1202.36	1202.36
Profit/(Loss) appropriated to General Reserve	Nil	Nil
Profit/ (Loss) Account (Retained Earnings)	-6527.48	-7546.38
Reserves (Including Capital Reserves)	1678.26	659.36
Net Property Plant and Equipment & Investment Property	371.47	388.83
Capital employed	2932.23	2286.96
Earning/(Loss) per share (in Rs.)	8.44	-13.00
Cash earning/(loss) per share (in Rs.)	8.61	-12.80
Book value per share (in Rs.)	23.98	15.50

Web-link of Annual Return

The copy of Annual Return pursuant to the provisions of sub-section (3) of Section 92 of the Companies Act, 2013 is placed on the website of the company and web link of annual return is: <http://www.puncom.com/?id=110>

Meetings

During the year, Six Board meetings were duly convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period as prescribed under the provisions of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulations") and Secretarial Standards (SS)-1 on Meetings of Board of Directors.

Directors Responsibility Statement

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility statement, it is hereby confirmed:

- a) That in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2024, the applicable Indian Accounting Standards have been followed along with proper explanation relating to material departures.
- b) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013, for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2024, on a going concern basis; and
- e) That the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- f) That the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Frauds reported by Auditors u/s 143(12)

Your company has complied with all the provisions of Section 143 of the Companies Act, 2013. Hence, there are no frauds reported by the Auditors other than those which are reportable to the Central Government. Further, no fraud has been reported to the Central Government.

Declaration by Independent Director(s)

All the Independent Directors on the Board of Puncom have given their respective declaration under Section 149(7) that they meet the criteria of independence, as per the provisions of sub-section (6) of Section 149 of Companies Act, 2013 along with Regulation 16 (b) & Regulation 25 of SEBI Listing Regulations. All the independent directors of the company has declared that they have registered themselves with databank of Independent Directors as maintained by Indian Institute of Corporate Affairs in compliance with Rule 6(1) of Companies (Appointment & Qualification of Directors) Rules, 2014. Accordingly, the Board has formed a satisfactory opinion regarding integrity, expertise and experience of the independent directors after

undertaking due assessment of the veracity of the declaration made by them.

All the independent directors of your company except Dr. Neelu Jain are not required to pass the online proficiency self-assessment test and falls under the exemption category. Further, Dr. Neelu Jain recently has passed the test on April 9, 2024, i.e. within two (2) years of her registration.

Company's Policy relating to Directors appointment, payment of remuneration and discharge of their duties:

Pursuant to MCA notification G.S.R. 463 (E) dated 05th June, 2015, our company, being a government company is exempted from the given requirement. However, the company has in place a nomination & remuneration policy covering the aspects as provided under Section 178(3) of the Companies Act, 2013 and is available on the website of company at <http://www.puncom.com/?id=107>

Explanations or comments by the Board on qualification(s), reservation(s) or adverse remark(s) or Matter of Emphasis are as follows:

Management Reply to Statutory Auditors' Remarks

M/s Jain & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company for the Financial Year 2023-24. Following are the 'Key Audit Matters' and 'Emphasis of Matters' as pointed out by the Auditors in their Independent Auditors Report dated 28th May, 2024 (Later, revised on 27th August, 2024).

a) Key Audit Matters

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

Management Remarks on Key Audit Matters - Nil

b) Emphasis of Matters

(I) Emphasis is being drawn on Note No. 3 and Note No. 41(a), During the year, U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD., vide its letter No. 1143 SMF 2023-24 dated 20th October, 2023, offered One Time Settlement (OTS) and sent the calculations to the company for amount payable by them till 31.03.2023, amounting Rs. 22,48,08,356/- (Rs. 7,00,00,000/- towards Principal amount and Rs. 15,48,08,356/- towards simple interest @ 9.5% per annum for the period 21.12.1999 to 31.03.2023. The offer was approved by the Competent Authority of the Company and required documents were submitted by the company to U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD on 18th March, 2024. Rs. 20,93,27,456/- (after deduction of TDS on interest amounting Rs. 1,54,80,900/- from the Gross settlement of Rs. 22,48,08,356/-) was received by the Company on 28th March, 2024 in its Current Account maintained with State Bank of India. Accordingly, Investments have been stated at NIL during the financial year 2023-24 and interest amount of Rs. 15,48,08,356/- have been accounted for under Exceptional items - Income during the year. No interest has been recorded in the books of accounts for period 01-04-2023 to 28-03-2024 amounting to Rs. 65,77,322/-

(II) As per the information and explanations given to us, the company has been selected for disinvestment by the Cabinet Committee on Disinvestment, Government of Punjab. During the FY 2019-20, the Directorate of Public Enterprises and Disinvestment, Government of Punjab had appointed M/s Resurgent India Limited, Gurgaon (Haryana) as Transaction Advisor for Puncom Disinvestment. During the financial year 2020-21, the Government of Punjab has closed the submission of "Expression of interest" (EOI) by eligible bidders on 1st February, 2021. Further, as part of the disinvestment, the company was in the process of Due Diligence activity. For this purpose, DPED had approved the site visit from the period 21/06/2021 onwards till 12/07/2021 i.e. within a three-week period to carry out the due diligence. Accordingly, due diligence was conducted during the given period. As informed Subsequent to the site visit, certain queries were raised to Puncom, which were addressed. Thereafter, certain queries were raised with the Director, Industries, and Commerce which were replied to as informed. Further, during FY 2022-23, the services of Transaction Advisor, M/s Resurgent India Limited have been dispensed with by the Directorate of Public Enterprises and Disinvestment, Government of Punjab and other modalities regarding the same be worked out as per the agreement and its clauses.

(III) Receivable & payable are shown in the balance sheet which significantly consists of Trade receivable, and trade payables are subject to confirmation. (Refer to note no. 9 & 21 of notes to accounts of Standalone financial statements).

Statutory Auditor's opinion is not modified on the matters mentioned in Key Audit Matters and in items (1) to (3) in Emphasis of matters hereinabove.

Management Remarks on Emphasis of Matter:

Notes to accounts forming part of Annual Accounts are self-explanatory & exhaustive to the remarks of Auditors in their report dated 28th May, 2024. Hence, the Management Reply to Auditors' Remarks/ Key Audit Matters and Emphasis of Matters is not required.

Management's reply to Secretarial Auditors' Remarks

The Secretarial Audit for Financial Year 2023-24 was carried out by M/s A. Arora & Co., Practising Company Secretary, Chandigarh and he has reported in his secretarial audit report i.e. MR-3 that the return of appointment and cessation of Sh. Anurag Verma, IAS as the Chairman of the Board pursuant to the nomination by holding company has not been filed with the Registrar of Companies, Ministry of Corporate Affairs. The Auditor has also advised the company to ensure compliance with the applicable LODR Regulations w.r.t appointment at the senior position of HOD/ Senior Management of the company.

He made a remark that the appointments shall be recommended by the Nomination and Remuneration Committee to the Board, together with the proposed remuneration to such employees and Senior Managerial Personnel.

- a) Regarding non filing of return of appointment and cessation of Sh. Anurag Verma, IAS as Chairman of Puncom: Sh. Anurag Verma, IAS, has neither tendered his consent for appointment as a Director-cum-Chairman of the Company nor did he take any action in the said capacity. In this regard, a legal/ expert opinion was obtained. As per opinion (also placed before board), with respect to non filing of return of Sh. Anurag Verma, IAS, our company has been advised to make necessary disclosure in the Annual Return of the company for FY 2023-24. Accordingly, necessary disclosure has been given in Annual Return for FY 2023-24
- b) Regarding appointment at the senior position of HOD/ Senior Management of the company: These appointments in respective divisions of the company is generally made from internal arrangements within the company as per orders of the competent authority on the basis of qualification and experience in relevant areas, without seeking the approval or recommendations of Nomination and remuneration Committee or the Board of Directors in the matter. However, a legal/ expert opinion was obtained in this regard. As per opinion (also placed before board), our company will make appointment at HOD/ Senior Management level in future by following the due provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Particulars of Loans and Guarantees under Section 186 of the Companies Act, 2013

The particulars with respect to Loans and Guarantees under Section 186 of the Companies Act, 2013: **NIL**

Particulars of Related Party Transactions

Under Companies Act, 2013: Puncom has not entered into any Related Party Transaction as per the provisions of Section 188(1) of the Companies Act, 2013 during the financial year under report. The required form AOC-2 has been appended as **Annexure 1** to this report.

Further, the disclosures related to Related Party Transactions are also detailed in Note-12 and Note-39 of Notes to Accounts of Financial Statements for the year ended 31st March, 2024. There are no materially significant related party transactions which have potential conflict with the interest of the Company.

Under Regulation 34(3) of Listing Regulations, 2015: Puncom has not entered into any Related Party Transaction as per the Listing regulations and the disclosures as per Schedule V of the said regulations are as follows:

1.	Loans and advances in the nature of loans to Subsidiaries	NIL
2.	Loans and advances in the nature of loans to Associates	NIL
3.	Loans and advances in the nature of loans to firms/companies in which Directors are interested	NIL
4.	Acceptance of any amount in the form of loans and advances in the nature of loans from its Holding Company	NIL

There are no transactions of the company with any person or entity belonging to Promoter/Promoter Group, Holding 10% or more shareholding in the company during the financial year under review.

State of the Company's Affairs

During the Financial Year 2023-24, Puncom has succeeded to obtain maximum volume of work from Railway, Power sector and from private parties. We had won 6 No of tenders from Railway. But we have not succeeded to obtain those tenders floated by Railway related to Bought out items and Outdoor OFC Work, Trenching, Laying and Termination of OFC. Component of Puncom make products was negligible in these tenders. In power sector like PLCC we have obtained maximum work from private parties.(PLCC, LMU etc Puncom own products) but there are limited options for participation in these tenders due to lack of major device protection coupler. Beside this company has also participated in new technology tenders of IP MPLS of Jabalpur Division but did not succeed to win it. we are now efforting to make some inroads in New Technology products, to tie up with manufacturing units to obtain assembly line work.

Corporate Plan/ Market Scenario of our products

As most of our products have completed their life, Puncom is still striving with some relevant products. Here is market status of our products.

- LMU (Line matching unit)- It is low cost product used to couple the high frequency communication signal to high voltage powerline. Puncom is very competitive in this product compared to our competitors and supplying it to different states power transmission companies. This product being the outdoor unit has a life so power transmission companies have to replenish it after some time. New state transmission corporations are explored where it is being sold.
- PLCC (Power line carrier communication)-Voice and low rate data using modem is modulated to high frequency & after power amplification it is transmitted over high voltage power line. Puncom is having analog PLCC system whose demand is on decline, but due to low cost compared to digital PLCC, some power transmission companies are still opting it. This product is normally deployed with Protection coupler (to send commands for relay operation to connect/disconnects power station/substation from power transmission line) which Puncom has to outsource from other companies. To compete, Puncom has tested its PLCC at preliminary level with protection coupler of ZIV Spain.

- V-Mux (Versatile Multiplexer)-It provides full range of managed voice and data services in E1(2 megabits/sec stream used by Railways at different locations. But as railway is upgrading to higher number of ports and speed, this product is also losing demand. Puncom is getting orders of this product in small quantity where higher end equipment is not required.

As Railways has shifted to voice communication on VOIP and backbone communication on IP-MPLS. Puncom has empanelled companies for integrated multiplexer and IP-MPLS routers to execute railway projects.

- CCEO (control communication equipment for OFC)-It is two wire omnidirectional voice communication system used for communication between control room and substation and level crossing gates. Call control is through dual tone multi frequency. This product was developed a few years back for railway and we got a few orders on zone basis demand and criterion as some other zones are opting other ways of communication.(like IP/ Ethernet based products)
- Power Plant (48V/25A/12.5A)-Railways is buyer of this product and still in demand but cost of product is higher compared to the competitors. Puncom has reduced its cost by 20% by making alternatives of costly components & changes in system. Its type approval from RDSO is pending.

As our products are in low demand, Puncom is exploring railway zones and Power transmission subdivisions where small quantity orders can be sought. Puncom is undertaking annual maintenance/repair contracts of their own products from various customers which contribute good revenue. It also highlights that Puncom is always ready to support after sale. Puncom is also making arrangements with India Technology Sources for assembly & testing of Power plant, inverter, MPPT of other make to fully utilize our infrastructure.

Telecom Scenario in India and Puncom approach

For Indian telecommunications industry, 2022 was a significant year, with the services taking another generational leap with the launch of 5G services in the country. The digital infrastructure industry stood up to the challenge and commenced the task of densification of networks, so demand of devices which support 5G primarily focusing in areas like smart class rooms, precision farming, intelligent transportation and healthcare is increased. Government of India has launched the production linked incentives scheme to give incentives on basis of domestic manufacturing of telecom and networking products. Presently Puncom main customers are Railways and Power transmission corporations (center & states). Most of products were developed before 2010, now they are not technologically competitive but there are some areas where customer demand is low cost solution, Puncom is supplying their products (like PLCC and Multiplexer)to such areas. Areas where high end product is required, Puncom is bidding by empanelling the manufacturers e.g. IP-MPLS & Integrated Mux. Puncom is also making arrangement for assembly, integration & testing of white labeled power plant.

Reserves and Surplus

The Reserves of the company as on 31st March 2024 at Rs.1678.26 Lacs (previous year Rs. 659.36 lacs). Due to Profits in the current financial year, reserves have increased by Rs 1018.90 Lacs.

Dividend

Though the company is in profits this year on account of exceptional items i.e. receipt of OTS amount from U.P. Co-operative Spinning Mills Federation Ltd (UPCSMFL), the Directors of the company decided not to recommend any dividend for the Financial Year 2023-24.

Material changes and Commitments after the close of the Financial Year

The particulars with respect to material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year i.e. 31st March, 2024 till the date of this report i.e. 07th August, 2024 under Section 134(3)(l) of the Companies Act, 2013 is NIL

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

- a) **Conservation of Energy**
- Steps taken & impact on conservation of energy:
Steps taken:
We have continued with the practice of switching off the supply to the areas where the normal lights are not required or where the production work is not taking place. There are approximately 3000 tube lights in our building-B-91, which we are slowly and steadily changing to LED tubes.
Impact:
The consumption has reduced due to the above measures taken.
 - Steps taken for utilizing alternate sources of energy:
The system is in place for alternate sources of energy.
 - Capital investment on energy conservation equipments : **NIL**
- b) **Technology Absorption**
- Efforts made towards technology absorption:
Efforts are made from time to time towards technology absorption, adoption and innovation.
 - Benefits derived:
Company is able to achieve significant cost reduction and improvement in the products.
 - Technology imported (during the last three years) : **NIL**
Details of technology imported : **N/A**
Year of Import : **N/A**
Whether the technology has been fully absorbed : **N/A**
If not absorbed, areas where absorption has not taken place and reasons thereof : **N/A**
 - Expenditure incurred on Research and Development

(Rs. In Lacs)

Particulars	FY 2023-24 (Current Year)	FY 2022-23 (Previous Year)
Capital	NIL	NIL
Recurring	NIL	NIL
Total R&D expenditure as a percentage of total turnover	NIL	NIL

c) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the Financial Year 2023-24 in terms of actual inflows and actual outflows is given as follows:

(Rs. In Lacs)

Particulars	FY 2023-24 (Current Year)	FY 2022-23 (Previous Year)
EARNINGS		
F.O.B Value of Exports	NIL	NIL
OUTGO		
i. CIF Value of Import of Raw Materials	55.53	36.25
ii. Components & Spares	NIL	NIL
iii. Capital Goods	NIL	NIL
iv. Repair & Maintenance (P&M) imports	NIL	NIL
v. Foreign travel & others	NIL	NIL

Risk Management Policy

The requirement of establishing Risk Management Committee is not applicable to our company. However, the Risk Management Policy is still in place and was amended to incorporate the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Corporate Social Responsibility (CSR)

As per the provisions of Section 135 of the Companies Act, 2013, every company having net worth of Rupees Five Hundred crore or more or turnover of Rupees One Thousand crore or more or a net profit of Rupees Five crore or more during any financial year is required to spend in every financial year at least 2% of the average net profits made during the three immediate preceding financial years on CSR activities. We would like to inform you that as per applicable provisions of Companies Act, 2013, there is average net loss and accordingly our company is not liable to spent any amount under CSR obligations for the year under review. However, our company has approved CSR policy of the company in its 225th Board meeting held on 7th August, 2024.

Composition of Committees of the Board

The Audit Committee, Nomination and Remuneration Committee & Stakeholders Relationship Committee are duly constituted as per applicable provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013, the details of which are mentioned in the Corporate Governance report annexed herewith.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of Listing Regulations read with subsequent MCA notification G.S.R. 463 (E) dated 5th June, 2015, the Board evaluation procedure is not applicable on us (exempted to Govt. Cos.) however there is a system in place for evaluation of performance of the Board, its committees and individual directors.

The Nomination and Remuneration Committee considered the exemption provided to the Government Companies and decided that without taking the benefit of the exemption, the members shall voluntarily evaluate the performance of the directors during the Financial Year 2023-24. Further, the members decided to evaluate the performance of the KMP's only during the Financial Year 2023-24, as the committee members due to their roles & responsibilities have very less interaction with the Senior Management/ HOD's of the Company, thus their evaluation is not possible by the committee. The performance of Independent Directors was evaluated by the entire Board (except by the Director being evaluated) in their 224th Meeting held on 28th May, 2024.

Change in the nature of business

During the year 2023-2024, there was no significant change in the nature of Business of the Company. The company only expanded its operations as per the amended Objects Clause of the Memorandum of Association of the Company.

Directors and Key Managerial Personnel

Pursuant to Section 2(51) and 203 of the Companies Act, 2013 read with related rules, the Key Managerial Personnel of the company as on the date of report are as follows:

1. Sh. Parminder Pal Singh Sandhu, IAS, Managing Director
2. CA Ramesh Goel, Chief Financial Officer
3. CS Pratima Yadav, Company Secretary

Following changes, in the constitution of Board of Directors, took place during the period under review upto 07th August, 2024 on account of change in nomination by Punjab Information & Communication Technology Corporation Limited (Punjab Infotech) and otherwise from time to time.

Sr. No.	Name	Designation	Period of Directorship
1.	Sh. Dilip Kumar, IAS	Chairman	18.04.2022 to 22.05.2023
2.	CA Ramesh Goel	Whole-time Director	09.08.2022 & 04.09.2023
3.	Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	24.08.2023 to 23.01.2024
4.	Sh. Mohinder Pal, IAS*	Sr. Vice Chairman	11.07.2022 & continuing
5.	Sh. Tejveer Singh, IAS	Chairman	04.09.2023 & continuing
6.	Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	05.02.2024 & continuing

* Sh. Mohinder Pal, IAS was appointed as Director on the Board in the capacity of Sr. Vice Chairman of the company w.e.f. 11th July, 2022 and later on, re-designated as Sr. Vice Chairman & Managing Director on the Board of Puncom w.e.f. 2nd December, 2022. Thereafter, Sh. Mohinder Pal, IAS was again re-designated as Sr. Vice Chairman after nomination of Sh. Parminder Pal Singh Sandhu, IAS as Managing Director of Puncom w.e.f. 24.08.2023.

Note: Sh. Anurag Verma, IAS was appointed as Director cum Chairman on the Board of Puncom during the year under review. However, no return of appointment and cessation was filed with the Registrar of Companies, Ministry of Corporate Affairs on account of absence of DIR-2 i.e. consent to act as Director.

In terms of Section 152 of the Companies Act, 2013, Sh. Mohinder Pal Singh, IAS shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Details of Puncom's Subsidiaries

Puncom has one immaterial subsidiary, namely M/s Punjab Digital Industrial Systems Limited which has been ordered by the Hon'ble Punjab and Haryana High Court to be wound up on 20th February, 2009. All the formalities in this regard for the company has been completed. However, it is pertinent to point out that with the existence of National Company Law Tribunal (NCLT) / National Company Law Appellate Tribunal (NCLAT), the winding up case has been transferred from Hon'ble Punjab & Haryana High Court to NCLT / NCLAT. The National Company Law Tribunal (NCLT) is yet to issue the dissolution order in respect of subsidiary company namely M/s Punjab Digital Industrial Systems Limited.

Deposits

The particulars with respect to Deposits under Section 73 of the Companies Act, 2013 are: **NIL**.

Details of Significant and Material orders passed

During the financial year under report, no significant order(s) was/were passed by Courts, Tribunals affecting the going concern status and operations of the company in future.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. A report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013, as given by the Statutory Auditors of the Company, forms part of the Independent Auditor's Report as Annexure B.

Non-maintenance of Cost Records

The disclosure with respect to maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is not required by the Company and accordingly no such accounts and records are made and maintained.

Disclosure under IBC

There is no application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review. Accordingly, the status as at end of current Financial Year may be treated as NIL.

Disclosure on difference in valuation during OTS

No fresh loans were taken from Banks and Financial Institutions during the reporting period. Accordingly there is NIL difference between valuation done at time of one time settlement and valuation done while taking loan from Banks or Financial Institutions.

Vigil Mechanism/Whistle Blower Policy

The company has its "Vigil Mechanism/Whistle Blower Policy" in place. In accordance with the requirements of Regulation 4(2)(d)(iv) and Regulation 22 of Listing Regulations read with under Section 177 of the Companies Act, 2013, Smt.Indu Walia, heading the Production, ISD and QA Division, has been appointed as Vigilance and Ethics Officer. The web link for the policy is <http://www.puncom.com/?id=107>

Disclosure relating to Remuneration of Directors and KMP:

A. Disclosure under Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year under report:

S. No.	Name of the Director	Median Remuneration of employees (Rs. in lacs)	Ratio
1.	Sh.Parminder Pal Singh Sandhu , (IAS)*	10.07	7.80:10
2	CA Ramesh Goel**		-

*Sh. Parminder Pal Singh Sandhu, IAS was nominated as Managing Director of the Company w.e.f. 24th August, 2023. Later, he ceased to be Managing Director on the Board of Puncom w.e.f. 23.01.2024. Thereafter, Sh. Parminder Pal Singh Sandhu, IAS was again appointed as Managing Director of the Company w.e.f. 05.02.2024. He was paid remuneration for the period from 24.08.23 to 23.01.24 as approved by the Board in its 221st Board meeting held on 04.09.2023 subject to approval of shareholders of the company.

** CA. Ramesh Goel ceased to be the Director on the Board of Puncom w.e.f 4th September, 2023 as he resigned from the directorship of the Company to comply with Regulation 17(1) of SEBI (LODR) Regulations, 2015.

b) Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: There are three KMP covered under this and details are:-

- CA Ramesh Goel, CFO (Joined the Company on 09.08.2022). Increase in remuneration has been given @ 10 % wef 09.08.2023 as per contractual terms agreed by the Company with him at the time of his appointment.
- CS Pratima Yadav having an increase of 1.35 % in remuneration during the year Vis a Vis previous year. (Certain allowances were not given, being on maternity leave).

Remunerations exclude LTA, Leave Encashment and Gratuity.

- Percentage increase in the median remuneration of employees in the Financial Year 2023-24 is 2.76%
- Number of permanent Employees on rolls of the Company as on 31/03/2024 was 135 (including 11 employees on deputation to other Company/ Corporations).
- 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 point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in Remuneration is equivalent to the rate of inflation declared by state for the purpose of D.A. The Company, being Public Sector Undertaking (PSU) of Punjab Government, follows applicable pay-scales as per the Service Rules as amended from time to time through wage revision agreement executed with Employees Union from time to time and duly approved by the Board of Directors of the Company, uniformly for all its employees as per the respective designation and tenure of employee with the company.
- Affirmation that the remuneration is as per the remuneration Policy/Service Rules etc. of the company: Yes, the remuneration is as per Remuneration Policy/Service Rules/requisite approvals of the company.

B. Disclosure under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The list of the top ten employees in terms of remuneration drawn during the FY 2023-24 is as follows:

Sr. No.	Name	Designation	Remuneration received in FY 2023- 24 (Rupees)*	Nature of employment whether contractual or otherwise)	Qualifications and Experience	Date of Commencement of Employment	Completed Age in years	Last employment held	Percent age of equity shares held	Whether relative of any director or manager if so, name of such director/ manager)
1	Mr. Ramesh Goel	CFO	25,54,839	Contractual	B.Com, FCA 30 years	09.08.2022	57	DCM Limited	Nil	No
2	Mr. Rupinder S Mainee	Assistant Vice President	20,31,350	Regular	B.Sc, MBA 38 years	09.03.1989	58	Delta Hamlin Ltd	Nil	No
3	Ms. Indu Wallia	AGM	15,45,798	Regular	MSc(Physics),PGD-BA(Operation),MCA 32 years	30.09.1991	55	Nil	Nil	No
4	Mr. Sudhir Dhand	Sr. Manager	14,53,416	Regular	B. Tech (ECE) 32 years	03.09.1991	55	Nil	Nil	No
5	Ms. Geeta Dutta	Sr. Manager	14,20,998	Regular	DIP(ECE), 38 years	07.12.1985	57	Nil	Nil	No
6	Mr. Sandeep Belsare	Sr. Manager	13,88,580	Regular	BE (ECE) 28 years	18.10.1995	54	Nil	Nil	No

7	Mr. Ashok Kumar	Sr. Manager	13,88,580	Regular	Diploma (ECE) & AMIE 36 years	26.03.2004	57	Reliance Infocom Limited	Nil	No
8	Ms Sneh Aggarwal	Sr. Manager	13,20,444	Regular	Diploma (ECE) & AMIE 34 years	24.07.1989	55	Nil	Nil	No
9	Mr. Ajay Gupta	Manager	13,05,702	Regular	DIP(ECE), & AMIE(ECE) 34 years	17.07.1989	55	Nil	Nil	No
10	Mr. Kailash Chander	Manager	13,03,688	Regular	BA 28 years	07.08.1997	53	Saraya Sugar Mills	Nil	No

*Includes Leave Encashment & LTA availed by the employees as per Service Rules of the company. However, does not include Gratuity on Retirement / Relieving and ex gratia at the time of VRS paid to Employees.

#Mr. Rupinder S Mainee has retired on 31st January, 2024.

There are no such employees who have been paid annual remuneration of Rs. 102.00 lacs or above and a monthly remuneration of Rs. 8.50 lacs and above in case of employee worked for part of the year.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review as stipulated under the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 34(2)(e) of Listing Regulations is appended as **Annexure 2** and is an integral part of this report.

Corporate Governance Report

The Corporate Governance Report for the year under review as stipulated under the Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is appended as **Annexure 3** and is an integral part of this report.

Secretarial Audit Report

The Board pursuant to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s A. Arora & Co. Practicing Company Secretary, having Membership No.FCS 2191 to conduct Secretarial Audit for the FY 2023-24.

M/s A. Arora & Co, Practicing Company Secretary have carried out the Secretarial Audit for the financial year ended March 31, 2024 and the Secretarial Audit Report in Form No. MR-3 is annexed herewith this report as **Annexure 4** and forms part of the report.

Compliance with applicable Secretarial Standards

The Company has duly complied with all applicable secretarial standards as referred under Section 118 of Companies Act, 2013 and as issued by ICSI during the year under review.

Sexual Harassment of Women at Workplace: Internal Committee

In compliance with the provisions of Section 21 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made there under, the Company has constituted Internal Complaints Committees (ICC). During the year, No complaint with allegations of sexual harassment has filed with the Company. As a routine, two(02) workshop or awareness programme against sexual harassment were carried out during the financial year under report.

Cautionary Statement

Certain statements in the Boards' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable laws, rules and regulations. Actual results might differ from those expressed or implied. The statements and figures made in this report is based on the inputs as received from respective divisions of the company.

Important factors that could make a difference to the Company's operations include labour and material availability, prices, cyclical demand and pricing in the company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors. Further, the Disinvestment/Sale of Assets process of the Company is also a major factor that could make a difference to the viability of the Company or Company's operations.

The Company is not under any obligation to publicly amend, modify or revise any such forward looking statements on the basis of any subsequent developments, information or events.

Acknowledgement

The Board places on record its gratitude to various State Transmission Corporations, Department of Railways, PGCIL and other esteemed customers in India and abroad. The Board also places on record its gratitude to various banks associated with the company especially SBI/ Indian Bank (Allahabad Bank) for their interest, continuous help and co-operation for smooth functioning of the Company. The Board also places on record its gratitude to the Punjab Information and Communication

Technology Corporation Limited (PICTCL/Punjab Infotech), the Holding Company, for its guidance and support.

The Board also places on record its appreciation for continuous support and amicable relations with various government authorities' viz. Income Tax Department, Goods and Services Tax Department, Excise and Customs Department, PF & Labour Department and Ministry of Corporate Affairs (Registrar of Companies, Chandigarh), Securities and Exchange Board of India, BSE etc.

We are thankful for continuous support of our esteemed customers all through & also continuous support of shareholders, bankers and stakeholders, including the business associates as they reposed undoubting faith in the Company.

The Board in particular acknowledges the co-operation of esteemed shareholders for their constant support and for the confidence reposed in the Management of the Company.

For and on behalf of the Board of Directors

Place : S.A.S. Nagar
Date : August 7, 2024

Sh Tejveer Singh, IAS
Chairman

List of Annexures to the Boards' Report

- 1) AOC 2
- 2) Management Discussion and Analysis Report
- 3) Corporate Governance Report
- 4) Secretarial Audit Report
- 5) Certificate on Corporate Governance

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 arms 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:

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

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

(a) Name(s) of the related party	NIL
(b) Nature of contracts/arrangements/transactions:	NIL
(c) Duration of the contracts / arrangements/transactions:	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	NIL
(e) Date(s) of approval by the Board, if any*:	NIL
(f) Amount paid as advances, if any:	NIL

*Not Applicable/Exempted vide Govt Notification G.S.R. 463(E)

INDUSTRY STRUCTURE AND DEVELOPMENTS

Punjab Communications Limited, premier telecom and IT Company was incorporated in the year 1981 by the Punjab Govt. for giving fillip to the Electronics and telecommunication industry in the region. The company passed through a very good phase from 1981 to 1993, and came up with a public issue in October 1994. Despite high premium, the issue was heavily oversubscribed. The company achieved a record turnover of Rs157cr during the year 2001-2002, when its net worth was Rs181cr.

Thereafter the turnover of the company was adversely affected due to industry wide shift from landline based narrowband communication to wireless and broadband. Realising this, the company made attempts to broaden its customer and product base through tie-ups with foreign companies including Huawei Technologies of China for supply of DWDM equipment and technology transfer of POWER PLANT from RTP Australia. Simultaneously, for improving bottom line, the company went about development its core markets of railways and power sector with own products. Line Matching Unit was developed for power sector market and CCEO system for railways for communication between control office and way stations and executing projects with Multiplexer and SDH. The company is on lookout for additional partners for new products and services for new markets. The company has empanelled OEMs of IP-MPLS for projects in railways and power sector. Puncom has made service arrangements with BEL,SCL & India Technology Sources for assembly & testing of their cards/Products.

OPPORTUNITIES AND THREATS**Opportunities**

- Continuing growth rate in mobile and broadband networks and its deeper penetration into rural and other tertiary areas continues to provide business opportunities in telecom segment.
- Growth of telecom and IT is prompting related growth in niche markets of power, railways, defence, government etc. for telecom, EV and EV infrastructure and IT equipment.
- Newer areas of security, new & renewable energy, Digital India, Digital villages, Smart cities, Green and clean technologies, etc. provide new business opportunities to penetrate/invest into new segments.
- India, with its vast and vibrant economy and deeper integration with global markets, is moving up the value chain and is in the process throwing up large requirements of cost optimized high tech products in telecom and IT domains. This is providing new opportunities and markets for domestic industry.
- Puncom is also exploring potential business from government in those emerging areas.

Threats

- Continuously evolving market place increases product churn and reduces time lines. This increase business risks and puts pressure on companies to continuously innovate and explore investments into new markets and products.
- Fast changing technologies
- Prolonged chip shortage and price rise
- Policy framework and perceived purchase bias in India results in skewed playing field in favour of MNCs which Indian telecom manufacturers find difficult to match.
- Lack of skilled tech talent has been issue for a long time, more retirement and continuing uncertainty of disinvestment is affecting functioning of the company.

Segment Reporting

Puncom is engaged in the business of manufacturing of telecom products and these activities are covered by same set of risk and returns. Sales have been grouped as single segment in the accounts as per Ind AS108- Operating Segments as issued by Ministry of Corporate Affairs.

FINANCIAL POSITION**a) Reserves and Surplus**

The Reserves of the company as on 31st March, 2024 are Rs.1678.26 Lacs (previous year Rs. 659.36 lacs). Due to Profits in the current financial year, reserves have been increased by Rs 1018.90 Lacs.

b) Secured / Unsecured Loans

Company has not taken any long term loans and enjoys the status of being Zero – Debt Company. However, during the year, the company has been sanctioned working capital limits/ BG Limits from banks in excess of Rupees 5 (Five) Crores against 100% margin towards FDRs of the company. The company has availed bank guarantees, overdraft and LC limits against the pledged FDRs to the tune of Rs.1433.66 Lacs as on 31st March, 2024.

c) Property Plant and Equipment & Investment Property

The Gross Block of Fixed Assets of the company as on 31st March, 2024 are Rs. 5543.50 Lacs (previous year at Rs.5551.54 Lacs). Decrease during the FY 2023-24 is mainly due to sale of old vehicles having Gross Block value of Rs. 8.91 lacs. Please refer note 2 of Balance Sheet.

d) Investments

Non-Current Investments as on 31st March, 2024 are Rs.NIL Lacs (Previous year Rs.698.74Lacs), being investment in bonds of U P Co-operative Spinning Mills Federation Ltd. (UPCSMFL) in year 1998. Principal amount of fixed deposits of

the company as on 31st March, 2024 are Rs. 3494.81 Lacs (previous year at Rs. 4625.14 Lacs) Fixed deposits includes Rs. 3010.21 Lacs (previous year at Rs. 3010.21 lacs) received by Company through encashment of backup Bank Guarantees submitted by VMC Systems Ltd. Fixed deposits having maturity period of more than one year from Balance Sheet date are classified as Non - Current Financial Assets. Fixed deposits having original maturity of 3 months or less are classified as Cash & cash equivalents. Decrease in Fixed deposits is due to losses during the year.

e) Inventories

Total Inventory (Net of provisions for non moving Inventory) as on 31st March, 2024 is Rs. 302.88 lacs (Previous year Rs. 204.08 Lacs). The decrease is due to use of old Inventories during the year under review.

f) Receivables

Net Trade Receivables as on 31st March, 2024 are Rs.1072.13 Lacs (Previous year at Rs 1022.22 Lacs). The debtors are considered to be good and no provisions has been made or reversed during the financial year 2023-24. The Increase in trade receivables during the year is nominal.

g) Loans and Advances

Long term and short term loans and advances as on 31st March, 2024 are Rs. 14.59 lacs (previous year at Rs. 17.67 Lacs).

h) Current Liabilities and Provisions

Total current liabilities as on 31st March, 2024 are Rs.5266.92 lacs (previous year at Rs. 5608.38Lacs).The decrease is majorly due to payment of Liabilities to PPCB amounting Rs. 390 lacs appearing under Note no. 24A (directly associated with Non Current assets classified as held for sale change during the year).

i) Other Current Financial Assets

Other Current Financial Assets consist of security deposits, accrued interest on fixed deposits having maturity within one year and money held in Escrow account on behalf of VMC and its Associate Companies.

Other Current Financial Assets as on 31st March, 2024 are Rs. 412.53 lacs (Previous year at Rs.471.07 Lacs) i.e. Nominal decrease during the year.

OUTLOOK

Industrial Outlook

There are huge changes in telecom sector from carrier of voice and data to newer e-based services for growth of business. The country is projected to witness extensive penetration of internet, broadband and mobile subscribers and IT based digital services in deepest corners of country with the nationwide programmes like Digital India, digital empowerment, e-service delivery, mobile banking and e-commerce etc.

Govt. of India has enhanced the ease of doing business in the country by streamlining controls, taxation and increasing FDI limits .This is helping joint ventures between MNCs and domestic companies so as to make India manufacturing hub after becoming software hub.

Major national projects and market segments where demand is expected to grow are:

- Make in India programs for all business segments especially railways, defence, energy, telecom, networking, health, security, automation.
- Digital India, DigiGaons and related services
- Renewable and clean energy technologies
- E-Commerce and e-governance
- Smart cities, smart grid and smart metering
- Wireless broadband and cloud
- Network and Information security
- Water management and agriculture
- Automation using IoT
- EV charging infrastructure.

War between Russia and Ukraine and China's dominance in Pacific Ocean is changing the opinion of West and USA about India.

Business Outlook

Major portion of Puncom's revenue is from the manufacturing of its products, rest is from repair, installation and maintenance of products /turnkey projects. Overall higher value addition is from manufacturing. Puncom is doing cost reduction of the product which still has a market. Puncom is strengthening its value added service activities like turnkey projects and customer support etc. Puncom is looking for assembly, integration & testing services from other manufacturers

RISKS AND CONCERNS

- Products manufactured by PUNCOM are in its last stage/fag end of their commercial viability.
- Higher Lead time of semiconductors
- Old designs of products and components obsolescence making manufacturing difficult, demands redesign.
- Rise in component cost after COVID period and Ukraine war.
- Being a PSU, it is not able to employ the level of flexibility in highly competitive high tech segment.
- Lack of technical manpower.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Puncom has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protecte against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The company has an extensive system of internal controls which ensures optimal utilization and protection of resources, IT security, accurate reporting of financial transaction and compliance with applicable laws and regulations as also internal

policies and procedures.

The Internal control system is supplemented by extensive internal audits, regular reviews by management and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

FINANCIAL REVIEW

Operating Results

i) Sales

During the financial year 2023-24, the sales of the company have increased to Rs.1504.59 Lacs from Rs.1058.87 lacs in previous year. There is a substantial increase due to good amount of sales to Private customers during the year. However, Sales to Government customers was almost at the same levels. The break-up of the sales during the year on the basis of product and customer is as follows:

Product wise sales

Particulars	Amount (in Lacs)	
	Sale Amount	Percentage Sale
PLCC	138.79	9.22 %
MUX	876.63	58.26%
Power Plant & Others	71.44	4.75%
Traded items	209.47	13.92%
Services	208.26	13.84%
Scrap Sale	-	-
TOTAL	1504.59	100 %

Customer wise sales

Particulars	Amount (in Lacs)	
	Sale Amount	Percentage Sale
Power sector	156.01	10.37%
Railways	329.39	21.89%
Other customers*	1019.19	67.74%
TOTAL	1504.59	100%

*Other customers include Telecom Sector, SSSB Mohali etc.

ii) Expenditure Analysis

a) Material Consumed

Material consumed during the year is Rs.713.51 Lacs as against Rs.423.17 in the previous year. Material Consumption consists of consumption of traded goods also.

b) Manufacturing, Administrative & Selling expenses

Manufacturing expenses comprising of stores and spares, power and fuel, freight and installation expenses etc. increased from Rs. 89.76 Lacs to Rs.102.05 Lacs in the current year. As a percentage of sales, these decreased from 11.71% in the previous years to 6.78% in the current years. Decrease in manufacturing expenses is due to cost reduction during the year.

Administrative expenses mainly comprising of travelling and conveyance, repair and maintenance, office electricity & water, rent and auditors expenses increased from Rs. 192.96 Lacs to Rs. 195.09 Lacs. However as a percentage of sales these decreased from 18.22 % in the previous year to 12.96 % in the current year. Administrative expenses mainly of fixed nature and reduction in Administrative expenses is due to Cost savings during the year.

Selling and Distribution expenses comprising of advertisement and publicity, sales promotion expenses, packing & forwarding expenses and customer claims and recoveries have increased from Rs. 14.08 Lacs to Rs.22.16 Lacs in the current year. As a percentage of sales these increased from 1.33% in the previous year to 1.47 % in the current year.

c) Amount written Back

During the current financial year, no amounts have been written back.

Thus the overall amount written back during the financial year 2023-24 is Rs. NIL lacs (Previous year write back of Rs.76.45 lacs).

d) Personnel Cost

The personnel cost decreased from Rs. 1940.62 Lacs to Rs. 1485.86 Lacs. Decrease in personnel cost is due to decrease in number of employees on account of 8 employees opted for VRS in April 2023 and further retirement/resignation during the year. The company has paid Ex gratia of Rs. 261.77 lacs to employees opted for VRS and Ex gratia paid has been shown under exceptional items in Profit and loss account pertaining to financial year 2023-24.

e) Finance costs and Depreciation

The financial charges increased from Rs.3.56 Lacs in the previous year to Rs.49.57 Lacs in the current year. The increase is mainly due to interest of Rs.46.91 lacs paid to PPCB on the amount received from them against sale of property and sale of property was cancelled during the year and advance with interest was returned during the year.

Depreciation decreased from Rs.23.14 Lacs to Rs.19.79 Lacs during the FY 2023-24. Further, an addition in the capital expenditure was booked to the tune of Rs.3.01 Lacs during the current financial year.

f) Net Profit/Loss and Total Comprehensive Income

During the current financial year, the company has earned Net Profit of Rs. 1015.22 Lacs as against Net Loss of Rs. 1562.46 Lacs during the previous year. Profit during the year is mainly due to Rs. 1548.08 lacs towards the interest income of the company during the year under one time settlement (OTS) from U.P. Co-Operative Spinning Mills Federation Ltd.

Please refer Note 3 on Investments, Reduction in employees cost, Reduction in ex-gratia at Rs. 261.77 lacs (Previous year Rs. 693.85 lacs).

Total Comprehensive Income for the current financial year is Rs. 1018.90 Lacs (Previous year loss of Rs. 1576.56 lacs) after considering impact of Other Comprehensive Income of Rs.3.68 Lacs (Previous year loss of Rs. 14.10 Lacs).

g) Dividend

Though the company is in profits this year on account of exceptional items i.e. receipt of OTS amount from U.P. CO-OPERATIVE SPINNING MILLS FEDERATION LTD (UPCSMFL), the Directors of the company decided not to recommend any dividend for the Financial Year 2023-24.

ISO- 9001:2015 CERTIFICATION

Making quality equipment and services available to its customers is the motto of Puncom .In pursuit of providing quality equipment and services, Puncom processes and procedures conform to the ISO 9001:2015 standard. These procedures and processes are audited once in three years for the recertification of the standard, followed by yearly Surveillance audit and half yearly internal audits. Puncom has successfully completed renewal of ISO certification in April 2024.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

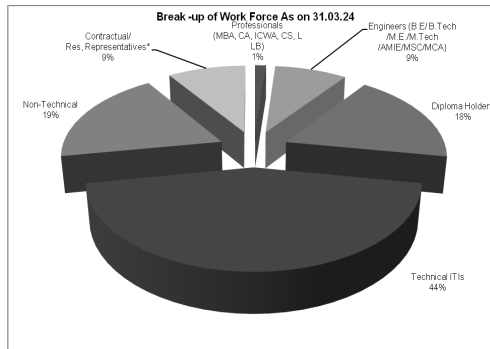
Human Resource Development

The employees of PUNCOM are the backbone and this resource is very efficiently utilised. The company nurtures its employees through greater knowledge, opportunity, responsibility, accountability and discipline. All the policies concerning the employees are made with an objective of motivating the manpower and considering it as a significant resource for the company. PUNCOM is relatively renowned company with highly experienced and hardworking employees with an average age of 52 years.

Break- up of work force	As on 31.03.24
Professionals (MBA, CA, ICWA, CS, LLB)	02
Engineers (B.E/ B.Tech /M.E./M.Tech /AMIE/MSC/MCA)	13
Diploma Holders	27
Technical ITIs	67
Non-Technical	28
Contractual / Res. Representatives	14*
Total	151**

* Include one CA Professional

** Including 11 Employees on Deputation to Punjab Govt. Departments and 2 employees retired on 31.03.2024.



PUNCOM is equipped with qualified and professional staff. The employees are groomed through effective system of assessment, performance appraisal, training, including sharing of knowledge through training files and on line testing in a structured manner.

In addition to above, PUNCOM offers numerous facilities to its human resources in the form of in-house Library, Air-conditioned environment, canteen facilities, Leased accommodation in Engineer Campus, ATM, Leave/Home travel concessions, Internet facility, recreational activities, natural environment in the premises, parking facilities etc. Further, other benefits like medical allowance, etc. are also available to employees. PUNCOM frames its HR policies keeping in mind that human resource is core strength of the company. Good HR policies not only lead to contentment of employees by providing them with equal opportunities to grow but also help in achieving the laid down objectives effectively.

Safety and security of the personnel, assets, and the environment protection are on top of the agenda at PUNCOM. The safety procedure of PUNCOM includes electrical safety, inherent process safety, control of substances hazardous to health, vehicle integrity check and loading and unloading operations. PUNCOM is consistently reviewing the safety measures and taking steps to improve them.

PUNCOM is conscious of its responsibility towards creating, maintain and ensuring a safe and clean environment. Strict adherence to all regulatory requirements and guidelines is maintained at all times. The company has adopted approach to create pollution free environment by adopting required measures. The company has also formed the various committees for effective disposal of scrap and waste. Disposal of scrap when handled in an imaginative manner can result in handsome returns to the company.

Therefore, the PUNCOM ensures the involvement of employees of the company in this process as they are naturally the best people to suggest improvements in materials, processes, and new end users for scrap. PUNCOM believes that it is they who can minimize the accumulation of scrap through coordination. Being in telecom sector, PUNCOM is motivated towards e-waste management through coordinated efforts with various authorised agencies.

The company has also taken tasks of planting trees and maintain lawns to make the factory dust free. Being an electronic industry, through it does not emit any air, water, or noise pollutants yet the company to control noise pollution by putting canopy on power generator.

Industrial Relations

Puncom firmly believes in the power of esprit de corps and thus, provides its employees with congenial atmosphere to work as a cohesive team. The efforts of all the employees are synchronized and coordinated towards achieving common objectives. Further all employees are encouraged to participate in the decision making process. During the year 2023-24, the employee management relations remained cordial and positive.

Significant Changes in Key Ratios

There is an increase of 172.61% and 145.73% in Return on Equity ratio and Net Profit ratio respectively due to interest of Rs. 15.48 Crores received under OTS from UP Cooperative Spinning Mills Federation Limited. There is an increase of 76.46% in Inventory turnover ratio due to reduction in inventory due to use of old inventory during the year. Further, there is an increase of 40.09% in Trade receivables turnover ratio due to better realisation from customers during the year. Also there is an increase of 26.96% in current ratio on account of receipt of Rs.20.93 Cross net OTS amount from UP Cooperative Spinning mills Federation Limited. Further, there is an increase of 98.42% in operating profit ratio due to increase in profit margins on sales.

Change in Net Worth

During the year, there is an increase of 54.65 % in return on net worth for the Financial Year 2023-24, due to interest of Rs. 15.48 Crores received under OTS from UP Cooperative Spinning Mills Federation Limited.

Disclosure of Accounting Treatment:

The Company has prepared financial statements in accordance with applicable Indian Accounting Standards. Further, there is no qualification in Independent Auditor's Report. The disclosure w.r.t Auditor's opinion and matter emphasized in Independent Auditor's Report is detailed in the Board's Report and the same has been done as per the past practice.

REPORT ON CORPORATE GOVERNANCE
1. Company's philosophy on Code of Governance

Puncom recognizes the ideals and importance of Corporate Governance and acknowledges its responsibilities towards all stakeholders including Government, employees, customers, suppliers, regulatory authorities and the shareholders. Puncom's Philosophy on Corporate Governance is to bestow high standards of transparency, fairness and accountability for performance at all levels and to ensure the best performance through professionalism, social responsiveness, business practices and maximization of operational efficiency. The Company endeavors to maximize the shareholders' value and to protect the interest of stakeholders. Moreover, being a Public Sector Undertaking the company's performance is subject to various Audits, viz., Statutory Audit, Internal Audit, CAG Audit, ISO Audit, Corporate Governance Audit, Secretarial Audit, etc.

2. Board of Directors

The present strength of the Board is six directors; one executive director, Sh. Parminder Pal Singh Sandhu, IAS being Managing Director and five non-executive directors, of which three are independent directors, who are professionals and/or have expertise in their respective functional areas. The name and category of present directors (as on 7th August, 2024) are given here below:

S. No.	Name	Directors' Identification Number	Category	Position in Board
1.	Sh. Tejveer Singh, IAS	07896141	Non-Executive, Nominee*	Chairman
2.	Sh. Mohinder Pal, IAS	02975536	Non-Executive, Nominee*	Sr. Vice Chairman
3.	Sh. Parminder Pal Singh Sandhu, IAS	10298745	Executive, Nominee*	Managing Director
4.	Dr. V. P. Chandan, IRSE (Retd.)	00225793	Non-Executive, Independent	Director
5.	CA. D. K. Singla	01430327	Non-Executive, Independent	Director
6.	Dr. Neelu Jain	09548731	Non-Executive, Independent	Director

*These Directors are nominees of Punjab Information and Communication Technology Corporation Limited (Punjab Infotech) (Our holding Company having 71.12% equity shares in our Company)

During the period under review upto 7th August, 2024, following changes took place in the directorship of the Company on account of change in nomination by Punjab Information & Communication Technology Corporation Limited (Punjab Infotech) and otherwise from time to time.

Sr. No.	Name	Designation	Period of Directorship
1.	Sh. Dilip Kumar, IAS	Chairman	18.04.2022 to 22.05.2023
2.	CA Ramesh Goel	Whole-time Director	09.08.2022 & 04.09.2023
3.	Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	24.08.2023 to 23.01.2024
4.	Sh. Mohinder Pal, IAS*	Sr. Vice Chairman	11.07.2022 & continuing
5.	Sh. Tejveer Singh, IAS	Chairman	04.09.2023 & continuing
6.	Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	05.02.2024 & continuing

* Sh. Mohinder Pal, IAS was appointed as Director on the Board in the capacity of Sr. Vice Chairman of the company w.e.f. 11th July, 2022 and later on, re-designated as Sr. Vice Chairman & Managing Director on the Board of Puncom w.e.f. 2nd December, 2022. Thereafter, Sh. Mohinder Pal, IAS was again re-designated as Sr. Vice Chairman after nomination of Sh. Parminder Pal Singh Sandhu, IAS as Managing Director of Puncom w.e.f. 24.08.2023.

Note: Sh. Anurag Verma, IAS was appointed as Director cum Chairman on the Board of Puncom during the year under review. However, no return of appointment and cessation was filed with the Registrar of Companies, Ministry of Corporate Affairs on account of absence of DIR-2 i.e. consent to act as Director.

Board Procedure

Six Board Meetings were held during the financial year under report as detailed below. The gap between two meetings did not exceed four months i.e., the schedule of Board Meetings held during the year was in consonance with the requirements of Listing Regulations and the meetings were conducted in compliance with the procedural provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1).

Board Meeting No.	Day	Date
218 th	Wednesday	5 th April, 2023
219 th	Tuesday	30 th May, 2023
220 th	Thursday	10 th August, 2023
221 st	Monday	4 th September, 2023
222 nd	Wednesday	8 th November, 2023
223 rd	Thursday	8 th February, 2024

The attendance of Directors at Board Meeting(s) and General Meeting during the Financial Year 2023-2024 along with the number of Directorships held by them in other companies and number of Board Committees in which they are Chairman/ Member at the end of Financial Year or as per the last disclosure given by them, as the case may be, is given here below. This is being disclosed as per provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1) and Listing Regulations.

Name	Attendance at Board Meeting(s)		Attendance at AGM (27-09-2023)	Number of Directorships in other Companies (as per last disclosure given to Company)	Number of Committee Chairmanship/ Membership	
	Entitled to Attend	Attended			Chairman	Member
Sh. Dilip Kumar, IAS, Chairman*	1	1	-	4	-	-
Sh. Mohinder Pal, IAS, Sr. Vice Chairman**	6	6	No	2	-	-
Dr. V. P. Chandan, IRSSE, (Retd.) Director	6	6	Yes	-	2	2
CA D.K. Singla, Director###	6	5	Yes	1	-	3
Dr. Neelu Jain, Director [§]	6	6	Yes	-	-	2
CA Ramesh Goel, Director [#]	4	4	-	-	-	2
Sh. Tejveer Singh, IAS, Chairman*	3	3	No	7	-	-
Sh. Parminder Pal Singh Sandhu, IAS, M.D***	3	3	Yes	-	-	-

* Sh. Dilip Kumar, IAS ceased to be Chairman on the Board of Puncom w.e.f. 22nd May, 2023 as his nomination was withdrawn by Punjab Infotech. In his place, Sh. Anurag Verma, IAS was nominated by Punjab Infotech as Director cum Chairman on the Board of Puncom w.e.f. 1st June, 2023 but ceased to be Director cum Chairman of the Company w.e.f. 4th July, 2023 due to withdrawal of nomination. Later on, Sh. Tejveer Singh, IAS was appointed as Chairman on the Board of Puncom by Punjab Infotech w.e.f. 4th September, 2023.

** Sh. Mohinder Pal, IAS was nominated as Sr. Vice Chairman of the Company w.e.f. 11th July, 2022. Later, Sh. Mohinder Pal, IAS was re-designated as Sr. V.C & M.D w.e.f. 2nd December, 2022. Thereafter, Sh. Mohinder Pal, IAS was again re-designated as Sr. Vice Chairman w.e.f. 24.08.2023

*** Sh. Parminder Pal Singh Sandhu, IAS was nominated by Punjab Infotech as Managing Director of Puncom w.e.f. 24.08.2023. Later on, he ceased to be Managing Director on the Board of Puncom w.e.f. 23.01.2024. Thereafter, Sh. Parminder Pal Singh Sandhu, IAS was again appointed as Managing Director of the Company w.e.f. 05.02.2024.

Sh. Ramesh Goel ceased to be the Director on the Board of Puncom w.e.f. 4th September, 2023 as he resigned from the directorship of the Company to comply with Regulation 17(1) of SEBI (LODR) Regulations, 2015. Consequently, he ceased to be member of Committees of Board of the Company.

§ Dr. Neelu Jain has been appointed as member in the Stakeholders Relationship Committee w.e.f. 04.09.2023.

CA D.K. Singla was appointed as Independent Director in another Listed Company namely M/s Indbank Merchant Banking Services Ltd. w.e.f. 22.03.2024 and also became the Member of the Audit Committee of that company.

Pursuant to Schedule V(C)(2)(e) of Listing Regulations, the relationship of the present Directors inter-se is as follows:

Name of the Director	Designation	Relationship inter-se
Sh. Tejveer Singh, IAS	Chairman	Director nominated and appointed by holding company is related to other directors appointed by Holding company.
Sh. Mohinder Pal, IAS	Sr. Vice Chairman	Director nominated and appointed by holding company is related to other directors appointed by Holding company.

Sh. Parminder Pal Singh Sandhu, IAS	Managing Director	Director nominated and appointed by holding company is related to other directors appointed by Holding company.
Dr. V.P. Chandan, IRSSE, (Retd.)	Director	Independent Director
CA D.K. Singla	Director	Independent Director
Dr. Neelu Jain	Director	Independent Director

No shares or convertible instruments are held by non-executive directors.

Independent Directors' Meeting: In accordance with the provisions of Regulation 25(3) of the Listing Regulations, the meeting of Independent Directors during Financial Year 2023-24 was conducted in compliance with the procedural provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1) on 28th March, 2024. Dr. V.P. Chandan, IRSSE, (Retd.), CA. D.K. Singla and Dr. Neelu Jain attended the said meeting. The meeting was conducted for familiarization programme and training of Independent Directors, Review of performance of non-Independent directors and Board as a whole, Review of performance of the Chairman of the company and to assess the quality, quantity and timeliness of flow of information between the company management and the Board. The familiarization programme of independent directors is available at www.puncom.com and the web link for the same is as follows: <http://www.puncom.com/?id=105>

A Chart or Matrix setting out the core skills/expertise/competence of the Board of Directors:

The Board has identified the following skills/expertise/competencies fundamental for effective functioning of the company and which are currently available with the Board, thereby highlighting the area of expertise of Individual Board Members.

Particulars of skills/expertise/competencies	Areas of Expertise*					
	Sh. Tejveer Singh, IAS	Sh. Mohinder Pal, IAS	Sh. Parminder Pal Singh Sandhu, IAS	Dr. V.P. Chandan, IRSSE (Retd.)	CA. D. K. Singla	Dr. Neelu Jain
Corporate Governance Practices	✓	✓	✓	✓	✓	✓
Corporate Planning & Strategy	✓	✓	✓	✓	✓	✓
Administrative Skills	✓	✓	✓	✓	✓	✓
Legal Expertise	-	-	-	-	-	-
Financial Expertise/ Banking	-	-	-	-	✓	-
Technical Expertise/ Technology & Development	-	-	-	✓	-	✓
Leadership Skills	✓	✓	✓	✓	✓	✓
Commercial Skills	✓	✓	✓	✓	✓	✓
Telecom Sector Domain	-	-	-	✓	-	-

*However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding skill or qualification. All the Board members have rich experience of working in various sectors, though they may not have the desired qualification.

Board's Confirmation on Independence of Directors:

The Board of Directors of the company in their meeting held on 28th May, 2024 took note of declaration of independence by Independent Directors and is of opinion that the Independent Directors of the company fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management. The Board has formed an opinion regarding integrity, expertise and experience of the independent directors after undertaking due assessment of the veracity of the declaration made by them.

As on date of this report, all the independent directors of the company have duly registered themselves with databank of Independent Directors as maintained by Indian Institute of Corporate Affairs in compliance with Rule 6(1) of Companies (Appointment & Qualification of Directors) Rules, 2014.

3. Audit Committee

The Audit Committee of the company presently comprises of Dr. V. P. Chandan, IRSSE (Retd.) as Chairman & CA. D.K. Singla and Dr. Neelu Jain as Members. CA Ramesh Goel was appointed as member in the Audit Committee w.e.f. 1st September, 2022 and ceased to be the Director on the Board of Puncom w.e.f. 4th September, 2023 as he resigned from the directorship of the Company to comply with Regulation 17(1) of SEBI (LODR) Regulations, 2015. Consequently, he ceased to be member of the Audit Committee w.e.f. 4th September, 2023

The Constitution of Audit Committee meets the requirements as laid down under Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The duly constituted committee met five times during the Financial Year 2023-24 as per details given below:

Audit Committee Meeting No.	Day	Date
88 th	Monday	29 th May, 2023
89 th	Thursday	10 th August, 2023
90 th	Monday	4 th September, 2023
91 st	Tuesday	7 th November, 2023
92 nd	Wednesday	7 th February, 2024

The meetings were conducted in compliance with the procedural provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1)

The names of the members, chairman, particulars of the meeting and attendance of the members during the year under review are as follows:

S.No	Name	Category	Number of meetings entitled to attend	Number of Meetings attended
1.	Dr. V. P. Chandan, IRSSE (Retd.) , Chairman	Independent/Non Executive	5	5
2.	CA D.K. Singla, Member	Independent/Non Executive	5	4
3.	Dr. Neelu Jain, Member	Independent/Non Executive	5	5
4.	CA Ramesh Goel, Member*	Executive (Whole time)	3	3
5.	CS Pratima Yadav, Convener #	Compliance Officer	3	3
6.	CS Dimple Bansal, Convener #	Compliance Officer	2	2

* CA Ramesh Goel ceased to be the Director on the Board of Puncom w.e.f 4th September, 2023 as he resigned from the directorship of the Company to comply with Regulation 17(1) of SEBI (LODR) Regulations, 2015. Consequently, he ceased to be member of the Audit Committee w.e.f. 4th September, 2023.

CS Pratima Yadav was appointed as Company Secretary & Compliance Officer of the Company / Convener w.e.f. 5th April, 2023. Thereafter, CS Dimple Bansal has been appointed as Compliance Officer of the Company w.e.f. 8th November, 2023 in place of CS Pratima Yadav as she was proceeded on maternity leave. As on date of Report, CS Pratima Yadav is Company Secretary & Compliance officer of the company w.e.f. 28.05.24

The terms of reference stipulated by the Board to Audit Committee are as contained in Listing Regulations & Section 177 of the Companies Act, 2013 as on 31.03.2024. The terms of reference stipulated are as follows:

- Internal Control Systems
- Corporate Plans & Project-wise Analysis
- Delegation of Powers to Sr. VC & MD
- Status of Income Tax & Sales Tax Assessments
- Discussion on Internal Audit Report
- Income Tax Matters such as TDS, Returns, Disputed liability etc.
- Discussion on Personnel Policy
- Pending Audit Paras
- Appointment of Tax Auditor/Internal Auditors and its remuneration
- Review of Financial Results
- Financial Powers of MD
- Reports>Returns submitted to various bodies like Banks, Stock Exchanges, RBI etc.
- Discussion on Audit paras of AG Auditors in respect of Proprietary Audit
- Limited Review Report
- Post VRS manpower details
- Scrutiny of inter-corporate loans & investments
- Valuation of undertakings or assets of the company wherever necessary
- Recommendation for appointment, remuneration & terms of appointment of auditors of the company
- Approval or any subsequent modification of transactions of the company with related parties
- Review and monitor the auditor's independence and performance/and effectiveness of audit process
- Monitoring the end use of funds raised through public offers and related matters
- Review of the functioning of Whistle Blower Mechanism
- Adequacy of Internal Audit function
- Other terms of reference/scope of Audit Committee shall be as notified by the appropriate authority from time to time or as directed by the Board of Directors of the Company from time to time.

4. Nomination & Remuneration Committee

The Nomination and Remuneration Committee (NRC) was reconstituted in the 186th Meeting of the Board held on 27th May, 2016 to comply with the provisions of the Listing Regulations. Presently, the committee comprises of Dr. V.P. Chandan, IRSSE (Retd.) as Chairman, CA. D.K. Singla and Dr. Neelu Jain as members, all are Independent Directors. The composition of NRC is in consonance with Section 178(1) of Companies Act, 2013 and Regulation 19 of Listing Regulations, which require all members of NRC to be non-executive and at least half of them to be Independent with the Chairman being an Independent Director. The Nomination and Remuneration Committee meeting for FY 2023-24 was duly held on 4th September, 2023 and the meeting was attended by Dr. V.P. Chandan, IRSSE, (Retd.), CA. D.K. Singla and Dr. Neelu Jain. The Meeting was conducted in compliance with the procedural provisions of Secretarial Standard on Meetings of the Board of Directors (SS-1).

The terms of reference stipulated by the Board to the Nomination and Remuneration Committee are as contained under sub-section (2) & (3) of Section 178 of the Companies Act, 2013 and Part D of Schedule II of Listing Regulations.

The terms of reference stipulated are as follows:

- Identification of persons qualified to be directors and in senior management in accordance with the criteria laid down.
- Recommend to the Board, appointment and removal of the directors apart from the nominee directors as proposed by the Government of Punjab and in the Senior Management.
- Evaluation of every director's performance.
- Formulation of criteria for determining qualifications, positive attributes and independence of a director.
- Recommendation of Remuneration policy for the directors, KMP and other employees.
- Extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Other terms of reference/scope of Nomination and Remuneration Committee shall be as notified by the appropriate authority from time to time or as directed by the Board of Directors of the Company from time to time.

Performance Evaluation criteria for Independent Directors : The performance of Independent directors is evaluated by the entire Board of Directors other than the director being evaluated, as per the criteria contained in Nomination, Remuneration & Evaluation policy of Puncom. The said policy is available at www.puncom.com.

The Company has Nomination, Remuneration and Evaluation Policy in place. However, vide notification G.S.R 463(E) dated 5th June, 2015 our Company, being a Govt. Company is exempt from the provisions of Section 178 regarding formal annual evaluation of performance of the Directors, Committees and the Board as a whole except w.r.t. appointment of senior management and other employees. Also, the NRC Policy is not required to be disclosed in the Annual Report.

5. Details of Remuneration of Directors

The remuneration package and compensation for Directors (except for Sitting Fee), KMPs and Senior Officials shall be determined as per the service rules/pay scales/ terms and conditions of the appointment letter issued by/of the Company and the limits and statutory requirements as prescribed under the Listing Regulations, 2015 and Companies Act, 2013 and its Schedule from time to time.

- (a) **All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity:** None of the non-executive directors are getting remuneration from the company except for the sitting fee which is within the prescribed limits.
- (b) **Criteria of making payment to non-executive directors:** Not applicable
- (c) **Disclosures with respect to Remuneration to Directors under Schedule V (Part II)(Section II)(B)(iv)(IV) of the Companies Act, 2013 read with Schedule V (C)(6)(c) of Listing Regulations:**
 - (i) **All elements of remuneration package of individual directors / KMP, Senior officials summarized under major groups, such as salary, benefits, bonuses, stock options, pension, etc. :** Basic, DA, HRA, Medical Allowance, LTC, Conveyance, Lunch, Adhoc/Adjustment, Child Education, Leave Encashment, PF and Gratuity.
 - (ii) **Details of fixed component and performance linked incentives, along with the performance criteria:** Only Fixed Component is there and that is as per the terms and conditions of letter of appointment / Approval of Competent Authority.
 - (iii) **Service contracts, notice period, severance fees:** as per Service Rules of the company and terms and conditions of the respective appointment letters.
 - (iv) **Stock option details, if any- and whether issued at a discount as well as the period over which accrued and over which exercisable:** NIL.

Note: Sh. Parminder Pal Singh Sandhu, IAS was nominated as Managing Director of the Company w.e.f. 24th August, 2023. Later, he ceased to be Managing Director on the Board of Puncom w.e.f. 23.01.2024. Thereafter, Sh. Parminder Pal Singh Sandhu, IAS was again appointed as Managing Director of the Company w.e.f. 05.02.2024. He was paid remuneration for the period from 24.08.23 to 22.01.24 as approved by the Board in its 221st Board meeting held on 04.09.2023 subject to approval of shareholders of the company.

6. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee is constituted in accordance with sub section (5) of Section 178 of Companies Act, 2013 and Regulation 20 of the Listing Regulations and the Committee is presently comprises of Dr. V. P. Chandan,

IRSSE(Retd.), Non Executive Director as Chairman, CA. D. K. Singla and Dr. Neelu Jain as Members. CA Ramesh Goel was appointed as member in the Stakeholders Relationship Committee w.e.f. 1st September, 2022 and ceased to be the Director on the Board of Puncom w.e.f. 4th September, 2023 as he resigned from the directorship of the Company to comply with Regulation 17(1) of SEBI (LODR) Regulations, 2015. Consequently, he ceased to be member of the Stakeholders' Relationship Committee w.e.f. 4th September, 2023. During the Financial Year 2023-24, the Committee met on 7th November, 2023.

The terms of reference as on 31.03.2024 mandated by your Board to this committee, which are also in line with the statutory and regulatory requirements as mentioned under Part D of Schedule II are:

- Redressing Shareholders and Investors complaints/ grievances.
- Approving issue of duplicate share certificates and transmission of securities.
- Oversee the performance of Registrar & Transfer Agent/s.
- Recommending measures for overall improvement in the quality of services being provided to the shareholders/investors.
- Consider and resolve the grievances of security holders of the Company.
- Other terms of reference/ scope of Stakeholder's Relationship Committee shall be as notified by the appropriate authority from time to time or as directed by the Board of Directors of the Company from time to time.

The name of the members, chairman, particulars of the meeting and attendance of the members during the year under review are as follows:

S.No	Name	Category	Number of Meetings entitled to attend	Number of Meetings attended
1.	Dr. V. P. Chandan, IRSSE, (Retd.), Chairman	Independent/Non Executive	1	1
2.	CA D. K. Singla, Member	Independent/Non Executive	1	1
3.	Dr. Neelu Jain, Member *	Independent/Non Executive	1	1
4.	CS Dimple Bansal, Convener **	Compliance Officer	1	1

* Dr. Neelu Jain was appointed as member of Stakeholders Relationship Committee w.e.f. 4th September, 2023.

** CS Pratima Yadav was appointed as Company Secretary & Compliance Officer of the Company / Convener w.e.f. 5th April, 2023. Thereafter, CS Dimple Bansal has been appointed as Compliance Officer of the Company w.e.f. 8th November, 2023 in place of CS Pratima Yadav as she was proceeded on maternity leave. As on date of Report, CS Pratima Yadav is Company Secretary & Compliance officer of the company w.e.f. 28.05.24

The status of redressal of complaints received from 1st April, 2023 to 31st March, 2024 is as under:

Number of complaints pending as on 1 st April, 2023	Nil
Number of complaints received during the year	Nil
Number of complaints redressed during the year	Nil
Number of complaints not solved to the satisfaction of Shareholders	Nil
Number of complaints pending as on 31 st March, 2024	Nil

7. Risk Management Committee

The constitution of Risk Management Committee is applicable to the top 1000 listed entities only, determined on the basis of market capitalization as per proviso 5 under Regulation 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Our Company does not fulfill the criteria and accordingly no Risk Management Committee was constituted. However, the Risk Management Policy is still in place and was amended to incorporate the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

8. Senior Management

The particulars of Senior Management of the company as on date of this report is as follows :

S. No.	Name	Designation
1.	CA Ramesh Goel	CFO
2.	Ms. Indu Walia	HOD – Production, QA & ISD
3.	Ms. Sneha Aggarwal	HOD – Material & Stores
4.	Mr. Sandeep Belsare	HOD – Repair & Calibration
5.	Mr. Ashok Kumar	HOD – TBD
6.	Mr. Kailash Chander	HOD – HR & Admn
7.	CS Pratima Yadav	Company Secretary
8.	Mr. Rajesh Soni	HOD – Mktg, Sales & Projects

Following are the changes that took place in Senior Management during the period from 01.04.2023 to the date of this report :

S. No.	Name	Designation	Reason for change
1.	Ms. Raminder Kaur	HOD – Projects	VRS opted & relieved w.e.f 02.04.2023
2.	Mr. Madhur Bain Singh	Company Secretary	VRS opted & relieved w.e.f 02.04.2023
3.	Mr. R.S. Mainee	HOD – QA	Retired & relieved w.e.f 31.01.2024

9. General Body Meetings

The details of the General Meetings of the company held during last three years are as follows:

Date	Particulars	Time	Location/Deemed Venue	Special Resolution Passed
27.09.23	42 nd AGM in respect of the Financial Year 2022- 2023	11.00 AM Through VC/ OAVM	B-91, Phase-VIII, Industrial Area, S.A.S. Nagar, Mohali	Yes
28.09.22	41 st AGM in respect of the Financial Year 2021- 2022	11.00 AM Through VC/ OAVM	B-91, Phase-VIII, Industrial Area, S.A.S. Nagar, Mohali	No
22.06.22	Extra-Ordinary General Meeting	11.30 AM	B-91, Phase-VIII, Industrial Area, S.A.S. Nagar, Mohali	No
28.09.21	40 th AGM in respect of the Financial Year 2020- 2021	3.00 PM through VC/OAVM	B-91, Phase-VIII, Industrial Area, S.A.S. Nagar, Mohali	No

No Special Resolution was passed in the last year through Postal Ballot and no special resolution is proposed to be conducted through postal ballot as of now.

10. Means of Communication

Quarterly results and presentations: As per the recent amendments/guidelines issued by BSE/SEBI, the quarterly financial results are made available on the company's web-site (www.puncom.com) and simultaneously submitted to BSE through BSE Listing Centre within the time limit specified. Similarly, all periodical compliance filings are filed electronically on the Listing Centre and Shareholding Pattern, Corporate Governance Report, Investors Grievance Redressal Statement, Voting Results are filed through XBRL. Further, Financial Results, Reconciliation of Share Capital Audit, Secretarial Compliance Report, Annual Report, Related Party Transaction Disclosure, Change in Management are also filed through XBRL in addition to PDF mode. The website also includes official news releases.

Publishing of Quarterly Results

Quarter No.	Date of Publishing	Newspaper
1 st	11.08.23	DeshSewak (Vernacular) Financial Express (English)
2 nd	09.11.23	
3 rd	09.02.24	
4 th	29.05.24	

Notice of Board Meeting

Meeting Date	Date of Publication
10.08.23	SEBI has omitted the requirement of publication in newspapers in respect of notice of board meeting vide Circular No: No- SEBI/LAD-NRO/GN/2021/22 dated 5 th May, 2021
08.11.23	
08.02.24	
28.05.24	

Notice of Book Closure & AGM

Annual General Meeting- 27 th September, 2023		
Book Closure Period	Date of Publication of notice of Book Closure & AGM	Newspaper
21.09.23 to 27.09.23	01.09.23	Desh Sewak (Vernacular) Financial Express(English)

11. General Shareholder Information:

AGM of Company will be convened as per the recent guidelines/ amendments in this regard as applicable on the date of meeting

- A. Annual General Meeting (Date, time and venue)** : Date: 28th November, 2024
 Time : 11.00 AM
 Venue: AGM through Video Conferencing/Other Audio Visual Means Facility (VC/OAVM)
 (Deemed Venue for Meeting: B-91, Phase VIII, Indl. Area, SAS Nagar,(Mohali) - 160 071)
- B. Financial Calendar** : 1st April 2023 to 31st March 2024
- C. Date of Book Closure/ Record Date** : 22nd November, 2024 to 28th November, 2024
 (Both days inclusive)
- D. Dividend Payment Date** : N.A.
- E. Listing on Stock Exchang** : The Stock Exchange, Mumbai (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

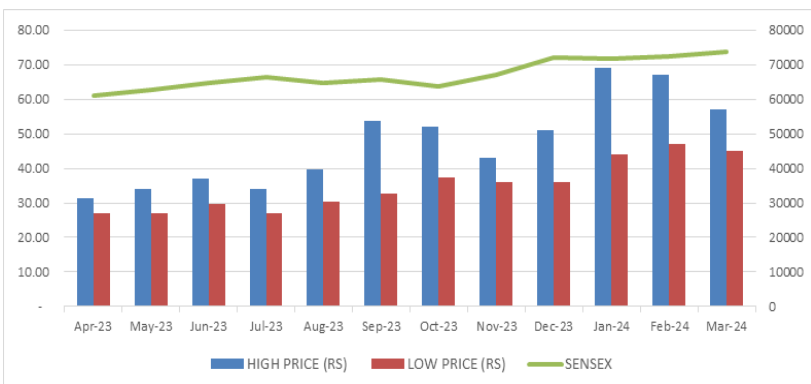
Note: Annual Listing Fee for the Financial Year 2024-25 has been paid to the Stock Exchange, Mumbai

F. Stock Code : 500346

G. Market Price Data (BSE)

Month	High Price (Rs.)	Low Price (Rs.)
April, 2023	31.50	27.00
May, 2023	34.00	27.10
June, 2023	36.89	29.61
July, 2023	33.99	27.01
August, 2023	39.80	30.20
September, 2023	53.80	32.30
October, 2023	51.99	37.50
November, 2023	43.00	36.10
December, 2023	50.98	36.10
January, 2024	69.00	44.13
February, 2024	66.93	46.96
March, 2024	57.64	45.01

H. Graph showing Stock Performance of Puncom on BSE vis a vis BSE Sensex during the year 2023-24



I. Securities suspended from trading: N.A.

J. Registrar and Share Transfer Agents (Both for Physical & Dematerialised categories)

Alankit Assignments Limited
 DP & RTA, Alankit House
 4E/2, Jhandewalan Extension,
 New Delhi- 110055.

K. Share Transfer System

For expeditious processing of share transfers, the Board of Directors of the Company has delegated the power of share transfer/splitting/consolidation/issue of fresh certificate/issue of duplicate certificate to Share Transfer Committee. However, the amended Regulation 40 of SEBI (LODR) Regulations, 2015 provides that except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from 01st April, 2019. Thus, the shares for transmission or transposition of securities received in physical mode by the company are considered/approved by the committee at required intervals and transferred promptly and ratified by the Board in the subsequent Board Meeting.

L. Distribution of Shareholding as on 30th June, 2024

Category (Amount)	30-06-2024				30-06-2023			
	No. of share-holders	% of share-holders	Amount in Rs.	% of total equity	No. of share-holders	% of share-holders	Amount in Rs.	% of total equity
0001-5000	9826	99.443	15712860	13.068	9912	99.398	15822940	13.160
5001-10000	29	0.294	2207780	1.836	24	0.241	1876950	1.561
10001-20000	13	0.132	1909500	1.588	19	0.191	2704000	2.249
20001-30000	2	0.020	522140	0.434	8	0.080	2051410	1.706
30001-40000	2	0.020	712370	0.593	0	0.000	0	0.000
40001-50000	1	0.010	500000	0.416	2	0.020	901570	0.750
50001-100000	3	0.030	2108450	1.754	3	0.030	2044320	1.700
100001& Above	5	0.051	96562550	80.311	4	0.040	94834460	78.874
Total	9881	100	120235650	100	9972	100	120235650	100
			30-06-2024			30-06-2023		
Category Code	Category of share-holder	No of share-holders	Total number of shares	Shareholding as a % of total no of shares	No of share-holders	Total number of shares	Shareholding as a % of total no of shares	
(A)	Promoter & Promoter group							
	: Indian Promoter							
	1 Central Govt./State Govt.	3	8570676	71.283	3	8570676	71.283	
	TOTAL	3	8570676	71.283	3	8570676	71.283	
(B)	Public Shareholding							
	:Institutions							
	: Mutual Fund							
	1 Mutual Fund(MF)	5	1100	0.008	5	1100	0.008	
	2 UTI	1	100	0.001	1	100	0.001	
	TOTAL	6	1200	0.009	6	1200	0.009	
	:Banks							
	1 Bank Cooperative	0	0	0	1	600	0.005	
	2 Bank Nationalised	7	1500	0.012	7	28034	0.233	
	TOTAL	7	1500	0.012	8	28634	0.238	

	:Insurance Companies						
	1 Insurance Companies	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
	:Central Govt/StateGovt						
	1 Corporate Body (State Govt)	0	0	0	0	0	0
	TOTAL	0	0	0	0	0	0
	: Foreign Portfolio Investor (Corporate)						
	1 Foreign Portfolio Investor (Corp) Category I	1	575000	4.782	1	575000	4.782
	TOTAL	1	575000	4.782	1	575000	4.782
	TOTAL	14	577700	4.804	15	604834	5.030
	:NON INSTITUTIONS						
	:Corporate Body						
	1 Body Corporate	170	296013	2.462	183	319037	2.650
	2 Clearing Member	4	3443	0.029	0	0	0
	TOTAL	174	299456	2.491	183	319037	2.650
	:Individual Shareholders						
	1 Resident Ordinary	9543	2506426	20.846	9616	2458333	20.445
	TOTAL	9543	2506426	20.846	9616	2458333	20.445
	: Resident (HUF)						
	1. HUF	114	60941	0.507	123	62228	0.517
	TOTAL	114	60941	0.507	123	62228	0.517
	: Non Resident Indian						
	1 NRI-Repatriable	13	6733	0.056	13	6786	0.056
	2 NRI(NonRepatriable)	20	1633	0.013	19	1671	0.013
	TOTAL	33	8366	0.069	32	8457	0.070
	TOTAL	9690	2575733	21.422	9954	2848055	23.687
	TOTAL	9878	3452889	28.717	9969	3452889	28.717
	GRAND TOTAL (A+B)	9881	12023565	100.000	9972	12023565	100.000

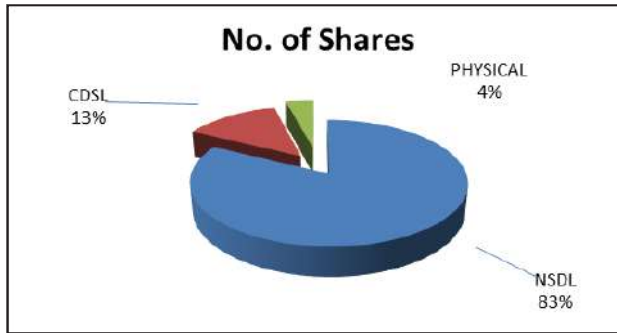
Notes: 1. The shareholding of PSIDC, being another corporation of Govt. of Punjab, has been consolidated with the shareholding of "Promoter & Promoter Group".

2. None of the shareholding of Promoters' has been pledged or otherwise encumbered.

M. Dematerialization of Shares and Liquidity

Details of paid up capital of the Company as on June 30, 2024 is as under:

Depository	No. of Shares	% of shareholding
NSDL	9970325	82.92
CDSL	1585318	13.19
Physical	467922	3.89
Total	12023565	100.00



N. Details of Investors complaints received during 2023-24 are as follows:

The Company has received NIL investor complaint with respect to loss of share certificate/duplicate share certificate and others (transmission procedure) during the year under report. However, all complaints/correspondence are usually dealt within 10 days and are completely resolved except in cases where litigation is involved. No Investor complaint was pending as on date of this report.

O. Details of share transfers in physical form lodged for transfer/transmission during 2023-24 are as follows:

Pursuant to amended Regulation 40 of SEBI (LODR) Regulations, 2015, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository with effect from 1st April, 2019, except in case of transmission or transposition of securities.

Further, SEBI through its recent Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated 25th May, 2022 have simplified the procedure of issuing of Duplicate Shares to the shareholder by minimizing the requirements for issuing of Duplicate Shares and now, the RTA shall issue Letter of confirmation on its Letterhead in place of physical share certificate as confirmation for issuing of the duplicate share certificate. The shareholder shall submit this original Letter of confirmation to his/her DP within 120 days of receipt to get the shares credited into Demat Account. Generally, shares lodged for duplicate/transmission/change of name are processed and returned within 30 days except in cases where litigation is involved.

P. Outstanding GDRs/ADRs or any Convertible instruments

The company has not issued any GDRs/ADRs or any Convertible instruments.

Q. Disclosure of Commodity Price Risk or Foreign Exchange Risk and Hedging Activities: Nil

R. Puncom's Building Locations

B-91 (Regd. Office), Part of B-93
Phase-VIII, Industrial Area,
SAS NAGAR (Mohali)
160 071 – PUNJAB

S. Name, Designation and Address of the Compliance Officer/ Address for Correspondence

Pratima Yadav
Company Secretary
B-91, Phase VIII,
Industrial Area, S.A.S. Nagar,
Mohali,160071

Phone	:	+91-0172-2237142
Fax	:	+91-0172-2237125
Email	:	cosecy@puncom.com
Exclusive Email id	:	shareholders@puncom.com (as per the provisions of the Listing Regulations)

T. List of all Credit Rating obtained by the Company: Nil as our Company has not issued any debt instruments or any Fixed deposit programme or any scheme involving mobilization of funds either in India or abroad.

U. Proceeds from public issues, rights issues, preferential issues etc.: The Company has not raised any public money since its public issue in 1994.

V. Transfer of Unclaimed amounts to Investor Education & Protection Fund

During the year under review, there was no amount of unclaimed dividend to be credited to the Investor Education & Protection Fund, pursuant to Section 125 of the Companies Act, 2013 & the Investor Education & Protection Fund (Awareness & Protection of Investors) Rules, 2001. However, there is an unclaimed amount of Rs. 27,722/- pertaining to Buyback Offer made by the company in the year 2003 related to five shareholders which was lying in the Escrow Account maintained for the said purpose with Axis Bank and the same could not be transferred by the company in absence of relevant procedure and guidelines.

Further, it is pertinent to state that Axis Bank has closed the said Buyback Account by issuing demand draft of Rs.25,207.50 dated 06.10.2021 (deducted Rs.2,514.50 towards bank charges) favouring "Punjab Communications

Limited – Buy Bank Special A/C” as per the Reserve Bank of India’s circular no. DOR.No.BP:BC/7/21.04.048/2020-21 dated 6th August, 2020 due to reason of availing cash credit (CC) / overdraft (OD) limit by the Company from the banking system. The Company has approached to Investor Education & Protection Fund (IEPF) authority in the matter to transfer the unpaid amount to the Fund.

Further, Axis Bank showed its inability to reopen the said account to deposit the DD. Accordingly, PUNCOM encashed the said DD after obtaining Board’s approval and maintained a FDR with Indian Bank amounting to Rs.27,722/- in the name of Punjab Communications Limited to be kept separate as shareholders money.

12. Other Disclosures

a) Related Party Disclosure

The Company has a “Policy on Related Party Transactions and Materiality of Related Party Transactions” in place. The policy takes into account various provisions on related party transactions mentioned in Regulation 23 of Listing Regulations and also in the Companies Act, 2013.

There is no Related Party Transaction, as required to be disclosed u/s 188(2), read with notification no G.S.R. 463 (E) dated 5th June, 2015 and Regulation 23 of Listing Regulations

There is no material transaction entered into by the company with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

b) Compliance by Listed Entity

All compliances have been made by the company and no significant penalties/strictures have been imposed on the company by the Stock Exchange or SEBI or any other statutory authority, on any matter pertaining to Capital Markets, during the last 3 years.

c) Vigil Mechanism/Whistle Blower Policy

The company has its “Vigil Mechanism/Whistle Blower Policy” in place. In accordance with the requirements of Regulation 4(2)(d)(iv) and Regulation 22 of Listing Regulations and under Section 177 of the Companies Act, 2013, Ms. Indu Walla, has been appointed as Vigilance and Ethics Officer.

No personnel were denied access to the Audit Committee during the Financial Year 2023-2024.

d) Mandatory/Non-mandatory requirements

Your company is complying with all the mandatory requirements as per Schedule V of Listing Regulations. Compliance with discretionary requirements is covered under the point no.13 covering the same.

e) Material Subsidiary

The company has no material subsidiary as defined in Regulation 16(1)(c) and thus no policy has been formulated to determine ‘material’ subsidiaries.

f) Web link on dealing with Related Party Transactions

The web link for the policy on dealing with related party transactions is as follows:

<http://www.puncom.com/downloads/2020/Policies-Code/POLICY%20ON%20RELATED%20PARTY%20TRANSACTION%20AND%20MATERIALITY.pdf>

g) Disclosures of commodity price risks and commodity hedging activities

Your company is not engaged in any commodity price risks and commodity hedging activities.

h) Details of Utilisation of funds raised through preferential allotment or qualified institutional placement:

The Company has not raised any public money through preferential allotment or qualified institutional placement as specified under Regulation 32(7A).

i) Certificate from Practicing Company Secretary on debarment or disqualification of Board Members: A Certificate has been issued by M/s K V Bindra & Associates, practicing company secretary dated 16th July, 2024 certifying that none of the Directors on the Board of Company have been debarred or disqualified from being appointing or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

j) Recommendations of committee not accepted by Board which is mandatorily required to be accepted by the Board: The Board has considered and accepted the recommendations given by the various committees of Board of the company, as and when submitted to the Board for approval during the year under review.

k) Total Fees paid for all services by the listed entity on consolidated basis to the Statutory Auditor and all entities in the network firm/network entity of which Statutory Auditor is a part: M/s Jain & Associates, Chartered Accountants (Firm Registration No. 001361N) have been appointed as Statutory Auditors of the company during the year under consideration and the total fees of Rs. 1.50 Lacs has been paid to Statutory Auditor for all services such as statutory audit, tax audit and other certification charges.

l) Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a) Number of complaints filed during the Financial Year 2023-24: NIL
 - b) Number of complaints disposed of during the Financial Year 2023-24: NIL
 - c) Number of complaints pending as on end of the Financial Year 2023-24: NIL
- m) During the year under review, the Company has not provided any "Loans and Advances in the Nature of Loans to firms/companies in which any director of the company is interested."

13. Code of Conduct for Prevention of Insider Trading

The Company has adopted revised Code of Conduct for Prevention of Insider Trading which is effective since 01st April, 2019 in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The said code is available at www.puncom.com.

14. Compliance with Mandatory requirements: All corporate governance requirements as mentioned in Schedule V(C)(2) to (10) of Listing Regulations are complied with by the Company.

15. Compliance with Discretionary requirements:

Your Company has adopted the following discretionary requirements as given in Part E of Schedule II of Listing Regulations:

- The Company is moving towards a regime of financial statements with unmodified audit opinion.
 - The Internal Auditor submits the Internal Audit Report directly to the Audit Committee.
16. The Company is complying with all the provisions of corporate governance as specified in Regulation(s) 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46.

Declaration signed by Managing Director stating that the members of Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and senior management, has been obtained.

Certificate on Corporate Governance pursuant to Schedule V of Listing Regulations

M/s S.V. Associates, practicing company secretary, conducted the Corporate Governance Audit and Compliance Certificate as obtained from auditors regarding compliance of conditions of corporate governance is annexed with the Board's report at **Annexure -5**

CEO/CFO Certification under Regulation 17(8):

The necessary certificate from CEO/CFO under the said clause has been obtained.

Update of KYC data of Physical Shareholders

SEBI vide Circular bearing No:SEBI/HO/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and Circular No:SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021 introduced Common and simplified Norms for processing investor's service request by RTA and mandated furnishing of PAN, KYC details and Nomination details by Physical Shareholders.

During the year 2022-23, SEBI through its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 has directed the listed companies to intimate its security holders about folios which are incomplete with regard to furnishing of PAN, KYC details and Nomination details on annual basis within 6 months from the end of the financial year.

In this regard, our Company has made efforts to update the PAN, KYC details and Nomination details of Physical Shareholders and to comply with the SEBI Circulars, our Company dispatched a Booklet twice on 18th March, 2022 and 16th May, 2023 respectively to Physical Shareholders consisting of various forms such as ISR-1 (Request for registering PAN, KYC Details or Changes / Update thereof), ISR-2 (Confirmation of Signature of Security holder by Banker), ISR-3 (Declaration Form for Opting-out of Nomination by holders of physical securities), SH-13 (Nomination Form) & SH-14 (Cancellation or Variation of Nomination) to comply with said requirements. All these forms are also available at Company's website i.e www.puncom.com.

Further, as per the directions of above said SEBI Circular and subsequent circulars, our Company will dispatch a Booklet to Physical Shareholders consisting of various forms to comply with said requirements on or before 30th September, 2024.

Disclosures with respect to demat suspense account/unclaimed suspense account under Regulation 39(4) read with Schedule VI of Listing Regulations

Following information is being provided with respect to the provisions of Listing Regulations. The information asked for in the said regulation is for shares issued pursuant to Public Issues or any other issue which remains unclaimed & is lying in the escrow account. In this regard, the company came up with a Buy-Back offer in 2003 and as on date there are 419 shares lying in the escrow account, as required in the Buy-back guidelines, with M/s Karvy Computershare Pvt. Ltd., Hyderabad. As a good Corporate Governance practice, the company is providing the information on the same pattern.

S.No	Particulars	No. of Shareholders	Outstanding shares
1.	Aggregate no. of shareholders & the outstanding shares in the escrow account lying at the beginning of the year	10	419
2.	No. of the shareholders who approached issuer for transfer of shares from escrow account during the year	Nil	Nil
3.	Aggregate no. of shareholders to whom shares were transferred from escrow account during the year	Nil	Nil
4.	Aggregate no. of shareholders & the Outstanding shares in the escrow account lying at the end of the year	10	419

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

SECRETARIAL AUDIT REPORT**Form No. MR-3****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2024**

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

To,
The Members,
Punjab Communications Limited,
B-91, Phase- VIII, Industrial Area,
S.A.S. Nagar, Mohali, Punjab.

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

Based on my verification of the PUNJAB COMMUNICATIONS LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PUNJAB COMMUNICATIONS LIMITED ("the Company") for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021-Not Applicable to the company during the financial year under review.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
 - f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
 - g) 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- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review
- (vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, being listed on BSE Limited;

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive

Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were in compliance with the provisions of the Act except that the return of appointment and cessation of Sh. Anurag Verma, IAS as the Chairman of the Board pursuant to the nomination of holding company has not been filed with the Registrar of Companies, Ministry of Corporate Affairs.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well 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.
3. All decision is carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the financial year under review as per the information provided by the management, PUNCOM is a State Government Company being an undertaking of the State Government of Punjab, the appointment at the senior position of HOD/ Senior Management in respective divisions of the company is generally made from internal arrangements within the company as per orders of the competent authority on the basis of qualification and experience in relevant areas, without seeking the approval or recommendations of Nomination and remuneration Committee or the Board of Directors in the matter. The company has been advised to ensure compliance with the applicable LODR Regulations in this regard and that the appointments shall be recommended by the Nomination and Remuneration Committee to the Board, together with the proposed remuneration to such employees and Senior Managerial Personnel.

Apart from the business stated above, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

For A. ARORA & CO.

AJAY K. ARORA
(Proprietor)
FCS NO. 2191
CP NO.993

PLACE: CHANDIGARH
DATE: 05.08.2024
UDIN: F002191F00898867

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

**TO
THE MEMBERS,
PUNJAB COMMUNICATIONS LIMITED
B-91, PHASE-VIII, INDUSTRIAL AREA, SAS NAGAR,
MOHALI, PUNJAB**

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records, based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we 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 the management. Our examination was limited to the extent of 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 A. ARORA & CO.

**AJAY K. ARORA
(Proprietor)
FCS NO. 2191
CP NO.993**

**PLACE: CHANDIGARH
DATE: 05.08.2024
UDIN: F002191F000898867**

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
PUNJAB COMMUNICATIONS LIMITED
CIN NO: L32202PB1981SGC004616
B-91, PHASE VIII, INDUSTRIAL AREA SAS NAGAR,
Mohali, Punjab, India, 160071

I have examined the compliance of the conditions of Corporate Governance by **Punjab Communications Limited (CIN No: L32202PB1981SGC004616)** for the year ended 31st March, 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. My examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

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

S. V. ASSOCIATES
Company Secretaries

SAHIL MALHOTRA
Company Secretary
M No. 38204
CP 14791
Peer Review Cert. No. 2883/2023
UDIN: A038204F000802946

Place: Chandigarh
Date: 23.07.2024

PUNJAB DIGITAL INDUSTRIAL SYSTEMS LTD. (UNDER LIQUIDATION)**STATUS OF WINDING UP PROCEEDINGS****COMPANY PETITION NO: 194 OF 2005**

The Company has been ordered to be wound-up by the Hon'ble Punjab & Haryana High court at Chandigarh vide its order dated February 20, 2009. Subsequent to that the company has filed the Statement of Affairs with the Official Liquidator attached to the Hon'ble Court.

Further, all books of accounts/ records and store items have been handed over to the liquidator. After which Official Liquidator will submit its report and based on the report of the Official Liquidator, the Hon'ble Punjab & Haryana High Court may proceed to dissolve the Company.

ANNUAL GENERAL MEETING NOTICE

Notice is hereby given that the Forty-Third (43rd) Annual General Meeting of Punjab Communications Limited will be held on Thursday, November 28, 2024 at 1100 Hrs through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following business. The venue of the meeting shall deemed to be the registered office of the Company i.e. B-91, Phase VIII, Industrial Area, S.A.S. Nagar (Mohali), Punjab -160071.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended on March 31, 2024 and Balance Sheet as on that date together with Boards’ Report, Auditors’ Report, CAG comments thereon and Secretarial Auditors’ Report thereto.
2. To appoint Director in place of Sh. Mohinder Pal, IAS (DIN: 02975536) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Statutory Auditors of the company for the Financial Year 2024-2025 (from the conclusion of this AGM till the conclusion of next AGM) and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

“Resolved that pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of Companies Act, 2013 and the Rules made thereunder, as amended from time to time, consent of the members of the company be and is hereby accorded to appoint M/s Ashwani & Associates, Chartered Accountants as Statutory Auditors of the Company, from the conclusion of this AGM till the conclusion of next AGM and to do the Statutory Audit of Financial Statements for FY 2024-25 at the annual remuneration of Rs. 1,10,000/- as fixed by the Board of Directors and at such terms and conditions as provided in the CAG letter issued in this regard.”

SPECIAL BUSINESS

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

“**RESOLVED THAT** pursuant to the provisions of Sections 2(54), 196 and 203 of the Companies Act 2013 (Act) and other applicable provisions, if any and Rules made thereunder read with Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Sh. Parminder Pal Singh Sandhu, IAS** (DIN 10298745) be and is hereby appointed as Managing Director of the Company for the initial period from August 24, 2023 to January 23, 2024 and thereafter appointed again as Managing Director of the Company with effect from February 5, 2024 as per Article 128 & 171 of the Articles of the Association of the Company, and for whose appointment the approval of shareholders is required pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015 and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Managing Director, upon the terms and conditions as set out in explanatory statement annexed hereto.”

“**RESOLVED FURTHER THAT** pursuant to provisions of section 196, 197 read with Schedule V of the Companies Act 2013 (Act) and other applicable provisions, if any and Rules made thereunder, the remuneration of Sh. Parminder Pal Singh Sandhu, IAS as Managing Director of the company for the period from August 24, 2023 to January 23, 2024 be and is hereby approved as per details set out in explanatory statement annexed hereto.”

5. 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 152 & 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Sh. Tejveer Singh, IAS** (DIN: 07896141), be and is hereby appointed as Nominee Director in the capacity of Chairman of the company w.e.f. September 4, 2023 under Article 128 & Article 158 of the Articles of the Association of the Company, and for whose appointment the approval of shareholders is required pursuant to Regulation 17(1C) of SEBI (LODR) Regulations, 2015 and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director in the capacity of Chairman of the company w.e.f. September 4, 2023.”

Date : October 29, 2024
Place : Registered Office
B-91, Phase VIII, Industrial Area
SAS Nagar (Mohali) - 160071
CIN: L32202PB1981SGC004616

By order of the Board
Sd/-
(Pratima Yadav)
Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business as set out above to be transacted at the Meeting is annexed hereto at **Annexure to the Notice** and forms integral part of this notice.
2. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020, No. 14/2020, No. 17/ 2020, No. 02/2021 & 02/2022 dated May 05, 2020, April 08, 2020, April 13, 2020, January 13, 2021 & May 05, 2022 respectively read with circular no. 10/2022 dated December 28, 2022, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. Further, MCA vide circular no. 09/2023 dated September 25, 2023, has decided to allow companies whose AGMs are due in the year 2024, to conduct their AGMs on or before 30.09.2024, in accordance with the requirements of the General Circular No. 20/2020 dated May 05, 2020.

Thereafter, MCA vide circular no. 09/2024 dated September 19, 2024 decided to allow companies whose AGMs are due in the Year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before September 30, 2025 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

Accordingly, in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the forthcoming AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The procedure for participating in the meeting through VC/ OAVM is explained at Note No. 14.
3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held, pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed during the Book Closure period, i.e. from November 22, 2024 to November 28, 2024 both days inclusive.
5. The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
6. All unclaimed/unpaid dividend upto the financial year ended on March 31, 2002 have been transferred to the Investor Education and Protection Fund of the Central Government pursuant to Section 124 of Companies Act, 2013. No dividend has been recommended and declared since Feb 2002-2003.
7. The Members desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company Secretary at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting.
8. In compliance with the aforesaid MCA circulars and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI circular NoSEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the Notice of 43rd Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with the Annual Report 2023-24 containing Board’s report, Auditors’ Report, Audited Financial Statements and other documents, **is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.** Members may note that the Notice calling the AGM along with Annual Report FY 2023-24 has been uploaded on the website of the Company at www.puncom.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
9. Further, pursuant to the proviso to the Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014, the Company shall provide an advance opportunity at least once in a financial year to the members to register their e-mail address and changes therein. In view of the same, **Members are requested to kindly update their e-mail address & mobile no. with depository participants in case of holding shares in demat form. If holding shares in physical form, Members are requested to inform their e-mail ID & mobile no. to the Company.**
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05, 2022, December 28, 2022 and September 25, 2023 read with MCA circular no. 09/2024 dated September 19, 2024, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 43rd Annual General Meeting (“AGM”) of the company to be held on Thursday, November 28, 2024 at 11:00 HRS. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized

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

11. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM shall be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
12. The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
13. The Notice of the 43rd Annual General Meeting (AGM) of the Company inter-alia indicating the process and manner of e-voting is being sent to all the members as on the cut-off (record date) i.e. October 18, 2024.

14. THE INSTRUCTIONS TO MEMBERS FOR E-VOTING AND JOINING AGM THROUGH VC/OAVM ARE AS UNDER:

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

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

- (i) The e-voting period begins on November 23, 2024 (9.00 am) and ends on November 27, 2024 (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 i.e. November 21, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In order to increase the efficiency of the voting process, e-voting is enabled to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants vide SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020. Demat account holders would be able to cast their vote without having to register again with the multiple e-voting service providers, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

- (iv) In terms of aforesaid SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

- **LOGIN METHOD FOR DEMAT MEMBERS** [INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT FORM (CDSL/NSDL)]

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System My easi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 2109911</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nSDL.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000</p>

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

v) LOGIN METHOD FOR PHYSICAL MEMBERS AND MEMBERS OTHER THAN INDIVIDUAL HOLDING SECURITIES IN DEMAT FORM

1. The members should log on to the e-voting website www.evotingindia.com
2. Click on “Shareholders” module.
3. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

	For Physical Members and Members other than Individual holding shares in DematForm
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both dematmembers as well as physical members)</p> <ul style="list-style-type: none"> members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number as mentioned in the email received for notice along with Annual Report, in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> 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 at no. 3

- vi) After entering these details appropriately, click on “SUBMIT” tab.
- vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Select “**EVSN :241022003**” for voting on AGM Resolution(s) of Punjab Communications Limited.
- x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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

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

INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM DURING MEETING ARE AS UNDER:

- Members will be provided with a facility to attend the AGM through VC/OAVM through the depository e-Voting system. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend the AGM will be available in shareholder/members login where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Members are encouraged to join the Meeting through Laptops / iPads for better experience.

4. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting i.e. during the period from November 12, 2024 (9:00 a.m.) to November 18, 2024 (5:00 p.m.) mentioning their name, DP ID and Client ID/folio number, PAN, email id, mobile number at shareholders@puncom.com. The members, who do not wish to speak during the AGM, but have queries, may send their queries in advance at least 10 days prior to meeting mentioning their name, DP ID and Client ID/folio number, PAN, email id, mobile number at shareholders@puncom.com. These queries will be replied to, by the company suitably by email.
7. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.
4. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

xvii) Note for Non – Individual Shareholders and Custodians-For Remote voting only

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

xviii) General Instructions:

- (a) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 2109911
- (b) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 2109911.
- (c) The voting rights shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off (Record Date) i.e. November 21, 2024 for AGM Resolution(s).
- (d) M/s S.K. Sikka & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the entire e-voting process in a fair & transparent manner.

- (e) The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
 - (f) As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of e-voting are to be communicated to the BSE Limited, where the shares of the Company are listed, within two working days of the conclusion of the Annual General Meeting. The results declared along with the Scrutinizer's Report shall also be placed on the Company's website www.puncom.com and on the website of CDSL.
- 15 Information pursuant to Regulation 36(3) of the Listing Regulations, requires disclosure on the appointment/reappointment of the Directors, which is annexed as part of Annexure to this notice.
 - 16 The persons who have acquired shares and become members after the dispatch of notice and before cut-off date shall have same "Login ID and Password" as mentioned at Sr. No. 14 of Notes to AGM Notice. The Notice of AGM is displayed on our website www.puncom.com, for your reference please.
 - 17 If you have received this Annual Report, but you are not a member as on the cut-off date, this document is for information purpose only.
 - 18 Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice
 - 19 The members may contact Mr. Naresh Kumar Mehandru (Assistant Manager-Secretarial) at B-91, Phase-VIII, Industrial Area, SAS Nagar, Mohali-160071. The concerned person may also be contacted at shareholders@puncom.com or at +911722237142.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013
(For Item No. 3 to 5)****Item No. 3**

Our Company, being a Government Company, its Statutory Auditors are appointed by the Comptroller and Auditor-General of India (CAG) by virtue of Section 139(5) of Companies Act, 2013. The Board of Directors of the Company on the recommendation of the Audit Committee, decided in its 225th Board Meeting held on August 7, 2024, to fix the remuneration of the CAG appointed Statutory Auditor for FY 2024-25 at an annual fee of Rs 1,10,000/- plus GST. The Company has paid the annual fees of Rs. 1,10,000/- to previously appointed CAG statutory auditors-M/s Jain & Associates, Chartered Accountants for FY 2023-24, considering the financial losses and deteriorating financial health of the company. Accordingly, the Board decided to pay the same fee of Rs 1,10,000/- plus GST for FY 2024-25 as were paid in last year i.e. for FY 2023-24.

In this regard, the CAG vide its letter dated September 21, 2024 has appointed M/s Ashwani & Associates, Chartered Accountants as Statutory Auditors of the Company for FY 2024-25 at a fee of Rs 1,10,000/- plus GST. Accordingly, the matter regarding the appointment of M/s Ashwani & Associates, Chartered Accountants as Statutory Auditors of the company for FY 2024-25 on the basis of the CAG letter issued in this regard is placed before the shareholders of the company for its approval.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 3 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 3

Item No. 4

Pursuant to Article 171 of the Articles of Association of the Company, the holding Company has a right to appoint Managing Director of the Company. The Government of Punjab vide its order bearing Endst No. PERS-IASOP/T/1/2023-3-S/655 dated August 22, 2023 has appointed Sh. Parminder Pal Singh Sandhu, IAS (DIN 10298745) as Managing Director of the Company. Further in exercise of its power, vide Article 171 & Article 128 of the Articles of Association of the Company, Punjab Information & Communication Technology Corporation Ltd. (our holding company) vide their letter No. PICTC/SECTL/54787/2023 dated August 24, 2023 has appointed Sh. Parminder Pal Singh Sandhu, IAS as director in the capacity of Managing Director of the Company w.e.f. August 24, 2023. The appointment of Sh. Parminder Pal Singh Sandhu, IAS as director in the capacity of Managing Director was further approved and recommended by the Board of Directors of the Company in its 221st meeting held on September 4, 2023, to the Members of the Company for their approval at the ensuing Annual General Meeting.

Further, pursuant to Punjab Infotech's Nomination letter No. PICTC/SECTL/54787/2023 dated August 24, 2023 read with applicable provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and subject to the approval of shareholders of the company in their general meeting, the remuneration of Sh. Parminder Pal Singh Sandhu, IAS at a monthly present Basic Pay of Rs 1,46,400/- and present Dearness Allowance of Rs. 61,488/- plus applicable increments in future as well as monthly NPS Contribution payable by the Company, subject to all necessary statutory deductions including his own NPS contribution, at applicable rates, was approved by the Board in its meeting held on September 4, 2023, on the basis of his Last Pay Certificate (LPC) along with actual salary statement for FY 2023-24 duly provided by the Department of Social Justice, Empowerment & Minorities, Govt. of Punjab, on such terms and conditions as per applicable rules on his service.

Later, Sh. Parminder Pal Singh Sandhu, IAS who was appointed as Managing Director was transferred vide Govt. Order No. PERS-IASOP/ T/ 1/ 2024-3-S/ 248 dated January 19, 2024. Accordingly, he relinquished the charge as Managing Director, PUNCOM on January 23, 2024. Consequently, Our Holding Company, M/s Punjab Information and Communication Technology Corporation Ltd. vide letter No. PICTC/SECTL/81430/2024 dated January 23, 2024 has withdrawn the nomination of Sh. Parminder Pal Singh Sandhu, IAS (DIN: 10298745) as Managing Director on the Board of the company w.e.f. January 23, 2024.

Thereafter, Sh. Parminder Pal Singh Sandhu, IAS was again appointed as Managing Director of Puncom and in addition Executive Director, BACKFINCO vide Govt. Order No. PERS-IASOP/ T/ 1/ 2024-3-S/ 285 dated January 31, 2024. Consequently, M/s Punjab Information & Communication Technology Corporation Ltd. (holding company of Puncom) vide its letter No. PICTC/SECTL/82399/2024 dated February 7, 2024 again nominated Sh. Parminder Pal Singh Sandhu, IAS as Managing Director on the Board of Puncom w.e.f. February 5, 2024. However, the remuneration was paid to Sh. Parminder Pal Singh Sandhu, IAS as Managing Director of the company only for the period from August 24, 2023 to January 23, 2024 amounting to Rs.12.90 Lacs (approx) which requires the approval of the members of the company.

The appointment of Sh. Parminder Pal Singh Sandhu, IAS as director in the capacity of Managing Director was again approved and recommended by the Board of Directors of the Company in its 223rd meeting held on February 8, 2024, to the Members of the Company for their approval at the ensuing Annual General Meeting.

Pursuant to the provisions of Regulation 17 (1C) of SEBI (LODR) Regulations, 2015 and other applicable provisions, the listed entity must ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, a Public Sector Company can obtain the approval of shareholders at the next annual general meeting from the date of his/

her appointment. Accordingly, the maximum time period to obtain the approval of shareholders of the company for his appointment is November 28, 2024, being the next date of AGM.

Sh. Parminder Pal Singh Sandhu, IAS, is a 2016 Batch IAS Officer with a strong and diverse professional experience of over 20 years ranging from formulation to implementation of Public Policy in the Government. At present, Sh. Parminder Pal Singh Sandhu, IAS is serving under Govt. of Punjab as Project Director, World Bank Project, Department of School Education-cum-Additional Secretary, School Education and in addition Managing Director, Punjab Communications Limited and in addition Executive Director, BACKFINCO. In his previous roles, Mr. Sandhu has served as Managing Director, Punjab State Cooperative Bank Ltd., Member Secretary, Punjab State Scheduled Castes Commission, and Member Secretary, Punjab State Backward Classes Commission.

The Company has received a notice in writing from a member of the company along with requisite deposit as required under Section 160 of Companies Act, 2013 proposing the candidature of Sh. Parminder Pal Singh Sandhu, IAS as Managing Director of the Company.

The terms and conditions of his appointment provides that all or any of the powers delegated by the Articles of Association of the Company and/or by shareholders of the company in general meeting and/or by Board of Directors jointly or severally to him or any of the previous MD, since the inception of the company is delegated mutatis-mutandis to Sh. Parminder Pal Singh Sandhu, IAS on his appointment as Managing Director in the letter & spirit of the delegation along with the powers delegated in the 78th BOD Meeting held on May 29, 1996, 106th BOD Meeting held on June 13, 2001, 138th BOD meeting held on January 30, 2006, powers for operation of bank accounts delegated in 85th BOD Meeting held on November 28, 1997 with any subsequent amendment(s) thereof and such other powers delegated to the previous MD from time to time. It also provides for his authority to sub-delegate these powers to any other director or officer/employee of the Company.

Brief Profile, Qualifications, Experience, Date of Appointment on Board, Shareholding in the Company along with Directorship, Membership / Chairmanship of Committees held in other Listed Companies of Sh. Parminder Pal Singh Sandhu, IAS is enclosed along with explanatory statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 4 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Sh. Parminder Pal Singh Sandhu, IAS, being appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

Item No. 5

Pursuant to Article 158 of the Articles of Association of the Company, the holding Company has a right to appoint Chairman of the Company. The Government of Punjab vide its order bearing No. Endst No. PERS-IASOP/T/1/2023-3-S/697 dated August 31, 2023 has appointed Sh. Tejveer Singh, IAS (DIN: 07896141) as Principal Secretary, Industries & Commerce. Further in exercise of its power, vide Article 128 & Article 158 of the Articles of Association of the Company, Punjab Information & Communication Technology Corporation Ltd. (our holding company) vide their letter No. PICTC/SECT/I/55370/2023 dated September 4, 2023 has appointed Sh. Tejveer Singh, IAS as director in the capacity of Chairman on board of the Company. The appointment of Sh. Tejveer Singh, IAS as director in the capacity of Chairman was further approved and recommended by the Board of Directors of the Company in its 221st meeting held on September 4, 2023 to the Members of the Company for their approval by way of Ordinary Resolution.

Pursuant to the provisions of Regulation 17 (1C) of SEBI (LODR) Regulations, 2015 and other applicable provisions, the listed entity must ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. However, a Public Sector Company can obtain the approval of shareholders at the next annual general meeting from the date of his/her appointment. Accordingly, the maximum time period to obtain the approval of shareholders of the company for his appointment is November 28, 2024, being the next date of AGM.

The Company has received a notice in writing from a member of the company along with requisite deposit as required under Section 160 of Companies Act, 2013 proposing the candidature of Sh. Tejveer Singh, IAS as Director in the capacity of Chairman of the Company.

Sh. Tejveer Singh, IAS, is a 1994 Batch IAS Officer with a strong and diverse professional experience of over 27 years service in the Government and is at present, serving under Govt. of Punjab as Additional Chief Secretary, Local Government and in addition Additional Chief Secretary, Industries and Commerce and in addition Additional Chief Secretary, Information Technology. In his previous roles, Mr. Singh has served as Deputy Commissioner of Patiala, Amritsar and SAS Nagar (Mohali) districts, Chief Administrator, Greater Mohali Area Development Authority (GMADA); Director, Information and Public Relations; Special Secretary, Planning and Commissioner, NRI Affairs.

Brief Profile, Qualifications, Experience, Date of Appointment on Board, Shareholding in the Company along with Directorship, Membership / Chairmanship of Committees held in other Listed Companies of Sh. Tejveer Singh, IAS is enclosed along with explanatory statement.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 5 for approval of the Members. Accordingly, your approval is solicited.

Memorandum of Interest:

Except Sh. Tejveer Singh, IAS, being appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 5

Information Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Directors seeking appointment/re-appointment in the Annual General Meeting.

Name of the Director	Sh. Mohinder Pal, IAS	Sh. Parminder Pal Singh Sandhu, IAS	Sh. Tejveer Singh, IAS
Designation	Sr. Vice- Chairman	Managing Director	Chairman
Date of Birth	23.06.1966	07.09.1975	27.11.1970
Date of Appointment	11.07.2022	05.02.2024*	04.09.2023
Qualification	B.A.	M.A.(Public Policy)	M.A.(History) B.A.(History (hons))
Expertise in specific functional area	Indian Administrative Service Officer- General Management and Administration	Indian Administrative Service Officer- General Management and Administration	Indian Administrative Service Officer- General Management and Administration
Directorships in Other Listed Companies as on March 31, 2024	Nil	Nil	Nil
Chairman/Member of Committees of Other Listed Companies as on March 31, 2024	Nil	Nil	Nil
No. of Shares held	Nil	Nil	Nil
Relationship with other Director(s)	Related to other directors appointed by holding company	Related to other directors appointed by holding company	Related to other directors appointed by holding company

* Sh. Parminder Pal Singh Sandhu, IAS was nominated as Managing Director of the Company w.e.f. 24.08.2023. Later, he ceased to be Managing Director on the Board of Puncom w.e.f. 23.01.2024. Thereafter, Sh. Parminder Pal Singh Sandhu, IAS was again appointed as Managing Director of the Company w.e.f. 05.02.2024.

Note: None of the directors seeking appointment/ reappointment in 43rd AGM has resigned from any listed entity during the past three years.

Date : October 29, 2024
Place : Registered Office
B-91, Phase VIII, Industrial Area
SAS Nagar (Mohali) - 160071
CIN: L32202PB1981SGC004616

By order of the Board
Sd/-
(Pratima Yadav)
Company Secretary

OurWebsite:
www.puncom.com

FOR THE KIND ATTENTION OF SHAREHOLDERS

- In case of Demat shares, shareholders are requested to provide their PAN to their respective DPs. In case of physical shares, shareholders are requested to provide their PAN to the company's RTA i.e.M/s Alankit Assignments Ltd or to the Company.
- As a step towards the Government's initiative towards greener and paperless India,the shareholders are requested to send their updatede-mail ids to the Company.
- Kindly register your mobile numbers with the Company for easy correspondence.
- In case of any grievances,shareholders may contact the Company at shareholders@puncom.com
- Shareholders having shares in Physical Form are requested to get their sharesconverted in Demat Form.

COURIER/REGISTERED

If undelivered, please return to:

PUNJAB COMMUNICATIONS LIMITED

B-91, phase VIII, Industrial Area, S.A.S. Nagar, Mohali-160071 (INDIA)