

PERMANENT MAGNETS LIMITED



B-3, MIDC, Village Mira, Mira Road East, Thane - 401104, Maharashtra, India

Phone : +91-22-68285454

Facsimile : +91-22-29452128

Email : sales@pmlindia.com

Website : www.pmlindia.com

Date : July 19, 2021

To,
Corporate Relationship Department
The Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai - 400 001

Subject : Annual Report FY 2020-2021 and Notice of 60th Annual General Meeting

Scrip Code : 504132

Dear Sir,

Pursuant to Regulation 34(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2020-2021 along with the Notice convening the 60th Annual General Meeting of the Company.

The Annual Report containing the Notice of AGM has also been uploaded on the Company's website at – www.pmlindia.com/Investors.

Request you to take the above on record.

Thanking you,

Yours Faithfully,

FOR PERMANENT MAGNETS LIMITED

RACHANA RANE
COMPANY SECRETARY



Regd Office: Harsh Avenue, 302, 3rd Floor, opp. Silvassa Police Station, Silvassa Vapi Main Road,
Silvassa- 396 230. Dadra and Nagar Haveli (U.T.)

(All correspondence has to be made at our Mira Road address only)

CIN-L27100DN1960PLC000371



60TH
ANNUAL REPORT
2020-2021



PERMANENT MAGNETS LIMITED

PERMANENT MAGNETS LIMITED

60TH ANNUAL REPORT 2020-2021

BOARD OF DIRECTORS

Shri. Rajeev Mundra	Independent Non Executive Director & Chairman
Shri. Sharad Taparia	Managing Director
Shri. Kamal Binani	Independent Non Executive Director
Shri. Mukul Taparia	Non Executive Director
Smt. Sunaina Taparia	Non Executive Director
Shri. Girish Desai	Non Executive Director

CHIEF FINANCIAL OFFICER

Shri. Sukhmal Jain

COMPANY SECRETARY

Smt. Rachana Rane

AUDITORS

M/s. Ramanand & Associates
Chartered Accountants
6/C, Gr Floor, Ostwal Park Bldg. No. 4,
Near Jesal Park, Jain Temple,
Bhayander (East), Thane – 401105

BANKERS

Central Bank of India
State Bank of India

REGISTERED OFFICE

Harsh Avenue, 302, 3rd Fl., Opp Silvassa Police Station,
Silvassa Vapi Main Road, Silvassa, DN-396230
CIN : L27100DN1960PLC000371
Website : www.pmlindia.com

CORPORATE OFFICE

Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road (East), Thane - 401104.

FACTORIES

- 1) Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road (East), Thane - 401104.
- 2) Plot No. 22, Mira Co-op. Industrial Estate,
Mira Road (East), Thane - 401104.
- 3) Plot Nos. A-8, A-9, A-13, MIDC Industrial Area,
Village Mira, Mira Road (East), Thane - 401104

REGISTRAR AND SHARE TRANSFER AGENT

Adroit Corporate Services Private Limited
19/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana Road,
Marol Naka, Andheri (East), Mumbai - 400059.
Ph. 022 - 28594060 / 6060
E-mail : info@adroitcorporate.com

Contents	Page No.
Notice of the Annual General Meeting	1
Managing Director's Statement	9
Directors' Report	10
Corporate Governance Report	31
Management Discussion And Analysis	43
Auditor's Report	46
Balance Sheet	52
Statement of Profit and Loss	53
Cash Flow Statement	54
Notes to the Financial Statements	56

PERMANENT MAGNETS LIMITED

NOTICE

NOTICE is hereby given that the 60th Annual General Meeting of the Members of Permanent Magnets Limited will be held on Tuesday, August 17, 2021 at 11.30 a.m through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following items of business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021 along with notes and schedules thereon as on that date and the reports of the Board of Directors and Auditors’ thereon.
2. To declare a final dividend of Re. 1/- per equity shares, for the financial year ended March 31, 2021.
3. To appoint a director in place of Shri. Mukul Taparia (DIN: 00318434), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

4. **To approve requests received from Shri. Anupkumar Taparia and Family Group for reclassification from “Promoter and Promote Group” category to “Public” category**

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereon (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, and subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities as may be necessary, the consent of the members be and is hereby accorded to reclassify the following person(s) / entity(ies) (hereinafter individually and jointly referred to as the applicants) from “Promoter and Promoter Group” category to “Public” category -

Sr. No.	Name	No. of Equity Shares (Face Value Rs. 10/- each) held of the Company	Percentage of Shareholding/ Voting Rights
1.	Shri. Anupkumar Taparia	186560	2.17
2.	Anupkumar Taparia, HUF	113360	1.32
3.	Smt. Sima Taparia	46500	0.54
	TOTAL	346420	4.03

RESOLVED FURTHER THAT Shri. Sharad Taparia, Managing Director and Smt. Rachana Rane, Company Secretary of the Company, be and are hereby severally authorised to intimate stock exchanges post members approval and to submit a reclassification application to the stock exchanges within the permitted time and to do all such acts and deeds as may be necessary to give effect to this resolution.”

By Order of the Board of Directors
For **Permanent Magnets Limited**

Sd/-

Rachana Rane
Company Secretary

Place: Thane

Date: June 25, 2021

Corporate Office:

Plot No. B-3, MIDC Industrial Area, Village Mira,
Mira Road - 401104, Dist. Thane.

NOTES:

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 5, 2020 in conjunction with Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020, (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting (“AGM”) of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA/SEBI Circulars, as applicable, the AGM of the Company is being held through VC /OAVM (e-AGM).



2. The relative Explanatory Statement pursuant to Section 102 of the Act, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
3. In compliance with the aforesaid circulars, this Notice together with annual report 2020-21 is being sent only through electronic mode to those members whose email addresses are registered with the company / depositories. Copies of the Notice and annual report 2020-21 will also be uploaded on the company's website at www.pmlindia.com, website of stock exchange i.e., BSE Ltd 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.
4. Pursuant to the provisions of the Act, 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 Attendance Slip and Proxy Form are not annexed to this Notice.
5. Register of Members and Share Transfer Register shall remain closed from Wednesday, August 11, 2021 to Tuesday, August 17, 2021 (both days inclusive) in terms of the provision of Section 91 the Companies Act, 2013.
6. Members may note that the Board of Directors, in its meeting held on May 28, 2021 has recommended a final dividend of Re.1/- per Share for fiscal year 2020-2021. The record date for the purpose of final dividend will be August 10, 2021. The final dividend, once approved by the members in the ensuing AGM will be paid within Thirty days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/ demand drafts/ cheques will be sent out to their registered address. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares held in physical mode) to receive the dividend directly into their bank account on the pay out date.
7. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Adroit Corporate Services Private Limited - RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
8. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No.15G/15H, to avail the benefit of non-deduction of tax at source by email to rachana.rane@pmlindia.com by 5.00 p.m. (IST) on August 10, 2021. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rachana.rane@pmlindia.com. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00 p.m. IST on August 5, 2021.
9. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/ electronic mode, respectively.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to M/s. Adroit Corporate Services Private Limited, in case the shares are held in physical form.
11. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
13. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. Accordingly, members holding shares in physical form are advised to avail the facility of dematerialisation and the company / RTA has stopped accepting any fresh lodgment of transfer of shares in physical form.

PERMANENT MAGNETS LIMITED

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. 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.
15. 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 will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
17. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. 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.
18. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pmlindia.com. The Notice can also be accessed from the websites of the Stock Exchanges 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.
19. In continuation of this Ministry's General Circular No. 20/2020, dated May 05, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January, 13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on Friday, August 13, 2021 at 10.00 a.m. to Monday, August 16, 2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 10, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users of who have opted for CDSL's 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 URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings alongwith links of the respective e-Voting service provider i.e. CDSL/NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in 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 provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<ol style="list-style-type: none"> 1) 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's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

PERMANENT MAGNETS LIMITED

- (v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders**.
- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on “Shareholders” module.
- (iii) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

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

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) 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.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the “**RESOLUTIONS FILE LINK**” if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) 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.
- (xvii) **Note for Non – Individual Shareholders and Custodians - Remote Voting**
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@pmlindia.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

The Company has appointed Shri. Arun Dash of M/s. Arun Dash & Associates, Company Secretaries (Membership No. FCS 9765) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process, in a fair and transparent manner.

The Results declared along with the Scrutinizer’s Report(s) will be available on the website of the Company (www.pmlindia.com) and communication of the same will be sent to the BSE Limited within 48 hours from the conclusion of the AGM.

INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/lpads for better experience.
5. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **15 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at investors@pmlindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **15 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investors@pmlindia.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ON THE DAY OF THE AGM ON E-VOTING SYSTEM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those Members/ shareholders, who will be 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 in 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 participating in the meeting.

PERMANENT MAGNETS LIMITED

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@pmlindia.com / rtaclientservice@adroitcorporate.com.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@pmlindia.com / rtaclientservice@adroitcorporate.com.

By Order of the Board of Directors
For **Permanent Magnets Limited**

Place: Thane
Date: June 25, 2021

Sd/-
Rachana Rane
Company Secretary

Corporate Office:

Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road – 401104, Dist. Thane.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 REGARDING SPECIAL BUSINESS :

Item 4

Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and amendments thereon provides a mechanism regarding reclassification from “Promoter and Promoter Group” category to “Public” category. In terms of the said Regulation on 22nd June, 2021, the Company received requests for reclassification from the following shareholders regarding their respective shareholding into the Company -

Sr. No.	Name	No. of Equity Shares (Face Value Rs. 10/- each) held of the Company	Percentage of Shareholding/ Voting Rights
1.	Shri. Anupkumar Taparia	186560	2.17
2.	Anupkumar Taparia, HUF	113360	1.32
3.	Smt. Sima Taparia	46500	0.54
	TOTAL	346420	4.03

On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the SEBI Listing Regulations, 2015, the aforesaid shareholders seeking reclassification have confirmed that –

- i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;
- ii) They do not exercise control over the affairs of the Company directly or indirectly;
- iii) They do not have any special rights with respect to the listed entity through formal or informal arrangements including through any shareholder agreements;
- iv) They do not represent on the board of directors (including not having a nominee director) of the Company;
- v) They do not act as a key managerial person in the Company;
- vi) They are not ‘wilful defaulters’ as per the Reserve Bank of India Guidelines;
- vii) They are not fugitive economic offenders.

Further, the aforesaid shareholders have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A(4) of the SEBI Listing Regulations, 2015 and amendments thereon.

The said requests for reclassification were considered and analyzed by the Board of Directors at its meeting held on 25th June, 2021, which require members’ approval by way of a Ordinary Resolution, and stock exchanges’ approval subsequently.

After receipt of the necessary approvals, Promoters’ shareholding in the Company would be 56%.

Accordingly, the Board recommends the resolution set out at Item No. 4 of the Notice, for the approval of the members by way of an Ordinary Resolution.



None of the Directors or Key Managerial Personnel of the Company, or their respective relatives are in any way concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

BRIEF PARTICULARS/PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT PURSUANT TO THE PROVISIONS OF REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Name of Director	Shri. Mukul Taparia
Date of Birth	09.11.1974
Date of first Appointment on the Board	22.09.2014
Qualifications	Bachelors in Computer Science, Diploma in Business Engineering
Expertise in specific Functional area	International Marketing, Finance
Directorship held in other public companies (excluding foreign/Private companies/LLP)	Pregna International Limited
Memberships / Chairmanships of committees of other Public companies (includes only Audit and Shareholders / Investors Grievance Committee)	Nil
Inter-se Relationship between the Directors of the Company	Brother of Shri. Sharad Taparia, Managing Director
Number of shares held in the company	971872

By Order of the Board of Directors
For **Permanent Magnets Limited**

Place: Thane
Date: June 25, 2021

Sd/-
Rachana Rane
Company Secretary

Corporate Office:
Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road – 401104, Dist. Thane.

MANAGING DIRECTOR'S STATEMENT

Dear Shareholders,

It gives me great pride to present to you the 60th Annual Report of Permanent Magnets Limited for the financial year 2020-21. I am pleased to report that your Company has been able to deliver sales growth of around 8 % in the face of adverse market conditions.

As we all know, 2020 - 2021 has been a uniquely challenging year and we have all been impacted by COVID-19, both in our professional and personal lives. Our business was impacted in March 2020 as COVID-19 spread nationwide which led to a complete lockdown of the country for over six weeks. There were signs of gradual recovery towards the end of first quarter, partly led by the automotive segment followed by an uptick in demand from the industrial segment, and the economic environment steadily improved by the end of the fiscal year.

Performance Highlights

The Company achieved Net Revenues for the year 2020-21 at Rs. 117.57 Crores as against Rs. 109.26 crores during the previous year.

The Earnings before interest, Depreciation, exceptional items and Taxes (EBIDTA) during the year under review have been at Rs 26.13 crores as against Rs. 23.25 crores in previous year. Net Profit, after tax of Rs. 16.15 crores as against Rs. 14.28 crores in previous year.

Dividend

I am happy to announce that the Board of Directors recommended Final dividend @ 10% i.e. Re.1/- per equity share for the year ended March 2021. This is subject to approval by the Shareholders at the ensuing Annual General Meeting.

Corporate Social Responsibility

During the year under review, a sum of Rs. 31.04 Lakhs has been spent on various CSR activities. Company continues to provide its contribution in the field of Education and healthcare facilities.

Business Outlook

The spread of the coronavirus pandemic is likely to affect the global economy.

However, the impact of the pandemic is likely to remain in the short term. The long term outlook for PML's business is positive. The Company has been constantly working towards building a pipeline of projects for growth. The Company is also undertaking several initiatives such as cost optimization and will focus on productivity improvement measures to maximize profitability.

The government's stimulus packages, efforts to introduce favorable reforms and policies are steps in the right direction. These are very encouraging signs for the manufacturing sector and a boost to exports.

The Company will endeavor to sustain this phase in a prudent, balanced and agile manner and emerge stronger once the crisis gets over to resume its growth and expansion trajectory.

Acknowledgement

In conclusion, I would like to thank our Board members for their commitment and sincerity towards the Company. I thank all our Shareholders for their relentless support. Our employees are our strength, and I thank them for the value, passion, and enthusiasm they bring to work. I look forward to a successful year ahead amidst all the challenges that 2021 will bring.

Thank you,

Sharad Taparia
Managing Director



DIRECTORS' REPORT

To,
The Members,
PERMANENT MAGNETS LIMITED

Your Directors are pleased to present the 60th Annual Report on the operational and business performance of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

FINANCIAL HIGHLIGHTS:

(₹ In Lakhs)

Particulars	31/03/2021	31/03/2020
Sales	11667.93	10656.05
Other Income	88.58	270.24
Total Income	11756.51	10926.29
PBIDT & Extra Ordinary Items	2613.48	2325.05
Interest	102.10	132.88
Depreciation	329.29	298.71
Profit before Extra Ordinary Items & tax	2182.09	1893.46
Extra Ordinary Items	-	-
Profit before Tax	2182.09	1893.46
Current Tax	561.06	484.79
Deferred Tax	(6.46)	(23.81)
Short /Excess provision of earlier years	13.69	0.52
Profit/(Loss) for the year	1613.79	1431.97
Other Comprehensive Income	1.59	(3.51)
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)	1615.38	1428.46

1. COMPANY'S PERFORMANCE:

Your Company's total revenue during the year under review was Rs. 11756.51 Lakhs as compared to Rs. 10926.29 Lakhs in the previous year. The Profit before Tax for the year 2020-21 was Rs. 2182.09 Lakhs as against Rs. 1893.46 Lakhs in the previous year. Profit after Tax in 2020-21 stood at Rs. 1615.38 Lakhs as against Rs. 1428.46 Lakhs in the previous year.

2. COVID-19 IMPACT :

The outbreak of the deadly COVID-19 virus and the ensuing lockdown imposed across the country affected business operations. The Company had resumed operations since last week of April 2020 / first week of May 2020 in compliance with the guidelines issued by respective authorities and is continuing to take adequate precautions for safety and well being of its employees. COVID-19 is an unprecedented challenge. The lockdown gave India time to make a concerted effort to flatten the outbreak curve.

India is currently experiencing a massive second wave of Covid-19 infections. However, we expect no major changes in the economic activity as the nation is preparing to face the Pandemic with vaccines and preparedness.

3. DIVIDEND :

Your Directors have recommended a final dividend of Re. 1/- (Rupee One) per share for financial year 2020-21 (viz 10%) on its paid up equity Share capital, as may prevail on the record date fixed for the purpose of dividend eligibility of the members, subject to approval of members in the ensuing Annual General Meeting of the Company..

4. CHANGE IN THE NATURE OF THE BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8 of the Companies (Accounts) Rules, 2014.

5. TRANSFER TO RESERVE:

The Company has not transferred any amount to reserves in the current financial year.

6. DEPOSITS:

The company has not accepted any deposits from the public during the year pursuant to the provisions of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 or under Chapter V of the Companies Act, 2013 (the Act).

7. LISTING:

The shares of the Company are listed on "BSE Limited" at Mumbai. The Company has paid the applicable listing fees to the Stock Exchange till date.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of Section 152(6) of the Act, Shri. Mukul Taparia (DIN: 00318434), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Brief Profile of Shri. Mukul Taparia is provided for reference of the shareholders is as under.

Shri. Mukul Taparia has done his Bachelors in Computer Science, Diploma in Business Engineering and joined the Company as an Non-executive Director in August 2014. He is holding 971872 shares of the Company.

None of the Directors, Key Managerial Personnel and their relatives except, Shri. Mukul Taparia, Shri. Sharad Taparia, Managing Director and Smt. Sunaina Taparia, Director of the Company are interested in the said resolution.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

- Shri. Sharad Taparia, Managing Director
- Shri. Sukhmal Jain, CFO & Senior Vice President - Finance
- Smt. Rachana Rane, Company Secretary

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

9. DIRECTORS RESPONSIBILITY STATEMENT:

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm :

- a) that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken 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 annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. CORPORATE GOVERNANCE:

Your Company is in compliance with all applicable provisions of Corporate Governance as stipulated under Chapter IV of the Listing Regulations. A detailed report on Corporate Governance as required under the Listing Regulations is provided in a separate section and forms part of the Annual Report. Certificate from the Practicing Company Secretary regarding compliance with the conditions stipulated in the Listing Regulations forms part of the Corporate Governance Report.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Since the Company has no subsidiaries, Joint Ventures or associate companies provisions of section 129(3) of the Companies Act, 2013 is not applicable. As the Company does not have any subsidiaries, associates or joint venture companies as per the Companies Act, 2013, no report on the performance of such Companies is provided.

12. AUDITORS:

STATUTORY AUDITORS

In terms of provisions of the Companies Act, 2013, at the 56th Annual General Meeting (which was held on September 28, 2017) of the Company, Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W), was appointed as statutory auditors of the Company to hold the office from the conclusion of the 56th annual general meeting till the conclusion of 61st annual general meeting to be held in the year 2022. They have confirmed that they are not disqualified from continuing as auditors of the company. The observations made in the Auditors Report are self-explanatory.



SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company had appointed M/s. Arun Dash & Associates, a firm of Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2021. The Secretarial Audit Report issued in this regard is annexed as “Annexure A”. The observations made in the Secretarial Audit Report are self-explanatory.

INTERNAL AUDITORS

M/S. G S Nayak & Co., Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

13. EXPLANATION ON AUDITOR’S COMMENT:

The Board have to state as under with reference to the Auditor’s certain remarks as contained in the annexure to the Auditor’s Report:

- a) With reference to para VII (b) of the Annexure to the Auditor’s Report the TDS i.e Rs. 4.25 lakhs pertaining to late filing fees & interest which are as per Traces site of Income Tax (TDS) and With reference to para VII(c) the matter is being looked into and shall soon be appropriately dealt with.
- b) With reference to para VIII of the Annexure to the Auditor’s Report, the Central Excise Loan interest has remained unpaid as the matter is pending for the cause of implementing agency claiming compound interest on an interest free excise loan under a scheme of incentives. Matter with relevant agencies and Government of India is being taken up and will be sorted out in due course of time. No material liability is expected in this regard.

14. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis are annexed and forms an integral part of this report.

15. PARTICULARS OF EMPLOYEES:

There are no employees covered by provision contained in Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in “Annexure B” which is part of this report.

16. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS:

Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. This was a lawsuit filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited. Company has deposited Rs. 19,05,179/- including interest as per direction of Honourable Bombay High Court. The Appeal shall be added to the appropriate board for hearing. But the same is not yet listed on the Board of High Court.

17. RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered during the financial year under review were on an arm’s length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations.

During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material. Members may refer to Note 8 of Notes to Account of the standalone financial statement which sets out related party disclosures.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies(Accounts) Rules, 2014 are given in “Annexure C” in Form AOC-2 which is part of this report.

18. CORPORATE SOCIAL RESPONSIBILITY:

Your Board further undertakes to spend the amount towards various identified CSR activities either directly or through the trust as per the CSR policy of the Company. CSR policy of the Company may be accessed on the Company’s website at the link: www.pmlindia.com. The details of CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as “Annexure D”, which forms part of this Report.

19. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

In accordance with the provisions of the Act and listing regulations, Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company under investors tab at www.pmlindia.com.

20. CONSERVATION OF ENERGY, TECHNOLOGY DEVELOPMENT AND ABSORPTION:

The Conservation of Energy, R & D activity in the Company is mainly carried out by the key line manufacturing and technical personnel in alliance with the key technical sales personnel and outsourced consultants. “Annexure E” attached hereto provides the information required to be disclosed on the efforts made on Conservation of Energy, Technology Development and Absorption as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

21. FOREIGN EXCHANGE EARNING AND OUTGO:

Please refer to paragraph No. 14 of Notes to accounts for the foreign exchange outgo and earnings of the Company which is required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

22. PARTICULARS OF LOANS GIVEN, GUARANTEES AND INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

During the year under review, your Company did not give any loans or guarantees, provide any security or make any investments as covered under Section 186 of the Companies Act, 2013.

23. BOARD AND COMMITTEE MEETINGS:

The details of the composition of the Board and its Committees and the number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

24. ANTI SEXUAL HARASSMENT POLICY:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

25. EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in the prescribed form i.e., Form MGT-9 is annexed herewith as “Annexure F”, which forms part of this Report.

26. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Company has in place adequate internal financial control system commensurate with its size, scale and the nature of business, which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against significant misuse or loss. Company also has adequate internal financial controls with reference to financial statements. The Company's internal auditors carry out regular checks on the adequacy of the internal financial controls.

The Internal Audit Reports are submitted periodically to the Audit Committee. The Audit Committee reviews these reports with the executive management and requisite corrective actions are taken by the process owners in their respective areas and thereby strengthen the controls.

27. SHARE CAPITAL:

The Paid-up Capital of the Company is Rs. 8,59,84,530/- and Authorised Capital of the Company is Rs. 16,00,00,000/-.

28. PERFORMANCE EVALUATION :

Your Company believes that it is the collective effectiveness of the Board that impacts the Company's performance and thus, the primary evaluation platform is that of collective performance of the Board. The parameters for evaluation of Board performance, as laid under evaluation criteria adopted by the Company, have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfil expectations of other stakeholders through strategic supervision of the Company.

The said criteria also contemplate evaluation of Directors based on their performance as directors apart from their specific role as independent, nonexecutive and executive directors as mentioned below:

- Every director will be evaluated on discharging their duties and responsibilities as enshrined under various statutes and regulatory facet, participation in discussions and deliberations in achieving an optimum balance between the interest of company's business and its stakeholders.
- Executive Directors will also be evaluated based on targets/criteria given to Executive Directors by the Board from time to time in addition to their terms of appointment.
- Independent Directors will also be evaluated on discharging their obligations in connection with their independence criteria as well as adherence with the requirements of professional conduct, roles, functions and duties, specifically applicable to Independent Directors as contained in Schedule IV to the Companies Act, 2013.

The Board of Directors of your Company has made annual evaluation of its performance and directors for the financial year 2020- 21 based on aforesaid criteria.

29. APPRECIATION:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Place: Thane

Date: May 28, 2021

Corporate Office:

Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road - 401104
Dist. Thane.

FOR AND ON BEHALF OF THE BOARD,

Sd/-
Sharad Taparia
Managing Director

Sd/-
Mukul Taparia
Director



**ANNEXURE A - SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp.Silvassa Police Station,
SilvassaVapi Main Road,
Silvassa, Dadra Nagar Haveli- 396230.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company:
 - 1. The Factories Act, 1948
 - 2. The Employee's State Insurance Act, 1948
 - 3. The Employee's Provident Funds and Miscellaneous Provisions Act, 1952
 - 4. The Maternity Benefit Act, 1961
 - 5. The Child Labour (Prohibition & Regulation) Act, 1986
 - 6. The Workmen's Compensation Act, 1923

PERMANENT MAGNETS LIMITED

7. The Environment Protection Act, 1986
8. Contract Labour (Regulation & Abolition) Act, 1970
9. Payment of Bonus Act, 1965
10. Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. Pursuant to Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group must be in dematerialized form; Shareholding of one of the promoter of the company is held in physical form.

We further report that:

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However attention is drawn to note no. 2 of Notes to Accounts i.e. Contingent Liabilities.

We further report that during the audit period there was no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except;

The Hon'ble Bombay High Court has passed a winding up order dated 15.04.2015 for winding up of the Company on petition filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited and the Hon'ble Court had issued direction for appointment of an official liquidator in the winding up order. On the appeal against this order made by the Company before the Hon'ble Bombay High Court, the Hon'ble Court has given interim stay order against the winding up order passed (against the Company) dated 15.04.2015. The Company has deposited Rs. 19,05,179/- with interest as per direction of the Hon'ble Court. Matter is pending before the Hon'ble Court and next hearing in this matter shall come up as per listing of the court.

**For M/s Arun Dash & Associates
Company Secretaries**

Sd/-

**Arun Dash
(Proprietor)**

C.P. No. 9309

UDIN : F009765C000382918

M. No. FCS 9765

Place: Mumbai

Date: May 28, 2021

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of the report.



'Annexure 1'

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road,
Silvassa, Dadra Nagar Haveli- 396230.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. 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. Where ever 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 management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For M/s Arun Dash & Associates
Company Secretaries**

**Place: Mumbai
Date: May 28, 2021**

**Sd/-
Arun Dash
(Proprietor)
C.P. No. 9309
M. No. FCS 9765**

PERMANENT MAGNETS LIMITED

ANNEXURE B

RATIO OF DIRECTOR REMUNERATION TO EMPLOYEE MEDIAN REMUNERATION

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Shri. Sharad Taparia – 20.41x
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Shri. Sharad Taparia (MD) – NIL Shri. Sukhmal Jain (CFO) – NIL Smt. Rachana Rane (CS) – NIL
3.	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in FY 20-21 was 8%.
4.	The number of permanent employees on the rolls of the Company	111 as on March 31, 2021
5.	Average percentile increase already made in the salaries of employees other than 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	Due to COVID-19 Pandemic there was no increment in the remuneration of the employees of the Company.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	We confirm the same



ANNEXURE C
RELATED PARTY TRANSACTIONS
Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Permanent Magnets Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2020-2021. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts/arrangements/transactions: Not Applicable
 - (c) Duration of the contracts / arrangements/transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
 - (f) Date(s) of approval by the Board: Not Applicable
 - (g) Amount paid as advances, if any: Not Applicable
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: Not Applicable
 - (b) Nature of contracts / arrangements / transactions: Not Applicable
 - (c) Duration of the contracts / arrangements / transactions: Not Applicable
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - (e) Date(s) of approval by the Board, if any: Not Applicable
 - (f) Amount paid as advances, if any: None

FOR AND ON BEHALF OF THE BOARD,

Place: Thane
Date: May 28, 2021

Sd/-
Sharad Taparia
Managing Director

ANNEXURE D

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies
(Corporate Social Responsibility Policy) Amendment Rules, 2021]

1. Brief outline on CSR Policy of the Company :

Our vision is to actively contribute to the social and economic development of the communities in which we operate.

In doing, so to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri. Rajeev Mundra	Chairman (Independent Non-Executive Director)	1	1
2.	Shri. Sharad Taparia	Managing Director	1	1
3.	Shri. Mukul Taparia	Non-Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	www.pmlindia.com
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4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable
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5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Not Applicable
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Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
-----	-----	-----NA-----	-----

6. Average net profit of the company as per section 135(5)	Rs. 15,52,06,604/-
------------------------------------------------------------	--------------------

7. (a) Two percent of average net profit of the company as per section 135(5)	Rs. 31,04,132 /-
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
(c) Amount required to be set off for the financial year	-
(d) Total CSR obligation for the financial year (7a+7b- 7c)	Rs. 31,04,132 /-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 31,04,132 /-	NIL	NIL	NIL	NIL	NIL



(b) Details of CSR amount spent against **ongoing projects** for the financial year: **NOT APPLICABLE**

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in Rs.).	(8) Amount spent in the current financial Year (in Rs.).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
TOTAL												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR Registration number.
1.	Covid - 19	Clause XII of Schedule VII	No	Rajasthan	Nagaur	1,00,000/-	No	Jagannath Taparia Memorial Trust	-
2.	Construction of Building for Hospital and College	Clause II of Schedule VII	Yes	Maharashtra	Solapur	12,00,000/-	No	M M Patel Public Charitable Trust	-
3.	Education	Clause II of Schedule VII	Yes	Maharashtra	Thane	1,00,000/-	No	Amcha Ghar	-
4.	Education	Clause II of Schedule VII	Yes	Maharashtra	Mumbai	1,50,000/-	No	Seeds of Awareness and Research Foundation	-
5.	Education	Clause II of Schedule VII	No	Rajasthan	Jaswantgarh	15,54,132/-	No	Rajdularidevi Harnarayan Taparia Charitable Trust	-
TOTAL						31,04,132 /-			

(d) Amount spent in Administrative Overheads - NA

(e) Amount spent on Impact Assessment, if applicable - NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Rs. 31,04,132 /-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 31,04,132 /-
(ii)	Total amount spent for the Financial Year	Rs. 31,04,132 /-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

PERMANENT MAGNETS LIMITED

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NOT APPLICABLE**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NOT APPLICABLE**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (**asset-wise details**) – **NOT APPLICABLE**

(a) Date of creation or acquisition of the capital asset(s).	-
(b) Amount of CSR spent for creation or acquisition of capital asset.	-
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	-
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	-

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). - **NOT APPLICABLE**

Sd/-
Sharad Taparia
Managing Director

Sd/-
Rajeev Mundra
Chairman CSR Committee

This is to certify that the funds allocated for CSR Projects during F.Y. 2020-21 have been utilized for the specified purpose.

Sd/-
Sukhmal Jain
CFO

ANNEXURE E

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and development (R & D):

1. Specific areas in which R & D carried out by the company.
 - I. Magnetic / Electrical Simulation
 - II. Brazing technology
 - III. Die casting and plating technology
 - IV. Automotive Electronics Council Qualification based test Laboratory
 - V. Current sensing modules
 - VI. DC immunity testing of magnetic cores
 - VII. Clad metal applications
 - VIII. Magnetic cores based on Nickel Iron / Nano / Amorphous materials.
 - IX. Applications using the insert plastic moulding process.
2. Benefits derived as a result of above R & D.
 - I. New capability created for increased scope of Business
 - II. New product lines developed.
3. Future plan of action.
 - I. Value added products in current sensing technology including IOT
 - II. Substitution of lower cost alloys for magnetic cores.
 - III. Assemblies related to electronic components & assemblies e.g. shunt assemblies with terminal & cable, customized relay assemblies
 - IV. New components related to Copper alloys, Iron nickel alloys, Iron silicon alloys , Iron Cobalt alloys, Bimetals
 - V. Aerospace components
4. Expenditure on R & D (Rs. In Lakhs)
 - I. Capital - Rs. 26.51/-
 - II. Recurring - Rs. 93.78 /-
 - III. **Total - Rs. 120.29/-**

Total R & D expenditure as a percentage of total turnover is 1.03%.

Technology, Absorption, adaptation and Innovation:

- I. Efforts in brief made towards technology absorption, adaptation and innovation.
 - Testing, heat treatment, processes for soft materials developed e.g. iron silicon alloys, iron cobalt alloys, nano & amorphous iron based ribbon parts.
- II. Benefits derived as a result of the above efforts e.g. process improvement, cost reduction, product development.
 - New product line development in progress for a company.

Conservation of energy:

- I. the steps taken and impact on conservation of energy-

Utilisation of electrical energy efficiently in the entire plant is done.
- II. The steps taken by the company for utilising alternate sources of energy- Alternative energy like Solar have been studied as an alternative energy.

Best payback of a Solar power is when it is installed in its own premises. Company plans to install solar power in a new location.
- III. The capital investment on energy conservation equipment- Not done.

PERMANENT MAGNETS LIMITED

ANNEXURE F

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

for the financial year ended on March 31, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L27100DN1960PLC000371
ii) Registration Date	26/11/1960
iii) Name of the Company	PERMANENT MAGNETS LIMITED
iv) Category/Sub-Category of the Company	PUBLIC COMPANY / LIMITED BY SHARES
v) Address of the Registered office and contact details	HARSH AVENUE, 302, 3 RD FLOOR., OPP SILVASSA POLICE STATION, SILVASSA VAPI MAIN RD., SILVASSA - 396230, DNH TEL NO. 022 : 68285454 EMAIL : investors@pmlindia.com
vi) Whether listed company	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any-	ADROIT CORPORATE SERVICES PRIVATE LIMITED 19-20, JAFFERBHOY IND. ESTATE, 1 ST FLOOR, MAKHWANA ROAD, MAROL NAKA, ANDHERI (E), MUMBAI - 400059. TEL/DIRECT: +91 022 - 42270400

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Parts and accessories of electricity and Gas meters, Cast Alloy, Permanent Magnet and Magnetic assembly	32909	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
-	-	-	-	-	-

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual	2865320	0	2865320	33.32	2087184	0	2087184	24.27	(9.05)
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	160000	0	160000	1.86	160000	0	160000	1.86	0.00
e) Banks /FI	0	31290	31290	0.36	0	31290	31290	0.36	0.00
f) Any other									
f-1) HUF Controlling	461217	0	461217	5.36	361330	0	361330	4.20	(1.16)
f-2) Directors	1989482	0	1989482	23.14	2009232	0	2009232	23.37	0.23
f-3) Directors Relatives	512849	0	512849	5.96	512849	0	512849	5.96	0.00
Total Shareholding of promoter (A)	5988868	31290	6020158	70.01	5130595	31290	5161885	60.03	(9.98)



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the Year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	70	620	690	0.01	70	620	690	0.01	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	70	620	690	0.01	70	620	690	0.01	0.00
(2) Non – Institutions									
a) Bodies Corp.									
i) Indian	45657	5240	50897	0.59	176370	5240	181610	2.11	0.08
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	1103468	441367	1544835	17.97	1325503	435137	1760640	20.48	2.51
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh	838163	0	838163	9.75	1302256	0	1302256	15.15	5.40
c) Others (Specify)									
c-1) Non Resident Indians(Individuals)	41451	32160	73611	0.86	44998	32160	77158	0.90	0.04
c-2) Non Resident Indian Corporate Bodies	0	66600	66600	0.77	0	66600	66600	0.77	0.00
c-3) Trusts	100	0	100	0.00	100	0	100	0.00	0.00
c-4) Clearing Member	1399	0	1399	0.02	14632	0	14632	0.17	0.15
c-5) Corporate Body – Broker	2000	0	2000	0.02	0	0	0	0.00	(0.02)
c-6) HUF Controlling	0	0	0	0.00	32882	0	32882	0.38	0.38
Sub-total (B)(2)	2032238	545367	2577605	29.98	2896741	539137	3435878	39.96	9.98
Total Public Shareholding(B)= (B) (1)+(B)(2)	2032308	545987	2578295	29.99	2896811	539757	3436568	39.97	9.98
C. Shares held by Custodian for GDRs & ADRs.									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0.00
Public -	0	0	0	0	0	0	0	0	0.00
Sub-total (C)	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	8021176	577277	8598453	100	8027406	571047	8598453	100	0.00

PERMANENT MAGNETS LIMITED

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the Year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rashi Mittal	1000	0.01	0.00	1000	0.01	0.00	0.00
2	Yamini Taparia	47130	0.55	0.00	47130	0.55	0.00	0.00
3	Jaiprakash Taparia, HUF	202770	2.36	0.00	202770	2.36	0.00	0.00
4	Sunilkumar Taparia	57890	0.67	0.00	57890	0.67	0.00	0.00
5	Sunaina S. Taparia	34800	0.40	0.00	34800	0.40	0.00	0.00
6	Ritu Taparia	1520	0.02	0.00	0	0.00	0.00	(0.02)
7	Divya Taparia	3590	0.04	0.00	3590	0.04	0.00	0.00
8	Sharad Taparia	982810	11.43	0.00	1002560	11.66	0.00	0.23
9	Rameshchandra Taparia, HUF	80487	0.94	0.00	0	0.00	0.00	(0.94)
10	Poornimadevi Rameshchandra Taparia	268163	3.12	0.00	0	0.00	0.00	(3.12)
11	Rameshchandra Madanlal Taparia	509973	5.94	0.00	0	0.00	0.00	(5.94)
12	Mukul Taparia	971872	11.30	0.00	971872	11.30	0.00	0.00
13	Kamladevi Taparia	712695	8.29	0.00	712695	8.29	0.00	0.00
14	Anupkumar Taparia	185040	2.15	0.00	186560	2.17	0.00	0.02
15	Anupkumar Taparia, HUF	113360	1.32	0.00	113360	1.32	0.00	0.00
16	Sunitadevi Taparia	20530	0.24	0.00	20530	0.24	0.00	0.00
17	Anil Kumar Taparia	118430	1.38	0.00	118430	1.38	0.00	0.00
18	Anil Kumar Taparia, HUF	39750	0.46	0.00	39750	0.46	0.00	0.00
19	Megh Exim LLP	0	0	0.00	0	0	0.00	0.00
20	Seemadevi Taparia	46500	0.54	0.00	46500	0.54	0.00	0.00
21	NYMPH Properties Private Limited	160000	1.86	0.00	160000	1.86	0.00	0.00
22	Jaiprakash Taparia	465719	5.42	0.00	465719	5.42	0.00	0.00
23	Bank of Rajasthan Limited	31290	0.36	100.00	31290	0.36	100.00	0.00
24	Sunilkumar Taparia, HUF	5450	0.06	0.00	5450	0.06	0.00	0.00
25	Shyamsunder Taparia, HUF	19400	0.23	0.00	0	0.00	0.00	(0.23)
26	Shriniwas Company Pvt. Ltd.	0	0	0.00	0	0	0.00	0.00
27	Shyamsunder Taparia	848989	9.87	0.00	848989	9.87	0.00	0.00
28	Rishi Taparia	41000	0.48	0.00	41000	0.48	0.00	0.00
29	Manmohan Taparia	50000	0.58	0.00	50000	0.58	0.00	0.00
	TOTAL	6020158	70.01	0.36	5161885	60.03	0.36	(9.98)

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

Sr No.	Name of Promoter's	Shareholding at the beginning of the year (April 01, 2020)				Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of Share	% of total shares of the Company
1	Megh Exim LLP	0	0	NIL	0	Inter-se Transfer dated 19.08.19	0	0.00
	At the End of the year						0	0.00
2	Nymph Properties Private Limited	160000	1.86	NIL	NIL	NA	0	0.00
	At the End of the year						160000	1.86
3	Shriniwas Company Private Limited	0	0	NIL	0	Inter-se Transfer dated 19.08.19	0	0.00
	At the End of the year						0	0.00
4	Anupkumar Taparia, HUF	113360	1.32	NIL	NIL	NA	0	0.00
	At the End of the year						113360	1.32



Sr No.	Name of Promoter's	Shareholding at the beginning of the year (April 01, 2020)					Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of Share	% of total shares of the Company
5	Jaiprakash Taparia, HUF	202770	2.36	NIL	NIL	NA	0	0.00
	At the End of the year						202770	2.36
6	Shyamsunder Taparia, HUF	19400	0.23	08-02-2021	(19400)	Transmission of Shares	0	0.00
	At the End of the year						0	0.00
7	Sunilkumar Taparia, HUF	5450	0.06	NIL	NIL	NA	0	0.00
	At the End of the year						5450	0.06
8	Anil Kumar Taparia, HUF	39750	0.46	NIL	NIL	NA	0	0.00
	At the End of the year						39750	0.46
9	Divya Taparia	3590	0.04	NIL	NIL	NA	0	0.00
	At the End of the year						3590	0.04
10	Anil Kumar Taparia	118430	1.38	NIL	NIL	NA	0	0.00
	At the End of the year						118430	1.38
11	Sunitadevi Taparia	20530	0.24	NIL	NIL	NA	0	0.00
	At the End of the year						20530	0.24
12	Seemadevi Taparia	46500	0.54	NIL	NIL	NA	0	0.00
	At the End of the year						46500	0.54
13	Anupkumar Taparia	185040	2.15	26-03-2021	1520	Received of Shares by way of Gift	1520	0.02
	At the End of the year						186560	2.17
14	Poornimadevi Rameshchandra Taparia	268163	3.12	08-01-2021	(268163)	Reclassification of Promoter to Public	0	0.00
	At the End of the year						0	0.00
15	Jaiprakash Taparia	465719	5.42	NIL	NIL	NA	0	0.00
	At the End of the year						465719	5.42
16	Sunilkumar Taparia	57890	0.67	NIL	NIL	NA	0	0.00
	At the End of the year						57890	0.67
17	Rameshchandra Madanlal Taparia	509973	5.93	08-01-2021	(509973)	Reclassification of Promoter to Public	0	0.00
	At the End of the year						0	0.00
18	Sharad Taparia	983160	11.43	08-02-2021	19400	Shares received from Shyamsunder Taparia, HUF (i. e Transmission of Shares)	1002560	11.66
	At the End of the year						1002560	11.66
19	Rameshchandra Taparia, HUF	80487	0.94	08-01-2021	(80487)	Reclassification of Promoter to Public	0	0.00
	At the End of the year						0	0.00
20	Sunaina Taparia	34800	0.40	NIL	NIL	NA	0	0.00
	At the End of the year						34800	0.40
21	Kamladevi Taparia	712695	8.29	NIL	NIL	NA	0	0.00
	At the End of the year						712695	8.29
22	Shyamsunder Taparia	848989	9.87	NIL	NIL	NA	0	0.00
	At the End of the year						848989	9.87
23	Mukul Taparia	971872	11.30	NIL	NIL	NA	0	0.00
	At the End of the year						971872	11.30

PERMANENT MAGNETS LIMITED

Sr No.	Name of Promoter's	Shareholding at the beginning of the year (April 01, 2020)				Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of Share	% of total shares of the Company
24	Yamini Taparia	47130	0.55	NIL	NIL	NA	0	0.00
	At the End of the year						47130	0.55
25	Ritu Taparia	1520	0.02	26-03-2021	(1520)	Transfer of Shares by way of Gift	0	0.00
	At the End of the year						0	0.00
26	Manmohan Taparia	50000	0.58	NIL	NIL	NA	0	0.00
	At the End of the year						50000	0.58
27	Rishi Taparia	41000	0.48	NIL	NIL	NA	0	0.00
	At the End of the year						41000	0.48
28	Bank of Rajasthan Limited	31290	0.36	NIL	NIL	NA	0	0.00
	At the End of the year						31290	0.36
29	Rashi Mittal	1000	0.01	NIL	NIL	NA	0	0.00
	At the End of the year						1000	0.01

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	* Name of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2020)		Transaction during the year			Shareholding end of the year (March 31, 2021)	
		No. of Shares	% of total Shares of the Company	Date	Sale	Purchase	No. of Shares	% of total shares of the company
1.	Hitesh Ramji Javeri	240038	2.79	07.08.20 14.08.20 21.08.20 28.08.20 02.10.20 09.10.20 16.10.20 23.10.20 30.10.20 06.11.20 04.12.20 11.12.20 18.12.20	21986 7422 34630 7000 8592 24908 10500 10000 2500 3172 9555 8850 3422	- - - - - - - - - - - - -	87501	1.02
2.	Harsha Hitesh Javeri	150000	1.74	07.08.20 21.08.20 28.08.20 02.10.20 09.10.20 16.10.20 23.10.20 30.10.20 06.11.20 12.03.21	517 1483 1000 4000 18000 1000 9000 3200 2630 18208	- - - - - - - - - -	90962	1.06
3.	Sangeetha S	96550	1.12	-	-	-	96550	1.12
4.	Openxcell Technolabs Pvt Ltd	-	-	09.10.20 16.10.20 23.10.20 06.11.20 29.01.21	- - - - -	6329 8779 12947 2000 4214	69216	0.80



Sr. No.	* Name of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2020)		Transaction during the year			Shareholding end of the year (March 31, 2021)	
		No. of Shares	% of total Shares of the Company	Date	Sale	Purchase	No. of Shares	% of total shares of the company
5.	Girish Gulati HUF	-	-	01.01.21	-	59886	134803	1.57
				15.01.21	-	43149		
				05.02.21	-	1825		
				12.02.21	-	1028		
				05.03.21	-	11489		
				12.03.21	-	10399		
				19.03.21	-	7027		
6.	Bharat Taparia	80000	0.93	06.11.20	9942	-	67079	0.78
				13.11.20	2979	-		
7.	Bela Taparia	80000	0.93	30.10.20	27372	-	48000	0.56
				06.11.20	4628	-		
8.	Satya Prakash Mittal (HUF)	46863	0.55	15.05.20	-	120	48907	0.57
				29.05.20	4923	-		
				26.06.20	-	1088		
				24.07.20	-	1315		
				31.07.20	1747	-		
				09.10.20	-	6137		
				12.03.21	-	54		
9.	Rameshchandra Taparia	322663	3.75	-	-	-	322663	3.75
10.	Poomima Taparia	230171	2.68	12.02.21	17824	-	136140	1.58
				26.02.21	78	-		
				05.03.21	31313	-		
				12.03.21	31895	-		
				19.03.21	12921	-		

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors & Key Managerial Personnel	Shareholding at the beginning of the year (April 01, 2020)					Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of shares	% of total shares of the company
1	Sharad Taparia	983160	11.43	08-02-2021	19400	Shares received from Shyamsunder Taparia, HUF (i. e Transmission of Shares)	1002560	11.66
	At the End of the year						1002560	11.66
2	Sunaina Taparia	34800	0.40	NIL	NIL	NA	0	0.00
	At the End of the year						34800	0.40
3	Mukul Taparia	971872	11.30	NIL	NIL	NA	0	0.00
	At the End of the year						971872	11.30
4	Rajeev Mundra	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00
5	Kamal Binani	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00
6	Sukhmal Jain	10	0.0001	NIL	NIL	NA	0	0.00
							10	0.0001
7	Rachana Rane	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00

PERMANENT MAGNETS LIMITED

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	18,03,156	-	-	18,03,156
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued But not due	1,75,85,066	-	-	1,75,85,066
Total (i+ii+iii)	1,93,88,222	-	-	1,93,88,222
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	8,64,018	-	-	8,64,018
Net Change	(8,64,018)	-	-	(8,64,018)
Indebtedness at the end of the financial year				
i) Principal Amount	9,39,138	-	-	9,39,138
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,75,85,066	-	-	1,75,85,066
Total (i+ii+iii)	1,85,24,204	-	-	1,85,24,204

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Sharad Taparia	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	70,84,800	70,84,800
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,600	21,600
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5.	Others, please specify	-	-
	Total (A)	71,06,400	71,06,400
	Ceiling as per the Act	5% of Net Profit as per Section 197 read with Schedule V of the Companies Act, 2013	



B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount	
		Rajeev Mundra	Mukul Taparia	Girish Desai	Sunaina Taparia	Kamal Binani		
1.	Independent Directors							
	• Fee for attending Board and Committee meetings	70,000	-	-	-	67,500	1,37,500	
	• Commission	-	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	-	
	Total (1)	70,000	-	-	-	67,500	1,37,500	
2.	Other Non-Executive Directors							
	• Fee for attending Board and Committee meetings	-	47,500	40,000	40,000	-	1,27,500	
	• Commission	-	-	-	-	-	-	
	• Others, please specify	-	-	-	-	-	-	
	Total (2)	-	47,500	40,000	40,000	-	1,27,500	
	Total (B)=(1+2)	70,000	47,500	40,000	40,000	67,500	2,65,000	
3.	Total Managerial Remuneration							
4.	Overall Ceiling as per the Act	1% of the Net Profits as per Section 197(1) (ii) of the Companies Act, 2013						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5,64,529	44,74,000	50,38,529
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	-	-	21,600	21,600
	(c) Profits in lieu of salary under section17(3) Income- Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as a % of profit				
	- others, specify...				
5.	Others, please specify	-	-	-	-
	Total	-	5,64,529	44,95,600	50,60,129

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Permanent Magnets Limited (hereinafter "Company") believes that good corporate governance is process in directing and controlling the affairs of the Company in an efficient manner and helps in achieving the goal of maximizing value of Company's stakeholders in a sustainable manner. Company's Governance framework is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practice of each of these creates the right corporate culture fulfilling the purpose of Corporate Governance.

Key tools devised for achieving the enshrined objectives are a well-defined code of conduct, robust internal and financial controls, systems, transparency, risk management procedures/systems; communications, product quality standards, etc., which are properly implemented through continuous review process and mechanism setup for the said purpose.

However, it is to be recognised that Corporate Governance is not just a destination but a consistent journey to consolidate and enhance sustainable value creation to the company by adhering to the core values.

2. BOARD OF DIRECTORS

Board Composition

The Board of Permanent Magnets Limited consists of eminent persons with optimum balance of Executive Director, Non-Executive Directors and Independent Directors, having professional expertise from different fields such as finance, business strategy and management, marketing, governance and thus meets the requirements of the Board diversity. The Chairman is the Non-Executive Independent Director and the Board consists of sufficient number of Independent Directors as stipulated under Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (Listing Regulations). The Board further confirms that in its opinion, the independent directors fulfil the conditions specified in SEBI Listing Regulations and are independent from management.

While appointing new Directors on the Board, the Nomination and Remuneration Committee of the Board considers the qualifications, positive attributes and independence as per the criteria laid down in that behalf and makes its recommendation to the Board for its consideration.

As on March 31, 2021, the Board comprised of 6 Directors.

Board Meetings

The Board of Directors of the Company met five times during the year on June 26, 2020, August 24, 2020, November 09, 2020, January 12, 2021 and February 11, 2021.

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM	Particulars of Directorship, Committee membership / Chairmanship in other companies			Names of the listed entities
		Held	Attended		As Director	As Chairman	As Member	
Shri. Sharad Taparia	Managing Director, Promoter	5	5	Yes	-	-	-	-
Shri. Rajeev Mundra	Independent and Non Executive Director	5	5	Yes	4	-	3	Taparia Tools Ltd. - Independent Director
Shri. Kamal Binani	Independent and Non Executive Director	5	5	Yes	3	-	-	-
Shri. Mukul Taparia	Non Executive Director, Promoter	5	4	Yes	2	-	-	-
Smt. Sunaina Taparia	Non Executive Director, Promoter	5	4	Yes	-	-	-	-
Shri. Girish Desai	Non Executive Director	5	4	No	1	3	-	Abhinav Capital Services Limited - Independent Director

During the year, one meeting of the Independent Directors was held on February 11, 2021. The Independent Directors, inter-alia, reviewed the performance of non-independent directors and the Board as a whole.



In view of Covid-19 pandemic all these board meetings except one board meeting were held in video conferencing / other audit-visual mode as allowed under MCA Circular No.20/2020 dated May 05, 2020 and SEBI SEBI/HO/CFD/CMD1/ CIR/P/2020/79 May 12, 2020.

Relationship Between Directors

Out of 6 Directors 3 Directors are related Directors viz : Shri. Sharad Taparia, Managing Director, Shri. Mukul Taparia, Non Executive Director and Smt. Sunaina Taparia, Non Executive Director. None of the Other Directors are related interse.

Equity shareholding of the Non-Executive directors in the company as on March 31, 2021

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Shri. Rajeev Mundra	Nil
2.	Shri. Kamal Binani	Nil
3.	Shri. Mukul Taparia	971872
4.	Smt. Sunaina Taparia	34800
5.	Shri. Girish Desai	3050

Familiarization Programme for Independent Directors

The Executive Director of the Company provides a brief of the industry and business of the Company to the Independent Directors and also has a discussion to familiarize the Independent Directors with the Company's operations. At the time of regularization of the appointment of an Independent Directors, the appointment is formalized by issuing a letter to the director, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a director of the Company. The company has formulated a policy on 'Familiarisation programme for independent directors' which is available on the company's website, www.pmlindia.com.

List of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Administration, Decision Making.
- iv) Financial and Management skills.
- v) Technical / Professional skills and specialized knowledge in relation to Company's business.

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure : Not Applicable

3. AUDIT COMMITTEE

The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The brief terms of reference of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- To review the statement of significant related party transactions submitted by management.

- To review the adequacy of internal control systems with the management, external & internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To review the functioning of the Whistle Blower mechanism.

Powers of Audit Committee:

The Audit Committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit Committee Composition:

The composition of the Audit Committee as on March 31, 2021 and particulars of meetings attended by the members are as follows:

Composition and Attendance of Members at the Meetings of the Audit Committee held during 2020-2021

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Shri. Rajeev Mundra	Chairman, Non-executive, Independent Director	4	4
Shri. Sharad Taparia	Member, Executive Director	4	4
Shri. Kamal Binani	Member, Non-executive, Independent Director	4	4

The Chairman is a fellow member of the Institute of Chartered Accountants of India. All the members of the committee are financially literate. Accordingly, the Composition of the Audit Committee is in conformity with Section 177 of the Companies Act, 2013 and Listing Regulations.

Four (4) Audit Committee Meetings were held during the year ended March 31, 2021, i.e., June 26, 2020, August 24, 2020, November 09, 2020 and February 11, 2021. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings. In view of Covid19 pandemic exists throughout the year, all these Committee meetings were held in video conference mode as allowed under MCA Circular No.20/2020 dated May 05, 2020 and SEBI SEBI/ HO/CFD/CMD1/CIR/P/2020/79 May 12, 2020.

Chief Financial Officer, Internal Auditor and Statutory Auditors are the invitees to the meetings and the Company Secretary acts as the Secretary of the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

4. NOMINATION AND REMUNERATION COMMITTEE

As per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, the Company has constituted Nomination and Remuneration Committee of the Board of Directors.

The term of reference of the Committee inter alia, includes:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.



Nomination And Remuneration Committee Composition:

The Composition of the said Committee and details of meetings attended by the Directors are given below

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Shri. Kamal Binani	Chairman, Non-executive, Independent Director	1	1
Shri. Mukul Taparia	Member, Non-executive Director	1	1
Shri. Rajeev Mundra	Member, Non-executive, Independent Director	1	1

The Committee during the financial year 2020–21, met on August 24, 2020.

Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. The criteria for performance evaluation includes the areas relevant to the functioning of Independent Directors such as participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors except for the Directors who are subject to evaluation.

Criteria for determining qualifications, positive attributes and independence of a Director:

A. Appointment criteria and qualifications:

- The Nomination and Remuneration Committee (NRC) shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 should be adhered to while considering the appointment of a Director or KMP or senior management personnel.

B. Independence of Director (ID):

- Appointment of IDs shall be in accordance with the provisions of the Companies Act, 2013 (Act) as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”).
- NRC to check whether a person to be nominated or appointed as an ID meets the criterion of independence as prescribed under Sec. 149(6) of the Act and under Regulation 25 of the Listing Regulation.
- While nominating any person to be appointed as an ID, the Committee should satisfy itself that the person gives a declaration as prescribed under the Act declaring that he/she meets the criterion of independence prescribed under the Act and Listing Regulation.

5. REMUNERATION OF DIRECTORS

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy which is available on the company’s website, www.pmlindia.com.

Details of remuneration/sitting fees paid during the financial year 2020-21:

Sr. No.	Names	Category	Sitting Fees	Salary	Perquisites	Stock Options	Total
1.	Shri. Sharad Taparia	Managing Director	-	70,84,800/-	21,600/-	-	71,06,400/-
2.	Shri. Rajeev Mundra	Independent Director	70,000/-	-	-	-	70,000/-
3.	Shri. Kamal Binani	Independent Director	67,500/-	-	-	-	67,500/-
4.	Shri. Mukul Taparia	Non Executive Director	47,500/-	-	-	-	47,500/-
5.	Smt.Sunaina Taparia	Non Executive Director	40,000/-	-	-	-	40,000/-
6.	Shri. Girish Desai	Non Executive Director	40,000/-	-	-	-	40,000/-

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees, reimbursement of expenses incurred for travel etc. for attending Board/ Committee Meetings. Notice period, severance fees and performance-linked incentive are not stipulated in their terms of appointments.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As per the provisions of Section 178 (5) of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations, the company has constituted Stakeholders Relationship Committee of the Board of Directors.

The Committee, inter-alia, approves issuance of duplicate share certificates as well as oversees and reviews all matters connected with the securities transfer, transmission, nomination, dematerialization and rematerialisation including redressing grievances related thereto. The Committee also considers redressing of shareholder's complaints relating to non receipt of notices/annual reports and dividends etc.

Smt. Rachana Rane, Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Regulations with Stock Exchanges.

During the year, the Committee had One Meeting on November 09, 2020

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Shri. Rajeev Mundra	Chairman	Non-Executive & Independent Director	1	1
2.	Shri. Kamal Binani	Member	Non-Executive & Independent Director	1	1
3.	Shri. Mukul Taparia	Member	Non-Executive Director	1	1

Details of complaints received and attended to during the financial year 2020-21 are given below:

No. of complaints pending as on April 01, 2020	0
No. of complaints received during the year	0
No. of complaints resolved during the year	0
No. of complaints pending as on March 31, 2021	0

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.
- Recommend to the Board CSR activities to be undertaken by the Company.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.pmlindia.com. The Details on CSR activities for the financial year 2020-21 forms part of the Board's Report.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2021 are as under:

Sr. No.	Name	Meetings held	Meetings attended
1.	Shri. Rajeev Mundra, Chairman	1	1
2.	Shri. Sharad Taparia, Member	1	1
3.	Shri. Mukul Taparia, Member	1	1

During the financial year 2020-21 Corporate Social Responsibility Committee meeting was held on March 24, 2021.

8. GENERAL BODY MEETINGS

a) Details of previous three Annual General Meetings:

Financial Year	Date of Meeting	Time	Location
2019-20	29.09.2020	11.00 a.m	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
2018-19	28.09.2019	11.00 a.m	The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli
2017-18	28.09.2018	11.00 a.m	The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli



Special resolutions passed in the previous three AGMs are as below:

2019-20	Nil
2018-19	Re-appointment of Shri. Rajeev Mundra (DIN: 00139886) as an Independent Director
2017-18	Nil

Whether any Special Resolution passed last year through postal ballot : No special resolution was passed through postal ballot in the last year.

Whether any Special Resolution proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

9. MEANS OF COMMUNICATION

Unaudited/ Audited financial results of the Company (Quarterly, Half yearly and annual) are immediately, after the Board's approval uploaded / displayed on the company's website www.pmlindia.com under investors tab (a separate sections for investors information) in addition to submitting the same to BSE Limited.

10. GENERAL SHAREHOLDER INFORMATION

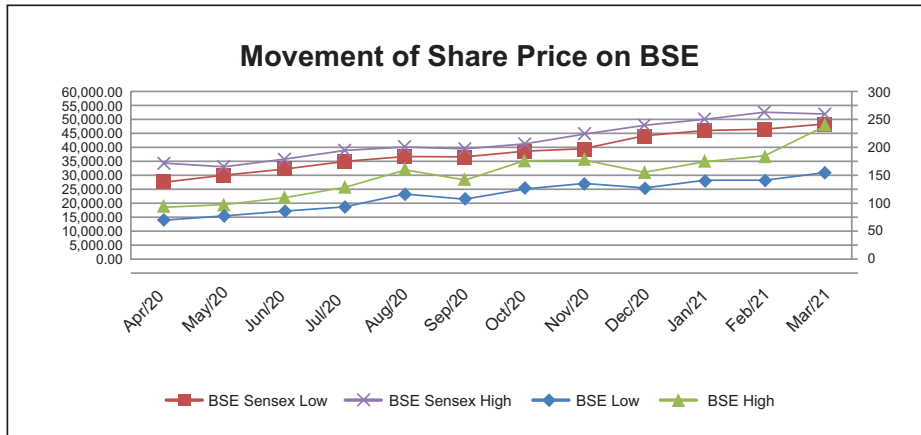
i.	Annual General Meeting Date	August 17, 2021
	Time	11.30 am
	Venue	The Company is conducting the AGM through Video Conference / Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated May 05, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.
ii.	Company's Financial Year	April 1 to March 31
	First quarter ending June 30, 2021	Within 45 days from the end of quarter
	Second quarter and half year ending September 30, 2021	Within 45 days from the end of quarter
	Third quarter and nine months ending December 31, 2021 Year ending on March 31, 2022	Within 45 days from the end of quarter Within 60 days from the end of the year
iii.	Date of Book Closure	August 11, 2021 to August 17, 2021 (both days inclusive) The record date shall be August 10, 2021 for the purpose of payment of Dividend.
iv.	Dividend Payment Date	On or before September 6, 2021 - after making adjustments of TDS in the dividend of members as per Income Tax Act 1961, if final dividend is approved by the members.
iv.	Listing on Stock Exchanges	Bombay Stock Exchange (BSE) Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001
v.	Listing Fees	The Company has paid Listing Fees for the financial year 2021 - 22 to the Stock Exchanges, where the equity shares of the Company are listed.
vi.	Stock Codes	504132 PERMAGN ISIN : INE418E01018

Market price data

Monthly high and Low compared with BSE Sensex

Month	BSE		BSE Sensex	
	High	Low	High	Low
Apr-20	93.00	68.00	33,887.25	27,500.79
May-20	96.00	75.00	32,845.48	29,968.45
Jun-20	109.00	84.05	35,706.55	32,348.10
Jul-20	128.00	92.25	38,617.03	34,927.20
Aug-20	159.95	115.00	40,010.17	36,911.23
Sep-20	142.00	106.15	39,359.51	36,495.98
Oct-20	175.95	125.00	41,048.05	38,410.20
Nov-20	178.00	134.00	44,825.37	39,334.92
Dec-20	154.80	125.10	47,896.97	44,118.10
Jan -21	174.00	139.00	50,184.01	46,160.46
Feb -21	182.80	139.90	52,516.76	46,433.65
Mar -21	240.65	153.00	51,821.84	48,236.35

Performance of the Company's equity shares (closing share price) in comparison to BSE Sensex during the financial year 2020-21



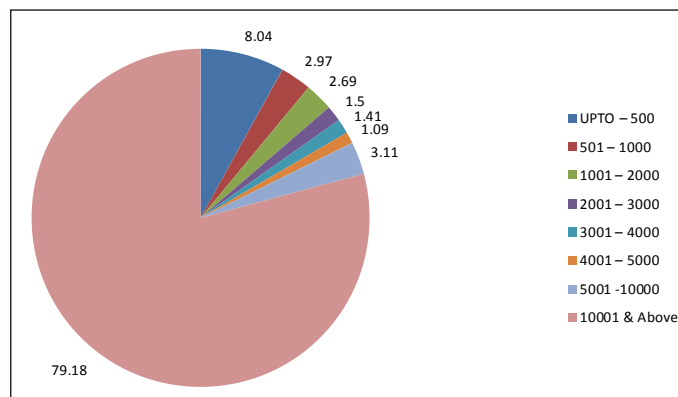
Registrar to an issue and share transfer agent

Adroit Corporate Services Private Limited
 19/20, 1st Floor, Jafferbhoy Industrial Estate,
 Makhwana Road, Marol Naka, Andheri (East), Mumbai - 400 059
 Ph. 022 - 42270400

Share Transfer System : The Company's shares are traded in the stock exchanges compulsorily in Demat form. The Company's Registrar and Transfer agent is the common agency to look after physical and demat registry work. Shares lodged for transfer with the registrar are processed and returned to shareholders within the stipulated time. The Company has been obtaining half yearly certificates as to the compliances made by the Company with regard to transfer and transmissions of shares lodged with the company during the financial year ended March 31, 2021 from practicing company secretary.

Distribution of shares and shareholding as on March 31, 2021

Shares slab	Shareholders	% age	Total Shares	Amount (Rs.)	% age
UPTO – 500	6622	90.66	691234	6912340	8.04
501 – 1000	325	4.45	255611	2556110	2.97
1001 – 2000	157	2.15	231145	2311450	2.69
2001 – 3000	52	0.71	129365	1293650	1.50
3001 – 4000	34	0.47	121498	1214980	1.41
4001 – 5000	20	0.27	94132	941320	1.09
5001 -10000	37	0.51	267258	2672580	3.11
10001 & Above	57	0.78	6808210	68082100	79.18
	7304	100.00	8598453	85984530	100.00



**Shareholding Pattern as on March 31, 2021**

Sr. No.	Category of Shareholders	No. of Shares	Percentage
A.	Promoter and Promoter Group	5161885	60.03
B.	Non-Promoter shareholding		
1.	Financial Institutions/Banks	690	0.01
2.	Individual Holding nominal share capital upto Rs.2L	1760640	20.48
3.	Individual Holding nominal share capital in excess of Rs.2L	1302256	15.15
4.	Bodies Corporate	181610	2.11
5.	Clearing member	14632	0.17
6.	NRIs	77158	0.90
7.	NRI Corp Bodies	66600	0.77
8.	Trusts	100	0.00
9.	HUF Controlling	32882	0.38
	TOTAL	8598453	100.00

Physical / NSDL / CDSL / Summary Report as on March 31, 2021

CATEGORY	SHAREHOLDERS	SHARES	PERCENTAGE
PHYSICAL	2700	571047	6.64
NSDL	1888	3794928	44.14
CDSL	2716	4232478	49.22

Dematerialization of Shares and Liquidity as on March 31, 2021

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 93.36 percent of the Company's equity share capital are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE418E01018.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past and hence as on March 31, 2021, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities

During the year ended March 31, 2021, the Company had managed the foreign exchange risk to the extent considered necessary.

Credit Ratings:

Total Bank Facilities	
Long Term Rating	ACUITE C - (Reaffirmed)
Short Term Rating	ACUITE A4 - (Reaffirmed)

Plant Location:

- Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401104.
- Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401104.
- Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401104

Corporate office address for correspondence

Permanent Magnets Limited

Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401104

Contact : 022 - 68285454

Fax : 022 - 29452128

Website : www.pmlinda.com

E-mail Id : investors@pmlindia.com / rachana.rane@pmlindia.com

11. OTHER DISCLOSURE : Related Party Transactions

The details of the related party transactions during the year under review are shown in the Notes to Accounts which form part of this Report. The Board has approved a policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such a policy has been put up on the Company's website www.pmlindia.com.

Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There was no such instance in the last 3 years.

Establishment of Vigil Mechanism, Whistle blower policy

The Company has adopted a Whistle Blower Policy to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. A copy of Whistle Blower Policy of the Company has been put up on Company's website www.pmlindia.com.

Prohibition of Insider Trading

The Company has a policy i.e., code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company. The trading window closure are intimated in advance to all the concerned during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the company.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the FY 2020-21. Also, pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Managing Director and the Chief Financial Officer (CFO) have issued a certificate to the Board for the year ended March 31, 2021.

Details of utilization of funds raised through preferential allotment or qualified institutions placement

No funds have been raised through preferential allotment or qualified institutional placement.

A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The certificate from Shri. Arun Dash, Practicing Company Secretary forms part of this Report.

Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof.

No such disclosure.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Payment to Statutory Auditors	FY 2020-21
Audit Fees	4,00,000/-
Tax Audit Fees	-
Other Services	-
Reimbursement of expenses	-
Total	4,00,000/-

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2020-21.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

a.	Number of complaints filed during the financial year	NIL
b.	Number of complaints disposed during the financial year	NIL
c.	Number of complaints pending as on end of the financial year	NIL



Details of non-compliance of any requirement of Corporate Governance Report or sub-paras (2) to (10) above, with reasons thereof

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.pmlindia.com.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in this Report.

12. CEO and CFO Certification

The Managing Director and Chief Financial Officer have given a certificate to the Board as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. Equity Shares in Suspense Account

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of Listing Regulations, 2015 the Company reports the following details in respect of equity shares lying in the Unclaimed suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	16	2650
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year;	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	16	2650

14. Code of Conduct

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., www.pmlindia.com. The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2021, is annexed to this Report on Corporate Governance.

Declaration under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Codes of Conduct, as applicable to them, for the financial year ended March 31, 2021.

For and on behalf of the Board

**Place: Thane
Date : May 28, 2021**

**Sd/-
Sharad Taparia
Managing Director**

PERMANENT MAGNETS LIMITED

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp.Silvassa Police Station,
Silvassa Vapi Main Road,
Silvassa, Dadra Nagar Haveli– 396230.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Permanent Magnets Limited** having CIN - L27100DN1960PLC000371 and having registered office at Harsh Avenue, 302, 3rd Floor, Opp.Silvassa Police Station, Silvassa Vapi Main Road, Silvassa, Dadra Nagar Haveli– 396230 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications including Director Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in the Company
1.	Shri Sharadkumar Jaiprakash Taparia	00293739	15/05/2008
2.	Shri Rajeev Jugalkishor Mundra	00139886	16/04/2007
3.	Shri Kamal Binani	00340348	26/12/2017
4.	Shri Mukul Taparia	00318434	22/09/2014
5.	Smt. Sunaina Taparia	07139610	01/04/2015
6.	Shri. Girish Ramanlal Desai	01056763	01/06/2020

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

For M/s Arun Dash & Associates
Company Secretaries

Sd/-

Arun Dash

Proprietor

C.P. No. 9309

M. No. FCS 9765

UDIN: F009765C000382874

Place: Mumbai

Date: May 28, 2021



CEO/CFO CERTIFICATE UNDER REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of PERMANENT MAGNETS LIMITED ("the Company") to the best of our knowledge and belief certify that:

- I. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2021 and that to the best of our knowledge and belief we state that:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- II. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- III. We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- IV. We have indicated to the Auditors and the Audit Committee;
 - a) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2021;
 - b) Significant changes in accounting policies during the year ended March 31, 2021 and that the same have been disclosed in the notes to the Financial Statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

For and on behalf of the Board

Place : Thane
Date: May 28, 2021

Sd/-
Sharad Taparia
Managing Director

Sd/-
Sukhmal Jain
Chief Financial Officer

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Permanent Magnets Limited

We have examined the compliance of conditions of Corporate Governance by Permanent Magnets Limited ('the Company') as stipulated in Regulation 34(3) and Schedule V of the SEBI Listing Regulations.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the following:

Pursuant to Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group must be in dematerialized form; Shareholding of one of the promoter of the company is held in physical form.

No investor grievance(s) is/ are pending for a period exceeding one month against the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

**For M/s Arun Dash & Associates
Company Secretaries**

Place: Mumbai
Date: May 28, 2021

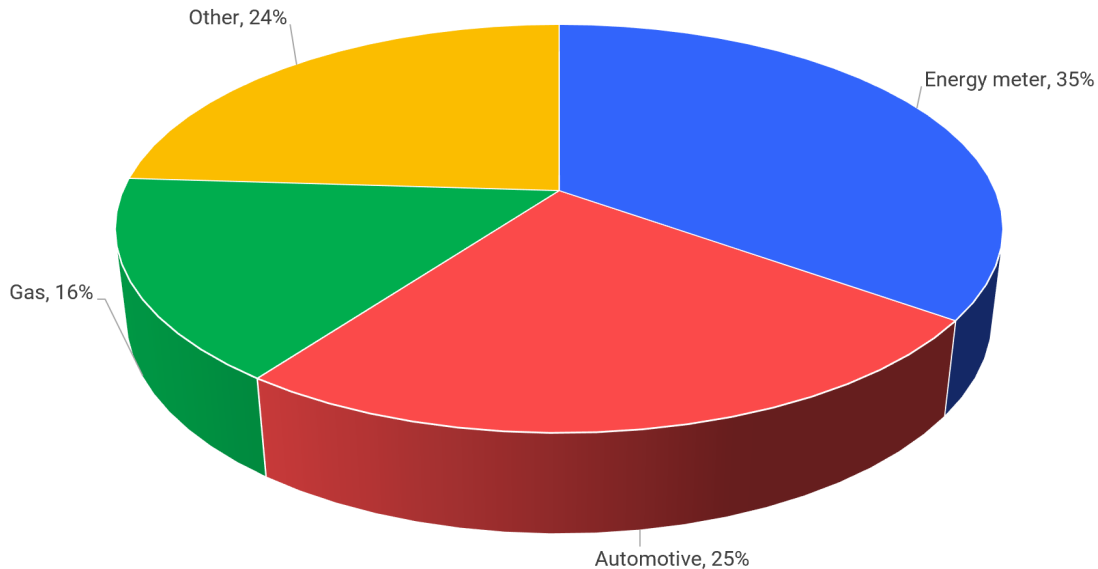
Sd/-
Arun Dash
Proprietor
C.P. No. 9309
M. No. FCS 9765
UDIN: F009765C000383204

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The company mainly supplies products to the Electricity meter, Automotive, Gas meter industry. The recent Covid crisis has reduced the demand for automotive and electricity meter parts in India. The demand in the USA and European markets is normal.

Application



Energy and Gas metering:

The global market for Smart Electricity Meters is expected to reach US\$ 28 billion by the year 2025.

Smart electricity meters are poised to witness robust adoption given their role in energy conservation & reducing wastages.

A smart meter is an electronic device capable of monitoring usage of utility services, and sharing the data with utility providers. Using two way communication, smart meters record data at the usage point and transmit the information gathered back to the utility companies.

These devices provide utilities with the opportunity to exploit data to ensure efficient use of energy, reduce wastage, and minimize human intervention. Smart metering devices in homes deliver accurate readings and eliminate incorrect billing or irregularities. By monitoring gas, water or electricity consumption, these devices allow users to reduce consumption and save on utility bills.

Governments are investing in smart metering infrastructure to gravitate towards smart grids and accommodate renewable energy. Smart meters technology is poised to experience large-scale installations in North America, Europe and Asia-Pacific, with the latter holding a key role in driving global adoption of smart meters. The increasing adoption of smart meters is attributed to their various benefits such as energy usage monitoring, energy saving, reduction in energy wastage, tab on power thefts and reduction in carbon emissions. (Source: CISION PR Newswire, marketsandmarkets.com)

The global gas meter market size reached US\$ 3.27 Billion in 2020. Gas meters are specialized flow meters that measure the volume of fuel gases like natural gas and propane. These meters also ensure the measurement of a defined volume of the gas irrespective of the quality or pressure. They assist in keeping track of the overall usage of gas, ensuring adequate gas pressure and accurate computing bills. As they are available in a wide range of types and designs, including flow and displacement meters, their demand is increasing across the globe. (Source:IMARC)

Indian Market for Smart Meters:

India smart meter market is expected to grow at a substantial rate on account of growing adoption of smart meters in the country and initiatives taken by the government such as Smart Meter National Programme. Additionally, smart meters are being implemented, with the aim of improving the efficiency of power networks. The smart meter architecture is supposed to empower consumers in choosing their power providers on one hand and help distribution companies deal with power theft on the other by minimizing human intervention in metering, billing and dues collection.



According to the latest data provided by the government, there are around 0.3 billion energy meters installed across Indian subcontinent. Over the next three years, the government aims at replacing every energy meter with smart prepaid meters. This is part of the USD40 billion worth Atal Distribution System Improvement Yojana (ADITYA), which is India's biggest energy reform movement. The government believes that the plan will increase distribution substation capacity by 38% by 2022.

Rapid increase in energy consumption, increasing investments in power and end use sectors around the country has made smart meters a necessity. The market is anticipated to grow at a significant rate in India owing to their huge market demand. Additionally, the country is focusing on upgrading and replacing old electricity meters with prepaid smart meters. (Source TechSci Research)

Electric Vehicles:

The global electric vehicle market was valued at \$162.34 billion in 2019, and is projected to reach \$802.81 billion by 2027, registering a CAGR of 22.6%. Asia-Pacific was the highest revenue contributor, accounting for \$84.84 billion in 2019, and is estimated to reach \$357.81 billion by 2027, with a CAGR of 20.1%. North America is estimated to reach \$194.20 billion by 2027, at a significant CAGR of 27.5%. Asia-Pacific and Europe collectively accounted for around 74.8% share in 2019, with the former constituting around 52.3% share. North America and Europe are expected to witness considerable CAGRs of 27.5% and 25.3%, respectively, during the forecast period. The cumulative share of these two segments was 40.1% in 2019, and is anticipated to reach 51.0% by 2027.

Electric vehicles use one or more than one electric motors or traction motors for propulsion. The electric vehicles are powered either by a collector system through electricity from charging station deployments or can be charged by self-charging devices such as regenerative braking systems and turbochargers.

Factors such as increase in demand for fuel-efficient, high-performance, and low-emission vehicles along with stringent government rules and regulations toward vehicle emission supplements the growth of the electric vehicle market. Moreover, factors such as high manufacturing cost and low fuel economy and serviceability are the factors expected to hamper the growth of the electric vehicle market. However, factors such as technological advancements and proactive government initiatives supplement the growth of the electric vehicle market during the forecast period.

Gasoline being a fossil fuel is not a renewable source of energy, and is anticipated to get exhausted in the future. To support sustainable development, it is important to develop and use alternative sources of fuel. This involves use of electric vehicles, which do not use gas and are more economical than conventional vehicles. An electric vehicle converts over 50% of the electrical energy from the grid to power at the wheels, whereas the gas-powered vehicle only manages to convert about 17%~21% of the energy stored in gasoline. The demand for fuel-efficient vehicles has increased recently owing to the rise in price of petrol and diesel. This is due to depleting fossil fuel reserves and growth in tendency of companies to gain maximum profit from these oil reserves. Thus, these factors give rise to the need for advanced fuel-efficient technologies, leading to a surge in demand for electrically powered vehicles for travel. (Source :Allied Market Research)

RISK AND CONCERN:

The management has identified a few key risks based on its past experience and a study of the current business and general scenario:

Policy Change Risk: Policy Change risks occur due to a change in government, legislation, policies and regulations.

Macroeconomic Risk: Macroeconomic risks emerge from adverse economic conditions affecting the market, credit, liquidity and financial, capital market. Any volatility in the money and capital markets may affect interest rate and borrowing costs and have an impact on the Company's business activities and exposure.

Exchange Rate Risk: As the Company exports its products and imports some of its raw materials; volatility in the exchange rate might have an impact on the Company's business.

Geopolitical and global pandemic risk: Geopolitical tensions between different geographies can impact the Company's export business. Further, spread of pandemic such as the COVID-19 outbreak may impact its business negatively with production, manpower and supply chain disruptions.

Operational Risk: Operations can be impacted for multiple reasons like natural calamities, operational inefficiency, internal failures, failure to fulfill the customer/ client requirement on time, defaulting in deliverables and failure to fulfill regulatory compliances. These may lead to litigation, customer and supplier loss, unexpected business loss and even closing down of business.

Competition Risk: The sector in which PML operates is highly competitive in nature. If the competition offers better pricing and superior quality, technology, services, facilities and variety, it may impact sales revenue and profitability of the Company.

The Company has established the process of identifying, analyzing and treating risks, which could prevent the Company from effectively achieving its objectives. It ensures that all the risks are timely defined and mitigated in accordance with the well structured risk management Process.

OUTLOOK:

The spread of the coronavirus pandemic is likely to affect the global economy.

However, the impact of the pandemic is likely to remain in the short term. The long term outlook for PML's business is positive. The Company has been constantly working towards building a pipeline of projects for growth.

The Company is also undertaking several initiatives such as cost optimization and will focus on productivity improvement measures to maximize profitability. The Company will endeavor to sustain this phase in a prudent, balanced and agile manner and emerge stronger once the crisis gets over to resume its growth and expansion trajectory.

INTERNAL CONTROLS AND SYSTEMS:

There are established procedures for internal control on a Company-wide basis. Policies and procedures have been laid down to provide reasonable assurances that assets are safeguarded from risks of unauthorised use / disposition and transactions are recorded and reported with proprietary, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audits. The Company has also laid down adequate internal controls for financial reporting. During the year, such controls were tested and no material weakness in their operating effectiveness was observed. Finance and Accounts function is well-staffed with experienced and qualified personnel. This team participates in the preparation & monitoring of budgets. Internal Audit Reports are reviewed by the Audit Committee of the Board from time to time.

FINANCIAL PERFORMANCE:

INCOME: Revenue from operations reported 9.50 % growth from Rs.10656.05 Lakhs in FY 2019-20 to Rs. 11667.93 Lakhs in 2020-21.

EXPENSE : Total expenses of the Company increased by 6 % from Rs. 9032.83 Lakhs in FY 2019-20 to Rs.9574.43 Lakhs in FY 2020-21 due to higher production.

EBITDA: EBITDA for F.Y 2020-21 was Rs. 2613.48 Lakhs compared to Rs. 2325.05 Lakhs for the previous year.

PAT: Net Profit after Tax for the F.Y.2020-21 stood at Rs. 1615.38 Lakhs as against Rs. 1428.46 Lakhs for the previous year.

SIGNIFICANT CHANGES IN FINANCIAL RATIOS:

During the year, on a standalone basis, significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:

Financial Ratio	FY 2020-21	FY 2019-20	Change (%)	Reason for change
Current Ratio	3.24	3.13	3.51	-
Return on Net Worth	25.23	29.84	(15.45)	Increase in Net worth due to increase in net profit
Net Profit Margin	13.74	13.07	5.13	-
Debtors Turnover (in Days)	103	94	9	-
Inventory Turnover	2.78	2.88	3	-
Operating Profit Margin	22	21	4.76	-
Debt Equity Ratio	0.21	0.21	0	-
Interest Coverage Ratio	15.82	10.75	47.16	Increase in profit and decrease in finance cost

INDUSTRIAL RELATION AND HUMAN RESOURCE MANAGEMENT :

The Company believes that motivation of employees is the key to its success. In view of this, it is committed to equip them with the required training and skills, enabling them to evolve with technological advancements and achieve financial goals. Considering the health and safety of employees and advisories, orders and directions issued by State and Central Governments to restrict the novel corona virus, the Company implemented a work from home policy to ensure employee safety.

The HR department of the Company was continuously in touch with employees to guide and solve problems. It created awareness regarding COVID-19 and educated employees about precautions by conducting various seminars. The Company prepared a systematic operating plan to address COVID-19 after the lockdown is lifted. The Company's permanent employee strength stood at 111 as on 31st March, 2021.

CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing your company's Objectives, estimates, expectations or projections may constitute "forward looking statements", within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied in the statements.

Important factors that would influence the Company's operations include cost of raw materials, tax laws, interest and power cost and economic developments particularly in view of ongoing pandemic COVID 19 and such other factors within the country and the international economic and financial developments.



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

PERMANENT MAGNETS LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of **PERMANENT MAGNETS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2021, the statement of profit and loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in equity for the year ended, and notes to the 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31st March, 2021, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us except the matters reported in the notes to accounts.

Emphasis of Matters

We draw attention to the following matters in the Notes to the Financial Statements:

- a. We draw attention to Note no. 3 of notes to accounts, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed against the Company dated 15/04/2015.

Honorable High Court of Bombay had passed winding up order dated 15/04/2015 for Winding up of the company on petition filed by M/s. Savino Del Bene Freight Forwarders (I) Pvt. Ltd., and court had issued direction for appointment of official liquidator in winding up order.

On the appeal against this order made by the company before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. Company has deposited Rs. 19,05,179/- Lac with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court and next hearing in this matter shall come up as per listing of the court.

The financial statements of the company have been prepared on Going Concern Basis on reasons mentioned in the note no. 3 of notes of accounts.

- b. We draw attention to Note no. 4 of notes to accounts of the financial statement regarding non receipts of confirmation in respect of balances due under Trade receivables and Trade payables, Loans and advances receivable though company has issued letters to the Trade receivables and Trade Payables to that effect, adjustments, if any, required upon such confirmation is not ascertainable.
- c. We draw your attention to Note no.19 of the Notes to Accounts of Ind AS Financial Statement, which states the impact of Coronavirus disease 2019 (COVID-19) on the operations of the Company.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Due to outbreak of COVID-19 globally and in India, the company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is likely to be short term in nature. The management does not see any medium to long term risks in the company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its operations. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the company, as at the date of approval of these financials statements has used internal sources of information and market base intelligence to arrive at its estimate.

Responsibility of Management and Those Charged With Governance 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), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has 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 management.



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

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 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, 2016("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by 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 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 Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on 31st March, 2021, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2021 on its financial position in its standalone financial statements - Refer Note No. 2 of Notes to Accounts to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. Company has not distributed dividend during year so there is no question of transferring amounts to the Investor Education and Protection Fund by the Company. Therefore, point is not applicable to the company.

For Ramanand & Associates
Chartered Accountants
ICAI Firm Reg. No. 117776W

Sd/-
CA Karan Verma
Partner

Place: Mumbai
Date: 28/05/2021

M. No. 161335
UDIN: 21161335AAAABQ9503

Annexure “A” to the Independent Auditor’s Report

The referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

- I. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, no material discrepancies were noticed on physical verification and on the basis of our examination of the records of the Company, Company did not have any immovable property except 15% share of Borivali (Mumbai) property sold to Builder.
- II. According to the information and explanations given to us, management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- III. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- IV. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- V. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- VI. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act’2013.
- VII. According to the information and explanations given to us, in respect of statutory dues:
 - a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Goods and Service Tax, duty of customs, professional tax and other material statutory dues, as applicable, with the appropriate authorities.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Goods and Service Tax, duty of customs, professional tax and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable, except the following:

Nature of Dues	Amount (INR in Lakhs)	Due date
TDS	4.25	As per Traces site of Income Tax (TDS)

- c. According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, income tax, Goods and Service Tax, duty of customs, professional tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, except the following:

Nature of Dues	Amount (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	63.18	F.Y. 2003-04	CESTAT – Mumbai

- VIII. According to the records of the Company examined by us and the information and explanation given to us, we are of the opinion that the company has not defaulted in repayment of dues to Financial Institutions or Banks, except following payments.

Bank	Nature	Amount (INR in Lakhs)	Due on	Paid on
ICICI	Interest on Central Excise Loan	175.85*	Between October 2002 to November 2017	Not yet paid

*it is simple interest @ 12% provided by the company till the last repayment of the loan .



- IX. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments). The company has applied funds from term loans raised during the year only for the purpose for which those term loans were raised.
- X. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- XI. According to the information and explanations give to us and based on our examination of the records, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- XIV. According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- XV. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For Ramanand & Associates
Chartered Accountants
ICAI Firm Reg. No. 117776W

Sd/-

CA Karan Verma
Partner

M. No. 161335

UDIN: 21161335AAAAABQ9503

Place: Mumbai
Date: 28/05/2021

Annexure “B” to the Independent Auditor’s Report

[Referred to in Para 12(f) ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report of even date to the members of Permanent Magnets Limited on the Ind AS financial statement for the year ended 31st March 2021]

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 **PERMANENT MAGNETS LIMITED** (“The Company”) as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 the internal controls 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 over financial reporting’s.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedure may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal controls over financial reporting were effective as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essentials 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 Ramanand & Associates
Chartered Accountants
ICAI Firm Reg. No. 117776W

Sd/-
CA Karan Verma
Partner
M. No. 161335

Place: Mumbai
Date: 28/05/2021



BALANCE SHEET AS AT 31ST MARCH, 2021

(Amount in INR)

Particulars	Note No	As at 31.03.2021	As at 31.03.2020
ASSET			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2	5,12,80,157	5,03,02,802
(b) Other Intangible assets	2	20,31,457	10,40,281
(c) Right-of-use Assets	2	2,73,20,600	4,16,21,838
(d) Financial Assets			
(i) Loans	3	77,64,053	66,27,527
(e) Deferred Tax Assets (Net)	4	1,56,58,600	1,50,13,057
(f) Other Non-Current Assets	5	95,78,391	57,02,566
		11,36,33,257	12,03,08,071
(2) Current Assets			
(a) Inventories	6	21,00,53,514	19,24,77,027
(b) Financial Assets			
(i) Trade Receivables	7	32,86,97,082	27,29,69,013
(ii) Cash and Cash Equivalents	8	3,43,16,684	1,98,23,054
(iii) Bank Balances	9	19,34,35,507	6,15,74,590
(iv) Loans	10	79,30,719	56,78,305
(c) Other Current Assets	11	5,18,52,270	5,82,64,024
		82,62,85,775	61,07,86,013
Total Assets		93,99,19,032	73,10,94,083
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	12	8,59,84,530	8,59,84,530
(b) Other Equity	13	55,42,85,241	39,27,47,480
		64,02,69,771	47,87,32,010
Liabilities			
(2) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	1,80,75,311	1,85,24,205
(ii) Other Financial Liabilities	15	1,87,40,348	3,04,01,873
(b) Provisions	16	76,24,105	83,94,027
		4,44,39,764	5,73,20,105
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	-	10,73,516
(ii) Trade Payables	18	22,15,34,393	14,98,30,891
(iii) Other Financial Liabilities	19	2,36,41,188	3,17,84,708
(b) Other Current Liabilities	20	46,43,006	84,81,551
(c) Provisions	21	4,03,919	1,77,705
(d) Current Tax Liabilities	22	49,86,992	36,93,596
		25,52,09,497	19,50,41,968
Total Equity and Liabilities		93,99,19,032	73,10,94,083

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our report of even date.

For Ramanand & Associates

Chartered Accountants

ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner

M. No. 161335

UDIN: 21161335AAAABQ9503

Mumbai, May 28, 2021

For & on behalf of the Board

Sharad Taparia

Managing Director

DIN:00293739

Mukul Taparia

Director

DIN: 00318434

Sukhmal Jain

Chief Financial officer

Rachana Rane

Company Secretary

PERMANENT MAGNETS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in INR)

	Particulars	Note No	31.03.2021	31.03.2020
I	Revenue From Operations	23	1,16,67,93,347	1,06,56,05,418
II	Other Income	24	88,57,910	2,70,23,772
III	Total Income (I+II)		1,17,56,51,257	1,09,26,29,190
IV	EXPENSES			
	Cost of materials consumed	25	53,87,93,865	51,66,77,331
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	26	2,08,10,734	(1,04,84,782)
	Employee benefits expense	27	7,44,63,535	7,62,81,716
	Finance costs	28	1,02,10,165	1,32,87,594
	Depreciation and amortization expense	29	3,29,29,417	2,98,71,332
	Other expenses	30	28,02,34,815	27,76,49,652
	Total expenses (IV)		95,74,42,531	90,32,82,843
V	Profit/(loss) before exceptional items and tax (I- IV)		21,82,08,726	18,93,46,348
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		21,82,08,726	18,93,46,348
VIII	Tax expense:			
	(1) Current tax		5,61,06,382	4,84,78,823
	(2) Deferred tax		(6,45,543)	(23,81,278)
	(3) Short /Excess provision of earlier years		13,68,734	51,696
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		16,13,79,152	14,31,97,107
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		16,13,79,152	14,31,97,107
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	31	1,58,609	(3,51,047)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		16,15,37,761	14,28,46,060
XVI	Earnings per equity share (for continuing operation):	32		
	(1) Basic		18.79	16.61
	(2) Diluted		18.79	16.61
XVII	Earnings per equity share (for discontinued operation):	32		
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share (for discontinued & continuing operations):	32		
	(1) Basic		18.79	16.61
	(2) Diluted		18.79	16.61

The Notes are an integral part of these financial statements

As per our report of even date.

For Ramanand & Associates

Chartered Accountants

ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner

M. No. 161335

UDIN: 21161335AAAABQ9503

Mumbai, May 28, 2021

For & on behalf of the Board

Sharad Taparia

Managing Director

DIN:00293739

Sukhmal Jain

Chief Financial officer

Mukul Taparia

Director

DIN: 00318434

Rachana Rane

Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in INR)

Particulars	31.03.2021	31.03.2020
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items (PAT)	21,83,67,335	18,89,95,301
Adjustment for :		
Depreciation & Amortization		
Depreciation for PPE	1,86,28,179	1,54,99,032
Depreciation for Leased assets	1,43,01,238	1,43,72,300
Impairment	-	2,55,482
Loss/(Profit) on Sale of Assets	(45,229)	(1,37,626)
Finance Charges	45,61,201	69,71,042
Financial Charges under lease agreement	56,48,964	63,16,552
Interest income on security deposit	(11,36,526)	-
Misc balance w/off	(34,813)	1,60,350
Lease liability on transition of lease as per IND AS 116 (Profit/(loss) on lease modification & Others)	-	13,49,295
Short /Excess provision of earlier years	(13,68,734)	(51,696)
Unrealised Foreign Exchange Gain	(7,64,082)	(1,03,38,046)
Operating Profit before working Capital Changes	25,81,57,533	22,33,91,987
Adjustment for:		
Inventories	(1,75,76,487)	(1,70,02,322)
Trade Receivables	(5,43,29,255)	5,53,58,836
Other Assets	(13,15,77,403)	(8,87,84,495)
Trade Payables	7,16,86,439	(4,62,17,099)
Other Liabilities	(59,75,895)	3,67,03,935
	12,03,84,931	16,34,50,843
Direct Taxes Paid	5,11,19,390	4,84,78,823
Net cash flow from Operating Activities	6,92,65,541	11,49,72,020
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of/ (Additions to) Fixed Assets	(2,05,51,480)	(1,53,98,750)
Sale of/ (Additions to) investments (net)	-	-
Net cash used in investing activities	(2,05,51,480)	(1,53,98,750)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	(4,48,894)	(38,89,490)
Proceeds from Short Term Borrowings (Net)	(16,56,372)	(5,72,81,061)
Finance Charges paid (Net)	(45,61,201)	(1,32,87,594)
Payment of Lease liabilities	(2,75,53,964)	(1,33,50,235)
Net cash from Financing Activities	(3,42,20,431)	(8,78,08,380)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,44,93,630	1,17,64,890
Opening Cash and Cash Equivalents	1,98,23,054	80,58,165
Closing Cash and Cash Equivalents	3,43,16,684	1,98,23,054

Notes :

1. The above statement has been prepared in indirect method as described in Ind AS -7 issued by ICAI.
2. Cash and Cash Equivalent

Cash and Cash Equivalent	31.03.2021	31.03.2020
Cash in hand	4,21,865	4,42,424
Balance with Banks	3,38,94,819	1,93,80,630
Total	3,43,16,684	1,98,23,054

As per our report of even date.
For Ramanand & Associates
 Chartered Accountants
 ICAI Firm Reg. No. 117776W

For & on behalf of the Board

CA Karan Verma
 Partner
 M. No. 161335
 UDIN: 21161335AAAABQ9503

Sharad Taparia
 Managing Director
 DIN:00293739

Mukul Taparia
 Director
 DIN: 00318434

Sukhmal Jain
 Chief Financial officer

Rachana Rane
 Company Secretary

Mumbai, May 28, 2021

PERMANENT MAGNETS LIMITED

STATEMENT SHOWING CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2021

A. Equity Share Capital

(Amount in INR)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
8,59,84,530	-	8,59,84,530

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	2,80,19,668	36,47,27,812	-	39,27,47,480
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2,80,19,668	36,47,27,812	-	39,27,47,480
Total Comprehensive Income for the year	-	-	16,13,79,152	-	16,13,79,152
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	1,58,609	-	1,58,609
Any other change	-	-	-	-	-
Balance at the end of the reporting period	-	2,80,19,668	52,62,65,573	-	55,42,85,241

STATEMENT SHOWING CHANGES IN EQUITY FOR THE PERIOD ENDED AS AT 31ST MARCH, 2020

A. Equity Share Capital

(Amount in INR)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
8,59,84,530	-	8,59,84,530

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	2,80,19,668	21,85,00,407	-	24,65,20,075
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	2,80,19,668	21,85,00,407	-	24,65,20,075
Total Comprehensive Income for the year	-	-	14,31,97,107	-	14,31,97,107
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	(3,51,047)	-	(3,51,047)
Any other change	-	-	33,81,345	-	33,81,345
Balance at the end of the reporting period	-	2,80,19,668	36,47,27,812	-	39,27,47,480

2 Fixed Assets



Sr No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK			
		01.04.2020		31.03.2021		01.04.2020		During the year		Upto 31.03.2021		As at 31.03.2021	
		INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
A	Tangible Assets												
1	Freehold Land	15,253	-	15,253	-	-	-	-	-	-	-	15,253	15,253
2	Building	61,93,756	-	61,93,756	20,82,956	4,00,411	20,82,956	24,83,367	24,83,367	24,83,367	37,10,389	37,10,389	41,10,800
3	Plant & Machinery*	8,80,49,678	1,31,20,061	10,06,16,989	5,52,750	1,42,57,416	4,58,26,057	94,979	5,99,88,494	94,979	4,06,28,495	4,22,23,621	4,22,23,621
4	Electric Installation	1,38,941	-	1,38,941	-	3,993	62,578	-	66,571	-	72,370	76,363	76,363
5	Laboratory Equipments	4,258	-	4,258	-	-	519	-	519	-	3,739	3,739	3,739
6	Automobiles & Vehicles	62,22,224	52,14,390	1,14,36,614	-	21,82,400	44,18,335	-	66,00,735	-	48,35,879	18,03,889	18,03,889
7	Furniture & Fixtures	10,43,308	42,000	10,85,308	-	73,206	5,84,357	-	6,57,563	-	4,27,745	4,58,951	4,58,951
8	Office Equipments	47,59,536	10,34,029	57,93,565	-	10,57,928	31,49,349	-	42,07,277	-	15,86,288	16,10,187	16,10,187
	TOTAL A	10,64,26,953	1,94,10,480	12,52,84,683	5,52,750	1,79,75,354	5,61,24,152	94,979	7,40,04,527	94,979	5,12,80,157	5,03,02,802	5,03,02,802
B	Intangible Assets												
1	Computer Software	18,21,820	16,44,000	34,65,820	-	6,52,824	7,81,539	-	14,34,363	-	20,31,457	10,40,281	10,40,281
	TOTAL B	18,21,820	16,44,000	34,65,820	-	6,52,824	7,81,539	-	14,34,363	-	20,31,457	10,40,281	10,40,281
	TOTAL (A+B)	10,82,48,773	2,10,54,480	12,87,50,503	5,52,750	1,86,28,178	5,69,05,691	94,979	7,54,38,890	94,979	5,33,11,613	5,13,43,082	5,13,43,082
	Previous Year	9,31,71,323	1,56,38,750	10,82,48,773	5,61,300	1,54,99,031	4,16,10,104	2,03,444	5,69,05,691	2,03,444	5,13,43,082	5,15,61,221	5,15,61,221

*Plant & Machinery includes Misc Factory Equipments

C Particulars	Building
Cost	
Recognition on Initial application of Ind AS 116 as at April 01, 2019	5,79,56,679
Reclassified on account of adoption of Ind AS 116	-
Addition during the year	-
As at 31.03.2021	5,79,56,679
Accumulated Depreciation 01.04.2020	
Depreciation for the year	1,63,34,841
As at 31.03.2021	1,43,01,238
Net Block	
As at 31.03.2021	3,06,36,079
	-
As at 31.03.2021	2,73,20,600

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 3: Loans

Particulars	As at 31.03.2021	As at 31.03.2020
Security Deposits	77,64,053	66,27,527
Total	77,64,053	66,27,527
Secured, considered good	-	-
Unsecured, considered good	77,64,053	66,27,527
Doubtful	-	-

Note 4: Deferred Tax Asset

<u>Deferred Tax Asset</u>		
- On account of Depreciation difference	38,74,743	43,17,307
- On account of Depreciation difference ROU	28,23,841	-
- On account of Depreciation diff. (ROU diff in Retained earning)	20,32,050	-
- On account of Disallowance of expenses	62,82,423	62,82,423
	1,50,13,057	1,05,99,730
<u>Add/Less:</u>		
- On account of Depreciation diff.	22,62,641	4,42,563
- On account of Depreciation diff. (ROU)	(16,17,098)	(28,23,841)
- On account of Depreciation diff. (ROU diff in Retained earning)	-	(20,32,050)
	6,45,543	(44,13,328)
Total	1,56,58,600	1,50,13,057

Note 5: Other Non-Current Assets

Security Deposits with Govt Dept	30,13,824	30,13,824
Capital Advances	65,64,567	26,88,742
Total	95,78,391	57,02,566
Secured, considered good	-	-
Unsecured, considered good	95,78,391	57,02,566
Doubtful	-	-

Note 6: Inventories

Raw materials	16,68,06,470	12,86,69,284
Work-in-progress	2,44,84,513	4,59,50,129
Stores and spares	24,82,005	22,31,970
Finished goods	1,62,80,526	1,56,25,644
Total	21,00,53,514	19,24,77,027

Note 7: Trade Receivables

Secured, considered good	-	-
Unsecured, considered good	32,86,97,082	27,29,69,013
Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Total	32,86,97,082	27,29,69,013

Note 8: Cash and Cash Equivalents

Balances with Banks	3,38,94,819	1,93,80,630
Cash on hand	4,21,865	4,42,424
Total	3,43,16,684	1,98,23,054



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 9: Bank Balances

Particulars	As at 31.03.2021	As at 31.03.2020
Term Deposits*	19,34,35,507	6,15,74,590
Total	19,34,35,507	6,15,74,590

* Bank deposits of INR 658.00 Lakhs (P.Y. INR Nil Lakhs) held as collateral security for various banks limit and INR 189.83 Lakhs (P.Y. INR 206.68 Lakhs) held as margin money against bank guarantee/LC.

Note 10: Loans

Advances recoverable in cash or kind	78,74,719	56,59,305
Loans & Advances to Employees	56,000	19,000
Total	79,30,719	56,78,305
Secured, considered good	-	-
Unsecured, considered good	79,30,719	56,78,305
Doubtful	-	-

Note 11: Other Current Assets

Advance to Suppliers	72,80,913	66,04,318
Balance with statutory/ Government Authorities	4,23,49,419	4,85,39,634
Prepaid Expenses	22,21,936	30,90,072
Other Assets	-	30,000
Total	5,18,52,268	5,82,64,024

Note 12: Equity Share Capital

AUTHORIZED CAPITAL		
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of INR 10/- each	10,00,00,000	10,00,00,000
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/ Non-Cumulative Preference Shares of INR 10/- each	6,00,00,000	6,00,00,000
	16,00,00,000	16,00,00,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL:		
85,98,453 (P.Y. 85,98,453) Equity Shares of INR 10/- each, Fully Paid-Up	8,59,84,530	8,59,84,530
Total	8,59,84,530	8,59,84,530

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

Equity Shares

Particulars	31st March, 2021	31st March, 2020
	No of Shares	No of Shares
Number of Shares at the beginning	85,98,453	85,98,453
Add:- Number of Shares Issued	-	-
Number of Equity Shares at the end	85,98,453	85,98,453

12.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Amount INR 10/- each per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

12.3 Details of shareholders holding more than 5% shares in the company

Particulars	31st March, 2021	
	No of Shares held	% of Holding
Equity shares of INR 10 each fully paid		
Sharad Jaiprakash Taparia	1002560	11.66
Mukul Taparia	971872	11.3
Shyamsunder Taparia	848989	9.87
Kamladevi Taparia	712695	8.29
Jaiprakash Hanumanbux Taparia	465719	5.42

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

Note 13: Other Equity

Particulars	As at 31.03.2021	As at 31.03.2020
Securities Premium Reserve		
Opening Balance	2,80,19,668	2,80,19,668
Add/Less:	-	-
Closing Balance	2,80,19,668	2,80,19,668
General Reserve		
Opening Balance	-	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-	-
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	36,47,27,812	21,85,00,407
Add: Profit / (Loss) of the year	16,15,37,761	14,28,46,060
Less: Adjustment on a/c of Lease	-	(80,73,942)
Add: DTA on above adjustment	-	20,32,050
Add: MAT credit utilised of earlier years	-	94,23,237
Closing Balance	52,62,65,573	36,47,27,812
Total Equity	55,42,85,241	39,27,47,480

Note: The Board of Directors, in their meeting on May 28, 2021, have proposed a final dividend of Re. 1/- per equity share for the financial year ended March 31, 2021. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 17, 2021 and if approved would result in a cash outflow of approximately Rs. 85.98 lakhs.

Note 14: Borrowings

Term Loan		
Rupee Loan from Bank	2,62,189	4,52,366
Rupee Loan from Financial Institutions	2,28,056	4,86,772
Central Excise loan*	1,75,85,066	1,75,85,066
Total	1,80,75,311	1,85,24,205
<u>The above amount includes</u>		
Secured Borrowings	1,80,75,311	1,85,24,205
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Director relative's (see note below)	4,90,245	9,39,139

14.1 Rupee Loans from banks are repayable in 3 years to 5 years from the date of loan and interest ranging from 9% to 12%. Above loans are secured by first charges on specific assets financed by the lender and first pari passu charges on all the present and future fixed assets.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

14.2 Details of defaults as at year end in repayment of Term Loans are as follows :

Name of Bank	Amount including Interest (In INR)
Central Excise Loan - ICICI Bank *	1,75,85,066

* During FY 2017-18 Company repaid entire principal amount of Central Excise loan of ICICI Bank but Interest is not paid so default persist to the extent of interest amount till the last payment of principal of loan.

Note 15: Other Financial Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Lease Liability*	1,87,40,348	3,04,01,873
Total	1,87,40,348	3,04,01,873

* Building have been taken on lease by the Company . The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent .There is no contingent rent, no sub -leases and no restrictions imposed by the lease agreements.

Note 16: Provisions

Provision for Gratuity	42,48,562	45,35,135
Provision for Leave Encashment	33,75,543	38,58,892
Total	76,24,105	83,94,027

Note 17: Borrowings

Foreign Currency Loan from Banks*	-	-
Rupee Loan from Banks	-	10,73,516
Total	-	10,73,516
<u>The above amount includes</u>		
Secured Borrowings	-	10,73,516
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Promoters/ Directors	-	10,73,516

17.1 Foreign as well as Rupee currency Loans are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future on pari pasu basis . These working capital facilities are further secured against Fixed deposit of INR 6.58 Crore plus interest accrued thereon and first /second pari passu charge on entire fixed assets of the company (excluding Borivali property). The portion of working capital limits from Central Bank of India is exclusively secured by 2500 square feet constrctable area of Borivali property out of 15% share of the company. Further these facilities are secured by personal guarantees of Director's relatives.

Note 18: Trade Payables

Micro Small & Medium Enterprises	3,84,33,947	1,76,02,351
Others	18,31,00,446	13,22,28,540
Total	22,15,34,393	14,98,30,891

Note 19: Other Financial Liabilities

Current maturities of long term debts	4,48,893	8,64,017
Lease Liabilities*	1,33,75,003	1,71,82,014
Other Liabilities	98,17,292	1,37,38,678
Total	2,36,41,188	3,17,84,708

* Building have been taken on lease by the Company . The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent .There is no contingent rent, no sub -leases and no restrictions imposed by the lease agreements.

Note 20: Other Current Liabilities

Withholding & Other taxes payable	15,54,893	14,98,796
Advances received from Customers	30,88,113	69,82,755
Total	46,43,006	84,81,551

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 21: Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Gratuity	73,763	73,522
Provision for Leave Encashment	3,30,156	1,04,183
Total	4,03,919	1,77,705

Note 22: Current Tax Liability (Net)

Provision for Income Tax *	49,86,992	36,93,596
Total	49,86,992	36,93,596

* Provision for income tax is net of advance taxes paid.

Note 23: Revenue from Operations

Sale of Products		
Cast Magnets & Magnetic Assembly	16,39,17,920	19,28,39,457
Parts & Accessories of Electricity Meter	95,49,05,375	80,59,09,283
Sale of services		
Job work Sale	20,52,184	7,71,548
Total A	1,12,08,75,478	99,95,20,288
Other Operational Income		
Export Benefits	1,61,83,164	2,61,22,312
Other income	-	1,22,092
Sale of Residue	2,97,34,704	3,98,40,726
Total B	4,59,17,868	6,60,85,130
Revenue from Operations (Gross)	1,16,67,93,347	1,06,56,05,418

Note 24: Other Income

Other Miscellaneous Income	13,47,621	18,42,962
Profit /(Loss) on Sale of Assets	45,229	1,37,626
Interest Income	51,09,045	19,27,336
Interest on Security Deposit	11,36,526	6,45,755
Exchange differences (net)	12,19,490	2,24,70,093
Total	88,57,910	2,70,23,772

Note 25: Cost of Material Consumed

Inventory at the beginning of the year	12,86,69,284	12,23,35,925
Add: Purchases (net)	57,69,31,051	52,30,10,690
	70,56,00,335	64,53,46,615
Less : Inventory at the end of the year	16,68,06,470	12,86,69,284
Cost of raw material & components Consumed	53,87,93,865	51,66,77,331

Note 26: Change in Inventories of WIP & Finished Goods

Inventory at the end of the year		
Work-in-progress	2,44,84,513	4,59,50,129
Finished goods	1,62,80,526	1,56,25,644
	4,07,65,039	6,15,75,773
Less:		
Inventory at the beginning of the year		
Work-in-progress	4,59,50,129	4,04,48,889
Finished goods	1,56,25,644	1,06,42,102
	6,15,75,773	5,10,90,991
Total	2,08,10,734	(1,04,84,782)



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 27: Employee Benefit Expenses

Particulars	As at 31.03.2021	As at 31.03.2020
Contribution to PF & Other Fund	29,23,750	28,56,635
Gratuity Expenses	6,96,354	6,74,193
Salaries, Wages & Bonus	6,93,41,068	6,96,72,063
Staff Welfare Expenses	14,57,524	30,30,825
VRS Compensation	44,839	48,000
Total	7,44,63,535	7,62,81,716

Note 28: Financial Cost

Interest	1,26,262	21,12,922
Other Borrowing cost*	23,41,338	23,89,669
Exchange difference on borrowings (net)	5,82,856	(3,07,290)
Interest on Lease Liabilities	56,48,964	76,16,765
LC & Bill Discounting Charges	15,10,745	14,75,528
Total	1,02,10,165	1,32,87,594

*includes Bank charges & BG Commission

Note 29: Depreciation & Amortised Cost

Depreciation	1,79,75,355	1,51,68,524
Amortisation	6,52,824	3,30,507
Depreciation on Right of use assets	1,43,01,238	1,43,72,300
Total	3,29,29,417	2,98,71,331

Note 30: Other Expenses

<u>Manufacturing Expenses</u>		
Consumption of Stores, Spares & Consumables	2,87,85,282	2,45,38,996
Freight Inward	42,95,762	39,46,467
Sub-Contract Charges & Labour Charges	10,80,99,792	9,99,34,438
Repairs & Maintenance - Machinery	49,60,314	43,22,158
Power & Fuel Charges	2,00,26,599	2,31,05,003
A	16,61,67,749	15,58,47,062
<u>Selling & Distribution Expenses</u>		
Advertising & Sales Promotion Expenses	11,84,823	13,03,213
Commission to Selling Agents	3,32,53,727	2,85,93,794
Freight Outward & Transportation	3,36,94,008	3,64,84,489
Hiring charges	1,80,600	1,36,500
B	6,83,13,158	6,65,17,996
<u>Administrative & Other Expenses</u>		
Advertisement	2,67,400	1,26,760
Auditors Remuneration	4,00,000	4,00,000
Bank Charges	2,15,952	4,94,668
Bad Debts	-	30,167
Brokerage	-	7,50,000
Computer & Software Expenses	14,49,072	10,81,605
Directors' Sitting Fees	2,65,000	2,05,000
Travelling & Conveyance	39,28,645	61,92,413
Insurance	23,50,967	16,16,352

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Particulars	As at 31.03.2021	As at 31.03.2020
Printing & Stationery Expenses	7,74,869	7,92,429
Legal & Professional Charges	1,75,11,831	1,81,76,011
Miscl Exp	10,58,824	20,26,216
Rates & Taxes	25,19,221	55,27,415
Rent Exp	96,230	11,14,600
Security Service Charges	31,46,412	31,16,191
Communication Cost	19,38,744	20,38,840
Vehicle Running exp	18,52,695	19,62,792
Repairs - Building	23,43,335	49,38,602
Repairs - Others	4,03,682	3,60,426
Office Expense	11,23,966	10,47,457
Misc-Balance W/off	7,02,930	1,60,350
Loss on sale of License	-	6,00,291
Impairment of Assets	-	2,55,482
Listing and membership fee	3,00,000	3,32,500
Corporate Social Responsibility	31,04,132	19,38,026
C	4,57,53,908	5,52,84,593
Total A+B+C	28,02,34,815	27,76,49,652

Note 31: Items that will not be reclassified to profit or loss

Particulars	As at 31.03.2021	As at 31.03.2020
Remeasurements of the defined benefit plans	1,58,609	(3,51,047)
Others	-	-
Total	1,58,609	(3,51,047)

Note 32: Earning per Share

For Continued Operations	As at 31.03.2021	As at 31.03.2020
Profit/(Loss) attributable to Equity shareholders	16,15,37,761	14,28,46,060
<u>Weighted Average Number of Shares for Basic and Diluted EPS</u>	85,98,453	85,98,453
Basic EPS (Amount in Rs.)	18.79	16.61
Diluted EPS (Amount in Rs.)	18.79	16.61



SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Corporate Information

Permanent Magnet Limited is one of the flagship Companies of Taparia Group, Mumbai and one of the leading manufacturers of Cast alloy Permanent Magnets, Parts and accessories of electricity and electric vehicle parts in the world. PML also supplies Gas meters parts and accessories. The assembly includes Die cast parts, Plastic parts, Brass parts, Bi-metal parts, Stainless steel parts and special copper alloy and nickel alloy parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML is adding similar range of product and forward integration of parts to assemblies in current business based on customer demand. Company has good customer base in India as well as in Europe, USA, South America and South East Asia. Permanent Magnets Limited (the 'Company') is listed on the Bombay Stock Exchange (BSE). The Significant Accounting Policies are as follows:

Significant Accounting Policies:

A. Basis of Preparation

a. Compliance with Ind AS

The financial statement complies in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

b. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans-plan assets measured at fair value;

B. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has identified Managing Director as chief operating decision maker. Refer note 6 of Notes to Accounts for segment information presented.

C. Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

D. Revenue Recognition

Effective April 1, 2018, the company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Other income is comprised primarily of interest income, dividend income, gain/loss on investments, exchange gain/loss on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Claims for export incentives/ duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

E. Income tax

Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets including Minimum Alternate Tax (MAT) are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

F. Leases

As a lessee

Initial measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability: Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a WDV basis over the shorter of the lease term and useful life of the underlying asset.

Impairment:

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor:

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard prospectively to its leases.

G. Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

H. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

J. Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprise of cost of purchase.

Cost of work-in-progress and manufactured finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

K. Financial Instruments:**(i) Financial assets:****Initial recognition and measurement**

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. All financial assets not recorded at fair value though profit or loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For Purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss as doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;
 - (a) The company has transferred substantially all the risks and rewards of the asset, or
 - (b) The company has either transferred substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

(ii) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities

Initial recognition and measurement

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

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

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

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

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials/services. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months. These arrangements for raw materials are recognized as Deferred Payment Liabilities under Borrowings.

Derecognition

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

Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

PERMANENT MAGNETS LIMITED

The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

L. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

M. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or Losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Spares in the nature of capital spares/insurance spares are added to the cost of the assets. The total cost of such spares is depreciated over a period not exceeding the useful life of the asset to which they relate.

Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation on tangible fixed assets has been provided on WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013. For any addition during the year, depreciation is charged for whole year whereas for disposals of any assets during the year, depreciation is provided on pro-rata for the year of use.

The Management estimates the useful lives for the other fixed assets as follows:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 15 years
Furniture & Fixtures - Cabin & Aluminium Section	15 Years
Laptop, Scanner & Monitors	5 Years



N. Intangible assets

a) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

b) Amortization methods and periods

The Company amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of five years.

O. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

P. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Q. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

R. Provisions

Provisions for legal claims and returns are recognised when the company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

S. Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments

to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Re-measurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually with the assistance of independent actuaries.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations and superannuation fund to LIC. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

iv. Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T. Earning per share

i. Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



I. NOTES TO ACCOUNTS:

1. In the opinion of Directors, the Current Assets, Loans & Advances and Investments have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated in the Balance Sheet.

2. Contingent Liabilities:

(INR in Lakhs)

Particulars	31.03.21	31.03.20
a) Unutilized Letters of Credit with Bankers	148.9	121.8
b) Bank Guarantee	3.84	20.81
c) Labour cases in the court for reinstatement and/or higher compensation, which in the opinion of the management demand no provision of liability than what is recorded in accounts.	7.45	7.45
d) Excise Department has rejected the appeal filed by the company and has raised demand as regards inter-unit transfers. The Company has filed appeal against the said order in CESTAT and has made payment of INR 5 Lakh for stay order. Stay order against recovery of the dues has been granted. In the opinion of Company's Consultant, since there is no suppression of facts by the Company, penalty imposed will be quashed. In case, if the case is decided against the Company, there will be no actual outflow to the Company due to availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the company and has set aside the show cause notices.		
Duty Demanded	31.59	31.59
Penalty	31.59	31.59
e) Interest on Central Excise loan (Operated through ICICI). In 1995-96, company has taken interest free loan under the Excise relief scheme as approved by the Government of India and said loan was disbursed by designated financial institutions. ICICI, the Operating Agency raised certain demands towards the installments repaid with delay. The Company has provided simple interest on repayment of these delayed installments, which may be reversible if the Central Government doesn't demand during settlement. Additional interest if claimed by the government, will be payable. However, the management does not expect any liability on that account. Company had approached ministry of finance, government of India for instruction of settlement of account as one time settlement, and as per information, same is under consideration. Disbursing agency ICICI, has also forwarded Settlement proposal to the ministry on 30 th July, 2013 vide letter bearing reference no SSG/NA/2013-14/324 for seeking the directions. In view of the above situation, management does not feel any extra liability towards interest on the interest free excise loan. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. Loan Principal Amount repaid on during FY 17-18.	2200.64*	2200.64*

*Management has tried to resolve the issues of Central Excise Loan with higher authorities of Ministry of Finance, Government of India and made various representations, but did not get proper response as above scheme has been over and no proper documents are available with ministry of finance, Government of India. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. The Company has been repaid balance Principal Amount of the loan during FY 17-18.

3. Honorable Bombay High Court has passed winding up order on the petition of M/s Savino Del Beno "Petitioner" (Freight forwarder agent & CHA of company).

Facts of the case - During the year 2010, Petitioner has raised bills for their services but failed to submit Original EP copy to the company which is essential documents to claim Excise rebate, and accordingly company withheld their payment. Subsequently, petitioner has filed winding up petition against the Company of dues of INR 12,95,305/-. Honorable Mumbai High Court has passed an order allowing the petition and issued direction for appointment of official liquidator in winding up order.

On the appeal against this order made by the company before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. Company has deposited INR 19,05,179/- with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court. Next hearing in this matter shall come up as per listing of the court.

PERMANENT MAGNETS LIMITED

Amount deposited of INR 19,05,179/-with court is shown in Balance sheet under Current Assets.

Company has recognized INR 12,95,305/- as expenses in this financial year and same has been shown under Other Liabilities.

4. Balance under the head 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by concerned parties and adjustment if any, on reconciliation thereof. Confirmation letters have been issued to parties for confirmation of balances with the request to confirm or send / comments by the stipulated date failing which the balances as appearing in the letter would be taken as confirmed. Confirmation letters have been received in very few cases; however no adverse communication has been received from the parties.
5. During the year INR 12.19 Lakh (P. Y. INR 224.70 Lakh credit) has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

6. Segment reporting

The Chief Operational Decision Maker identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Operating segments have been identified on the basis of the nature of products/services.

7. Leases:- Effective date and transition

Effective 1st April, 2019, the Company has adopted Ind As 116 Leases. Company applies retrospectively with the cumulative effect of initially applying the Standard recognised at the date of initial application. Company measure lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application. Company is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities

Particulars	31.03.2021	31.03.2020
Opening Balance as on 1 st day of year	475.84	274.46
Additions	-	334.88
Finance cost accrued during the period	56.49	76.17
Payment of lease liabilities	211.18	209.67
Closing Balance as on last day of year	321.15	475.84

B) Maturity Analysis of Lease Liabilities

Maturity analysis-Contractual undiscounted cashflows	31.03.2021	31.03.2020
Less than one year	162.98	144.68
One year to five year	213.58	89.82
More than five years	-	-
Total Undiscounted lease liabilities	376.56	234.49
Lease liabilities included in the statement of Financial position		
Non Current	187.40	304.02
Current	133.75	171.82
Total	321.15	475.84

C) Amount Recognised in the Statement of profit and loss

Particulars	31.03.2021	31.03.2020
Interest on Lease Liabilities	56.48	76.17
Depreciation on Lease Asset	143.01	143.72
Rent Expenses -short term leases and leases of low value assets	0.96	11.15

8. Related Party Disclosure:

As per the Ind AS 24 details of related parties and nature of relationships:

Sr. No.	Name of the Related Parties	Nature of Relationship
	Key Managerial Personnel	
1	Shri. Sharad Taparia	Managing Director
2	Shri. Sukhamal Jain	Chief Financial Officer
3	Smt. Rachana Rane	Company Secretary
	Non Executive Directors	
4	Shri. Rajeev Mundra	Independent Director
5	Shri. Kamal Binani	Independent Director
6	Smt. Sunaina Taparia (Wife of Shri. Sharad Taparia)	Director
7	Shri. Mukul Taparia (Brother of Shri. Sharad Taparia)	Director
8	Shri. Girish Desai	Director
	Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence:	
1	Jyotsna Plantation Ltd. (ceased with effect from March 25, 2021)	
2	Varij Plantation Pvt Ltd.	
3	Pregna International Limited	
4	NYMPH Properties Private Limited (ceased with effect from March 25, 2021)	
5	Megh Exim LLP	

Details of Transactions with and outstanding balances of related parties are furnished below:

(INR in Lakhs)

Names of Related Parties	Nature of Transactions	Year ended March 31, 2021		Year ended March 31, 2020	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Shri. Sharad Taparia	Remuneration	71.06	-	71.06	-
Shri. Sukhamal Jain	Remuneration	44.96	-	45.36	-
Smt. Rachana Rane	Remuneration	5.65	-	5.73	-
Shri. Rajeev Mundra	Sitting fees	0.70	-	0.60	-
Shri. Kamal Binani	Sitting fees	0.67	-	0.57	-
Smt. Sunaina Taparia	Sitting fees	0.40	-	0.40	-
Shri. Mukul Taparia	Sitting fees	0.47	-	0.47	-
Shri. Girish Desai	Sitting fees	0.40	-	-	-

Note: Reimbursement of expenses incurred by the related parties for and on behalf of the company and vice-versa has not been included above. Provision for Gratuity being on actuarial valuation, is not included as separate figure for related party is not available.

9. Disclosure as required by Ind AS-19, Employee Benefits

I. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit and loss account is INR 6.96 Lakhs.

Other long-term employee benefits:

II. Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation for accumulating paid leaves has been recognised at the end of the reporting period.

In respect of Gratuity & Leave Encashment, provision is made based on the actuarial valuation by an independent actuary. The following information as required under Ind AS-19 is based on the report of the Actuary:

PERMANENT MAGNETS LIMITED

Particulars	2020-21		2019-20	
	Leave	Gratuity	Leave	Gratuity
	Encashment (unfunded)	(Funded)	encashment (unfunded)	(Funded)
A) Actuarial assumption				
i) Discounting rate	6.90%	6.90%	6.88%	6.88%
ii) Future salary increase	5.00%	5.00%	5.00%	5.00%
iii) Expected rate of return on plan assets				
iv) Retirement age (in Years)	60	60	60	60
v) Moratility rates upto Retirement age	IALM 2012-14 Uit	IALM 2012-14 Uit	IALM 2012-14 Uit	IALM 2012-14 Uit
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	9.70	3.79	10.21	3.82
ii) Net interest cost	2.72	3.17	2.96	2.92
iii) Expected return on plan assets	-	-	-	-
iv) Net actuarial (gain) / loss recognized in the period	(6.40)	(1.58)	(8.75)	3.51
v) Expenses recognized in the statement of Profit & Loss	(6.02)	6.96	4.43	6.74
C) Recognised in other comprehensive income				
i) Actuarial (gain) / loss arising on assets	-	-	-	-
ii) Actuarial (gain) / loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	(0.01)	(0.02)
Change in financial assumptions	(0.04)	(0.08)	1.60	3.39
Change in experience assumptions	(6.36)	(1.50)	(10.34)	0.14
iii) Net (gain)/ loss recognised in other comprehensive income	(6.40)	(1.58)	(8.75)	3.51
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	39.63	46.08	38.29	37.59
ii) Interest cost	2.72	3.17	2.96	2.92
iii) Current service cost	9.70	3.79	10.21	3.82
iv) Past service cost incl. Curtailment gains and loss				
v) Benefits paid	(8.60)	(8.24)	(3.09)	(1.76)
Actuarial (gain) / loss on PBO arising from:				
Change in demographic assumptions	-	-	(0.01)	(0.02)
Change in financial assumptions	(0.04)	(0.08)	1.60	3.39
Change in experience assumptions	(6.36)	(1.50)	(10.34)	0.14
vi) Present value of obligation as at year end	37.05	43.22	39.63	46.09
E) Change in fair value of plan assets				
i) Fair value of plan assets at year beginning	-	-	-	-
ii) Actual return on plan assets	-	-	-	-
iii) Contributions	-	-	-	-
iv) Fund management charges (FMC)	-	-	-	-
v) Benefits paid	-	-	-	-
vi) Actuarial gain / (loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	-	-	-
F) Liability /(Assets) recognised in Balance Sheet	37.05	43.22	39.63	46.09
i) Within the next 12 months (next annual reporting period)	3.30	0.73	1.04	0.74
ii) Between 1 and 5 years	3.97	17.00	10.46	24.06
iii) Beyond 5 years	2.88	9.26	2.46	8.91
iv) Total Expected Payments	10.15	26.99	13.97	33.70

10. Component Accounting for Fixed Assets:

In opinion of the management, based on internal verification of the assets of the company, there is no major part, in case of any asset, which is significant to total cost of the asset and whose useful life is different from the useful life of the asset. Hence, there is no change in accounting of fixed assets and depreciation thereon as required under Ind AS 16: Property, Plant and Equipment.



11. Segment Reporting:

As the Company operates mainly in one Business Segment i.e Engineering and Current Sensing applications hence are considered to be a single primary business segment. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

12. Impairment of Assets:

During the year under consideration, company has not impaired any fixed assets.

13. Disclosure under Listing Regulations:

(INR in Lakhs)

Sr. No.	Name of the Parties	Maximum balance outstanding during the year ended		Outstanding Balance as on	
		31.03.21	31.03.20	31.03.21	31.03.20
1.	Loans to Subsidiary Co.	NIL	NIL	NIL	NIL
2.	Unsecured Loans given where there are no Repayment Schedule	NIL	NIL	NIL	NIL

14. a) Purchases of Finished Goods: NIL (P.Y. NIL)

b) Expenditure and earning in Foreign Currencies:

A. CIF Value of Imports:

Particulars	Amount (INR in Lakhs)	
	2020-21	2019-20
Raw Materials & component	2790.10	2617.47

B. Value of Imported and Indigenous Raw Materials and Spare Parts consumed during the year and its percentage to total consumption:

Particulars	2020-21		2019-20	
	Amount (INR in Lakhs)	%	Amount (INR in Lakhs)	%
Raw Materials				
Imported	2514.99	46.68	2463.35	47.68
Indigenous	2872.95	53.32	2703.42	52.32
Total	5387.94	100.00	5166.77	100.00

C. Expenditure in foreign currencies incurred during the year:

Particulars	Amount (INR In Lakhs)	
	2020-21	2019-20
1. Travelling Expenses	-	31.94
2. Others	8.43	2.11
3. Financial Charges	4.29	1.67

D. Earnings in foreign currencies during the year:

Particulars	Amount (INR In Lakhs)	
	2020-21	2019-20
1. FOB Value of Exports	7551.78	6467.13

15. Micro, Small and Medium Enterprises Development Act, 2006:

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

Amount (INR in Lakhs)

SI No	Particulars	2020-21	2019-20
a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year	384.34	176.02
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	384.34	176.02

PERMANENT MAGNETS LIMITED

SI No	Particulars	2020-21	2019-20
b)	Amount of interest paid by the buyer in terms of Section 18 of the Act	-	-
c)	The amounts of payment made to the supplier beyond the due date	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

16. Financial instruments and risk management

Fair values

- The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short term nature.
- Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consists of interest accrued but not due on deposits other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

Particulars	As at 31.03.2021		As at 31.03.2020	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost:				
Non-Current				
Financial Assets				
(i) Loans	77.64	77.64	66.28	66.28
Current				
Financial Assets				
(i) Trade Receivables	3286.97	3286.97	2729.69	2729.69
(ii) Cash and Cash Equivalents	343.17	343.17	198.23	198.23
(iii) Bank Balances	1934.36	1934.36	615.75	615.75
(iv) Loans	79.31	79.31	56.78	56.78
Measured at fair value through profit and loss				
Non - current				
(i) Investments	-	-	-	-
Total	5721.45	5721.45	3666.73	3666.73
Financial Liabilities				
Measured at amortised cost				
Non Current				
Borrowings	180.75	180.75	185.24	185.24
Provisions	76.24	76.24	85.72	85.72
Other Non - Current Liabilities	-	-	-	-
Current				
Financial Liabilities				
Borrowings	-	-	10.73	10.73
Trade Payables	2215.34	2215.34	1498.31	1498.31
Other Financial Liabilities	102.66	102.66	146.03	146.03
Total	2574.99	2574.99	1926.03	1926.03

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

17. Financial risk management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/other payables, trade/other receivables assets/liabilities. The risks primarily relate to fluctuations in US Dollar & EURO against the functional currencies of the Company. To mitigate the Group's exposure to foreign currency risk, cash flows are monitored and natural hedge is used. (Amounts to be paid and received in a specific currency are expected to largely offset one another). The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds deposits as security from certain customers to mitigate credit risk.

18. Event occurring after the balance sheet date

The Board of Directors has recommended an Equity dividend of Re.1/- per share on face value of Rs. 10/- each, for the financial year 2020-21. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held on August 17, 2021.

19. Impact on COVID-19:

During the year the Company's business was impacted due to COVID-19 pandemic in the first quarter and the Company had to shut down its manufacturing lines at all plants.

Company's operations in the remaining quarters of the year remained near normal.

However, the impact of covid-19 Pandemic still persists in the country and impact of the same is unknown. The impact assessment of the covid-19 pandemic is a continuous process given the uncertainties associated with its nature and duration. The Company will continue to monitor and mitigate the impact of COVID -19.

The Company has also evaluated the recoverability of receivables and realizability of inventory on hand based on subsequent realizations and customer orders respectively.

20. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current year presentation

For Ramanand & Associates

Chartered Accountants

ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner

M. No. 161335

UDIN: 21161335AAAABQ9503

Mumbai, May 28, 2021

For & on behalf of the Board

Sharad Taparia

Managing Director

DIN:00293739

Sukhmal Jain

Chief Financial officer

Mukul Taparia

Director

DIN: 00318434

Rachana Rane

Company Secretary

Corporate Office :

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