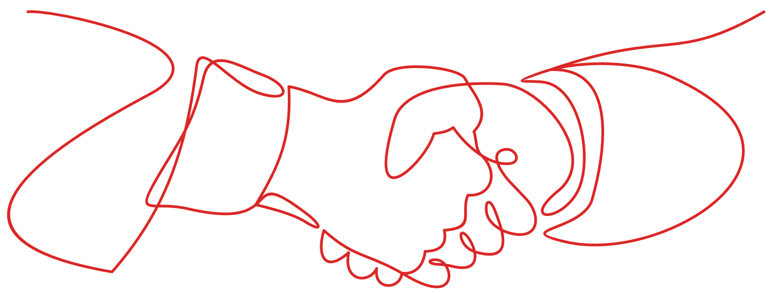
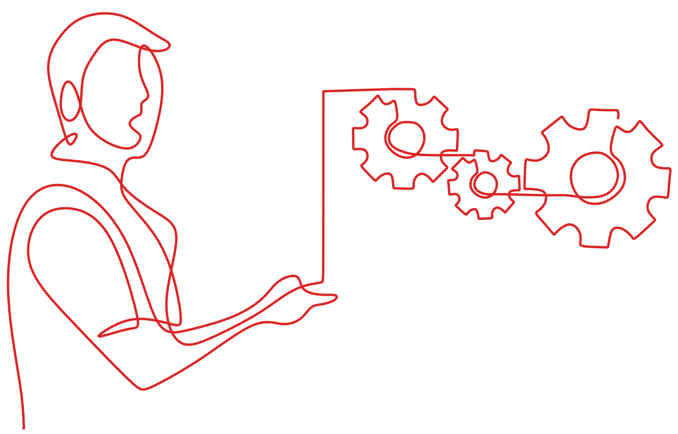
Trust. Reliability. Quality.

Trust. Reliability. Quality.

Permanent Magnets Limited (PML) is defined by three core values that serve as the foundation of the Company's ethos: Trust, Reliability, and Quality.

Trust Building trust is crucial for PML. It is done by being open and ethical in business practices. PML makes sure to understand the customers' needs and deliver services on time with full dedication. Because of this, PML has earned the trust of major global industry leaders in various fields, such as automobiles and smart meters.





Reliability Customers strongly associate PML with reliability. The Company's consistent dependability ensures thorough support and strengthening of its clients' supply chains. PML's reliability has made it the preferred supplier in its product categories, and it is often the sole supplier trusted by its clients.

Quality Quality serves as a crucial distinguishing factor for PML, consistently setting it apart from its competitors. The company's solutions showcase exceptional quality, which not only enhances its reputation but also fosters long-lasting relationships with its clients.

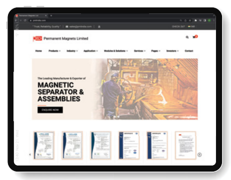
PML's fundamental principles have played a crucial role in the company's sustained expansion and evolution for the last sixty years. The firm is confident that these guiding values, which have consistently shaped its journey, will drive it towards further success. PML's objective is to become a prominent global provider of solutions, consistently enhancing value for all stakeholders.

Inside this report

Strategic Review

Statutory Reports

Financial Statements



For more information:
www.pmlindia.com

Value Proposition & Capabilities

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Product Categories

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Letter to Shareholders

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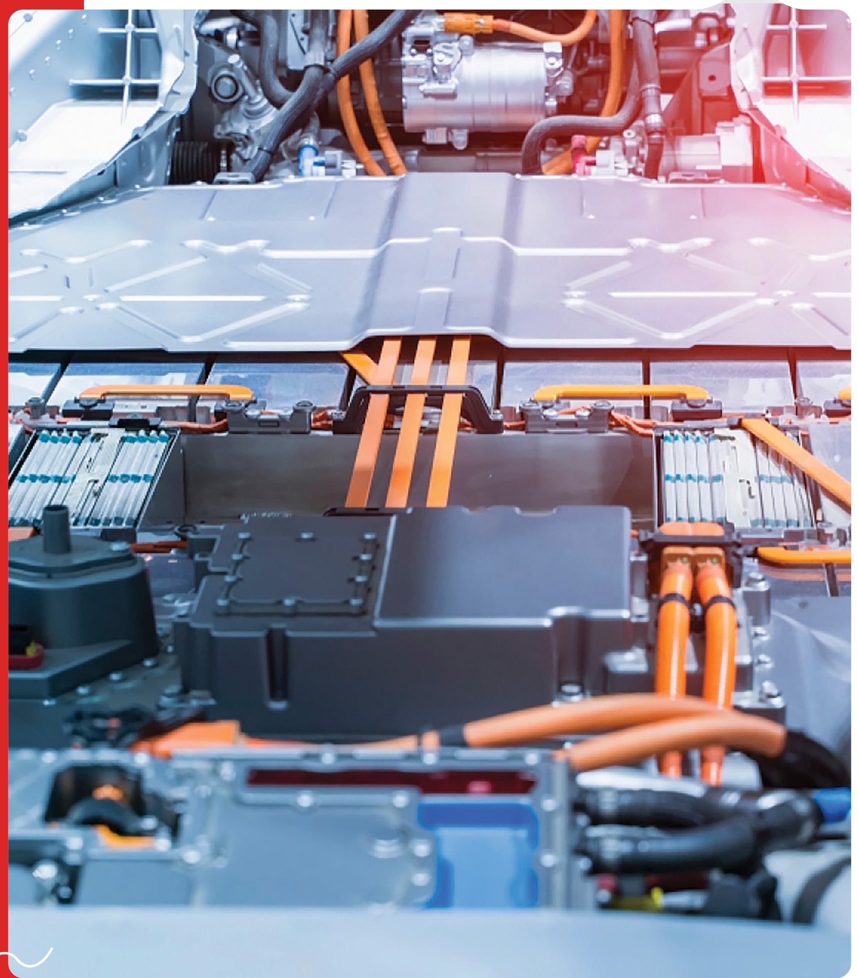
Forward Looking Statement

About Us

The world of PML

PML specializes in offering electrical components and assemblies for a variety of applications in automobiles, electricity meters and other sectors. These solutions are built on a foundation of five core technologies that include magnetic, current and speed sensing, magnetic shielding, and magnetic assemblies. Our commitment has made us a trusted partner to our clients.

Our success is rooted in leveraging our capabilities to deliver customer specific solutions. We strive to push boundaries, embrace emerging technologies, and expand into new product platforms. Remaining attuned to the evolving industries, we try to adapt and respond swiftly, always staying ahead of the curve in an ever-changing market landscape.



Decades of Expertise

60+

Years of experience in magnets, magnetic assemblies, electric vehicle and electric meter components

Committed Team

A dedicated workforce of

500+

skilled professionals driving our success

Engineering Excellence

A team of

~80

engineers at the forefront of innovation and technological advancements

Advanced Manufacturing

3

fully-equipped facilities ensuring efficient production and superior quality

Expansive Product Range

350+

actively manufactured SKUs serving diverse industries

Embracing Key Trends

Playing a pivotal role in emerging sectors like **electric vehicles** and **smart meters & grids**

Unmatched Expertise

Proficiency in

5

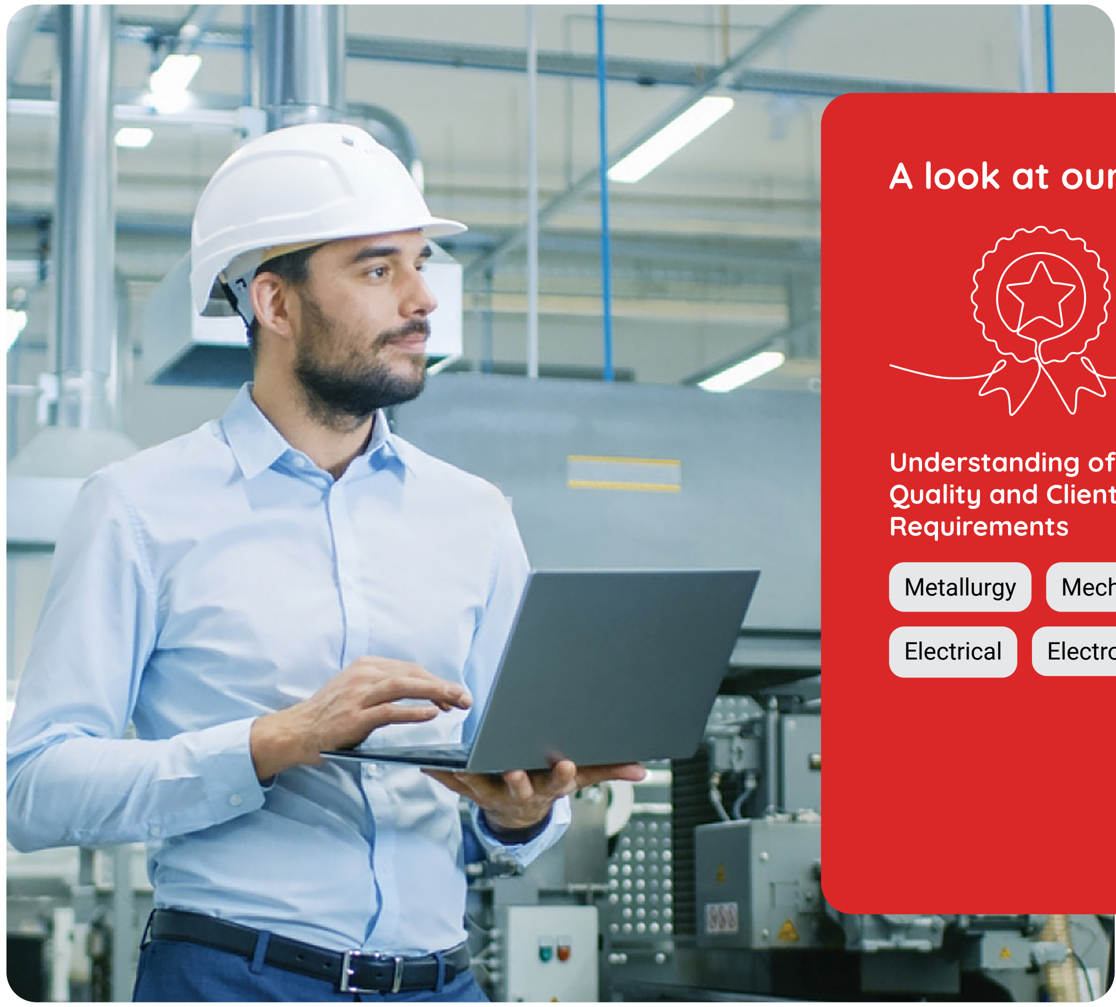
core technologies and product categories for limitless possibilities

Our Value Proposition & Capabilities

Delivering value at every step

Our dedication as a solution provider resonates through our operations, where we combine design, prototyping and production expertise to serve the dynamic needs of industries like automobile and metering. We aspire to be more than just a supplier – we strive to be a comprehensive solution partner with scalable manufacturing capabilities as our core offering.

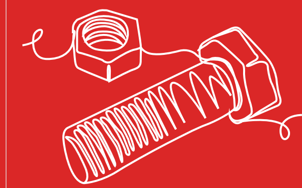
The Company stands on 4 pillars that define our distinctiveness: **Quality**, **Capability**, **Cost**, and **Knowledge**. Together, they form the bedrock of our commitment to delivering unmatched value to our esteemed partners and discerning customers.



A look at our robust capabilities

Understanding of Quality and Client Requirements

- Metallurgy
- Mechanical
- Electrical
- Electronics



Metals and Metallurgy

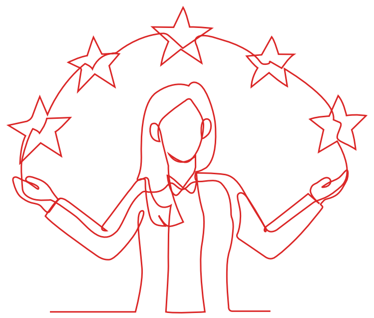
- Melting
- Casting
- Heat treatment
- Copper winding

Designing and Simulation

- Designing components and modules
- System optimisation and simulation
- Customer-specific prototyping

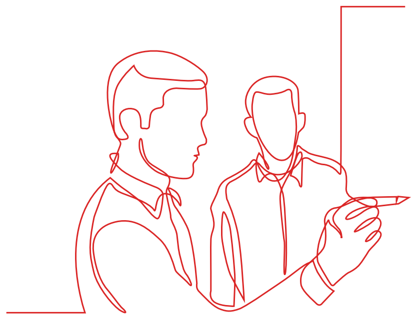
Manufacturing technologies

- Assembly processes
- Finishing processes
- Hot chamber die-casting
- Plastic moulding



Quality:

We understand that customer satisfaction hinges on delivering products that meet the highest quality standards. That's why we strictly adhere to our customers' required quality standards, ensuring that our products undergo rigorous testing and inspection. Equipped with renowned measurement equipment such as Koerzimat and BH Loop Plotter, we meticulously evaluate the magnetic performance and physical attributes of our products. Our state-of-the-art AEC-Q200 lab enables us to conduct various qualification and type tests. Moreover, we have developed specific application test setups to monitor the quality parameters of our products, guaranteeing that only the finest leave our facilities.

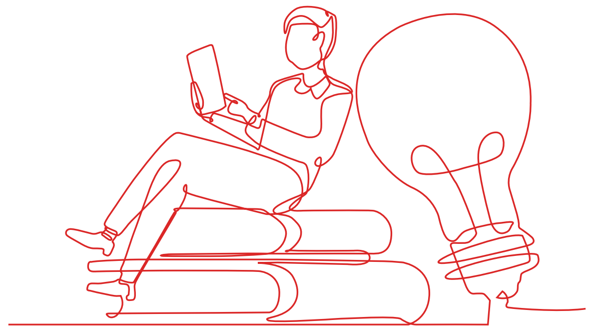


Capability:

Our expertise lies in our ability to conceptualize and implement customized designs and solutions for each customer. Over the years, we have honed our capabilities to understand and address the unique requirements of our clients. Collaborating closely with our customers, we offer valuable insights and assist in optimizing their designs and products. With our comprehensive capabilities we transform ideas into tangible solutions.

Cost:

We are committed to providing cost-effective manufacturing solutions without compromising on quality. Our production facilities are equipped with reliable equipment, enabling efficient and streamlined manufacturing processes. We hold certifications from IATF, AS, EMS, and OHSAS, demonstrating our commitment to maintaining high standards. Regular audits by our customers ensure that we continually meet their expectations. Moreover, our indigenously designed and developed high-tech technologies, including NADCAP-compliant annealing furnaces, give us a competitive edge, allowing us to offer favorable cost structures to our valued partners.



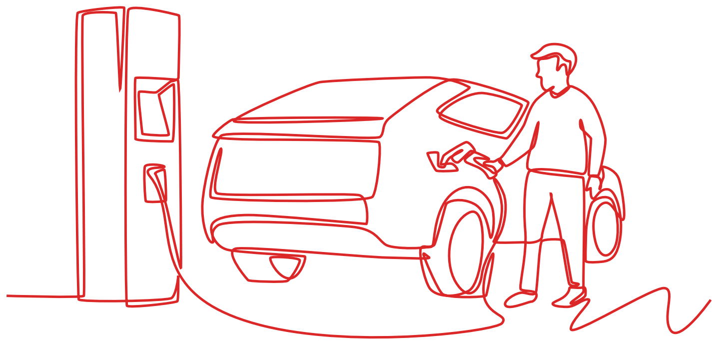
Knowledge:

PML prides itself on its exceptional understanding of customer requirements. Our team of experts, encompassing domains such as Metallurgy, Mechanical, Electrical and Electronics, possesses an in-depth understanding of our customers' needs. This collective knowledge enables us to provide tailored solutions that precisely address their challenges. Furthermore, our production managers stay abreast of the latest manufacturing trends, ensuring that we embrace newer technologies.

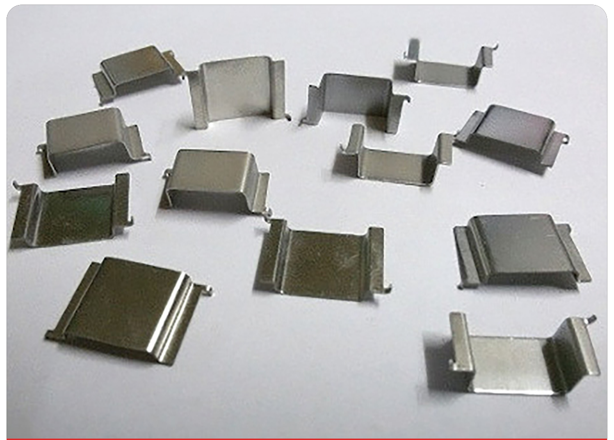
Product Categories

Redefining possibilities

Our approach to the product portfolio is driven by a focus on technology and capability development. We understand that the ever-evolving nature of the market demands agility and adaptability. Rather than fixating on specific products with limited lifecycles, we invest in building robust capabilities that empower us to create a diverse range of solutions. These capabilities harness the full potential of our core technologies, allowing us to cater to a wide array of customer requirements. Our commitment to customization ensures that each solution is tailored to meet the unique needs of our clients.



Some of our key product categories are as follows:



Key Products

FLux concentrators, C-Shield, SMD Shields, U-Shields, MuMETAL- Stress Annealed Sheet, Foil, Fabricated Shield, Zero Gauss Chambers, U-shields, Rotator, Flux Collectors, Stator and many more

Application Industry

Automobile

Magnetic sensing

Magnetic sensing technology is employed to detect minute changes in the magnetic field. This technology often relies on high-quality shields, cores and magnetic sensors as commonly used devices for precise measurements.

Under the magnetic sensing product category, we specialize in some key technologies:

Magnetic sensing by Hall sensors

Combination of Shields/Cores along with Hall sensors is commonly used in BMS, MCUs etc in EVs.

Speed Sensing

Speedometers, primarily using Alnico magnets, are the most commonly used speed sensing devices.

Torque and Angular Sensing

Torque and angle sensors play a crucial role in determining the steering wheel position and the amount of torque exerted by the driver on the steering wheel. In modern automobiles, the Electric Power Assisted Steering (EPAS) system, also referred to as Electric Power Steering (EPS), extensively utilizes torque and angle sensing assemblies for optimal functionality.

Current Sensing

Current sensing or measurement is essential for various critical functions such as revenue generation, feedback control mechanisms and monitoring processes. Several methods are employed to measure current, including the utilization of a Hall Sensor with Flux concentrator logic, Shunt logic, Current Transformer or Rogowski Coil.

In advanced systems, current sensing modules are integrated assemblies that combine various components, including flux concentrators, shunts, Hall Sensors, temperature sensors, Controller Area Network (CAN) interfaces and Internet of Things (IoT) capabilities to ensure accurate and efficient current measurement and monitoring.

Under the current sensing product category, we specialize in some key technologies:

Shunt Current Sensors

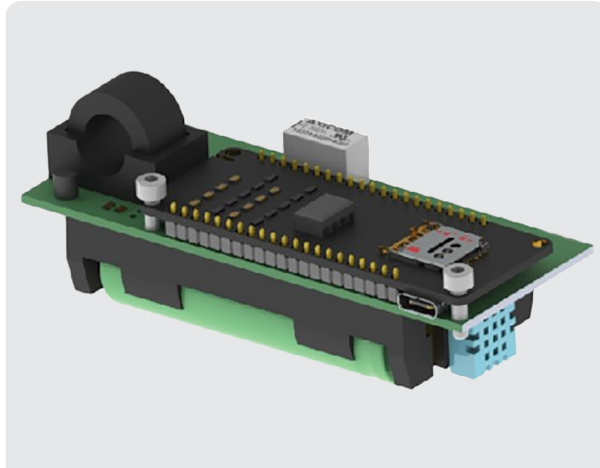
Shunts are precision components for the energy meter to measure power. The Shunt Resistor is used as a key part of the measuring device inside the electronic ammeter.

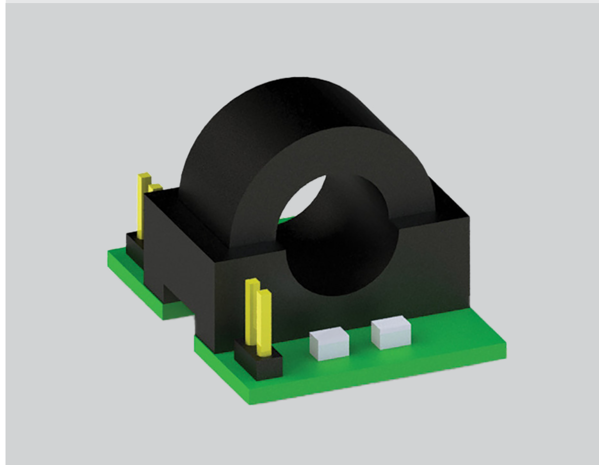
Hall Effect Sensors

Leveraging the Hall effect principle, our Hall effect sensors detect changes in magnetic fields when a current-carrying conductor is exposed to a magnetic field. These sensors, combined with flux concentrators, enable the measurement of magnetic field variations within the conductor, ensuring reliable current sensing.

CT-based Sensors

Current transformers (CT) are instrumental in measuring alternating electric currents for energy meters. These transformers produce a reduced, proportionate current that can be seamlessly connected to measuring and recording equipment. Widely used in metering and protective relays within the electrical power industry, CT-based sensors deliver accurate and dependable current measurement.





Key Products

Shunts, Various types of Flux Concentrators & Current Transformers, various types of Ferromagnetic Shields and different modules like Hall Shunt Module, Clamp-on Current Sensor, IOT System and Smart Battery Clamp.

Application Industry

Automobile, Energy Meters, and Renewable Energy

Product Categories

Key Products

Magnetic Lifters, Toucher Magnets, Sheet Transporter, Magnetic Sweepers, Touch Magnet, Magnetic Tray, Hand Magnet and many more

Application Industry

Warehouses, Pharmaceutical, Food and Beverage, Garages, and many others

Magnetic assemblies

We excel in the development and manufacturing of components, devices and systems that harness the power of permanent magnets and electro-permanent magnets. These magnetic assemblies perform three essential functions - holding, lifting and separation, each serving distinct purposes in various industries and applications:

Holding

Magnetic holding serves multiple purposes, ranging from keeping metal instruments securely in place to holding objects during light-duty operations. It finds application in robotics for pick and place tasks, as well as in collecting and segregating scattered metal parts, among other uses.

Separation

Magnetic separation is a highly effective process utilized to extract ferrous metal contaminants from various materials, including dry particulates, liquids, chemicals, minerals, food products, pharmaceuticals, and recycled materials, among others. This technique allows for efficient purification and removal of unwanted ferrous substances, enhancing the quality and purity of the target materials.

Lifting

Lifting magnets provide a safe and efficient solution for transporting, lifting, and securing steel products. These powerful magnets are extensively utilized in various industrial settings such as workshops, manufacturing units, garages, and processes like fabrication, forging, and casting. By employing lifting magnets, workers can handle steel materials with ease and precision, enhancing productivity and ensuring the safety of operations.

Alloys

We plan to use our metallurgical expertise in melting, casting and heat treatment to enable us to produce a wide range of alloys going forward. These alloys will exhibit tailored characteristics and enhanced properties for specific applications. Currently we are evaluating a few products, from Nickel-Iron to Cobalt, Manganese, and Nickel-based alloys, Our casting-based technologies will further expand the versatility of our alloys, helping us produce intricate components with exceptional strength, resilience, and dimensional accuracy.

Application industry

Automobiles, LED lighting, Connectors and many more

ZAMAK Die-Casting

ZAMAK (Zinc-Aluminium-Manganese-Copper) alloys are used for high-volume production of small parts, offering a host of key advantages. The versatility of this process allows it to mold complex and articulated shapes with ease. ZAMAK's exceptional material properties surpass those of aluminum alloys, making it the ideal choice for die-casted parts.

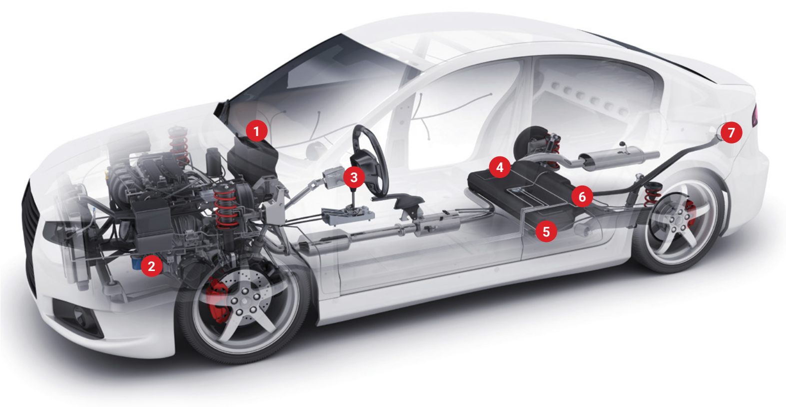
Product Applications

Application insights

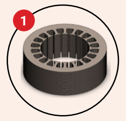
PML serves as a dependable provider of vital electrical components and assemblies for numerous industries. Here, we highlight the crucial applications of our products, demonstrating their significance in various sectors. Our offerings play a pivotal role in industries such as Automobile, Energy Meter, etc.

Automobiles

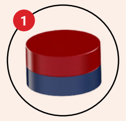
PML plays a vital role in the Automobile industry by offering a diverse range of components and systems that contribute to the efficient and reliable operation of vehicles mainly related to current sensing. Our products find extensive applications in current measurement, battery management, motors and generators, charging systems, torque and angle measurement, safety, and automation. Through our innovative modules and assemblies, we have introduced advanced solutions like intelligent battery sensors and battery monitoring systems. These technologies enhance performance, optimize energy usage and ensure the smooth functioning of automobiles.



Speed Sensor



Laminations

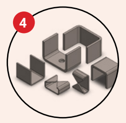


Permanent Magnets

Rotor Laminations

EPS

Battery Current Sensor

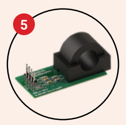


Shields

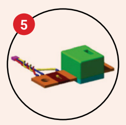
Shunt

Flux Concentrator

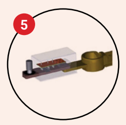
Battery Monitoring Sensor



Clamp On

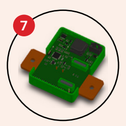


HSM 800



Smart Battery Clamp

Toroidal Cut Core



BMS

Electricity Meter

PML plays a crucial role in the electricity metering industry by providing essential components that enable accurate and reliable current sensing. Our expertise lies in the development of parts such as flux concentrators, cores, shields, laminated flux concentrators, shunts, and current transformers (CTs). These components are integral to the functioning of meters, as they facilitate precise current measurement through the use of hall sensors, shunts, or CT assemblies. By delivering high-quality parts for current sensing, PML contributes to the efficient and effective operation of electricity meters, ensuring accurate measurement and billing.

Other Application Industries

Renewable Energy | Food & Beverage | Aerospace & Defence | Robotics

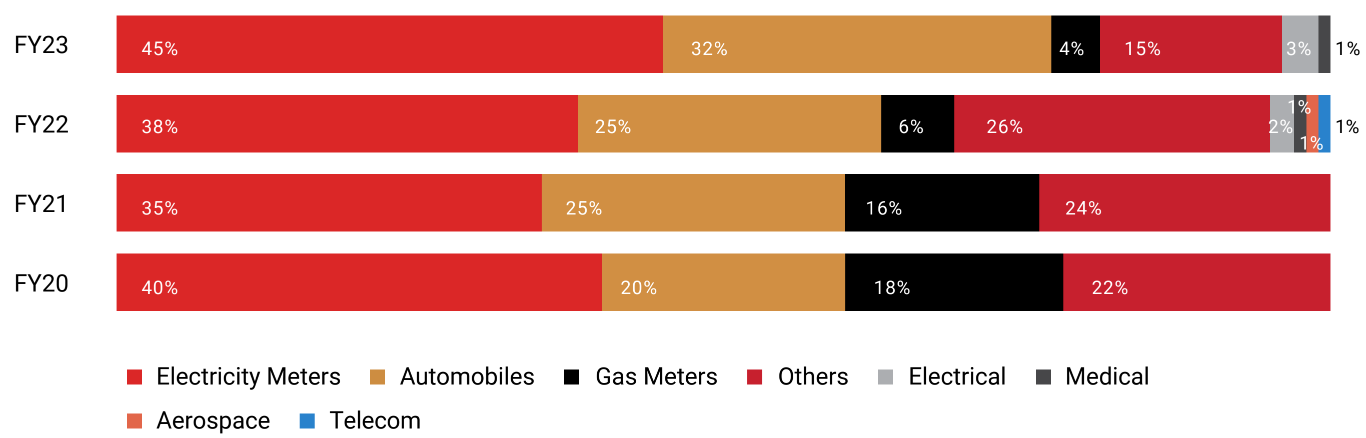
CT

Shunt

Brass Terminal

Application-based sales analysis

- Electricity meters & Automobiles remain the dominant application industries
- The diaphragm assembly for gas meters is nearing the end of its life cycle
- PML has expanded its reach into new application categories, including electrical, medical, aerospace, telecom, among others demonstrating the Company's commitment to diversification and exploring emerging opportunities



The PML Advantage

Revealing the PML advantage

PML distinguishes itself within the industry through its strong focus on customer satisfaction, deep expertise in the domain, and unwavering dedication to innovation. Additionally, our broad range of capabilities allows us to serve clients throughout the entire product development journey, starting from design and prototyping, all the way to commercial production. Our foundation is bolstered by essential elements that differentiate us from our competitors. Supported by a prestigious client base and a seasoned leadership team, our success thrives on strategic technical partnerships and meticulous quality control systems.

1

Strong customer relationships

Our established clientele is a testament to the trust and reliability that PML embodies. We have forged strong partnerships with the key stakeholders in the automobile and electricity meter industries, elevating our position as a preferred supplier in these domains.

Automobile Sector

In the automobile sector, PML takes great pride in being a trusted supplier to ~50% of tier-1 auto companies globally. Our capabilities extend beyond traditional internal combustion engine (ICE) vehicles, as we also cater to emerging technologies like electric vehicles (EVs).

Electricity Meters

When it comes to electricity meters, PML holds an esteemed position as a supplier to the top 3 global companies in this field. Our longstanding client relationships testify to our expertise and reliability within the electricity meter segment.

2

Guided by experience

At PML, we are guided by a well-balanced and accomplished management team that drives our success. Our leadership comprises seasoned business executives and a dynamic group of second-level managers, each bringing their unique expertise and passion to the table. PML is focused on growing a dynamic group of second-level managers, by providing them hands-on experience, client exposure, and in various projects like new product & capability addition, project execution, etc.

Leadership Team

Sharad Taparia
Managing Director

As the driving force behind our overall strategy and management, Taparia brings an impressive 26 years of work experience, with 24 dedicated years at PML. His visionary leadership and deep industry knowledge have been instrumental in propelling our company to new heights.

Prabhakar Kamath
President

With an illustrious career spanning 35 years, Kamath leads several crucial divisions at PML, including Shunt Division, Copper and Brass Parts, Magnets and Magnetic Assembly, CT Division, and Gas Meter Parts. His wealth of experience, garnered over 19 years with PML, ensures our products and operations meet the highest standards of excellence.

Sukhmal Jain
Senior Vice President, CFO

Heading our Finance Department, Jain brings an impressive 41 years of work experience, with 34 dedicated years at PML. His astute financial acumen and strategic decision-making have been vital in driving our financial stability and growth.

Girish Mahajan
Vice President

Mahajan leads the charge in new product development, software systems, and metallurgy. With 31 years of work experience, including 29 years at PML, he brings a wealth of technical expertise and innovation, ensuring our offerings remain at the forefront of industry advancements.

3

Strategic alliances for technological advancements

As a Company, we recognize the importance of strategic partnerships in staying at the forefront of technological advancements and exploring new market opportunities. Our key technical partnerships have played a crucial role in our growth and success.

Legacy collaborations:

Centro Magneti Permanenti (Italy | 1973): This collaboration marked a significant milestone in our journey, enabling us to commence production of permanent magnets. It laid the foundation for our expertise in this field.

Dowa Mining (Japan | 1983): Our technical collaboration with Dowa Mining facilitated technology upgradation, allowing us to enhance our capabilities and stay ahead of the curve.

Sumitomo (Japan | 1983): Our collaboration with Sumitomo resulted in the upgrading of our cast magnet plant and the modernization of our ferrite plant, enabling us to deliver high-quality products to our customers.

Recent partnerships:

magLab AG, (Switzerland | Acquired by CTS Corporation): Through this technical collaboration, we have combined our expertise in simulations, product testing, magnetic designs and sensors to develop and market advanced products and solutions.

These strategic alliances have not only strengthened our technical capabilities but also broadened our horizons by providing access to cutting-edge technologies, market insights and clients.

4

Exemplary quality assurance

At PML, we place uncompromising emphasis on maintaining the highest quality standards in the industry. Our commitment to quality is evident through our stringent quality control systems and adherence to industry benchmarks. As a testament to our dedication, we undergo regular audits conducted by our valued customers.

To ensure precise and accurate measurements, we employ renowned measurement equipment, such as Koerzimat and BH Loop Plotter for evaluating magnetic performance. Additionally, we have developed an in-house application-specific testing facility, enabling us to conduct comprehensive assessments tailored to meet the unique requirements of our products.

Through our unwavering dedication to quality control, we instill confidence in our customers, assuring them of our ability to deliver products that meet and exceed their expectations. At PML, quality is not just a standard but a core principle woven into the fabric of our organization.

Key Certifications

ISO 14001: 2015

ISO 17025: 2017

ISO 9001: 2015

OHSMS 45001: 2018

IATF 16949: 2016

AS9100D: 2016

Strategic Priorities

Strategic blueprint

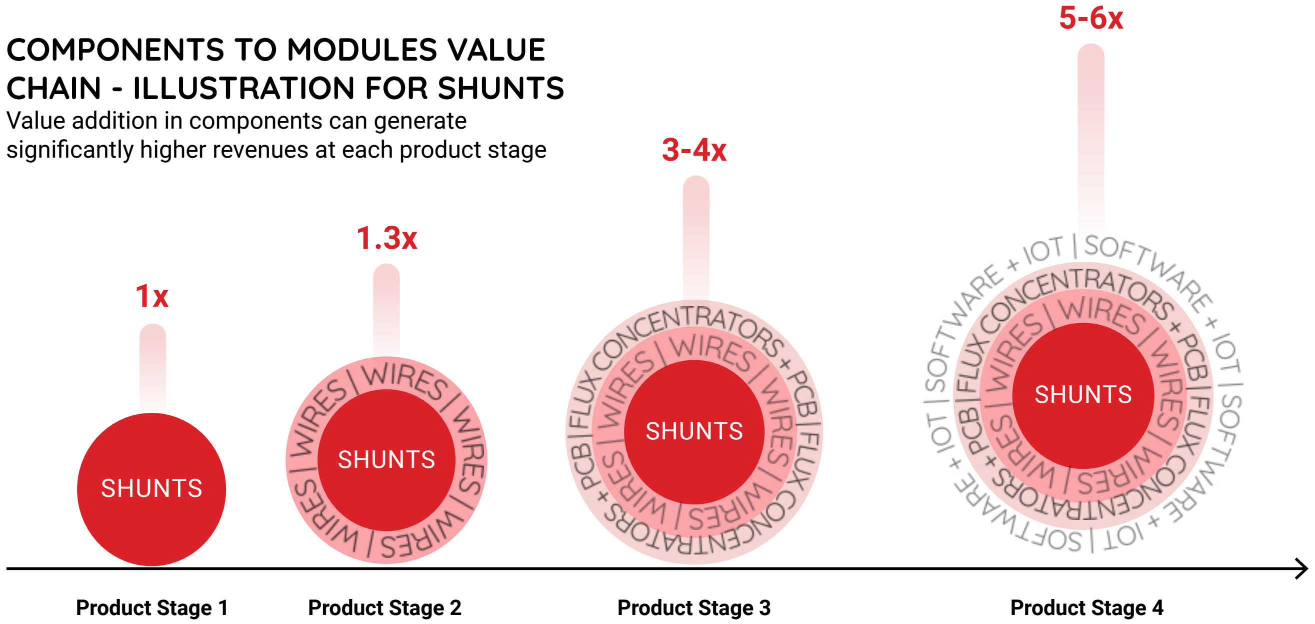
PML believes in a new way of looking at our important goals. We see them as key factors that will help us grow and face future challenges. These goals will lead us to expand, adopt new technologies and manage our products effectively. We are focused on making the most of our value chain, promoting innovation and smoothly bringing our ideas to the market.

1 Strengthening Value-Chain Presence: Growing Focus on Modules

Recognizing the importance of sustained growth and capturing a larger share of the value chain, PML has identified the need to transition from components to modules in specific product categories. This strategic shift is expected to unlock substantial value, with a projected five-to-sixfold increase in product value for some initially identified product categories. To consolidate and expand its position in the value chain, the Company is strategically focusing on product categories such as shunts and soft magnetic compounds, which will serve as the foundation for future endeavors in developing complete modules.

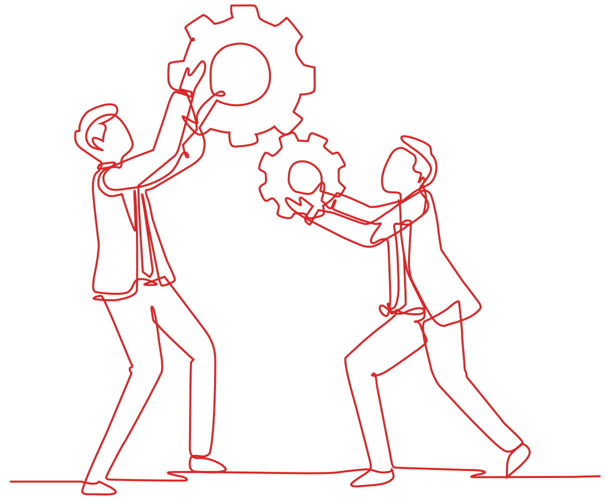
COMPONENTS TO MODULES VALUE CHAIN - ILLUSTRATION FOR SHUNTS

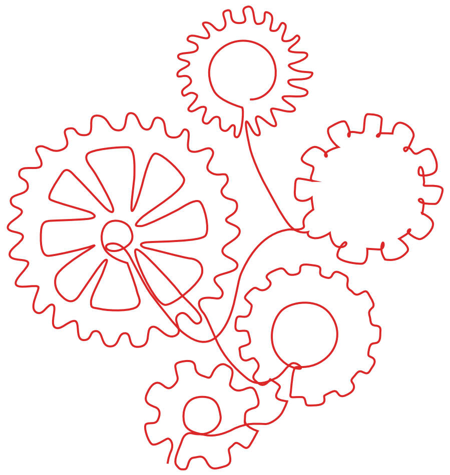
Value addition in components can generate significantly higher revenues at each product stage



2 Enhancing Technological Capabilities

PML understands that technical expertise and capabilities are vital drivers in its industry, enabling the fulfillment of evolving customer requirements. With a strong emphasis on technological advancements, the Company is committed to enhancing its capabilities to meet and exceed customer expectations. By leveraging technology, PML is actively working on incorporating new competencies in areas such as Smart Modules, Alloy Making, Casting, Heat Treatment, as well as exploring advanced applications of ZAMAK die-casting, high-volume sheet metal forming and wire winding.





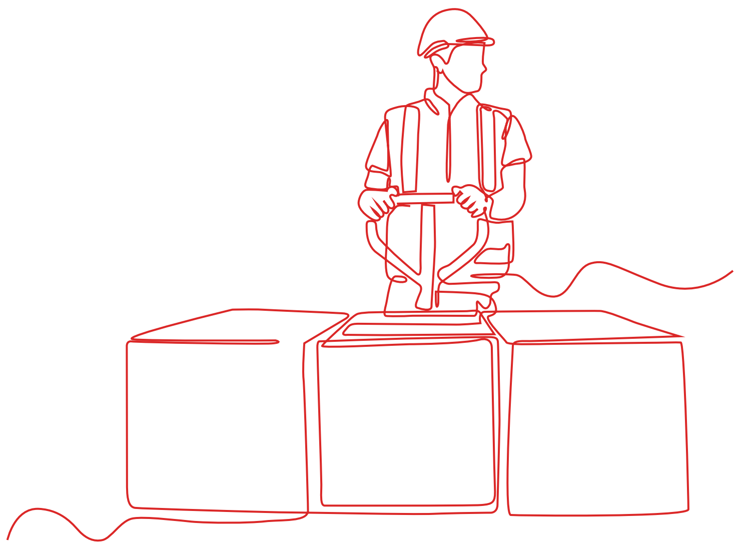
3 Managing Product Life Cycle

Efficiently navigating the product life cycle trends is crucial for PML's success. The Company aims to seamlessly transition products from the prototyping stage to commercial production, marking the initiation of the product life cycle. PML recognizes the importance of continuously introducing new products to compensate for the decline of maturing products and technologies. In line with this, the rate of new product introductions will surpass the rate of maturity, ensuring a vibrant and evolving product portfolio.

4 Integrating Manufacturing Facilities

PML is currently focused on streamlining its manufacturing operations to achieve cost optimization and improved efficiencies, to service opportunities for future growth and enhance profitability. To achieve this objective, PML is actively working towards integrating its three existing manufacturing facilities into a single, consolidated unit.

Significant progress has been made in this endeavor, as the Company has successfully acquired a substantial portion of the land needed for the project. PML is diligently working to secure the remaining land to ensure the smooth execution of this initiative. By centralizing its manufacturing operations, PML aims to enhance operational synergies, reduce redundant processes, and foster a more agile and competitive business environment.



Neodymium Magnets Opportunity

Seizing the neodymium magnets opportunity

With an unwavering focus on growth and innovation, we are actively pursuing new avenues in the landscape of the neodymium magnets market in India. Recognizing the immense potential and growing demand for these magnets, we are diligently exploring inorganic opportunities to establish a Joint Venture Company, aiming to establish a robust manufacturing base within the country. By leveraging this strategic move, PML seeks to position India as a key player in the thriving RE magnets market, capitalizing on its untapped potential and propelling the nation towards greater technological advancements.

What Are Neodymium Magnets?

Neodymium magnets belong to the category of rare earth permanent magnets, specifically the neodymium-iron-boron (NdFeB) composition. These magnets are renowned for their exceptional strength, ranking among the most powerful commercially available magnets. With their remarkable magnetic properties, Neodymium magnets find versatile applications across various industries.

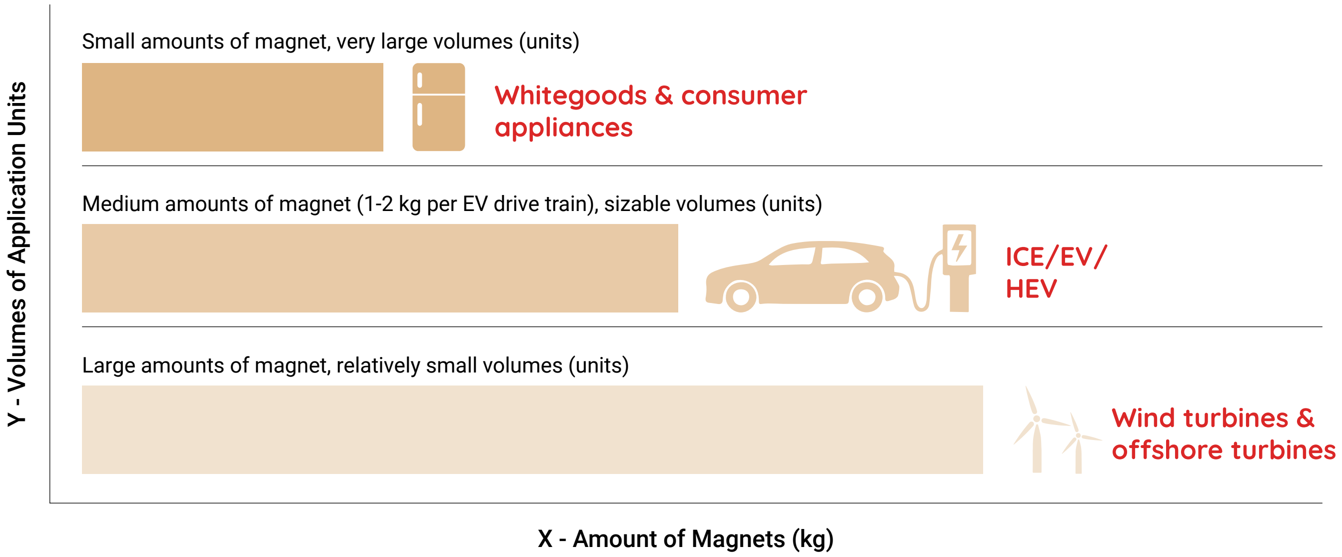
The unique composition of Neodymium magnets allows for their compact size and immense strength, making them the go-to choice for applications where space is limited but magnetic performance is critical. From electronics and medical devices to renewable energy systems and Automobile technologies, Neodymium magnets play a vital role in powering innovation and enhancing efficiency.

Key applications

- Whitegoods & consumer appliances
- ICE/EV/HEV
- Wind turbines

Other applications

- Pumps & motors
- Industrial automation

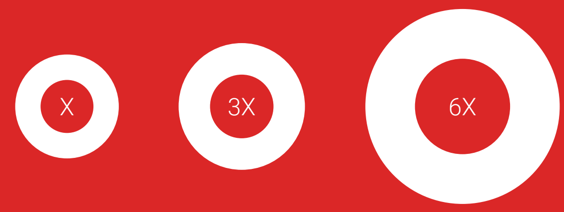


Global demand

The global demand for Neodymium magnets, comprising predominantly sintered magnets (93%) and bonded magnets (7%), stood at an estimated 119,000 tons in 2020. This demand is driven by the rising adoption of electric vehicles (EVs) and offshore wind turbines, which collectively account for a substantial portion of the projected demand growth. By 2030, it is expected that EVs will contribute to nearly 30% of the overall demand, as governments worldwide prioritize sustainable transportation and carbon emission reduction. Additionally, offshore wind turbines are projected to account for approximately 36% of NdFeB magnet demand by 2030, as the world embraces clean energy initiatives.

Global demand is estimated to go upto:

119,000	387,000	750,000
tons by 2020	tons by 2030	tons by 2050



Source: U.S. Department of Commerce, Neo Performance Materials

Growth drivers

The Neodymium magnets market is poised for significant growth, driven by various factors that underscore the increasing demand and applications of these powerful magnets.

Automobile Industry

The Automobile sector serves as a prominent growth driver, with modern vehicles utilizing a multitude of electric motors, many of which rely on Neodymium magnets for optimal performance.

Clean Energy Initiatives

The growing emphasis on clean energy, particularly wind energy, stimulates the demand for Neodymium magnets. These magnets play a vital role in wind turbines, ensuring efficient energy generation and driving the market's growth.

Electrical and Electronics Segment

Neodymium magnets find applications in various electrical and electronic devices. Offering robust performance even in high-temperature environments. Ongoing innovations in this segment are expected to further expand the market for Neodymium magnets.

Electric and Hybrid Vehicles (EVs/HEVs)

The rise of electric and hybrid vehicles further propels the demand for Neodymium magnets. With the International Energy Agency (IEA) forecasting a substantial increase in electric vehicle adoption, the market for Neodymium magnets is expected to surge, as these vehicles require a greater number of electric motors compared to traditional internal combustion engine (ICE) vehicles.

Traction Motors and Generators

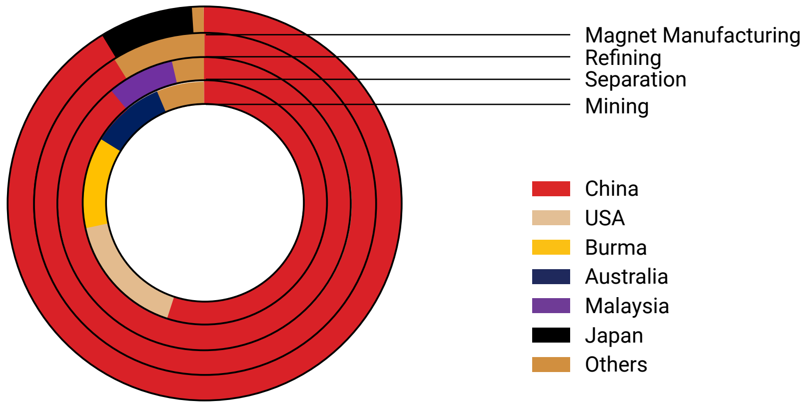
The preference for Neodymium magnets is evident in traction motors and generators used in electric and hybrid vehicles, contributing to their exceptional efficiency and power.

Neodymium Magnets Opportunity

Geographical distribution of sintered NdFeB magnets stages

The production process of sintered NdFeB magnets involves various stages, starting from rare earth mining to oxide separation, metal refining, and magnet manufacturing. An important aspect to consider is the geographical concentration of these supply chain stages. Currently, these stages are predominantly centralized in specific regions. Understanding this concentration is crucial for strategic planning and risk management. By diversifying the geographical distribution of these stages, we can reduce vulnerabilities associated with localized disruptions and strengthen the overall resilience of the supply chain. A well-structured and geographically distributed supply chain ensures a stable and consistent supply of sintered NdFeB magnets, supporting the growing demands of various industries.

Map not to scale only for illustration purpose



Pursuing inorganic growth

In line with the strategic goal of diversifying the geographical concentration of the supply chain for Neodymium magnets, we at PML, are actively exploring strategic growth opportunities. PML aims to establish a robust manufacturing base for Neodymium magnets in India, capitalizing on the country's emerging market potential and skilled workforce.

Letter to Shareholders

Emerging stronger. Reimagining possibilities.

Looking ahead, our main goals include expanding our manufacturing and technological capabilities. We also want to shift from individual components to integrated modules in some product categories while exploring new opportunities for growth.

Dear Shareholders,

I am delighted to address you as we reflect on yet another remarkable year at PML. First and foremost, I would like to express my sincere gratitude to each and every one of you for your trust, support and unwavering commitment to our vision. It is your belief in our capabilities that has propelled us forward, enabling us to achieve significant milestones.

₹188 Crores
Record Top Line in FY23

41%
Growth in Top Line in FY23

Looking back at FY23

FY23 has been a good year for PML, marked by good financial performance. Our revenue reached a record ₹188 Crores, representing a 41% growth compared to the previous year. This achievement can be attributed to growth of PML's products in the Automobile and Energy Meter segments. In Electricity Meters, we have successfully increased our market share in a significant product category within an existing customer. By offering competitive pricing and maintaining superior product quality, we have secured a larger portion of their business in FY23.

In the Automobiles space, we have made notable progress in the Electric Vehicle (EV) platform. Not only have we managed to onboard a few of new customers, but we have also experienced a notable increase in demand from our existing customers. The growth observed in FY23 has been primarily driven by the expansion of business with our current customer accounts. Overall, these developments demonstrate our commitment to providing top-notch products and services, fostering stronger relationships with existing clients and exploring new opportunities in emerging markets like EVs.

In addition to our robust sales growth, we are proud to have expanded our client base with the addition of a few new clients, including several large-scale companies.

A strategic shift

Over the past 60 years, we've learned some important things that have shaped our strategy. One key lesson is that product life cycles can be unpredictable and impact business growth. Recently, we experienced this with our gas meter diaphragm assembly. This taught us the importance of planning ahead for changing technologies and products becoming obsolete. So, we've changed our focus from just individual products to technology and capabilities, as they last longer than specific products.

By focusing on technology and capabilities, we can adapt quickly to the emerging trends. This approach allows us to keep introducing new products faster, reducing the challenges when products become outdated. It also allows us to create personalized solutions for our customers' unique needs. Looking ahead, our main goals include expanding our manufacturing and technological capabilities. We also want to shift from individual components to integrated modules in some product categories while exploring new opportunities for growth.

Our strategy centers around innovation and adaptability, so we can anticipate and respond well to changes in the market. We're committed to continuously improving, encouraging new ideas, and fostering a creative environment.

Vision for tomorrow

Looking ahead, our focus remains steadfast on ensuring the long-term growth and sustainability of our Company. We recognize the importance of diversification and exploring new product lines to mitigate the impact of short-term product life cycle trends. By doing so, we can adapt to changing market dynamics and stay resilient in the face of evolving customer demands.

To achieve this, we are actively working towards expanding our capabilities in multiple areas. By investing in new technological and manufacturing capabilities, we aim to enhance our competitiveness and better serve our customers' evolving needs. Additionally, we are exploring opportunities for forward integration and scaling up product stages in specific categories. For instance, in the non-current sensing category, we are transitioning from magnets to assemblies in motors used in automobiles. These strategic initiatives will not only drive growth but also strengthen our position as a preferred partner to our customers in the long run.

As we keep going forward, we promise to continue being innovative, flexible, and focused on our customers. By paying attention to what's happening in the market and being ready to adjust to changes in the industry, we believe we can handle whatever comes our way and find new ways to succeed.

Advancing infrastructure

Although we faced some delays in getting the land for our new manufacturing facility, we expect to finish acquiring it in the next few months. We're determined to meet the increasing demands of our valued customers, and this new facility will be a crucial part of that. Meanwhile, we've invested in advanced Plant & Machinery at our current location, which will later move to the new centralized plant. This will make us even stronger, with more ability to produce. These actions ensure that we're ready to meet the changing market demands and work efficiently.

Concluding thoughts

Furthermore, we are pleased to share that our customer engagements in new markets, particularly in China, have shown promising growth. Although our business in these markets has not yet reached significant scale yet, we remain optimistic about the immense potential they hold. At present, the majority of our growth continues to be fueled by our valued American and European customers, who have remained steadfast partners in our journey.

As we start the next phase of our growth journey, we want all our stakeholders to keep believing in our vision and supporting us. Together, we'll move forward, trying new things, reaching more global markets and aiming for excellence in everything we do. We're sure that with your ongoing support, we'll face whatever comes our way with strength, flexibility, and strong determination.

Thank you once again for your trust and confidence in our Company.

Warm Regards,

Sharad Taparia
Managing Director

Key Performance Indicators

Highlights of an outstanding year

In the wake of an extraordinary journey over the past five years, PML has achieved remarkable milestones and generated commendable financial outcomes. Through strategic initiatives, the Company has successfully enhanced profitability and significantly reduced debt, capitalizing on the expansion of lucrative product categories and businesses. This growth is further bolstered by the thriving end-use sectors, such as the electric vehicle and smart electricity meter industries, where PML's products have found extensive applications. As we embark on the next phase of our journey, we remain resolute in our pursuit of excellence and embracing the myriad opportunities that lie ahead.

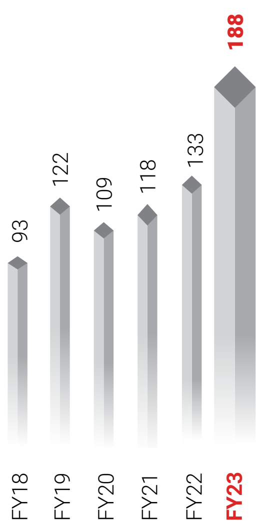
₹188 Crores
FY23 Total Revenue

₹41 Crores
FY23 Operating Profits

₹30 Crores
FY23 PAT

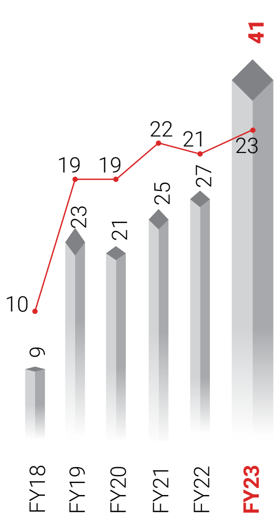
Total Revenue
₹ in Crores

15% 5Y CAGR



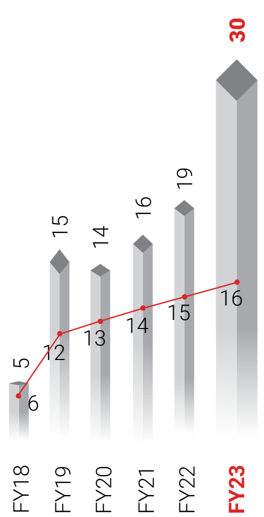
Operating Profit & Operating Profit Margin
₹ in Crores & in %

35% 5Y CAGR



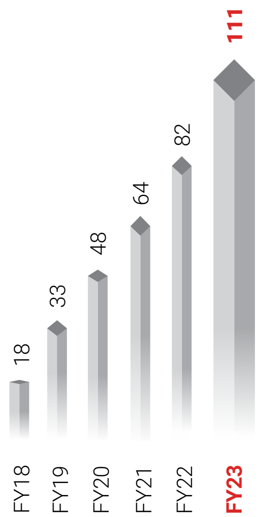
PAT & PAT Margin
₹ in Crores & in %

43% 5Y CAGR

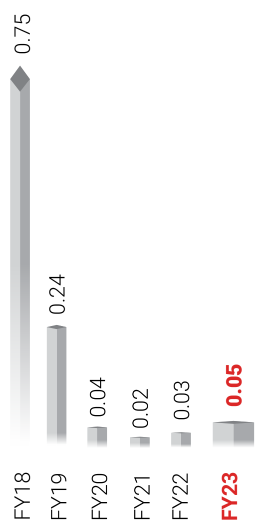


Equity
₹ in Crores

44% 5Y CAGR

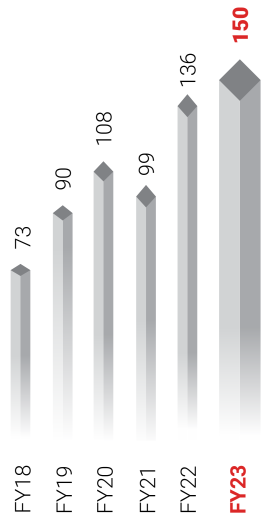


Total Debt to Equity
In Times

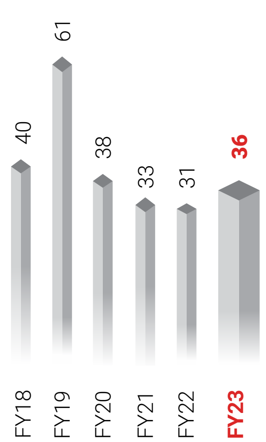


Working Capital Days
In days

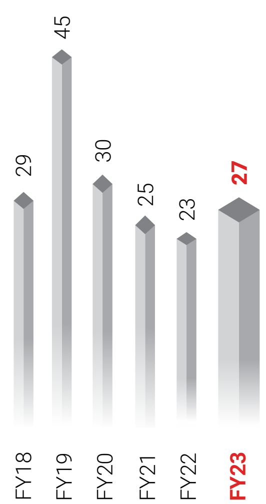
14 Days



Return on Capital Employed
In %



Return on Equity
In %



BOD Profiles

Governing excellence

Our esteemed Board of Directors is the cornerstone of PML's success, led by our accomplished Non-Executive Chairman. Composing a well-balanced blend of Independent Executives and Non-Executive Directors, our Board brings a wealth of experience and expertise to guide our strategic direction. Each member of our Board is committed to upholding the highest standards of governance and actively contributes their unique perspectives and insights. Together, we form a cohesive team, dedicated to driving PML's growth, fostering innovation, and delivering value to our stakeholders.

A S C N

Rajeev Mundra

Chairman

Rajeev Mundra brings a rich experience of over 26 years in management, finance, accounting, and taxation. With qualifications including B.Com, CA, Grad CWA, CISA (USA), and DIFA (ICA), he provides valuable insights and strategic guidance to the Company.

A C

Sharad Taparia

Managing Director

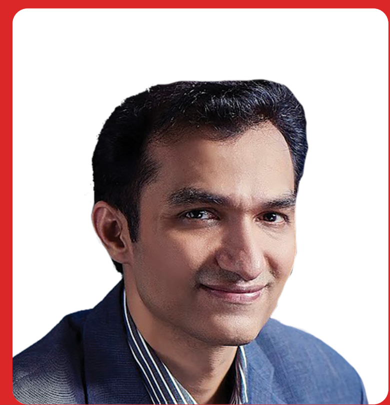
Sharad Taparia, with over 26 years of experience in the magnet manufacturing industry, holds a BE degree and an MBA in Finance. He spearheads the overall management of the Company, driving growth and operational excellence.

N A S

Kamal Binani

Independent Non-Executive Director

Kamal Binani possesses over 40 years of experience in finance, accounting, and taxation. With a strong background in these areas and a B.Com and CA qualification, he brings valuable expertise and independent perspective to the Board.



N S C

Mukul Taparia

Non-Executive Director

Mukul Taparia has more than 25 years of experience in international marketing and finance. Holding a Bachelor's degree in Computer Science from the University of Texas, Austin, and a Diploma in Business Engineering from Warwick University, UK, he contributes to the Company's strategic direction.

Sunaina Taparia

Non-Executive Director

Sunaina Taparia holds a Bachelor's degree in Fine Arts.

Girish Desai

Non-Executive Director

With over 50 years of experience in management, finance, taxation, corporate and security laws, HR, and industrial relations, Desai, with qualifications including M.Com, Grad-CWA, ACA, PGDSM, and PGDSL, offers a diverse range of expertise and insights to the Board.

M Member C Chairman

- A Audit Committee
- N Nomination and Remuneration Committee
- S Stakeholders Relationship Committee
- C Corporate Social Responsibility Committee

Management Discussion and Analysis

Management Discussion and Analysis

The IMF predicts that the global economic growth will decelerate from 3.4% in CY22 to 2.9% in CY23, before experiencing a modest recovery of 3.1% in CY24.

This slowdown can be attributed to a widening divergence in growth rates between advanced and emerging economies, coupled with tightening financial conditions and a significant rise in food and energy prices. In addition, persistent inflation and the decoupling of the world's two largest economies are also contributing to the economic downturn.

Global economy

The global economy has endured a period of turbulence and instability over recent years, as a result of pandemic, trade tensions and geopolitical confrontations combined with rising inflation. Pivoting to CY23, the global economy finds itself confronting a set of challenges that feel both familiar yet unprecedented.

The IMF predicts that the global economic growth will decelerate from 3.4% in CY22 to 2.9% in CY23, before experiencing a modest recovery of 3.1% in CY24. This slowdown can be attributed to a widening divergence in growth rates between advanced and emerging economies, coupled with tightening financial conditions and a significant rise in food and energy prices. In addition, persistent inflation and the decoupling of the world's two largest economies are also contributing to the economic downturn. However, there are reasons to remain optimistic. Central banks across the globe are expected to signal interest rate cuts, which is expected to result in a sustained recovery of asset prices and the economy by the end of CY23.

Despite these persistent headwinds, the global economy has demonstrated remarkable resilience towards the end of 2022, dispelling the apprehensions of a protracted downturn. In addition, a delightful surprise has emerged in several economies. The unforeseen strengthening of real GDP, driven by the remarkable resilience of private consumption, investment and favourable fiscal stimulus, has fortified economic growth. Tight labour markets and pent up demand for services have created a unique opportunity for households to capitalise on their savings, while business investment has further consolidated this expansion, signifying a growing sense of confidence in future prospects.

Additionally, it is also noteworthy that the energy markets have demonstrated remarkable agility in responding to the shock of Russia's invasion of Ukraine, thus propelling the growth momentum forward. In summary, while challenges loom over the global economy, the strength demonstrated by key economies in the face of these challenges inspire confidence that will lead to achieving sustainable growth in the years ahead.

Indian economy

India's economy has been on a remarkable upswing, with a projected growth rate of 7% (in real terms) for FY23. Despite the challenges posed by the COVID-19 pandemic, conflict between Russia and Ukraine, and Central Banks across economies responding with synchronised policy rate hikes to curb inflation, India continues to be projected as the fastest-growing major economy by agencies worldwide.

The factors driving this economic growth include a surge in credit growth to the Micro, Small, and Medium Enterprises (MSME) sector, which has averaged over 30.5% between January and November, 2022. Additionally, the capital expenditure of the Central Government rose by 63.4% in the first eight months of FY23, further driving economic growth. In addition, the rebound in private consumption, supported by a rebound in contact-intensive services such as trade, hotels, and transport, has contributed to India's growth in FY23.

In addition to these factors, India's economic growth has been driven by capital formation, generating employment as seen in the declining urban unemployment rate and in the faster net registration in the Employee Provident Fund. The country's vaccination drive involving more than 2 billion doses has also helped lift consumer sentiments, prolonging the rebound in consumption. As India's private consumption and capital formation continue to drive growth, the country is poised to embark on a dynamic cycle of credit disbursal and capital investment in FY24. The expansion of public digital platforms, along with path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes, are set to boost manufacturing output and further propel the economy forward.

With a strong focus on innovation and sustainable development, India is set to spearhead the global economic recovery and emerge as a leading player in the international arena. Its unwavering commitment to progress and growth will continue to inspire and propel the nation towards greater heights of prosperity and success.

Management Discussion and Analysis

Global EV Trends

Overview

In 2022, electric car sales achieved yet another remarkable milestone, setting a new record despite facing challenges such as supply chain disruptions, macro-economic uncertainties, geopolitical tensions and soaring commodity and energy prices. Surprisingly, this growth occurred amidst a global contraction in car markets, with total car sales dipping by 3% compared to 2021. However, the electric car segment, comprising both battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs), defied the odds and surpassed 10 million units sold, representing a remarkable 55% increase from the previous year.

The speed at which electric car sales have surged is truly astonishing. In just five years, from 2017 to 2022, sales have increased from around 1 million to over 10 million. Comparatively, it took, from 2012 to 2017, for electric vehicle sales to grow from 100,000 to 1 million, underscoring the exponential nature of their growth. As a result of this phenomenal growth, the share of electric cars in the total car sales market spiked from 9% in 2021 to an impressive 14% in 2022, marking a tenfold increase in their market share since 2017.

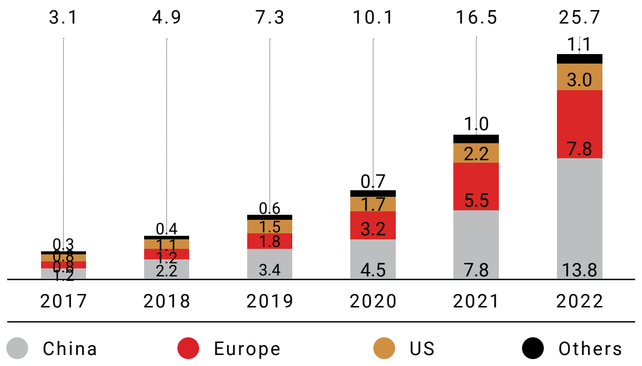
The number of electric cars on the road also soared, with over 26 million electric vehicles traversing the world's streets in 2022, a substantial 60% increase compared to 2021.

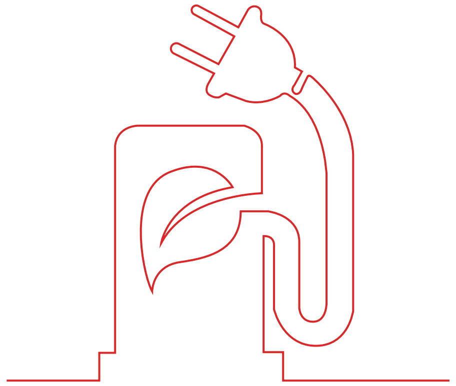
The year 2022 showcased the dominance of the electric vehicle market, marking a phenomenal 55% growth compared to 2021. Notably, China played a significant role in driving this global growth, with sales in the country surging by an impressive 80% and contributing to 60% of the overall global growth. Meanwhile, Europe continued to exhibit substantial growth, with a 15% increase, and the United States witnessed accelerated growth at 55%.

The prevalence of electric cars in China is notable, as it now houses almost half of the world's electric vehicles, with 13.8 million units out of the global total of 32.9 million. Financially, the global spending on electric cars hit a staggering USD 425 billion in 2022, marking a significant 50% increase from the previous year. This substantial investment further reinforces the continued interest and confidence in the electric car market.

Global Electric Vehicle Stock by Region

Units in Millions





Industry Trends

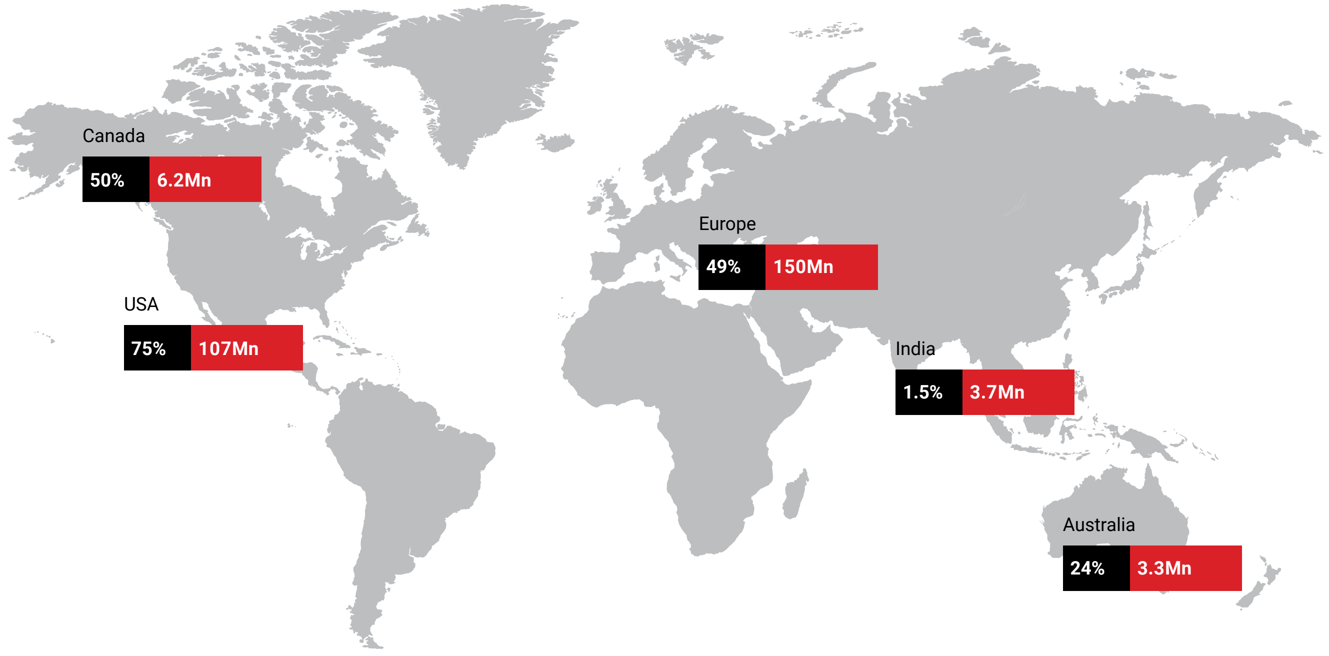
- **Electric car sales break new records with momentum expected to continue through 2023:** Over 2.3 million electric cars were sold in the first quarter, about 25% more than in the same period last year
- **Landmark EV policies are driving the outlook for EVs closer to climate ambitions:** The EU and the US have passed legislation to match their electrification ambitions
- **As spending and competition increase, a growing number of more affordable models come to market:** A growing number of new entrants, primarily from China but also from other emerging markets are offering more affordable models; The number of available electric car models reached 500 in 2022, more than double the options available in 2018.
- **EV supply chains and batteries gain greater prominence in policy-making:** EV supply chains are increasingly at the forefront of EV-related policymaking to build resilience through diversification

Source: IEA

Global Smart Meters

A smart meter is an advanced electronic device designed to record crucial information related to electric energy consumption, such as voltage levels, current, and power factor. It plays a pivotal role in providing consumers with a clearer understanding of their energy usage patterns while enabling electricity suppliers to monitor the system efficiently and accurately bill their customers. The global smart meters market is projected to reach approximately USD 23.1 billion by 2023, with an expected Compound Annual Growth Rate (CAGR) of 9.4%, propelling it to a size of USD 36.3 billion by 2028.

Smart meters have been steadily gaining traction worldwide, integrating into metering systems across different regions. Notably, around 68% of metering systems in the USA have transitioned to smart meters, while the EU and Canada account for approximately 50% of the market. In Australia, about 25% of metering systems have adopted smart meters. However, in India, smart meters make up only 1.5% of the market, indicating significant room for improvement. Government policies across the globe are actively promoting Advanced Metering Infrastructures (AMIs) to drive automation and technological advancement, presenting exceptional growth opportunities, especially in markets with limited smart meter penetration.



Source:
1. Australia's installed smart electricity meters base at 3.3 million out of a total 13.6 million meters - SMI
2. USA's estimated installed household smart electricity meters base at 107 million, representing 75% of US households - SMI
3. Europe's installed smart electricity meters base at 150 million, representing a 49% penetration rate - SMI
4. India's smart meters base at 3.7 million, out of the Government of India's mission to install 250 million meters by 2025 - Powerline
5. Canada's installed smart electricity meters base is estimated to be 6.2 million out of 12.4 million households, indicating about 50% penetration - Energyrates

One of the persistent challenges faced by the power distribution and supply industry is efficiently matching demand with supply. Smart electricity meters are expected to bridge this gap, significantly enhancing industry efficiency. These smart meters offer consumers the advantage of timely failure detection, faster service accommodations, and accurate billing. For power companies, these meters reduce the reliance on manual meter readings, limit equipment and maintenance costs, and enable quicker restoration and maintenance processes. Moreover, they empower companies to track and mitigate power loss and theft effectively.

Furthermore, smart meters enable the integration of distributed energy resources and energy storage, facilitating effective supply management for specific uses like residential electric vehicle (EV) charging. Such automation leads to improved operational efficiencies, greater grid resilience, and precise meter readings. Anticipating the future, it is expected that the growth of the smart metering industry will be fueled by the development of smart grid networks and regulatory initiatives. These steps not only encourage the replacement of outdated metering systems with modern technologies but also contribute to the overall energy supply and consumption efficiency. In the long run, consumers can adjust their energy usage based on time-based pricing models, while supply and distribution companies can optimize capacity utilization, ultimately resulting in rationalized rates and enhanced resource management.

Source: Markets and Market

Indian Smart Meters Landscape

Revamped Distribution Sector Scheme: Reforms-Based and Result-Linked

The government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help DISCOMs improve their operational efficiencies and financial sustainability by providing result-linked financial assistance to DISCOMs to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The scheme has an outlay of ₹ 3,03,758 Crores over 5 years i.e. FY 2021-22 to FY 2025-26. The outlay includes an estimated Government Budgetary Support (GBS) of ₹ 97,631 Crores.

REC and PFC have been nominated as nodal agencies for facilitating the implementation of the scheme.

The scheme aims to meet the following objectives:

- Reduction of AT&C losses to pan-India levels of 12-15% by 2024-25.
- Reduction of ACS-ARR gap to zero by 2024-25.
- Improvement in the quality, reliability and affordability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

Management Discussion and Analysis

The Scheme has the following components:

- Part A – Financial support for Prepaid Smart Metering & System Metering and up-gradation of the Distribution Infrastructure.
- Part B – Training & Capacity Building and other Enabling & Supporting Activities.

Learning from the experience of previous schemes, the Revamped Distribution Sector Scheme has been developed to address state-specific needs. Some of the salient features are as below:

- Prepaid Smart Metering to be prioritized for
  - » 500 AMRUT cities, with AT&C Losses > 15%
  - » All Union Territories
  - » MSMEs, Industrial and Commercial consumers
  - » All Government offices at the Block level and above
  - » Other areas with high losses
- Prepaid Smart metering for remaining consumers and areas is proposed to be taken up by the respective DISCOMs in a phased manner.
- Prepaid Smart metering and system metering are proposed to be implemented through PPP on TOTEX (CAPEX+OPEX) mode.
- Part A of the scheme also provides financial assistance to DISCOMs for infrastructure creation and undertaking reforms to achieve the desired results towards improvement in operational efficiency and financial sustainability.
- Provision of feeder segregation for unsegregated feeders. Thereafter these feeders are to be solarized under KUSUM – leading to cheap/free daytime power for irrigation.
- The pre-qualifying criteria need to be mandatorily met with the DISCOMs before they can be evaluated based on the Result Evaluation Matrix. Thereafter, performance based on Result Evaluation Matrix shall form the basis for the release of funds under the scheme.
- For Prepaid Smart metering, a grant of ₹ 900 or 15% of the cost per consumer meter (whichever is lower), shall be available for “Other than Special Category” States. For “Special Category” States, the grant of ₹ 1350 or 22.5% of the cost per consumer (whichever is lower) shall be available.
- To incentivize the States/UTs to fast-track installation of prepaid Smart Meters by December 2023, an additional incentive of 7.5% of the cost per consumer meter or ₹ 450 (whichever is lower) shall be available. For “Special Category” States the additional incentive shall be 11.25% or ₹ 675 per consumer meter (whichever is lower).
- For works other than smart metering, maximum financial assistance given to DISCOMs of “Other than Special Category” States will be 60% of the approved cost, while for the DISCOMs in special category states, the maximum financial assistance will be 90% of the approved cost.

Source: REC

Smart Consumer Metering Current Status as per Govt. of India

Sl	Nodal Agency	State	DISCOM	Scheme	Total Sanctioned	Awarded	Cumulative Achievement
1	PFC	Andhra Pradesh	APSPDCL	RDSS	23,02,644	19,76,922	0
2	PFC	Andhra Pradesh	APCPDCL	RDSS	20,50,962	13,59,912	0
3	PFC	Andhra Pradesh	APEPDCL	RDSS	12,55,240	9,82,316	0
4	PFC	Uttarakhand	UPCL	RDSS	15,84,205	0	0
5	PFC	Gujarat	DGVCL	RDSS	40,78,120	16,88,251	0
6	PFC	Gujarat	MGVCL	RDSS	32,99,991	32,99,991	0
7	PFC	Gujarat	PGVCL	RDSS	55,83,509	22,57,478	0
8	PFC	Gujarat	UGVCL	RDSS	35,20,251	35,25,480	0
9	PFC	Haryana	DHBVNL	RDSS	41,65,618	0	0
10	PFC	Haryana	UHBVNL	RDSS	32,40,000	0	0
11	PFC	Himachal Pradesh	HPSEBL	RDSS	28,00,945	0	0
12	PFC	Jharkhand	JBVNL	RDSS	13,41,306	0	0
13	PFC	Kerala	KSEBL	RDSS	1,32,48,923	0	0
14	PFC	Kerala	TCED	RDSS	40,438	0	0
15	PFC	Madhya Pradesh	MP-East	RDSS	51,44,451	9,71,306	0
16	PFC	Madhya Pradesh	MP-Central	RDSS	39,55,918	9,39,527	0
17	PFC	Madhya Pradesh	MP-West	RDSS	38,79,733	3,74,241	42,702
18	PFC	Maharashtra	MSEDCL	RDSS	2,24,88,866	0	0
19	PFC	Maharashtra	BEST	RDSS	10,75,881	10,75,890	0
20	PFC	Puducherry	PED	RDSS	4,03,767	0	0
21	PFC	Punjab	PSPCL	RDSS	87,84,807	0	0
22	REC	Andaman and Nicobar	EDANI	RDSS	83,573	0	0
23	REC	Arunachal Pradesh	Arunachal PD	RDSS	2,87,446	0	0
24	REC	Assam	APDCL	RDSS	63,64,798	49,57,239	3,24,829
25	REC	Bihar	NBPDCL	RDSS	10,30,000	10,30,000	6,25,389
26	REC	Bihar	SBPDCL	RDSS	13,20,000	13,20,000	8,09,359
27	REC	Chhattisgarh	CSPDCL	RDSS	59,62,115	44,61,743	0
28	REC	Goa	Goa PD	RDSS	7,41,160	0	0
29	REC	Jammu and Kashmir	JPDCL	RDSS	7,21,346	0	0
30	REC	Jammu and Kashmir	KPDCL	RDSS	6,85,699	0	0
31	REC	Karnataka	-	RDSS	0	0	0
32	REC	Ladakh	Ladakh PD	RDSS	0	0	0
33	REC	Manipur	MSPDCL	RDSS	1,54,400	0	0
34	REC	Meghalaya	MePDCL	RDSS	4,60,000	0	0
35	REC	Mizoram	Mizoram PD	RDSS	2,89,383	0	0
36	REC	Nagaland	Nagaland PD	RDSS	3,17,210	0	0
37	REC	Rajasthan	AVVNL	RDSS	54,32,231	0	0
38	REC	Rajasthan	JdVVNL	RDSS	40,80,082	0	0
39	REC	Rajasthan	JVVNL	RDSS	47,62,643	0	0
40	REC	Sikkim	Sikkim PD	RDSS	1,44,680	0	0
41	REC	Tamil Nadu	TANGEDCO	RDSS	3,00,00,000	0	0
42	REC	Tripura	TSECL	RDSS	5,47,489	0	0
43	REC	Uttar Pradesh	DVVNL	RDSS	53,54,069	24,49,604	0
44	REC	Uttar Pradesh	KESCO	RDSS	6,25,001	0	0
45	REC	Uttar Pradesh	MVVNL	RDSS	75,28,737	0	0
46	REC	Uttar Pradesh	PVVNL	RDSS	61,43,261	61,43,261	0
47	REC	Uttar Pradesh	PuVVNL	RDSS	73,27,988	46,88,898	0
48	REC	West Bengal	WBSEDCL	RDSS	2,07,17,969	0	0
49	REC	Andaman and Nicobar	EDANI	IPDS	36,800	36,800	36,800
50	REC	Andaman and Nicobar	EDANI	DDUGJY	38,400	38,400	38,400
51	Utility	Andhra Pradesh	APEPDCL	Utility Owned	2,000	2,000	2,000
52	REC	Assam	APDCL	Utility Owned	70,000	70,000	70,000
53	NSGM	Assam	APDCL	IPDS (SG Pilots)	14,519	14,519	14,519
54	REC	Assam	APDCL	Utility Owned	1,34,000	1,34,000	1,34,000

Sl	Nodal Agency	State	DISCOM	Scheme	Total Sanctioned	Awarded	Cumulative Achievement
55	REC	Assam	APDCL	Utility Owned	1,34,000	1,34,000	1,34,000
56	REC	Assam	APDCL	Utility Owned	32,276	32,276	2,262
57	REC	Bihar	NBPDCL	Utility Owned	1,02,90,000	26,00,000	1,89,274
58	REC	Bihar	SBPDCL	Utility Owned	45,10,339	10,00,000	41,909
59	Utility	Bihar	SBPDCL	Utility Owned	40,500	40,500	40,500
60	Utility	Bihar	IPCL	Utility Owned	17,100	17,100	17,100
61	Utility	Bihar	BEDCPL	Utility Owned	1,000	1,000	1,000
62	NSGM	Chandigarh	CED	NSGM	29,433	29,433	24,214
63	EESL	Delhi	NDMC	Utility Owned	65,000	65,000	65,000
64	Utility	Delhi	TPDDL	Utility Owned	1,95,000	1,95,000	1,95,000
65	NSGM	Gujarat	UGVCL	IPDS (SG Pilots)	23,760	23,760	23,760
66	NSGM	Haryana	UHBVNL	IPDS (SG Pilots)	10,188	10,188	10,188
67	NSGM	Haryana	SGKC Lab	IPDS (SG Pilots)	10	10	10
68	PFC	Haryana	DHBVNL	Utility Owned	5,00,000	5,00,000	2,56,972
69	PFC	Haryana	UHBVNL	Utility Owned	5,00,000	5,00,000	4,41,390
70	NSGM	Himachal Pradesh	HPSEBL	IPDS (SG Pilots)	1,335	1,335	1,335
71	PFC	Himachal Pradesh	HPSEBL	IPDS	75,712	75,712	75,712
72	PFC	Himachal Pradesh	HPSEBL	Utility Owned	76,028	76,028	76,028
73	REC	Jammu and Kashmir	JPDCL	PMDP-Phase-I	1,00,000	67,650	66,015
74	REC	Jammu and Kashmir	JPDCL	PMDP-Phase-II	3,00,000	2,69,333	1,07,861
75	REC	Jammu and Kashmir	KPDCL	PMDP-Phase-I	1,00,000	59,400	58,651
76	REC	Jammu and Kashmir	KPDCL	PMDP-Phase-II	3,00,000	2,69,334	81,567
77	NSGM	Karnataka	CESC	IPDS (SG Pilots)	21,874	21,874	21,874
78	PFC	Kerala	CPT	IPDS ST&D	805	805	805
79	REC	Ladakh	Ladakh PD	SDP	58,930	58,930	928
80	PFC	Madhya Pradesh	MP-West	IPDS	1,24,477	1,24,477	1,24,477
81	PFC	Madhya Pradesh	MP-West	Utility Owned	2,20,986	2,20,986	1,03,302
82	PFC	Madhya Pradesh	MP-West	IPDS ST&D	1,18,836	1,18,836	1,18,836
83	REC	Mizoram	Mizoram PD	Utility Owned	656	656	656
84	Utility	Odisha	OPTCL	Utility Owned	4,000	4,000	4,000
85	Utility	Odisha	PPT	Utility Owned	500	500	500
86	NSGM	Puducherry	PED	IPDS (SG Pilots)	28,910	28,910	28,910
87	Utility	Puducherry	PED	Utility Owned	1,658	1,658	1,658
88	PFC	Punjab	PSPCL	IPDS	88,107	88,107	88,107
89	PFC	Punjab	PSPCL	Utility Owned	7,893	7,893	0
90	PFC	Punjab	PSPCL	Utility Owned	9,57,093	9,57,093	2,86,093
91	REC	Rajasthan	AVVNL	IPDS	68,673	68,673	68,673
92	REC	Rajasthan	AVVNL	Utility Owned	1,000	1,000	1,000
93	REC	Rajasthan	JVVNL	IPDS	2,40,820	2,40,820	2,40,820
94	REC	Rajasthan	JVVNL	Utility Owned	40,962	40,962	32,377
95	NSGM	Rajasthan	JVVNL	NSGM	1,49,089	1,49,089	1,37,802
96	REC	Rajasthan	JVVNL	Utility Owned	70,000	70,000	70,000
97	REC	Rajasthan	JdVVNL	IPDS	56,027	56,027	56,027
98	REC	Tamil Nadu	TANGEDCO	Utility Owned	1,40,849	1,40,849	1,26,510
99	NSGM	Telangana	TSSPDCL	IPDS (SG Pilots)	8,882	8,882	8,882
100	NSGM	Tripura	TSECL	IPDS (SG Pilots)	43,081	43,081	43,081
101	NSGM	Uttar Pradesh	IITK	IPDS (SG Pilots)	28	28	28
102	REC	Uttar Pradesh	MVVNL	Utility Owned	9,04,000	9,04,000	3,80,731
103	REC	Uttar Pradesh	PVVNL	Utility Owned	11,63,000	11,63,000	1,98,726
104	REC	Uttar Pradesh	DVVNL	Utility Owned	6,29,000	6,29,000	1,47,991
105	REC	Uttar Pradesh	PuVVNL	Utility Owned	11,47,225	11,47,225	3,21,433
106	REC	Uttar Pradesh	KESCO	Utility Owned	1,56,000	1,56,000	1,38,072
107	NSGM	West Bengal	WBSEDCL	IPDS (SG Pilots)	5,164	5,164	5,164
108	Utility	West Bengal	CESC	Utility Owned	10,000	10,000	10,000
109	REC	West Bengal	WBSEDCL	Utility Owned	4,80,790	0	0
Total					**22,98,73,570**	**5,62,33,362**	**67,75,209**

Company Overview

Incorporated in 1960, Permanent Magnets has a rich experience of over 60 years in the magnets, magnetic assemblies and shunts domain. The Company is a leading solution provider of electrical components and assemblies based on certain core technologies which find application in the automobile, energy meter, renewable energy, aerospace & defence, food & beverage and many other such industries. The Company has strong expertise in 5 core product categories, wherein it designs and delivers innumerable customer-specific solutions, and these product categories include magnetic sensing, current sensing, magnetic assemblies, alloys and ZAMAK die-casting.

PML's exceptional expertise in the fields of metallurgy, mechanical engineering, electrical engineering and electronics, enable it to offer comprehensive solutions to its clients. Due to its long-standing presence in the industry, the Company has an excellent understanding of client's quality requirements.

Apart from this the Company possesses superior capabilities in design & simulation of components & modules including customer-specific prototyping; various metals & metallurgical processes; and manufacturing technologies such as assembly processes, finishing processes, hot chamber die-casting and plastic moulding.

PML works closely with its distinguished clientele from across industries, many of whom are global leaders in their respective industries. While in some cases PML is one of the two-three suppliers for specific products, it is also the only supplier for many of its clients. PML is a preferred supplier of electrical components and assemblies to about 50% of the tier-1 automobile companies globally, in both traditional ICE vehicles and emerging technologies like EV. It is also a supplier to the top 3 electricity meter companies globally, and the Company holds a strong position in this segment with long-standing client relationships.

Risk and Concerns

Product Life Cycle Risk

The Company manufactures products that find application in smart metering systems, automobiles, telecom, gas meters and many such other application industries. Due to the constant underlying changes in these industries, some faster than the others, there is always a possibility of products (modules and components) witnessing maturing or declining trends in revenues. The Company must be cognizant of such trends and must prepare itself in accordance, as it has the potential to affect its performance in the future.

Macroeconomic Risk

Macroeconomic risks emerge from adverse economic conditions affecting the market, credit, liquidity, financial and 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.

Technological Risk

Newer technologies are continuously emerging in our application industries. Changing technological trends might render electrical components and modules manufactured by the Company obsolete in the future. Thus, technological obsolescence, in its own industry or application industry, may affect the Company's performance in the future.

Competition Risk

If the competition offers better pricing and superior quality, technology, services, facilities and variety, it may impact sales revenue and profitability of the Company.

Policy & Regulation Change Risk

Products manufactured by the Company are used in multiple industries and in multiple jurisdictions, thus the Company must comply with multiple product and quality standards. If there are any adverse regulatory or policy changes in the jurisdiction to which the Company has exposure to, it may affect its performance in the future.

Exchange Rate

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.

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 unauthorized use/disposition, and transactions are recorded and reported with proprietary accuracy and speed. These aspects are regularly reviewed during internal audits and statutory audits. In addition, 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. The Finance and Accounts function is well-staffed with experienced and qualified personnel, and this team participates in the preparation and monitoring of budgets. The Audit Committee of the Board reviews internal Audit Reports periodically.

FY23 Performance Discussion

Total Income for the year stood at ₹188.19 crore, as compared to ₹133.26 crore in FY22, registering an increase of 41%. EBITDA (Excluding OI) for the year stood at ₹41.27 crore in FY23, as compared to ₹26.73 crore in FY22, subsequently EBITDA margin stood at 23% in FY23 as compared to 21% in FY22. Profit After Taxes for the year stood at ₹29.75 crore, as compared to ₹19.04 crore in FY22, registering an increase of 56% in the year.

Financial Ratios

Ratios	FY23	FY22	% Change	Remarks
Total Debt to Equity (Times)	0.05	0.03	60%	Due to negligible increase in debt
Current Ratio (Times)	3.40	3.26	4%	NA
Interest Coverage (Times)	32.46	30.84	5%	NA
Debtors Turnover (Times)	4.23	3.79	12%	NA
Inventory Turnover (Times)	2.03	2.02	1%	NA
Operating Profit Margin (%)	22.58%	20.64%	9%	NA
Net Profit Margin (%)	15.81%	14.29%	11%	NA
Return on Net Worth (%)	26.81%	23.16%	16%	NA

Outlook

The outlook for the upcoming financial year remains promising, supported by several key factors. These include a growing pipeline of customer projects, an increase in the size of customer projects, expanding market share in existing product categories, and the integration of newer technologies and capabilities.

Additionally, we have made significant progress in engaging with customers in new markets, such as China. Though our business hasn't seen significant scale-up in these markets yet, we hold an optimistic view of their potential.

Furthermore, we are actively pursuing forward integration and product stage scale-up in certain categories. For instance, we are focusing on scaling up from magnets to assemblies in motors, which are utilized in Automobiles (Non-Current-Sensing Category). These strategic initiatives are expected to drive growth and solidify our position with customers in the long term.

Industrial Relations and Human Resource Management

The Company believes that the motivation of employees is the key to its success. It is committed to equipping them with the required training and skills, enabling them to evolve with technological advancements and achieve financial goals. The Company's HR department was consistently in touch with the employees to guide and solve their problems. The Company's permanent employee strength stood at 103 as of March 31, 2023.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, estimates, expectations, or projections may constitute "forward-looking statements" within applicable laws and regulations. However, actual results may differ materially from those either expressed or implied in the statements. Important factors that would influence the Company's operations include raw materials prices, product and application industry's performance, tax laws, interest rates, power cost, economic developments, and other factors within the country and the global economics domain.

Corporate Information

BOARD OF DIRECTORS

Rajeev Mundra (Chairman)
(Non-Executive, Independent Director)

Sharad Taparia
(Managing Director)

Kamal Binani
(Non-Executive, Independent Director)

Mukul Taparia
(Non-Executive Director)

Girish Desai
(Non-Executive Director)

Sunaina Taparia
(Non-Executive Director)

CHIEF FINANCIAL OFFICER

Sukhmal Jain
(Sr. Vice President - Finance & CFO)

COMPANY SECRETARY

Rachana Rane

STATUTORY AUDITORS

M/s. Jayesh Sanghrajka & Co LLP
Chartered Accountants
405-408, Hind Rajasthan Building,
Dadasaheb Phalke Road, Dadar (E),
Mumbai - 400014

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 - 401107.

FACTORIES

1) Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
2) Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401107.
3) Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.

REGISTRAR & TRANSFER AGENT

Adroit Corporate Services Private Limited
17/20, 1st Floor, Jafferbhoy Industrial Estate,
Makhwana Road, Marol Naka, Andheri (East),
Mumbai - 400059.
Ph. 022 - 42270400
E-mail: info@adroitcorporate.com

BOARD COMMITTEES

Audit Committee
Rajeev Mundra - Chairman
Sharad Taparia - Member
Kamal Binani - Member

Nomination and Remuneration Committee
Kamal Binani - Chairman
Rajeev Mundra - Member
Mukul Taparia - Member

Stakeholders Relationship Committee
Rajeev Mundra - Chairman
Kamal Binani - Member
Mukul Taparia - Member

Corporate Social Responsibility Committee
Rajeev Mundra - Chairman
Sharad Taparia - Member
Mukul Taparia - Member

Notice

NOTICE is hereby given that the 62nd Annual General Meeting of the Members of **Permanent Magnets Limited** will be held on Thursday, August 31, 2023 at 2.00 P.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, 2023 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 ₹ 1.50/- per equity shares, for the financial year ended March 31, 2023.

3. To appoint a director in place of Sunaina Taparia (DIN: 07139610), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. Increase in Limits of Borrowings u/s 180(1)(c) of the Companies Act, 2013.

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

"**RESOLVED THAT** subject to the provisions of Section 180(1)(c) and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof, for the time being in force), and the Articles of Association of the Company and in supersession of all the earlier resolutions passed in this regard, the consent of members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s)authorized by the Board to exercise the powers conferred on the Board under this resolution), to borrow such sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, such that the moneys to be borrowed together with the money's already borrowed by the Company and remaining outstanding at any point of time shall not exceed a sum of ₹ 100 Crores (Rupees Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts deeds, matters and things to execute all such documents, instruments and writings as may be required to give effect to this Resolution"

5. Creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.

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

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, including any statutory modifications or re-enactments thereof, the rules notified thereunder and the Articles of Association of the Company, and in supersession of all the earlier resolutions passed in this regard, the consent of members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution)to mortgage and/or to create charge in any manner, on all or any of the immovable and/or moveable assets including outstanding monies, receivables, claims, bills, documents, contracts, engagements, securities, investments and rights of the Company both present and future of the Company for securing any loan obtained or as may be obtained from any Bank or any Consortium of Banks or Financial Institutions or funds or any person or body(ies) together with interest, cost, charges, expenses and other monies payable by the Company or to create the charge to secure any loan taken by any other entities/body corporate on such terms and conditions as the Board may deem fit in the interest of the Company provided that the total amount at any point of time so secured/mortgage shall not exceed ₹ 100 Crores (Rupees One Hundred Crores Only).

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

6. Consent of Members for increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to Persons/Bodies Corporate.

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

"**RESOLVED THAT** in supersession of all earlier resolutions passed in this regard, the consent of the Company be and is hereby accorded to the Board of Directors(hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), in terms of the provisions of Section 186 of the Companies Act, 2013 ("the Act")read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of ₹ 100 Crores (Rupees One Hundred Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limits up to which such investments in securities, loans, guarantees, that may be given or made, as may be determined by the Board, including with the power to transfer, dispose of the investments so made, from time to time, and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in regard to such investments, loans, guarantees and securities and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution."

Place: Thane
Date: May 17, 2023

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

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane

Sd/-
Rachana Rane
Company Secretary

Notes:

1. In view of the COVID-19 pandemic, social distancing norms and pursuant to the General Circular Nos. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as ('MCA Circulars'), permitted conveying Annual General Meeting through video conferencing ("VC") or other audio visual means ("OAVM") without physical presence of the members at a common venue. Hence, the members can attend and participate in the ensuing AGM through VC/OAVM.

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 2022-23 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 2022- 23 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 August 24, 2023 to August 31, 2023 (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 17, 2023 has recommended a final dividend of ₹ 1.50/- per share for fiscal year 2022-2023. The record date for the purpose of final dividend will be August 23, 2023. The final dividend, once approved by the members in the ensuing AGM will be paid within 30 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 17, 2023. 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 17, 2023.

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.

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, May 05, 2020, January 13, 2021 and December 28, 2022 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. 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.

17. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requeste to claim their dividends from the Company, within the stipulated timeline.

THE INSTRUCTIONS TO 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 Sunday, August 27, 2023 at 10.00 a.m. and ends on Wednesday, August 30, 2023 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 23, 2023 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 December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	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 along with 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 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider'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 toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

(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 Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 1. 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. 1. 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.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Shareholders 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) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xviii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- 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 will be mapped automatically & can be delink in case of any wrong mapping.

- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@pmlindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

The Company has appointed 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 MEMBERS 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 e-Voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops/Ipads for better experience.

5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rachana.rane@pmlindia.com or 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 rachana.rane@pmlindia.com or 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. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

11. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

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 info@adroitcorporate.com or investors@pmlindia.com.

2. For Demat shareholders -Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

Place: Thane
Date: May 17, 2023

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

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane

Sd/-
Rachana Rane
Company Secretary

Explanatory Statement Pursuant To Section 102 Of The Companies Act, 2013 And/Or Regulation 36(3) Of The Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015

Information in respect of the directors retiring by rotation/seeking appointment/re-appointment pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards:

Name of Director	Sunaina Taparia
Date of Birth	November 30, 1975
Date of first Appointment on the Board	April 01, 2015
Qualifications	Bachelors in Fine Arts
Expertise in specific Functional area	-
Directorship held in other public companies (excluding foreign/Private companies/LLP)	-
Memberships/Chairmanships of committees of other Public companies (includes only Audit and Shareholders/Investors Grievance Committee)	-
Number of shares held in the company	76,800 Shares
Relationship with other Directors/Key Managerial Personnel	Wife of Sharad Taparia, Managing Director

ITEM NO. 4 & 5

Item No. 4: To increase the borrowing limits of the Company.

Item No. 5: Creation of charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.

At the Annual General Meeting ("AGM") of the Company held on September 29, 2015, the members of the Company had accorded their consent to the Board of Directors of the Company ("Board") for borrowing monies (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) upto ₹ 50 Crores under Section 180(1)(c) of the Companies Act, 2013. The members of the Company at the said AGM had also accorded their consent to the Board to create charge on properties or assets of the Company to secure borrowings upto ₹ 50 Crores under Section 180(1)(a) of the Companies Act, 2013.

In order to further expand its business and to meet increased financial needs for the budgeted disbursements, it is proposed to enhance the borrowing limits of the Company to ₹ 100 Crores. The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). In terms of Section 180(1)(a) of the Companies Act, 2013 any proposal to sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertaking(s), requires the approval of the Members by way of a Special Resolution. Accordingly, the consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by mortgage/charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company as set out in Resolution No. 4 & 5 appended to this Notice.

The Board of Directors therefore recommends the resolutions as set out in Item Nos. 4 & 5 of the Notice for approval of members of the Company by way of Special Resolutions. None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the said resolutions.

ITEM NO. 6

Pursuant to the provisions of Section 186 of the Companies Act, 2013 the Board of Directors of a Company is authorized to give loan, guarantee or provide any security to any person or body corporate or acquire by way of subscription, purchase or otherwise, the securities of any body corporate, upto an amount of which shall not exceed the prescribed ceiling of sixty percent of the aggregate of the paid up capital and free reserves, securities premium account or hundred percent of its free reserves and securities premium account, whichever is more.

As per the latest audited Balance Sheet of the Company as on March 31, 2023, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to ₹ 66.57 Crores while one hundred per cent of its free reserves and securities premium account amounts to ₹ 110.95 Crores. Therefore, the maximum limit available to the Company under Section

186(2) of the Companies Act, 2013 for making investments or giving loans or providing guarantees or securities in connection with a loan, as the case may be, is ₹ 110.95 Crores. In view of the above and considering the long-term business plans of the Company, which requires the Company to make sizeable loans, investments and issue guarantees or securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits by way of a Special Resolution.

None of the other Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested financially or otherwise in the said Special Resolution except to the extent of their shareholding, if any, in the Company.

Place: Thane
Date: May 17, 2023

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

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane

Sd/-
Rachana Rane
Company Secretary

Directors' Report

To,
The Members,
PERMANENT MAGNETS LIMITED

Your Board of Director's have pleasure in presenting the 62nd Annual Report on the operational and business performance of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2023.

FINANCIAL HIGHLIGHTS:

The Company's Financial Performance for the Financial Year ended March 31, 2023 is summarized below:

(₹ In Lakhs)

Particulars	31.03.2023	31.03.2022
Sales	18,273.95	12,951.07
Other Income	545.18	374.83
Total Income	**18,819.14**	**13,325.90**
PBIDT & Extra Ordinary Items	**4,671.62**	**3,047.92**
Interest	127.16	85.68
Depreciation	548.80	405.67
Profit before Extra Ordinary Items & tax	**3,995.66**	**2,556.57**
Extra Ordinary Items	-	-
Profit before Tax	**3,995.66**	**2,556.57**
Current Tax	1,051.10	665.18
Deferred Tax	(30.65)	(13.04)
Profit/(Loss) for the year	2,975.21	1,904.43
Other Comprehensive Income	0.83	1.02
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)	2,976.04	1,905.45

1. COMPANY'S PERFORMANCE:

Your Company's total revenue during the year under review was ₹ 18819.14 Lakhs compared to ₹ 13325.90 Lakhs in the previous year. The Profit before Tax for the year 2022-23 was ₹ 3995.66 Lakhs as against ₹ 2556.57 Lakhs in the previous year. Profit after Tax in 2022-23 stood at ₹ 2976.04 Lakhs as against ₹ 1905.45 Lakhs in the previous year.

2. DIVIDEND:

Your Directors have recommend a final dividend of ₹1.50/- (Rupee one & fifty paisa only) per share (viz 15%) per equity share of the face value of ₹ 10/- (Rupees Ten only) each for the financial year ended March 31, 2023. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting. The Dividend will be paid to members whose names appear in the register of members as on record date.

3. 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.

4. TRANSFER TO RESERVE:

The Board of Directors of the Company has not recommended transfer of any amount to the General Reserve for the Financial Year ended March 31, 2023.

5. 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).

6. 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.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board comprises of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are persons of eminence in areas such as business, industry, finance,law, administration etc. and bring with them experience and skills which add value to the performance of the Board.

In accordance with the provisions of Section 152(6) of the Act, Sunaina Taparia (DIN: 07139610), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment. The Board recommends his re- appointment.

The Board recommends the reappointment of Sunaina Taparia (DIN: 07139610), for the consideration of the members of the company at the ensuing annual general meeting. Brief details of Sunaina Taparia has been mentioned in the notice convening the Annual General Meeting at Information in respect of the directors seeking appointment/re-appointment pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

None of the Directors, Key Managerial Personnel and their relatives are interested in the said resolution.

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

- Sharad Taparia, Managing Director
- Sukhmal Jain, CFO & Senior Vice President - Finance
- 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.

8. 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:

I. that in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

II. 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, 2023 and of the profit of the Company for the year ended on that date;

III. 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;

IV. that the annual financial statements have been prepared on a going concern basis;

V. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

VI. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

9. CORPORATE GOVERNANCE:

In terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. A separate section on corporate governance along with a certificate from the auditors confirming compliance is annexed and forms part of the Annual Report.

10. 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.

11. AUDITORS:

Statutory auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s. Jayesh Sangharajka & Co. LLP Chartered Accountants (Firm Registration No.104184W/W100075) was appointed as Statutory Auditor of the Company in the 61st Annual General Meeting till the conclusion of the 66th Annual General Meeting of the Company. M/s. Jayesh Sangharajka & Co. LLP Chartered Accountants (Firm Registration No. 104184W/W100075) have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

M/s. Jayesh Sangharajka & Co. LLP and have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

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, 2023. 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

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, during the year under review the Internal Audit of the Company was undertaken on quarterly basis by M/S. G S Nayak & Co., Chartered Accountants. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditors. Internal Audit report is reviewed by the audit committee from time to time.

12. 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:

With reference to para IX of the "Annexure A" 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.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) read with Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as "**Annexure B**".

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

Hon'ble Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated April 15, 2015. This was a lawsuit filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited. Company has deposited ₹ 19.05 Lakhs including interest as per direction of Hon'ble 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.

16. RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in Note No. 9 of Notes to Accounts of the Company for the financial year ended March 31, 2023. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no material significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. 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.

The Policy on the Related Party Transactions as approved by the Board is uploaded on the website of the Company.

17. CORPORATE SOCIAL RESPONSIBILITY:

As part of the Corporate Social Responsibility initiative the Company has spent an amount of ₹ 44.18 Lakhs towards the various CSR activities during the financial year 2022-23. A report on CSR Activities as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed herewith as "**Annexure D**".

The Company has adopted Corporate Social Responsibility Policy in line with Schedule-VII of Companies Act 2013. The CSR Policy is disclosed on the website of the Company www.pmlindia.com.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

The Whistle Blower Policy has been uploaded on the website of the Company under investors tab at www.pmlindia.com.

19. 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 which 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.

20. FOREIGN EXCHANGE EARNING AND OUTGO:

Please refer to paragraph No. 15 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.

21. 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.

22. BOARD AND COMMITTEE MEETINGS:

The Board has the following Committees:-

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee

A detailed disclosure on the Board, its Committees, its composition, the detailed charter and brief terms of reference, number of Board and Committee meetings held, and attendance of the Directors at each meeting is provided in the Report on Corporate Governance which forms part of the Annual Report.

23. 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. During the financial year under review, the Company has not received any complaint of Sexual Harassment of Women at Workplace.

24. ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2023 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, and is available on the website of the Company in investor tab at www.pmlindia.com.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The current system of internal financial control is aligned with the statutory requirements. Effectiveness of internal financial control is ensured through management reviews and controlled self-assessment. 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.

26. SHARE CAPITAL:

The paid up Equity Share Capital as on March 31, 2023 was ₹ 859.85 Lakhs.There was no change in the Share Capital during the year under review.

27. 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 fulfill expectations of other stakeholders through strategic supervision of the Company. The questionnaire of the evaluation criteria is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as part of the survey.

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

a. 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.

b. 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.

c. 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 2022- 23 based on aforesaid criteria.

28. REPORTING OF FRAUDS:

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of the fraud committed by the Company, its officers and employees, the details of which would need to be mentioned in the Board Report.

29. APPRECIATION:

The Board of Directors place on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year. The Board conveys its appreciation for its customers, shareholders, suppliers as well as vendors, bankers, business associates, regulatory and government authorities for their continued support.

Place: Thane
Date: May 17, 2023

FOR AND ON BEHALF OF THE BOARD,

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane

Sd/-
Sharad Taparia
Managing Director

Sd/-
Mukul Taparia
Director

Annexure A

FORM No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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, Silvassa Vapi 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 March 31, 2023 ('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 March 31, 2023 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)*

  (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(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
  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. Kamal Binani (DIN: 00340348) has been re-appointed as an independent director and Girish Desai (DIN: 01056763) has been re-appointed (who was liable to retire by rotation and offered himself for reappointment) during the period under review.

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 April 15, 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 April 15, 2015. The Company has deposited ₹ 19.05 Lakhs 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

Place: Mumbai
Date: May 17, 2023

Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309
UDIN: F009765E000319580
Peer Review No.: 928/2020

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 17, 2023

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

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	Sharad Taparia – 22.84x
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Sharad Taparia (MD) – 25.81% Sukhmal Jain (CFO) – 0% Rachana Rane (CS) – 16.90%
3.	The percentage increase in the median remuneration of employees in the financial year	Median Increase – 11.92%
4.	The number of permanent employees on the rolls of the Company	103 as on March 31, 2023
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	The average annual increase in remuneration of employees other than Key Managerial Personnel was 13.24%.The average annual increase in the remuneration of Key Managerial Personnel was 21.36%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Remuneration Policy.

DETAILS OF TOP 10 EMPLOYEES

Sr No	Employee Name	Age	Designations	Nature of employment	Date of commencement of employment	Relation with Director/ Manager	% of Shareholding
1.	Sharad Taparia	50	Managing Director	Permanent	01-08-1999	Self	12.41%
2.	Prabhakar Kamath	62	President - Operations	Contractual	01-10-2003	No	-
3.	Sukhmal Jain	62	Senior Vice President - Finance, CFO	Contractual	03-09-1988	No	-
4.	Girish Mahajan	59	Vice President	Permanent	01-01-2011	No	-
5.	Hemant Kore	48	Sr. General Manager	Permanent	01-10-1995	No	-
6.	Allen D'cunha	43	Deputy General Manager	Permanent	01-01-2007	No	-
7.	Raghav Garg	33	Sr. Manager -Business Development	Permanent	01-08-2016	No	-
8.	Ajit Vanjare	39	Sr. Manager-Business Development	Permanent	15-01-2010	No	-
9.	Manish Kale	36	Sr. Manager-Business Development	Permanent	06-05-2021	No	-
10.	Sunil Verma	48	Sr. Manager-Operations	Permanent	11-06-2007	No	-

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 2022-23. 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: Mumbai
Date: May 17, 2023

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:

As a socially responsible corporate citizen, the Company will continue to enhance value creation in the society and community in which it operates. Through its conduct, services, and CSR initiatives it will strive to promote sustained growth in the surrounding environment. The objective of the policy is to actively contribute to the social, environmental and economic development of the society in which we operate.

2. Composition of CSR Committee as on March 31, 2023:

Sr. 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.	Rajeev Mundra	Chairman (Independent Non-Executive Director)	1	1
2.	Sharad Taparia	Managing Director	1	1
3.	Mukul Taparia	Non-Executive Director	1	1

3. 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

4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

		(₹ In Lakhs)
5. (a)	Average net profit of the company as per section 135(5)	2208.77
	(a) Two percent of average net profit of the company as per section 135(5)	44.18
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Not Applicable
(c)	Amount required to be set off for the financial year	Not Applicable
(d)	Total CSR obligation for the financial year (b+c-d)	44.18

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 44.18 Lakhs

(b) 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 Lakhs)	(7) Mode of implementati on Direct (Yes/No)	(11) Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Education	Clause II of Schedule VII	No	Bihar	Gaya	35.00	No	Bodh Gaya International Vipassana Medication Centre	CSR00012274
2.	Education	Clause II of Schedule VII	Yes	Maharashtra	Mumbai	4.46	No	Vidya Prasarak Mandal	CSR00025545
3.	Promoting health care	Clause I of Schedule VII	Yes	Maharashtra	Palghar	1.70	No	Dr. M.L Dhawale Memorial Trust Hospital	CSR00002539
4.	Education	Clause II of Schedule VII	Yes	Maharashtra	Mumbai	1.50	No	Seeds of Awareness and Research Foundation	CSR00018671
5.	Education	Clause II of Schedule VII	No	Rajasthan	Nagaur	1.51	No	Pyaridevi Hanumanbux Taparia Charity Trust	CSR00014541
	TOTAL					**44.18**			

(c) Amount spent in Administrative Overheads: NA

(d) Amount spent on Impact Assessment, if applicable: NA

(e) Total amount spent for the Financial Year (a+b+c): ₹ 44.18 Lakhs

(f) CSR amount spent or unspent for the financial Year 2022-2023:

Total amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
₹ 44.18 Lakhs	NA	NA	NA	NA	NA

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	44.18
(ii)	Total amount spent for the Financial Year	44.18
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. 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 subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	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 ₹)	Deficiency, If any
					Amount (in ₹)	Date of transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR Amount spent	Details of entity/Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
NIL							

9. 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

For and on behalf of Corporate Social Responsibility Committee

Sd/-
Rajeev Mundra
Chairman of CSR Committee

Sd/-
Sharad Taparia
Managing Director

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. Vaccum Induction Melting technology
   - 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
   - X. GFCI assemblies
   - XI. Folded terminals using multi slide machine
   - XII. Joining material using ultrasonic welding
   - XIII. Die casting tooling using 3D printing technique
   - XIV. Camera based inspection systems
   - XV. Standalone Plastic molding
   - XVI. Sensor Calibration Set up
2. Benefits derived as a result of above R&D.
   - I. New capability created for increased scope of Business
   - II. New product lines developed
   - III. Introduction of new technology
   - IV. Cost saving
   - V. Ensure the delivery of quality products to customers
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 Components for Defense and Aerospace
   - VI. NADCAP approved Dry Hydrogen Heat Treatments
   - VII. New products-wire harness or wire+brazed terminals
   - VIII. Develop Zamak parts that are currently made up of brass material
   - IX. Develop EV motor sub components
   - X. Design capabilities for current sensing, shielding solutions
   - XI. New components in high cost materials-Cobalt Iron laminations and parts
4. Expenditure on R&D (₹ In Lakhs)
   - I. Capital: ₹ 32.90
   - II. Recurring: ₹ 90.65
   - III. Total: ₹ 123.55

   Total R & D expenditure as a percentage of total turnover is 0.68%.

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.

Pilot burners used in Dry Hydrogen Heat Treatment furnaces replaced with electric pilots thereby saving LPG consumption and achieved effective heat dissipation in the furnace area.

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.

Corporate Governance Report

1. INTRODUCTION

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in terms of Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations, 2015] and the report contains the details of Corporate Governance systems and processes at **Permanent Magnets Limited** (PML).

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

Corporate Governance is based on the principles of equity, fairness, integrity, transparency, accountability and commitment to values. PML adopts a business process which is aimed at enhancing an organization's wealth while being committed to high ethical values and conduct. At PML, we believe in complying with the spirit of the law and not just the letter of the law. We follow the policy of continual disclosure of accurate financial and governance information on our website to ensures investors awareness and protection. Our Board consists of experienced and participative independent directors, which ensure independent and unbiased decision-making process. At PML, we ensure application of best governance practices, adherence to high ethical values, healthy stakeholder relations and achievement of our objectives while meeting the stakeholder's needs.

The Company has also adopted Code of Conduct for the Board of Directors and other Senior Level Management and also Whistle Blower Policy to enable the employees and directors to report their concerns directly to the Chairman of the Audit Committee. At PML, we have always sought to be a value driven organization, where our growth and success is directed by our values. A report on Corporate Governance as required by the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is as under.

3. 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 composition of Board of directors of the company is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board further confirms that in its opinion, the independent directors fulfill 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, 2023, the Board comprised of 6 Directors.

Board Meetings:

The Board of Directors of the Company met five times during the year on May 30, 2022, August 09, 2022, October 13, 2022 November 11, 2022 and January 31, 2023.

The necessary quorum was present for all the meetings. The maximum interval gap between any two meetings did not exceed 120 days.

Attendance at last AGM	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	
Sharad Taparia	Managing Director, Promoter	5	5	Yes	-	-	-	-
Rajeev Mundra	Independent and Non Executive Director, Chairman	5	5	Yes	4	4	3	Taparia Tools Ltd. - Independent Director
Kamal Binani	Independent and Non Executive Director	5	4	Yes	2	-	-	-
Mukul Taparia	Non Executive Director, Promoter	5	4	Yes	3	-	-	-
Sunaina Taparia	Non Executive Director, Promoter	5	5	Yes	-	-	-	
Girish Desai	Non Executive Director	5	5	Yes	1	-	3	Abhinav Capital Services Limited - Independent Director

During the year, one meeting of the Independent Directors was held on March 30, 2023. The Independent Directors, inter- alia, reviewed the performance of non-independent directors and the Board as a whole.

Relationship Between Directors

Out of 6 Directors 3 Directors are related Directors viz: Sharad Taparia, Managing Director, Mukul Taparia, Non Executive Director and 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, 2023

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Rajeev Mundra	NIL
2.	Kamal Binani	NIL
3.	Mukul Taparia	10,27,523
4.	Sunaina Taparia	76,800
5.	Girish Desai	3,050

Familiarization Programme for Independent Directors:

The Executive Director of the Company provides a brief of the industry and business of the Company to the new 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 'Familiarization 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.

Pursuant to section 150 read with of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013, your Company's Independent Directors have registered themselves on the portal of "Indian Institute of Corporate Affairs" as Independent Director within the prescribed timelines.

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

4. AUDIT COMMITTEE

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013, as applicable along with other terms as referred by the Board of Directors.

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, 2023 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 2022-2023:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Rajeev Mundra	Chairman, Non-executive, Independent Director	4	4
Sharad Taparia	Member, Executive Director	4	4
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, 2023, i.e., May 30, 2022, August 09, 2022, November 11, 2022 and January 31, 2023. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings. Chief Financial Officer, Internal Auditor and Statutory Auditors are invited to attend and participate at the meetings of the Audit Committee. 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.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

This Committee has been vested with authority to inter alia recommend nominations for Board Membership, develop and recommend policies with respect to the composition of the Board Commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experiences, track record and integrity and determining overall remuneration policies of the Company.

The principal scope/role also includes review of market practices and decide on remuneration packages applicable to Executive Directors, Senior Management Personnel, etc. and review the same. The Nomination and Remuneration Committee will lay the foundation to the effective functioning of the Board.

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
Kamal Binani	Chairman, Non-executive, Independent Director	1	1
Mukul Taparia	Member, Non-executive Director	1	0
Rajeev Mundra	Member, Non-executive, Independent Director	1	1

The Committee during the financial year 2022–23, met on May 30, 2022.

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 Section. 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.

6. 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 2022-23:

(₹ in Lakhs)

Sr. No.	Names	Category	Sitting Fees	Salary	Perquisites	Stock Options	Total
1.	Sharad Taparia	Managing Director	-	115.00	0.11	-	115.11
2.	Rajeev Mundra	Independent Director	1.15	-	-	-	1.15
3.	Kamal Binani	Independent Director	0.95	-	-	-	0.95
4.	Mukul Taparia	Non Executive Director	0.65	-	-	-	0.65

(₹ in Lakhs)

Sr. No.	Names	Category	Sitting Fees	Salary	Perquisites	Stock Options	Total
5.	Sunaina Taparia	Non Executive Director	0.75	-	-	-	0.75
6.	Girish Desai	Non Executive Director	0.75	-	-	-	0.75

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.

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee is responsible for the satisfactory redressal of investor complaints and recommends measures for overall improvement in the quality of investor services.

The primary responsibilities of this Committee includes:

1. Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.

2. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.

3. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

4. Review of measures taken for effective exercise of voting rights by shareholders.

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 11, 2022.

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

Details of complaints received and attended to during the financial year 2022-23 are given below:

No. of complaints pending as on April 01, 2022	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, 2023	0

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary. The Board has also empowered.

The Committee to look into matters related to sustainability and overall governance.

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.
- To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- 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 of CSR activities for the financial year 2022-23 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, 2023 are as under:

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

During the financial year 2022-23 Corporate Social Responsibility Committee meeting was held on March 30, 2023.

9. BOARD AND COMMITTEE MINUTES

Minutes of all the Board and Committee Meetings are prepared by the Secretary of the Meeting, approved by the Chairman of the Meeting, entered in their respective Minutes Book within stipulate time frame, circulated to the Board in the Agenda for the succeeding meeting and adopted and taken on record.

10. GENERAL BODY MEETINGS

a) Details of previous three Annual General Meetings:

Financial Year	Date of Meeting	Time	Location
2021-22	06.09.2022	11.30 a.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2020-21	17.08.2021	11.30 a.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2019-20	29.09.2020	11.00 a.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)

Special resolutions passed in the previous three AGMs are as below:	
2021-22	Re-appointment of Kamal Binani (DIN: 00340348) as an independent director
2020-21	NIL
2019-20	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.

During the year under review, no Extraordinary General Meeting of the members of the Company was convened.

11. 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.

Quarterly results are published in, Financial Express (Ahmedabad Edition) and Daman ganga Times (Vapi Edition). The Company has designated the following email-id exclusively for investor servicing – investors@pmlindia.com

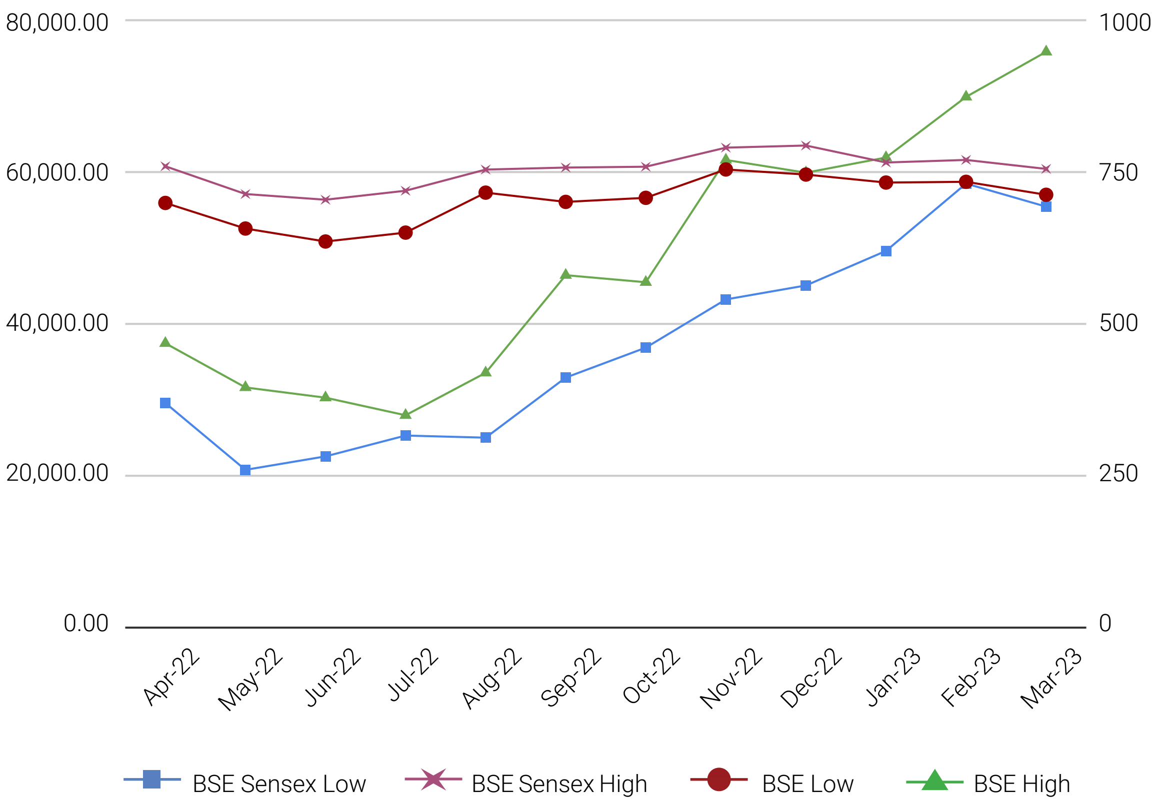
12. GENERAL SHAREHOLDER INFORMATION

i.	**Annual General Meeting**	
	Date	Thursday, August 31, 2023
	Time	2:00 p.m.
	Venue	The Company is conducting the AGM through Video Conference/Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022. 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 01 to March 31
	First quarter ending June 30, 2023	Within 45 days from the end of quarter
	Second quarter and half year ending September 30, 2023	Within 45 days from the end of quarter
	Third quarter and nine months ending December 31, 2023	Within 45 days from the end of quarter
	Year ending on March 31, 2024	Within 60 days from the end of the year
iii.	Date of Book Closure	As mentioned in the Notice of this AGM.
iv.	Dividend Payment Date	On or before September 25, 2023 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 2023 - 24 to the Stock Exchanges, where the equity shares of the Company are listed.
vi.	Stock Codes	504132 PERMAGN ISIN: INE418E01018
vii.	Corporate Identity Number (CIN)	L27100DN1960PLC000371

Market price data:

Share Price Performance

Month	BSE		BSE SENSEX	
	High	Low	High	Low
Apr-22	468.70	370.20	60,845.10	56,009.07
May-22	395.90	260.00	57,184.21	52,632.48
Jun-22	379.00	282.20	56,432.65	50,921.22
Jul-22	350.00	316.55	57,619.27	52,094.25
Aug-22	420.00	313.05	60,411.20	57,367.47
Sep-22	581.00	412.10	60,676.12	56,147.23
Oct-22	569.35	461.50	60,786.70	56,683.40
Nov-22	771.00	541.00	63,303.01	60,425.47
Dec-22	750.00	564.05	63,583.07	59,754.10
Jan -23	775.00	621.00	61,343.96	58,699.20
Feb -23	875.00	732.00	61,682.25	58,795.97
Mar -23	949.30	694.00	60,498.48	57,084.91



Registrar to an issue and share transfer agent:

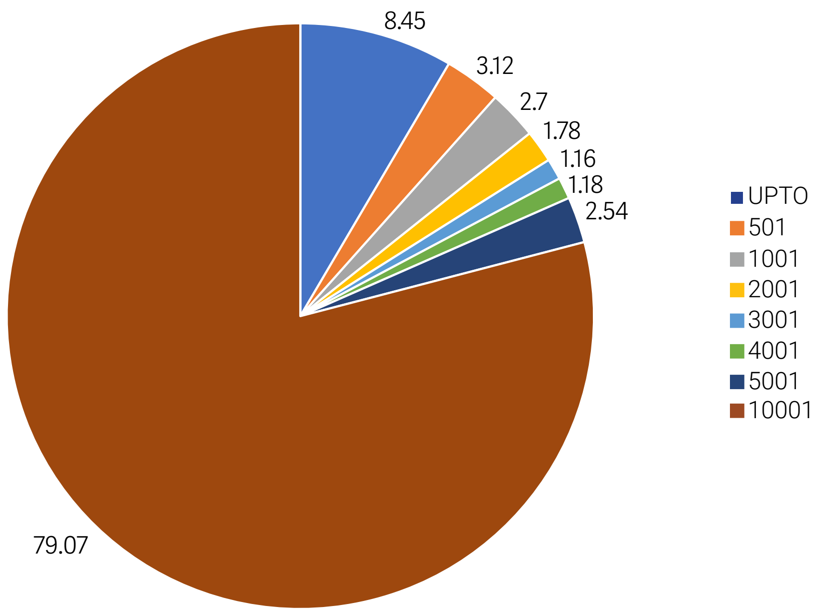
Adroit Corporate Services Private Limited

17/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana Road, Marol Naka, Andheri (East), Mumbai – 400059 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, 2023 from practicing company secretary.

Distribution of shares and shareholding as on March 31, 2023:

Shares slab	Shareholders	% of Shareholders	Total Shares	Amount (₹)	% of Share holding
UPTO 500	8622	92.38	726905	72,69,050	8.45
501 - 1000	349	3.72	268362	26,83,620	3.12
1001 - 2000	158	1.69	231913	23,19,130	2.70
2001 - 3000	60	0.64	153410	15,34,100	1.78
3001 - 4000	28	0.30	99594	9,95,940	1.16
4001 - 5000	21	0.22	101404	10,14,040	1.18
5001 - 10000	31	0.33	218706	21,87,060	2.54
10001 - Above	67	0.71	6798159	6,79,81,590	79.07
	9376	**100.00**	**8598453**	**8,59,84,530**	**100.00**



Shareholding Pattern as on March 31, 2023:

Sr. No.	Category of Shareholders	No. of Shares	Percentage
A.	Promoter and Promoter Group	4988175	58.01
B.	Non-Promoter shareholding		
1.	Financial Institutions/Banks	690	0.01
2.	Individual Holding nominal share capital upto ₹ 2L	1792047	20.84
3.	Individual Holding nominal share capital in excess of ₹ 2L	943130	10.97
4.	Bodies Corporate	356517	4.15
5.	Clearing member	425	0.00
6.	NRIs	96710	1.12
7.	NRI Corp Bodies	66600	0.77
8.	Trusts	100	0.00
9.	HUF Controlling	354059	4.12
	TOTAL	**8598453**	**100.00**

Physical/NSDL/CDSL/Summary Report as on March 31, 2023:

CATEGORY	SHAREHOLDERS	SHARES	PERCENTAGE
PHYSICAL	2443	524352	6.10
NSDL	2747	4433573	51.56
CDSL	4186	3640528	42.34

Dematerialization of Shares and Liquidity as on March 31, 2023:

The Company's shares are compulsorily traded in Dematerialized form on BSE. Equity shares of the Company representing 93.90 percent of the Company's equity share capital are dematerialized as on March 31, 2023. 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, 2023, 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, 2023, the Company had managed the foreign exchange risk to the extent considered necessary.

Credit Ratings:

Total Bank Facilities

Long Term Rating	ACUITE BB+ (Upgraded)
Short Term Rating	ACUITE A4 + (Upgraded)

Plant Location:

- Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401107.
- Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.

Corporate office address for correspondence:

Permanent Magnets Limited
Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107 Contact: 022 - 68285454
Fax: 022 - 29452128
Website: www.pmlindia.com
E-mail Id: investors@pmlindia.com/rachana.rane@ pmlindia.com

13. OTHER DISCLOSURE: RELATED PARTY TRANSACTIONS

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2022-23 were in the ordinary course of business and at arms' length basis.

As required under Regulation 23 of Listing Regulations, the Company has adopted a policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at the following link: 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 2022-23. 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, 2023.

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 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:

(₹ in Lakhs)

Payment to Statutory Auditors	FY 2022-23
Audit Fees M/s Ramanand & Associates (Upto Q1 of FY 22-23) M/s Jayesh Sanghrajka & Co LLP	 ₹ 1.00 ₹ 4.50
Tax Audit Fees	₹ 1.50
Other Services	-
Reimbursement of expenses	-
Total	**₹ 7.00**

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2022-23.

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	NA
c.	Number of complaints pending as on end of the financial year	NA

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.

14. CEO AND CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have certified positively to the Board on the matters specified under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2023.The said certificate is attached in this Annual Report.

15. 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

Declaration by Chief Executive Officer (CEO)

I, Sharad Taparia, Managing Director and Chief Executive Officer of Permanent Magnets Limited hereby confirm pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, that:

1. The Board of Directors of Permanent Magnets Limited has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company. The said code of conduct has also been posted on Company's website: www.pmlindia.com.

2. All the Board members and senior management personnel have affirmed their compliance with the said code of conduct for the year ended on March 31, 2023.

For and on behalf of the Board,

Place: Thane
Date: May 17, 2023

Sd/-
Sharad Taparia
Managing Director

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, 2023 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	Designation	Date of Appointment in the Company
1.	Sharad Taparia	00293739	Managing Director	15/05/2008
2.	Rajeev Jugalkishor Mundra	00139886	Independent Director & Chairman	16/04/2007
3.	Kamal Binani	00340348	Independent Director	26/12/2017
4.	Mukul Taparia	00318434	Non-Executive Director	22/09/2014
5.	Sunaina Taparia	07139610	Non-Executive Director	01/04/2015
6.	Girish Ramanlal Desai	01056763	Non-Executive Director	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.

M/s Arun Dash & Associates
Company Secretaries

Place: Mumbai
Date: May 17, 2023

Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309
UDIN: F009765E000319646
Peer Review No.: 928/2020

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, 2023 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, 2023;

   b) Significant changes in accounting polices during the year ended March 31, 2023 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	Sd/-	Sd/-
Date: May 17, 2023	**Sharad Taparia**	**Sukhmal Jain**
	Managing Director	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.

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 it is neither an audit nor an expression of opinion on the financial statements of the Company and 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.

M/s Arun Dash & Associates
Company Secretaries

Place: Mumbai
Date: May 17, 2023

Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309
UDIN: F009765E000319668
Peer Review No.: 928/2020

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 March 31, 2023, the statement of profit and loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in equity for the year then 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 March 31, 2023, 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, 2023. 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 of the financial statement, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed against the Company dated April 15, 2015.

   Honorable High Court of Bombay had passed winding up order dated April 15, 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 April 15, 2015. Company has deposited ₹ 19.05 Lakhs 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 email to the Trade receivables and Trade Payables to that effect, adjustments, if any, required upon such confirmation is not ascertainable. In response to above, only few confirmations have been received.

c. We draw attention to Note No. 5 of notes to accounts of the financial statements, which states that Interest on outstanding balances of MSME creditors are not provided in the books as contractual terms with the parties are more than 60/90 days and parties are also agreed upon the terms of payment.

   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.

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, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, applicable from April 01, 2021, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, were port 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 March 31, 2023, none of the directors are disqualified as on March 31, 2023 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 March 31, 2023 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. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

         - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
         - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

         b. The management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall

         - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
         - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

         c. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material mis-statement.

      v. The Company has declared and paid dividend during the year in compliance with Section 123 of the Act.

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Place: Mumbai
Date: May 17, 2023

Annexure 'A'

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Permanent Magnets Limited** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets and right-of-use assets so to cover all the assets once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us and as per report company has impaired its plant and machinery and total impairment loss booked for year is ₹ 14.22 Lakhs Other than this, there is no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed/ transfer deed/conveyance deed provided to us, we report that Company has title deed in the name of company for new land purchased during year and company has 15% share in immovable property situated at Borivali (east) Mumbai. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories were physically verified "except goods in transit" during the year by the Management at reasonable intervals. For goods in transit, subsequent evidence of delivery has been verified. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such physical verification.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ five Crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, clause 3(iii)(a) to clause 3(iii)(f) of the Order are 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 Companies Act, 2013. 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 deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion and according to the information and explanations given to us and based on audit procedures performed by us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us and based on audit procedures performed by us, there were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax,duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on audit procedures performed by us, Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount (₹ in Lakhs)
Central Excise Act, 1944	Excise Duty	CESTAT - Mumbai	FY 2003-04	63.18

viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In our opinion, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year except as mentioned below.

Bank	Nature	Amount (₹ 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.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has used term loan for the object for which it is obtained during the year and there are no unutilised term loans at the beginning of the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis has, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) and (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 18 to the notes to accounts of financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 18 to the notes to accounts of financial statements.

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Place: Mumbai
Date: May 17, 2023

Annexure 'B'

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Para 2(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 March 31, 2023]

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, 2023 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 collision 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, 2023, 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 **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Place: Mumbai
Date: May 17, 2023

Standalone Balance Sheet

As at March 31, 2023

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSET			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2	1,250.53	677.36
(b) Intangible assets	2	10.78	14.03
(c) Right-of-use Assets	2	134.09	320.52
(d) Financial Assets			
(i) Bank Balances	3	798.89	60.31
(ii) Loans	4	84.42	77.17
(e) Deferred Tax Assets (Net)	5	200.28	169.63
(f) Other Non-Current Assets	6	517.79	535.87
Total non current assets		**2,996.78**	**1,854.89**
(2) Current Assets			
(a) Inventories	7	5,339.03	3,728.95
(b) Financial Assets			
(i) Trade Receivables	8	5,095.14	3,545.13
(ii) Cash and Cash Equivalents	9	139.81	66.82
(iii) Bank Balances other than above	10	1,036.40	1,456.14
(iv) Loans	11	137.85	99.42
(c) Other Current Assets	12	381.29	845.78
Total current assets		**12,129.53**	**9,742.23**
TOTAL ASSETS		**15,126.31**	**11,597.13**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	13	859.85	859.85
(b) Other Equity	14	10,235.18	7,362.32
Total Equity		**11,095.02**	**8,222.16**
(2) Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	401.57	175.85
(ii) Lease Liabilities	16	-	152.55
(b) Provisions	17	67.11	62.12
Total Non Current Liabilities		**468.68**	**390.52**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	196.24	100.96
(ii) Trade Payables	19	2,934.64	2,460.04
(iii) Lease Liabilities	20	162.19	202.60
(iv) Other Financial Liabilities	20	41.90	89.06
(b) Other Current Liabilities	21	79.50	78.48
(c) Provisions	22	1.20	0.91
(d) Current Tax Liabilities	23	146.94	52.41
Total Current Liabilities		**3,562.61**	**2,984.45**
TOTAL EQUITY AND LIABILITIES		**15,126.31**	**11,597.13**
Significant Accounting Policies	1		
The Notes are an integral part of these financial statements			

As per our Report of even date attached.

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

For and on Behalf of the Board of Directors

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Date: May 17, 2023
Place: Mumbai

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

Standalone Statement of Profit and Loss

For the year ended March 31, 2023

(₹ in Lakhs)

	Particulars	Note No	For the year ended March 31, 2023	For the year ended March 31, 2022
I	**Income**			
	Revenue From Operations	24	18,273.95	12,951.07
	Other Income	25	545.18	374.83
	Total Income		**18,819.14**	**13,325.90**
II	**Expenses**			
	Cost of materials consumed	26	9,479.43	6,418.35
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	27	(295.60)	(543.43)
	Employee benefits expense	28	948.77	795.33
	Finance costs	29	127.16	85.68
	Depreciation and amortization expense	30	548.80	405.67
	Other expenses	31	4,014.92	3,607.73
	Total expenses		**14,823.47**	**10,769.33**
III	**Profit/(loss) before exceptional items and tax (I- II)**		**3,995.66**	**2,556.57**
	Exceptional Items		-	-
	Profit/(loss) before tax		**3,995.66**	**2,556.57**
IV	**Tax expense:**			
	(1) Current tax		1,048.34	664.90
	(2) Deferred tax		(30.65)	(13.04)
	(3) Short /Excess provision of earlier years		2.77	0.28
	Profit for the period from continuing operations (III-IV)		**2,975.21**	**1,904.43**
	Profit/(loss) from discontinued operations		-	-
	Tax expense of discontinued operations		-	-
	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
	Profit for the period		**2,975.21**	**1,904.43**
V	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss	32	0.83	1.02
	(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		-	-
VI	**Other Comprehensive Income for the period**		**0.83**	**1.02**
VII	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period) (V+VI)**		**2,976.04**	**1,905.45**
VIII	**Earnings per equity share (for continuing operation):**	33		
	(1) Basic		34.61	22.15
	(2) Diluted		34.61	22.15
	Significant Accounting Policies	1		
	The Notes are an integral part of these financial statements			

As per our Report of even date attached.

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

For and on Behalf of the Board of Directors

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Date: May 17, 2023
Place: Mumbai

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

Standalone Cash Flow Statement

For the year ended March 31, 2023

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	**3,996.50**	**2,557.58**
Adjustment for:		
Depreciation & Amortization		
Depreciation for PPE	347.62	227.35
Depreciation for Leased assets	201.18	178.31
Impairement	14.22	-
Loss/(Profit) on Sale of Assets	(0.88)	(5.64)
Finance Charges	91.52	36.61
Financial Charges under lease agreement	35.64	49.07
Interest income on security deposit	(6.36)	(9.00)
Misc balance w/off	26.43	42.04
Short/Excess provision of earlier years	(2.77)	(0.28)
Unrealised Foreign Exchange Gain	37.74	(4.64)
Operating Profit before working Capital Changes	**4,740.85**	**3,071.42**
Adjustment for:		
Inventories	(1,610.08)	(1,628.41)
Trade Receivables	(1,555.63)	(298.51)
Other Assets	145.12	(369.09)
Trade Payables	421.72	247.65
Other Liabilities	(93.27)	(44.19)
	2,048.71	**978.87**
Direct Taxes Paid	901.40	612.49
Net cash flow from Operating Activities	**1,147.31**	**366.38**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of/(Additions to) Fixed Assets	(951.59)	(379.99)
Sale of/(Additions to) investments (net)	-	-
Net cash used in investing activities	**(951.59)**	**(379.99)**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(103.18)	(85.98)
Proceeds from Long Term Borrowings	225.72	(4.90)
Repayment of Long Term Borrowings	-	-
Proceeds/(Repayment) from Current borrowings (net)	89.60	96.47
Finance Charges paid (Net)	(91.52)	(36.61)
Payment of Lease liabilities	(243.33)	(231.71)
Net cash from Financing Activities	**(122.72)**	**(262.74)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**72.99**	**(276.35)**
Opening Cash and Cash Equivalents	66.82	343.17
Closing Cash and Cash Equivalents	139.81	66.82

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

(₹ in Lakhs)

Cash and Cash Equivalent	March 31, 2023	March 31, 2022
Cash in hand	1.13	1.09
Balance with Banks	138.68	65.72
Total	**139.81**	**66.82**

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

For and on Behalf of the Board of Directors

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Date: May 17, 2023
Place: Mumbai

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount (₹ in Lakhs)
At April 01, 2022	**85,98,453**	**859.85**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	-	-
At March 31, 2023	**85,98,453**	**859.85**
At April 01, 2021	**85,98,453**	**859.85**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the current year	-	-
At March 31, 2022	**85,98,453**	**859.85**

B. OTHER EQUITY

(₹ in Lakhs)

	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings	
At April 01, 2022	**-**	**280.20**	**-**	**7,082.12**	**7,362.32**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	2,976.04	2,976.04
Dividends	-	-	-	(103.18)	(103.18)
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
At March 31, 2023	**-**	**280.20**	**-**	**9,954.98**	**10,235.18**
At April 01, 2021	**-**	**280.20**	**-**	**5,262.66**	**5,542.85**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total Comprehensive Income for the current year	-	-	-	1,905.45	1,905.45
Dividends	-	-	-	(85.98)	(85.98)
Transfer to retained earnings	-	-	-	-	-
Any other change (to be specified)	-	-	-	-	-
At March 31, 2022	**-**	**280.20**	**-**	**7,082.12**	**7,362.32**

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

For and on Behalf of the Board of Directors

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Date: May 17, 2023
Place: Mumbai

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

NOTE 2. PROPERTY, PLANT AND EQUIPMENT, March 31, 2023

(₹ in Lakhs)

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		April 01, 2022	Additions	Deductions\ Adjustments\ Impairement	March 31, 2023	April 01, 2022	During the year	Deductions/ Adjustments	March 31, 2023	As at March 31, 2023	As at March 31, 2022
A	**Tangible Assets**										
1	Freehold Land	0.15	425.62	-	425.77	-	-	-	-	425.77	0.15
2	Building	61.94	-	-	61.94	28.45	3.26	-	31.71	30.23	33.49
3	Plant & Machinery*	1,346.73	494.48	385.68	1,455.54	799.11	280.72	353.02	726.81	728.72	547.62
4	Electric Installation	1.39	-	-	1.39	0.70	0.02	-	0.71	0.68	0.69
5	Laboratory Equipments	0.04	-	-	0.04	0.01	-	-	0.01	0.04	0.04
6	Automobiles & Vehicles	104.51	-	13.91	90.60	35.03	35.25	11.95	58.34	32.26	69.48
7	Furniture & Fixtures	11.42	0.16	-	11.58	7.27	0.59	-	7.86	3.72	4.15
8	Office Equipments	79.12	29.79	2.50	106.40	57.38	21.02	1.11	77.29	29.11	21.74
	TOTAL A	**1,605.30**	**950.05**	**402.09**	**2,153.26**	**927.94**	**340.86**	**366.08**	**902.73**	**1,250.53**	**677.36**
B	**Intangible Assets**										
1	Computer Software	34.66	3.51	-	38.17	20.63	6.76	-	27.39	10.78	14.03
	TOTAL B	**34.66**	**3.51**	**-**	**38.17**	**20.63**	**6.76**	**-**	**27.39**	**10.78**	**14.03**
	TOTAL (A+B)	**1,639.96**	**953.56**	**402.09**	**2,191.42**	**948.57**	**347.62**	**366.08**	**930.12**	**1,261.31**	**691.39**

C	Particulars	Building
	Cost	
	Recognition on Intial application of Ind AS 116 as at April 01, 2019	
	Reclassified on account of adoption of Ind AS 116	601.81
	Addition during the year	14.74
	Deletion during period	-
	As at March 31, 2023	616.55
	Accumulated Depreciation April 01, 2022	28.13
	Depreciation for the year	201.18
	Deletion during period	-
	As at March 31, 2023	482.46
	Net Block	
	As at March 31, 2023	134.09

NOTE 2. PROPERTY, PLANT AND EQUIPMENT, March 31, 2022

(₹ in Lakhs)

Sr No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		April 01, 2021	Additions	Deductions \ Adjustments\ Impairement	March 31, 2022	April 01, 2021	During the year	Deductions/ Adjustments	March 31, 2022	As at March 31, 2022	As at March 31, 2021
A	**Tangible Assets**										
1	Freehold Land	0.15	-	-	0.15	-	-	-	-	0.15	0.15
2	Building	61.94	-	-	61.94	24.83	3.61	-	28.45	33.49	37.10
3	Plant & Machinery*	1,006.17	342.06	1.50	1,346.73	599.88	199.23	-	799.11	547.62	406.28
4	Electric Installation	1.39	-	-	1.39	0.67	0.03	-	0.70	0.69	0.72
5	Laboratory Equipments	0.04	-	-	0.04	0.01	-	-	0.01	0.04	0.04
6	Automobiles & Vehicles	114.37	26.46	36.32	104.51	66.01	2.20	33.17	35.03	69.48	48.36
7	Furniture & Fixtures	10.85	0.56	-	11.42	6.58	0.69	-	7.27	4.15	4.28
8	Office Equipments	57.94	21.18	-	79.12	42.07	15.31	-	57.38	21.74	15.86
	TOTAL A	**1,252.85**	**390.27**	**37.82**	**1,605.30**	**740.05**	**221.07**	**33.17**	**927.94**	**677.36**	**512.80**
B	**Intangible Assets**										
1	Computer Software	34.66	-		34.66	14.34	6.29	-	20.63	14.03	20.31
	TOTAL B	**34.66**	**-**	**-**	**34.66**	**14.34**	**6.29**	**-**	**20.63**	**14.03**	**20.31**
	TOTAL (A+B)	**1,287.51**	**390.27**	**37.82**	**1,639.96**	**754.39**	**227.35**	**33.17**	**948.57**	**691.39**	**533.12**

NOTE 3: BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Term Deposits*	790.86	56.90
Bank - Dividend a/c	8.03	3.41
Total	**798.89**	**60.31**

* Bank deposits of ₹ 719.13 Lakhs (P.Y. ₹ 56.90 Lakhs) held as colletral security for various banks limit.

NOTE 4: LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	84.22	77.17
Loans & Advances to Employees	0.20	-
Total	**84.42**	**77.17**
Secured, considered good	-	-
Unsecured, considered good	84.42	77.17
Doubtful	-	-

NOTE 5: DEFERRED TAX ASSET

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Asset		
- On account of Depreciation difference	77.77	61.37
- On account of Depreciation difference ROU	8.71	12.07
- On account of Depreciation diff. (ROU diff in Retained earning)	20.32	20.32
- On account of Disallowance of expenses	62.82	62.82
	169.63	**156.59**
Add/Less:		
- On account of Depreciation diff.	32.29	16.40
- On account of Depreciation diff. (ROU)	(1.64)	(3.35)
	30.65	**13.04**
Total	**200 .28**	**169.63**

NOTE 6: OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits with Govt Dept/courts	35.14	30.14
Capital Advances	482.66	505.74
Total	**517.79**	**535.87**
Secured, considered good	-	-
Unsecured, considered good	517.79	535.87
Doubtful	-	-

NOTE 7: INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	4,050.19	2,746.29
Work-in-progress	806.37	609.69
Stores and spares	42.16	31.57
Finished goods	440.31	341.40
Total	**5,339.03**	**3,728.95**

NOTE 8: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	-	-
Unsecured, considered good	5,095.14	3,545.13
Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Total	**5,095.14**	**3,545.13**

* Refer notes 18 of notes to accounts for aging details

NOTE 9: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks	138.68	65.72
Cash on hand	1.13	1.09
Total	**139.81**	**66.82**

NOTE 10: BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Term Deposits*	1,036.40	1,456.14
Total	**1,036.40**	**1,456.14**

* Bank deposits of ₹ 200.71 Lakhs (P.Y. NIL) held as colletral security for term loan taken from bank and ₹ 205.19 Lakhs (P.Y. ₹ 194.30 Lakhs) held as margin money against bank guarantee/LC.

NOTE 11: LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances recoverable in cash or kind	137.61	99.27
Loans & Advances to Employees	0.24	0.15
Total	**137.85**	**99.42**
Secured, considered good	-	-
Unsecured, considered good	137.85	99.42
Doubtful	-	-

NOTE 12: OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance to Suppliers	216.97	261.41
Balance with statutory/ Government Authorities	131.66	549.25
Prepaid Expenses	32.66	35.12
Total	**381.29**	**845.78**

NOTE 13: EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
AUTHORIZED CAPITAL		
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹ 10/- each	1,000.00	1,000.00
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/Non-Cumulative Preference Shares of ₹ 10/- each	600.00	600.00
	1,600.00	**1,600.00**
ISSUED, SUBSCRIBED & PAID UP CAPITAL:		
85,98,453 (P.Y. 85,98,453) Equity Shares of ₹ 10/- each, Fully Paid-Up	859.85	859.85
Total	**859.85**	**859.85**

13.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period Equity Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	₹ in Lakh	No of Shares	₹ in Lakh
Number of Shares at the beginning	**85,98,453**	**859.85**	**85,98,453**	**859.85**
Add: Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	85,98,453	859.85	85,98,453	859.85

13.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Amount ₹ 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.

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Equity shares of ₹ 10 each fully paid				
Sharad Jaiprakash Taparia	10,67,292	12.41	10,35,688	12.05
Mukul Taparia	10,27,523	11.95	9,96,744	11.59
Shyamsunder Taparia	8,48,989	9.87	8,48,989	9.87
Kamla Anil Taparia, hold in the capacity of Partner of Orient Corporation	5,77,360	6.71	5,77,860	6.72
Jaiprakash Hanumanbux Taparia	6,06,081	7.05	4,65,694	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.

Shareholding of Promoters

Shares held by promoters at the end of the year	As at March 31, 2023		As at March 31, 2022		% Change during the year
Promoter name	**No. of Shares**	**% of total shares**	**No. of Shares**	**% of total shares**	
Anilkumar Taparia, huf#	39,750	0.46%	39,750	0.46%	0%
Sunilkumar Taparia, huf#	5,450	0.06%	5,450	0.06%	0%
Rashi Mittal#	1,000	0.01%	1,000	0.01%	0%
Jai Prakash Taparia, huf#	-	0.00%	2,02,770	2.36%	(100%)
Kamala Anil Taparia#	1,34,835	1.57%	1,34,835	1.57%	0%
Kamala Anil Taparia, Partner of Orient Corporation#	5,77,360	6.71%	5,77,860	6.72%	(0.09%)
Sunaina Taparia*	76,800	0.89%	76,800	0.89%	0%
Divya Anil Taparia#	16,040	0.19%	16,040	0.19%	0%
Rishi Taparia#	41,000	0.48%	41,000	0.48%	0%
Manmohan Taparia#	50,000	0.58%	50,000	0.58%	0%
Anilkumar Taparia#	1,18,430	1.38%	1,18,430	1.38%	0%
Sunilkumar Taparia#	57,890	0.67%	57,890	0.67%	0%
Shyamsunder Taparia#	8,48,989	9.87%	8,48,989	9.87%	0%
Bank of Rajasthan Limited#	31,290	0.36%	31,290	0.36%	0%
Nymph Properties Private Limited#	1,60,000	1.86%	1,60,000	1.86%	0%
Sharad Taparia*	10,67,292	12.41%	10,35,688	12.05%	3.05%
Mukul Taparia*	10,27,523	11.95%	9,96,744	11.59%	3.09%
Yamini Taparia#	78,130	0.91%	78,130	0.91%	0%
Jaiprakash Hanumanbux Taparia#	6,06,081	7.05%	4,65,694	5.42%	30.15%
Anju Toshniwal#	25	0.00%	25	0.00%	0%
Sunitadevi Taparia#	25,290	0.29%	25,290	0.29%	0%
Nandini Taparia#	25,000	0.29%	25,000	0.29%	0%
Megh Exim LLP#	-	-	-	-	-
Shriniwas Company Private Ltd#	-	-	-	-	-

* Promoter # Promoter Group
The above details are as certified by the Registrar and Share transfer Agents.

NOTE 14: OTHER EQUITY

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Securities Premium Reserve		
Opening Balance	280.20	280.20
Add/Less:	-	-
Closing Balance	**280.20**	**280.20**
General Reserve		
Opening Balance	-	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-	-

NOTE 14: OTHER EQUITY (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	7,082.12	5,262.66
Add: Profit/(Loss) of the year	2,976.04	1,905.45
Less: Dividend for FY 2020-21/2021-22	(103.18)	(85.98)
Closing Balance	**9,954.98**	**7,082.12**
Total Equity	**10,235.18**	**7,362.32**

i. The Board of Directors in its meeting held on May 30, 2022 has recommended dividend of ₹ 12% (₹ 1.20 per equity share of ₹ 10 each) for the year ended March 31, 2022 and the same was approved by the shareholders at the Annual General Meeting held on September 06, 2022, which resulted in a cash outflow of ₹ 103.18 Lakhs.

ii. The Board of Directors, in their meeting held on May 17, 2023, have proposed a final dividend of ₹ 15% (₹ 1.50 per equity share of ₹ 10 each) per equity share for the financial year ended March 31, 2023 subject to the approval of shareholders at the ensuing Annual General Meeting.

NOTE 15: BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Term Loan		
Rupee Loan from Bank	225.72	-
Central Excise loan*	175.85	175.85
Total	**401.57**	**175.85**
The above amount includes		
Secured Borrowings	401.57	175.85
Unsecured Borrowings	-	-

15.1 Term loan taken from bank is repayable in 6 years with 1 year moratorium period. Interest rate is @10.55% p.a. (Interset to be served as and when applied including moratorium) with monthly installment of ₹ 13.99 Lakhs starting from 31.12.2023. Facility is secured against specific fixed assets purchased using term loan and exclusive bank deposits of ₹ 2 Crores. Facility is further secured by personal guarantee of relatives of MD's of the company.

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

Name of Bank

Central Excise Loan - ICICI Bank *

* 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 til the last payment of principal of loan.

NOTE 16: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Lease Liability*	-	152.55
Total	**-**	**152.55**

*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 17: PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Provision for Gratuity	43.31	38.79
Provision for Leave Encashment	23.80	23.34
Total	**67.11**	**62.12**

NOTE 18: BORROWINGS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Foreign Currency Loan from Banks	-	-
Rupee Loan from Banks (Short Term)	184.09	100.96
Current maturities of long term debts	12.16	-
Total	**196.24**	**100.96**
The above amount includes		
Secured Borrowings	196.24	100.96
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Promoters/Directors/relatives	196.24	100.96

18.1 Foreign as well as Rupee currency Loans are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future under consortium. These working capital facilities are further secured against Fixed deposit of ₹ 2.62 Crore plus interest accrued thereon and Hypothecation of entire fixed assets of the company (excluding Borivali land). rate of interest is 9.65% and payable on demand.

18.2 The portion of working capital limits from Central Bank of India is secured first pari-passu chage by way of Hypothecation on Stocks, domestic receivable & export receivable and first pari-passu charge on entire fixed assets of the compnay (excluding Borivali property). Facilities is further secured by fixed deposits of ₹ 4.24 Crores rate of interest is MCLR (12M)+0.65% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

18.3 Current maturities of long term debts is taken on pro rata basis as term loan is partly disbursed.

NOTE 19: TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Micro, Small & Medium Enterprises*	804.78	350.88
Others	2,129.87	2,109 .16
Total	**2,934.64**	**2,460.04**

* refer note 17 of notes to accounts for aging details

NOTE 20: OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Lease Liabilities*	162.19	202.60
Other Liabilities	33.87	84.84
Dividend Payable	8.03	4.22
Total	**204.09**	**291.65**

* 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 21: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Withholding & Other taxes payable	20.80	17.74
Advances received from Customers	58.70	60.74
Total	**79.50**	**78.48**

NOTE 22: PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Provision for Gratuity	0.79	0.68
Provision for Leave Encashment	0.41	0.22
Total	**1.20**	**0.91**

NOTE 23: CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Provision for Income Tax *	146.94	52.41
Total	**146.94**	**52.41**

* Provision for income tax is net of advance taxes paid

NOTE 24: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Sale of Products		
Cast Magnets & Magnetic Assembly	2,528.41	1,943.15
Engineering and Current Sensing applications	14,579.29	10,256.32
Sale of services		
Job work Sale	14.32	24.69
Total A	**17,122.02**	**12,224.16**
Other Operational Income		
Export Benefits	131.14	89.61
Sale of Residue	1,020.79	637.30
Total B	**1,151.93**	**726.91**
Revenue from Operations (Gross)	**18,273.95**	**12,951.07**

NOTE 25: OTHER INCOME

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Other Miscellaneous Income	78.95	24.31
Profit /(Loss) on Sale of Assets	0.88	5.64
Interest Income	84.51	85.01
Interest on Security Deposit	6.36	9.00
Exchange differeces (net)	374.49	250.88
Total	**545.18**	**374.83**

NOTE 26: COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	2,746.29	1,668.06
Add: Purchases (net)	10,783.32	7,496.58
	13,529.61	9,164.64
Less: Inventory at the end of the year	4,050.19	2,746.29
Cost of raw material & components Consumed	**9,479.43**	**6,418.35**

NOTE 27: CHANGE IN INVENTORIES OF WIP & FINISHED GOODS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Inventory at the end of the year		
Work-in-progress	806.37	609.69
Finished goods	440.31	341.40
	1,246.68	**951.08**
Less:		
Inventory at the beginning of the year		
Work-in-progress	609.69	244.85
Finished goods	341.40	162.81
	951.08	**407.65**
Total	**(295.60)**	**(543.43)**

NOTE 28: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Contribution to PF & Other Fund	32.82	30.65
Gratuity Expenses	6.85	6.84
Salaries, Wages & Bonus	871.74	733.75
Staff Welfare Expenses	37.12	23.84
VRS Compensation	0.24	0.26
Total	**948.77**	**795.33**

NOTE 29: FINANCIAL COST

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Interest	6.57	1.43
Other Borrowing cost*	37.68	24.48
Exchange difference on borrowings (net)	5.68	(10.87)
Interest on Lease Liabilities	35.64	49.07
LC Charges	41.60	21.57
Total	**127.16**	**85.68**

*includes Bank charges & BG Commission

NOTE 30: DEPRECIATION & AMORTISED COST

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Depreciation	340.86	221.07
Amortisation	6.76	6.29
Depreciation on Right of use assets	201.18	178.31
Total	**548.80**	**405.67**

NOTE 31: OTHER EXPENSES

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Manufacturing Expenses		
Consumption of Stores, Spares & Consumbles	664.82	417.29
Freight Inward	58.20	52.23
Sub-Contract Charges & Labour Charges	1,515.43	1,295.71
Repairs & Maintenance - Machinery	51.27	40.73
Tool Cost expenses	3.08	30.78
Power & Fuel Charges	312.81	245.39
A	**2,605.60**	**2,082.14**
Selling & Distribution Expenses		
Advertising & Sales Promotion Expenses	16.92	14.20
Commission to Selling Agents	254.37	391.18
Freight Outward & Transportation	393.19	466.51
Hiring charges	1.73	1.86
B	**666.21**	**873.75**
Administrative & Other Expenses		
Advertisement	0.76	1.38
Auditors Remuneration	5.50	4.00
Bank Charges	4.89	4.54
Computer & Software Expenses	19.79	22.92
Directors' Sitting Fees	4.25	2.95
Travelling & Conveyance	108.27	49.31
Insurance	29.31	24.46
Printing & Stationery Expenses	12.98	7.28
Legal & Professional Charges	300.71	256.90
Miscl Exp	5.89	3.99
Rates & Taxes	37.97	50.32
Rent Exp	0.97	1.06
Security Service Charges	30.48	32.18
Communication Cost	14.39	11.00
Vehicle Running exp	18.35	10.28
Repairs - Building	25.30	48.28
Repairs - Others	7.38	6.06

NOTE 31: OTHER EXPENSES (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Office Expense	28.08	22.74
Bad debts W/off	26.43	48.16
Impairment Loss	14.22	-
Listing and membership fee	3.00	3.00
Corporate Social Responsibility	44.18	41.03
C	**743.10**	**651.84**
Total A+B+C	**4,014.92**	**3,607.73**

NOTE 32: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Remeasurements of the defined benefit plans	0.83	1.02
Total	**0.83**	**1.02**

NOTE 33: EARNING PER SHARE FOR CONTINUED OPERATIONS

Particulars	March 31, 2023	March 31, 2022
Profit/(Loss) attributable to Equity shareholders (₹ in Lakhs)	2,975 .21	1,904.43
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	34.60	22.15
Diluted EPS (Amount in ₹)	34.60	22.15

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 is 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:

RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

(a) Ind AS 1 – Presentation of Financial Statements – The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

(b) Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the initial recognition exemption of Ind AS 12 so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. Accordingly, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on transactions such as initial recognition of a lease and a decommissioning provision.

(c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates". Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company is in the process of evaluating the impact of these amendments.

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 7 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 recognized 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 from April 01, 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 01, 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 on time proportion basis taking into account the amount invested and rate of interest.

Dividend income is recognized when the Company's right to receive dividend is established by the Balance Sheet date, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

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 recognized outside profit or loss is recognized in outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized 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 recognized for all taxable temporary differences.

Deferred tax assets including Minimum Alternate Tax (MAT) are generally recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized 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 under lying 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.

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 though 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 recognized at the proceeds received, net of direct issue costs.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized 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 recognized 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 recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization 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 amortization 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 derecognized 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 recognized 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.

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 recognized 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 amortized cost and fair value is recognized in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortized 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/Amortization 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 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 borrowings 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:

(₹ in Lakhs)

	Particulars	31.03.23	31.03.22
a)	Unutilized Letters of Credit with Bankers	426.76	391.11
b)	Bank Guarantee	2.00	2.00
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 ₹ 5 Lakhs 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 July 30, 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 ₹ 12.95 Lakhs. 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 April 15, 2015. Company has deposited ₹ 19.05 Lakhs 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.

Amount deposited of ₹ 19.05 Lakhs with court is shown in Balance sheet under Current Assets.

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. Balance Confirmation e-mails 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 e-mails have been received in very few cases; however, no adverse communication has been received from the parties.

5. Interest on outstanding balances of MSME creditors not provided in the books as contractual terms with the parties are more than 60/90 days and parties are also agreed upon the terms of payment. Now, company is developing the procedure for compliance the relevant act and will provide interest, if payable as per act.

6. During the year ₹ 368.80 Lakhs (P. Y. ₹ 252.73 Lakhs credit) has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

7. **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.

8. **Leases:** Effective date and transition

   Effective April 01, 2019, the Company has adopted Ind AS 116 Leases. Company applies retrospectively with the cumulative effect of initially applying the Standard recognized 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 recognized 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

(₹ in Lakhs)

Particulars	31.03.23	31.03.22
Opening Balance as on 1st day of year	355.14	321.15
Additions	14.74	217.00
Finance cost accrued during the period	35.64	49.07
Payment of lease liabilities	243.33	232.08
Closing Balance as on last day of year	162.19	355.14

B) Maturity Analysis of Lease Liabilities

(₹ in Lakhs)

Maturity analysis-Contractual undiscounted cashflows	31.03.23	31.03.22
Less than one year	162.19	234.99
One year to five year	-	166.30
More than five years	-	-
Total Undiscounted lease liabilities	**162.19**	**401.29**
Lease liabilities included in the statement of financial position		
Non-Current	-	152.55
Current	162.19	202.60
Total	**162.19**	**355.14**

C) Amount Recognised in the Statement of profit and loss

(₹ in Lakhs)

Particulars	31.03.23	31.03.22
Interest on Lease Liabilities	35.64	49.07
Depreciation on Lease Asset	201.18	178.31
Rent Expenses-short term leases and leases of low value assets	0.96	0.96

9. 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	Sharad Taparia	Managing Director
2	Sukhamal Jain	Chief Financial Officer
3	Rachana Rane	Company Secretary
	Non-Executive Directors	
4	Rajeev Mundra	Independent Director
5	Kamal Binani	Independent Director
6	Sunaina Taparia	Director
7	Mukul Taparia	Director
8	Girish Desai	Director
	Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence:	
1	Varij Plantation Pvt Ltd.	
2	Pregna International Limited	
3	Megh Exim LLP	
4	NYMPH Properties Private Limited	

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

(₹ in Lakhs)

Names of Related Parties	Nature of Transactions	Year ended March 31, 2023		Year ended March 31, 2022	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Sharad Taparia	Remuneration	115.11	-	84.21	-
Sukhamal Jain	Remuneration	44.40	-	46.10	-
Rachana Rane	Remuneration	8.26	-	6.80	-
Rajeev Mundra	Sitting fees	1.15	-	0.70	-
Kamal Binani	Sitting fees	0.95	-	0.68	-
Sunaina Taparia	Sitting fees	0.75	-	0.50	-
Mukul Taparia	Sitting fees	0.65	-	0.58	-
Girish Desai	Sitting fees	0.75	-	0.50	-

Note: Reimbursement of expenses incurred by the related parties for and on behalf of the company and vice-versa has not been included above.

10. 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 ₹ 6.85 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 recognized 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:

(₹ in Lakhs)

Particulars	2022-23		2021-22	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Funded)
A) Acturial assumption				
i) Discounting rate	7.30%	7.50%	7.30%	7.30%
ii) Future salary increases	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	10.55	3.97	9.59	3.85
ii) Net interest cost	1.62	2.88	2.55	2.98
iii) Expected return on plan assets				
iv) Net actuarial (gain)/loss recognized in the period	(5.87)	(0.83)	(8.84)	(1.01)
v) Expenses recognized in the statement of Profit & Loss	(6.31)	(6.85)	(3.29)	(6.84)
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	-	-	-	-
Change in financial assumptions	(0.32)	(0.91)	(0.67)	(1.81)
Change in experience assumptions	(5.55)	0.08	(8.17)	0.80
iii) Net (gain)/loss recognised in other comprehensive income	(5.87)	(0.83)	(8.84)	(1.01)
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	23.56	39.47	37.05	43.22
ii) Interest cost	1.62	2.88	2.55	2.98
iii) Current service cost	10.55	3.97	9.59	3.85
iv) Past service cost incl. Curtailment gains and loss				

(₹ in Lakhs)

Particulars	2022-23		2021-22	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Funded)
v) Benefits paid	(5.66)	(1.39)	(16.80)	(9.57)
Actuarial (gain)/loss on PBO arising from:				
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	(0.32)	(0.91)	(0.67)	(1.81)
Change in experience assumptions	(5.55)	0.08	(8.17)	0.80
vi) Present value of obligation as at year end	24.21	44.10	23.56	39.47
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) recognized in Balance Sheet	24.21	44.10	23.56	39.47
i) Within the next 12 months (next annual reporting period)	0.41	0.79	0.22	0.68
ii) Between 1 and 5 years	3.00	13.48	2.90	9.78
iii) Beyond 5 years	3.15	12.65	2.93	10.68
iv) Total Expected Payments	6.56	26.91	6.08	21.12

11. 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.

12. 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.

13. Impairment of Assets:

In accordance with Ind AS 36 "Impairment of Assets" company has recognized impairment loss of ₹ 14.22 Lakhs.

14. Disclosure as per Listing Regulation:

(₹ in Lakhs)

Sr. No.	Name of the Parties	Maximum balance outstanding during the year ended		Outstanding Balance as on	
		31.03.23	31.03.22	31.03.23	31.03.22
1.	Loans to Subsidiary Co.	NIL	NIL	NIL	NIL
2.	Unsecured Loans given where there are no Repayment Schedule	NIL	NIL	NIL	NIL

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

b) Expenditure and earning in Foreign Currencies:

A. CIF Value of Imports:

Particulars	Amount (₹ in Lakhs)	
	2022-23	2021-22
Raw Materials & component	7004.24	3720.63

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

Particulars	2022-23		2021-22	
	Amount (₹ in Lakhs)	%	Amount (₹ in Lakhs)	%
Raw Materials				
Imported	4355.19	45.94	3014.29	46.95
Indigenous	5124.23	54.06	3404.05	53.05
Total	**9479.43**	**100.00**	**6418.34**	**100.00**

C. Expenditure in foreign currencies incurred during the year:

Particulars	Amount (₹ in Lakhs)	
	2022-23	2021-22
1. Travelling Expenses	38.24	2.69
2. Others	12.34	2.00
3. Financial Charges	11.63	2.78

D. Earnings in foreign currencies during the year:

Particulars	Amount (₹ in Lakhs)	
	2022-23	2021-22
1. FOB Value of Exports	12073.76	8279.39

16. 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

(₹ in Lakhs)

Sr. No.	Particulars	2022-23	2021-22
a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year	804.78	350.88
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	**804.78**	**350.88**
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.

17. Trade Payables ageing Schedule for the year ending March 31, 2023 & March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total O/s
March 31, 2023						
MSME	545.56	259.22	-	-	-	804.78
Others	1849.02	179.36	-	-	101.48	2129.86
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
March 31, 2022						
MSME	282.35	68.52	-	-	-	350.87
Others	1723.97	283.15	0.54	-	101.48	2109.14
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-

18. Trade Receivable ageing Schedule for the year ending March 31, 2023 & March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
March 31, 2023							
Undisputed Trade Receivable - Considered Good	3093.51	1943.47	20.39	37.08	-	0.69	5095.14
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
March 31, 2022							
Undisputed Trade Receivable - Considered Goods	2230.67	1286.40	5.90	9.03	12.23	0.89	3545.12
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Disputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-

19. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, healthcare, women empowerment, measures for the benefit of war widows and contributions to incubators has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2022-23 are as under:

(₹ in Lakhs)

Particulars	2022-23	2021-22
(i) Amount required to be spent by the Company during the year	44.18	41.03
(ii) Amount spent towards CSR Activities	44.18	41.03
(iii) Shortfall at the end of the year	NIL	NIL
(iv) total of previous years shortfall,	NIL	NIL
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,		
Promoting Education, Healthcare, rural development and other key allied social initiatives.		
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA

20. Financial instruments and risk management

Fair values

1. 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.

2. Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consist 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 March 31, 2023 (₹ in Lakhs)		As at March 31, 2022 (₹ in Lakhs)	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost:				
Non-Current				
Financial Assets				
(i) Loans	84.42	84.42	77.17	77.17
Current				

Particulars	As at March 31, 2023 (₹ in Lakhs)		As at March 31, 2022 (₹ in Lakhs)	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
(i) Trade Receivables	5095.14	5095.14	3545.13	3545.13
(ii) Cash and Cash Equivalents	139.81	139.81	66.82	66.82
(iii) Bank Balances	1036.40	1036.40	1456.14	1456.14
(iv) Loans	137.85	137.85	99.42	99.42
Measured at fair value through profit and loss				
Non - current				
(i) Investments	-	-	-	-
Total	**6493.62**	**6493.62**	**5244.68**	**5244.68**
Financial Liabilities				
Measured at amortised cost				
Non-Current				
Borrowings	401.57	401.57	175.85	175.85
Provisions	67.11	67.11	62.12	62.12
Other Non - Current Liabilities				
Current				
Financial Liabilities				
Borrowings	196.24	196.24	100.96	100.96
Trade Payables	2934.64	2934.64	2460.04	2460.04
Other Financial Liabilities	41.90	41.90	89.06	89.06
Total	**3641.46**	**3641.46**	**2888.03**	**2888.03**

*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.

21. 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, 2023 and March 31, 2022.

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 March 31, 2023 and March 31, 2022.

(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.

22. Event occurring after the balance sheet date

The Board of Directors has recommended an Equity dividend of ₹ 1.50/- per share on face value of ₹ 10/- each, for the financial year 2022-23. The proposal is subject to the approval of shareholders at the Annual General Meeting.

23. Commitments

Company has commitment to pay for the acquisition of plant and machinery (net of advances) is ₹ 393.10 Lakhs.

24. Other Disclosures

(a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

(d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(e) There is no transaction in Crypto Currency or Virtual Currency.

(f) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.

(g) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

(h) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(j) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

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

For **Jayesh Sanghrajka & Co LLP**
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 23403143BGRVFQ4439

Date: 17-05-2023
Place: Mumbai

For and 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

Corporate Office :
PERMANENT MAGNETS LIMITED
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road - 401107,
Dist. Thane