

57TH
ANNUAL REPORT
2017-2018



PERMANENT MAGNETS LIMITED

PERMANENT MAGNETS LIMITED

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BOARD OF DIRECTORS

Shri. Rajeev Mundra	<i>Independent Non Executive Director & Chairman</i>
Shri. Sharad Taparia	<i>Managing Director</i>
Shri. Kamal Binani	<i>Additional Director - Independent Non Executive Director</i>
Shri. Mukul Taparia	<i>Non Executive Director</i>
Smt. Sunaina Taparia	<i>Non Executive Director</i>

COMPANY SECRETARY

Smt. Rachana Rane

AUDITORS

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

BANKERS

Central Bank of India
State Bank of India

REGISTERED OFFICE

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

CORPORATE OFFICE

B-3, MIDC Industrial Area, Village Mira, Mira Road (East),
Thane - 401104.

FACTORIES

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

REGISTRAR AND SHARE TRANSFER AGENT

Adroit Corporate Services Private Limited
17/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana Road,
Marol Naka, Andheri (East), Mumbai - 400 059
Ph. 022 - 28594060 / 6060
E-mail : adroits@vsnl.net

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PERMANENT MAGNETS LIMITED

NOTICE

NOTICE is hereby given that the **57th Annual General Meeting** of the members of **Permanent Magnets Limited** will be held on Friday, the 28th day of September, 2018 at 11.00 a.m. at The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli, India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018 along with notes and schedules thereon as on that date and the reports of Board of Directors and Auditors thereon.
2. To appoint a director in place of Smt. Sunaina Taparia (DIN: 07139610), who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment (s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee the Board of Directors of the Company hereby ratifies the appointment of M/s. Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) as the Statutory Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of next Annual General Meeting on such remuneration plus applicable taxes and out of pocket expenses, as may be mutually agreed upon by the Board of Directors and Statutory Auditors; and

RESOLVED FURTHER THAT the Board of Directors of the Company and /or Smt. Rachana Rane, Company Secretary be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

4. Resolution for Regularisation of Additional Director, Shri. Kamal Binani (DIN: 00340348), and appointment of the same as an Independent Director of the Company and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force (the “Act”), and on recommendation of Nomination and Remuneration Committee, Shri. Kamal Binani (DIN: 00340348), a Non-executive Director of the Company, who was appointed as an Additional (Independent) Director on the Board w.e.f. December 26, 2017 and who holds office up to the date of this Annual General Meeting, and who has submitted a declaration of independence under Section 149 (6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years from December 26, 2017 upto December 25, 2022 and whose office shall not be liable to retire by rotation.”

5. Revision in remuneration payable to Shri. Sharad Taparia (DIN: 00293739), Managing Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and in partial modification of the relevant resolution passed at the Annual General Meeting of the Company held on 28th September, 2017, consent of the members of the Company be and is hereby accorded to the revision in the remuneration of Shri. Sharad Taparia (DIN: 00293739), Managing Director of the Company, w.e.f. 01st April, 2018 on the remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized and empowered to alter or vary the scope and composition of remuneration of Shri. Sharad Taparia (DIN: 00293739), Managing Director, including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”



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

Dated: 13th August, 2018

Place: Mumbai

Corporate Office:

B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401104 Dist. Thane.

Sd/-
Rachana Rane
Company Secretary

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote on poll instead of himself / herself and the proxy need not be a member of the company. The instrument appointing the proxy, in order to be effective, must be deposited with the Company, duly completed and signed, not less than FORTY-EIGHT hours before the commencement of the AGM. A proxy so appointed shall not have any right to speak.**

Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Register of Members and Share Transfer Register shall remain closed from Thursday, 20th September 2018 to Friday, 28th September, 2018 (both days inclusive).
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 and 5 of the Notice, is annexed hereto.
4. The Company has appointed a SEBI approved Registrar and Share Transfer Agent M/s. Adroit Corporate Services Private Limited having their office 17/20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai-400059. Members are requested to send all communication such as relating to Change of Address, Transfer/Demat of shares etc. to M/s. Adroit Corporate Services Private Limited.
5. Trading of equity shares of the company in demat form has been made in the CDSL system on 31st October, 2001 and in the NSDL system on 29th November, 2001 under ISIN No. INE418E01018.
6. The shares of the company are in Demat category for all the investors. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA for assistance in this regard.
7. Corporate Members are requested to send a duly certified copy of the Board resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
8. Members/Proxies are requested to bring their admission slips along with the copies of the Annual Report to the Meeting.
9. Members having any queries in relation to the accounts are requested to send details of their queries at least ten days in advance to enable the Company to collect the relevant information.
10. Members who have not registered their e-mail address so far are requested to register their e-mail address, by sending an email stating clearly your name, folio no. if you are holding shares in physical form else DP Id & Client Id if you are holding shares in dematerialized form to:- **investors@pmlindia.com**.
11. The Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice and the Annual Report 2017-18 will also be available on the Company's website viz. www.pmlindia.com
12. The route map showing directions to reach the venue of the Fifty Seventh AGM is annexed.
13. In compliance with the provisions of Section 108 of the Act read with Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all the resolutions set forth in this Notice. The instructions for e-voting are given

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herein below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM. The Board of Directors has appointed Shri. Arun Dash, Practicing Company Secretary, as a Scrutinizer.

Voting through electronic means:

The procedure and instructions for the same are as follows:

- (i) The voting period begins on 24th September, 2018 at 10.00 a.m and ends on 27th September, 2018 at 5.00 pm. 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 21st September, 2018 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders/Members.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 1. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 2. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach '**Password Creation**' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.



(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- 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 as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.

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

Members may alternatively cast their votes using the Ballot Form. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

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.

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

Dated: 13th August, 2018

Place: Mumbai

Corporate Office:

B-3, MIDC Industrial Area,

Village Mira, Mira Road – 401104 Dist. Thane.

Sd/-
Rachana Rane
Company Secretary

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

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 of the accompanying Notice:

Item No. 4

The Board of Directors of the Company in its meeting held on December 26, 2017, appointed Shri. Kamal Binani, as an Additional Director (Independent) of the Company pursuant to the provisions Section 161 of the Companies Act, 2013 and all other applicable provisions, if any.

In terms of the provisions of Section 161 of the Companies Act, 2013 Shri. Kamal Binani would hold office up to the date of ensuing Annual General Meeting.

The Company has received from Shri. Kamal Binani (i) consent in writing to act as Independent Director in Form DIR-2 (ii) intimation in Form DIR- 8 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, (iii) Disclosure in Form MBP-1 under 184(1) of the Companies Act, 2013 and (iv) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The resolution seek approval of members for the appointment of Shri. Kamal Binani as an Independent Director of the Company for 5 years effective from the date of appointment by the Board, i.e from December 26, 2017 to December 25, 2022, pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. Further, in terms of Section 149(13) of the said Act, Independent directors are not liable to retire by rotation.

Brief profile of the Shri. Kamal Binani is provided as below.

BRIEF PROFILE OF DIRECTOR WHO IS PROPOSED TO BE APPOINTED AS SET OUT IN THIS NOTICE:

Name of Director	Shri. Kamal Binani
Date of Birth	August 30, 1960
Date of Appointment	December 26, 2017
Qualifications	B.Com, Chartered Accountant
Exposure in specific functional areas	35 years of Experience Finance, Accounting and Taxation.
Directorship held in other Companies (excluding foreign Companies, Private Companies and Alternate Directorships)	Kamal Supers Limited Pregna International Limited Indo Industries Limited SPA Capital Services Limited
Member of Committee of Directors of other Companies	-
Shareholding in Company	Indo Industries Limited – 9.80 %

Except Shri. Kamal Binani and his relatives, None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested financially or otherwise, in the resolution set out at item no. 4 of the notice.

The Board recommends this resolution for the approval of the Members.

Item No. 5

The members at their Annual General Meeting held on 28th September, 2016 had by way of Special Resolution approved the appointment of Shri. Sharad Taparia as a Managing Director of the Company for period of 5 years commencing 1st April, 2016 on terms and conditions including remuneration payable to Managing Director.

The Company, during the year, has achieved remarkable growth in all divisions of the Company. As a Managing Director, Shri. Sharad Taparia's leadership has led to remarkable performance of all business units due to which the Company is looking forward to an exciting growth phase. There has also been a considerable increase in the duties and responsibilities performed by the Managing Director and after considering the prevailing managerial remuneration in industry, the Board of Directors at their meeting held on 13th August, 2018, on the recommendations made by the Nomination and Remuneration Committee, has approved the proposal to increase the remuneration of Shri. Sharad Taparia, Managing Director, with the following remuneration structure w.e.f. 1st April, 2018.



Salary p.a.	72,00,000/-
	In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like club fees such other perquisites and allowances in accordance with the rules of the Company or as may be agreed by the Board of Directors.
	Cars, Telephone, Cell Phone, laptop, desktop shall be provided and their maintenance and running expenses shall be met by the Company.
	Other benefits like Gratuity, Provident Fund, Superannuation Fund and /or Annuity Fund etc. as applicable to Senior Executives of the Company.
	The Managing Director shall not paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
Other Terms	The Board of Directors, which includes Nomination and Remuneration Committee, are empowered from time to time to consider upward revision of the remuneration with such components as they may deem fit, during the tenure of the Managing Director, which in no case shall be more than maximum sum of 84,00,000/- p.a. (Rupees Eighty Four Lakhs Only) by Ordinary Resolution. Annual increment is subject to overall ceiling limit of 84,00,000/- p.a. (Rupees Eighty Four Lakhs Only) prescribed above.

Where in any financial year during the currency of the tenure of the Managing Director, we have Nil Profits or the Profits are inadequate, Managing Director shall be paid remuneration as under Section II, Part II of Schedule V of the Companies Act, 2013, based on the effective capital of the Company and in accordance with the approval of the Nomination and Remuneration Committee at the relevant point of time.

As the terms for revision in remuneration proposed above are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, the Central Government approval is not necessary for the above revision in remuneration.

INFORMATION AS PER SCHEDULE V OF THE COMPANIES ACT, 2013

GENERAL INFORMATION				
1.	Nature of Industry	Manufacturers of magnets and magnetic Assemblies, Parts and accessories of Electricity & Gas meters.		
2.	Date or expected Date of commencement of commercial production	The Company commenced commercial production from 1960		
3.	In case of new companies, expected date of commencement of new activities as per project approved by the financial institutions appearing in the prospectus	N.A		
4.	Financial performance based on given indicators	Particulars	2017-18 (Audited)	2016-17 (Audited)
		Net Revenue	93,21,19,936	73,10,57,686
		Profit Before Tax	6,87,72,687	1,41,85,345
		Less : Current Tax	1,40,21,960	23,29,094
		Less : Deferred Tax	8,67,977	-
		Profit After Tax	5,38,82,750	1,18,56,251
5.	Foreign Investment or collaborations, if any.	N.A		
INFORMATION ABOUT THE DIRECTOR				
1.	Background Details	Shri. Sharad Taparia has been on the Board of Directors of the Company since 15 th May, 2008. He is the Managing Director of the Company and appointed by members of the Company in their meeting held on 28 th September, 2016. He is Promoter of the Company and he hails from the promoter family of Permanent Magnets Limited.		
2.	Past remuneration Salary p.a	* ₹ 36,00,000/- (* Excluding perquisite, which shall not be included in the computation of the ceiling limits of remuneration)		
3.	Recognition or awards	NIL		
4.	Job profile and his suitability:	Shri. Sharad Taparia has held managerial positions in the Company and having vast business experience and exposure to managing diverse businesses.		

PERMANENT MAGNETS LIMITED

GENERAL INFORMATION		
5.	Remuneration Proposed:	
	Salary p.a.	72,00,000/-
		In addition to the salary payable, the Managing Director shall also be entitled to perquisites and allowances like club fees such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
		Cars, Telephone, Cell Phone, laptop, desktop shall be provided and their maintenance and running expenses shall be met by the Company.
		Other benefits like Gratuity, Provident Fund, Superannuation Fund and /or Annuity Fund etc. as applicable to Senior Executives of the Company.
		The Managing Director shall not paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.
	Other Terms	The Board of Directors, which includes Nomination and Remuneration Committee, are empowered from time to time to consider upward revision of the remuneration with such components as they may deem fit, during the tenure of the Managing Director, which in no case shall be more than maximum sum of 84,00,000/- p.a. (Rupees Eighty Four Lakhs Only) by Ordinary Resolution. Annual increment is subject to overall ceiling limit of ₹ 84,00,000/- p.a. (Rupees Eighty Four Lakhs Only) prescribed above.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and the person:	Considering the size of Company's operations, the proposed remuneration is commensurate with general industry trends.
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:	Apart from receiving managerial remuneration and holding 7,42,857 Equity Shares of the Company, Shri. Sharad Taparia does not have any other pecuniary relationship with the Company. The Board recommends the relevant ordinary resolution set out in the Notice Convening the meeting.
OTHER INFORMATION		
1.	Reason for loss or inadequate profits:	The reason of inadequate profit is that our products gestation period is high where as its life is short.
2.	Steps taken or proposed to be taken for improvement:	Company is investing in development of products with longer life span and having multiple customers for each product.
3.	Expected increase in productivity and profits in measurable terms:	At this stage it is difficult to quantify the financial performance of the Company.
4.	Disclosure In Corporate Governance	In terms of Regulation 27(2) read with Regulation 15(2) of Chapter IV of Listing Regulations, our company not fall within criteria of above regulation hence compliance with the provisions of clauses relating to corporate governance is not mandatory.

Except Shri. Sharad Taparia and his relatives, None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested financially or otherwise, in the resolution set out at item no.5 of the notice.

The Board recommends this resolution for approval of the members.

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

Dated: 13th August,2018
Place: Mumbai
Corporate Office:
B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401104 Dist. Thane.

Sd/-
Rachana Rane
Company Secretary



DIRECTORS' REPORT

To,
The Members,

PERMANENT MAGNETS LIMITED

Your Directors have pleasure in presenting the 57th Annual Report of the Company together with the Audited Statements of the Accounts for the year ended 31st March, 2018.

FINANCIAL RESULTS:

(₹ In Lakhs)

Particulars	31/03/2018	31/03/2017
Sales	9276.60	7193.37
Other Income	44.60	117.20
PBIDT & Extra Ordinary Items	297.81	(159.69)
Interest	165.36	161.50
Depreciation	127.62	140.04
Profit before Exceptional Items & tax	590.79	141.85
Exceptional Items	96.93	-
Profit before Tax	687.72	141.85
Current Tax	140.22	23.29
Deferred Tax	8.68	-
Profit/(Loss) for the year	538.82	118.56
Other Comprehensive Income	2.50	0.09
Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)	541.32	118.65

1. COMPANY'S PERFORMANCE:

The Sales for the financial year under review increased by appx. 29% as compared to previous year. Profitability also improved due to foreign exchange gain and operational efficiency during the year. The Company's total Revenue from operation stood at ₹ 9276.60 lakhs and the revenue for previous year was ₹ 7193.37 lakhs. The revenue from operation comprises of export ₹ 5668.67 lakhs. The Company earned Profit before Extra Ordinary Items & tax of ₹ 590.79 lakhs and profit after tax of ₹ 538.82 lakhs as compared to profit of ₹ 118.56 lakhs.

2. DIVIDEND :

In order to conserve the resources of the Company, the Board of Directors are not recommending any dividend for the Financial Year.

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

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. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted the declaration of Independence as required under Section 149(7) of the Act confirming that they meet the criteria of Independence under section 149 (6) of the Act and Regulation 16 (1) (b) of SEBI LODR Regulations.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of the Act and Articles of Association of the Company, Smt. Sunaina Taparia, non-executive director retires by rotation and being eligible offers herself for reappointment.

The Board of Directors comprises of five directors of which two are Independent. Shri. Rajeev Mundra, Independent and Non Executive Director appointed as a Chairman of the Company.

Shri. Arun Binani, Independent Director of the Company has expressed his unwillingness to continue with the position and ceased to be associated with the Company w.e.f November 30, 2017. The Board places on record its sincere appreciation for the services rendered by Shri. Arun Binani during his tenure as an Independent Director of the Company.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on December 26, 2017 has appointed Shri. Kamal Binani as an Additional Director (Non-executive, Independent) of the Company, subject to approval of the members at this Annual General Meeting.

Shri. Sukhmal Jain, Senior Vice President Finance acts as the CFO and Smt. Rachana Rane act as a Company Secretary of the Company.

9. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Act :

- a) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

10. CORPORATE GOVERNANCE:

In terms of Regulation 27(2) read with Regulation 15(2) of Chapter IV of Listing Regulations, compliance with the provisions of clauses relating to corporate governance is not mandatory, for the time being, in respect of the companies having paid up equity share capital not exceeding ₹ 10 Crore and net worth not exceeding ₹ 25 Crore, as on the last day of the previous financial year. As our Company fits in these criteria, it is not required to provide details on corporate governance.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

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

12. AUDITORS:

12.1 STATUTORY AUDITORS

M/s Ramanand & Associates, Chartered Accountants (Firm Registration No. 117776W) are the statutory auditors of the Company for the year ended March 31, 2018. Their appointment as the statutory auditors will be ratified at the ensuing Annual General Meeting pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules made thereunder.

There is no audit qualification, reservation or adverse remark for the year under review.

12.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Arun Dash & Associates, a firm of Company Secretaries in Practice (C.P.No. 9309) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed as "Annexure-B" and forms an integral part of this Report.

The observations made in the Secretarial Audit Report are self-explanatory.

12.3 INTERNAL AUDITORS

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

13. EXPLANATION ON AUDITOR'S COMMENT

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

- a) With reference to para VII(a) of the Annexure - B to the Auditor's Report the TDS i.e ₹ 8.63 lakhs pertaining to late filing fees & interest which are lying with the Income Tax Authorities and With reference to para VII(c) the matter is being looked into and shall soon be appropriately dealt with.
- b) With reference to para VIII of the Annexure - B 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 will be sorted out in due course of time. No material liability is expected in this regard. During the year Principal amount of central excise loan taken from ICICI Bank has been repaid in full.

14. MANAGEMENT DISCUSSION AND ANALYSIS.

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

15. PARTICULARS OF EMPLOYEES:

There are no employees covered by provision contained in Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended. As per latest amendment, name of top ten employees in terms of remuneration drawn is 1. Girish Mahajan 2. P A Kamath 3. Sukhmal Jain 4. Hemant Kore 5. Allen D'cunha 6. Sunil Verma 7. Raghav Garg 8. Deepali Rane 9. Priti Kulkarni 10. Dinesh Kadam

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

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

Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. This was a lawsuit filed by a Freight Forwarder of the company who was deficient in services to the company. Company has deposited ₹ 19,05,179/- including interest as per direction of Honourable Bombay High Court. The Appeal shall be added to appropriate board for hearing. But the same is not yet listed on the Board of High Court.

17. 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 A" attached hereto provides the information required to be disclosed on the efforts made on Conservation of Energy, Technology Development and Absorption as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

18. CORPORATE SOCIAL RESPONSIBILITY

As contemplated under section 135 of the Companies Act, 2013 and rules framed thereunder along with revised schedule VII of the Act, the Company being covered under the provision of the said section in FY 17-18 and has taken necessary initial steps in this regard. The CSR policy is posted on the Company's website - www.pmlindia.com.

A committee of the directors titled Corporate Social Responsibility (CSR) Committee has been formed by the directors consisting, Shri. Rajeev Mundra, as a Chairman, Shri. Sharad Taparia and Shri. Mukul Taparia as members.

19. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism Policy for directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The said policy is posted on the Company's website - www.pmlindia.com.

20. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arms' length basis.

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

PERMANENT MAGNETS LIMITED

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 E" in Form AOC-2 which is part of this report.

21. FOREIGN EXCHANGE EARNING AND OUTGO:

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

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

The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

23. MEETINGS, COMPOSITION OF THE BOARD AND COMMITTEES:

The Board of Directors of the Company met five times during the year on 29th May, 2017; 14th August, 2017 ; 4th September, 2017; 30th November, 2017, 26th December, 2017 and 13th February, 2018.

Board of Directors Composition:

The composition is as under:

Name of the Director	Category	*Member of the Board of Other Companies	No. of other Committee Memberships held #	
			As Chairman	As Member
Shri. Sharad Taparia	Managing Director	-	-	-
Shri. Rajeev Mundra	Independent and Non Executive Director	2	-	1
Shri. Kamal Binani	Additional Director (Independent and Non Executive Director)	4	-	-
Shri. Mukul Taparia	Non Executive Director	1	-	-
Smt. Sunaina Taparia	Non Executive Director	-	-	-

*The above excludes Foreign Companies, Private Companies and alternate Directorships

Only Audit Committee, Remuneration Committee and Shareholders Grievance Committee are reckoned for the purpose.

The details of the meetings attended by the Board during the year are given below.

Date of Board Meetings	Arun Binani	Sharad Taparia	Rajeev Mundra	Kamal Binani	Mukul Taparia	Sunaina Taparia
29 th May, 2017	√	√	√	NA	-	√
14 th August, 2017	√	√	√	NA	√	-
4 th September, 2017	√	√	√	NA	√	-
30 th November, 2017	√	√	√	NA	-	√
26 th December, 2017	NA	√	√	NA	√	√
13 th February, 2018	NA	√	√	√	√	-

The time gap between any two meetings did not exceed one hundred and twenty days.

AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations.

Constitution

During the year under review, the committee consisted of Three directors viz. Shri. Rajeev Mundra, Chairman, Shri. Kamal Binani and Shri. Sharad Taparia .

Composition, names of members and chairman

Sr. No.	Members	Category
1.	Shri. Rajeev Mundra , Chairman	Independent Non Executive Director
2.	Shri. Sharad Taparia, Member	Managing Director
3.	Shri. Kamal Binani, Member	Additional Director (Independent Non Executive Director)

* Smt. Rachana Rane, Company Secretary acts as the Secretary of the Committee.

Audit Committee Meetings during the year and attendance -

Date of the Meeting	Attendance of Directors for Meetings held during the year 2017-2018			
	Shri. Rajeev Mundra	Shri. Sharad Taparia	Shri. Arun Binani	Shri. Kamal Binani
29 th May, 2017	√	√	√	NA
14 th August, 2017	√	√	√	NA
4 th September, 2017	√	√	√	NA
30 th November, 2017	√	√	√	NA
13 th February, 2018	√	√	NA	√

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one Meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Forex policy, Management Discussions and Analysis, Review of Internal Audit Reports and significant related party transactions.

The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Indian Accounting Standards (IND-AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2018.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the findings of investigation into cases of material nature and the actions taken in respect thereof.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination And Remuneration Committee comprises of Three Directors. The Nomination And Remuneration Committee include Shri. Rajeev Mundra, Independent Director, Shri. Kamal Binani, Additional Director (Independent, Non-Executive) w.e.f 26th December, 2017 and Shri. Mukul Taparia, Non-Executive Director. The Composition of Nomination And Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

During the year, the committee met once, 26th December, 2017 the meeting was attended by all members.

The Committee was mandated with the following terms of reference:

- Reviewing the overall compensation policy and other employment conditions of Managing Director(s) and Senior Management.
- To help in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment/re-appointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;

After Resignation of Shri. Arun Binani, the Nomination And Remuneration Committee recommend to Shri. Kamal Binani in his place. The NRC policy is posted on the Company's website - www.pmlindia.com.

The company does not have any stock option scheme.

STAKEHOLDER RELATIONSHIP COMMITTEE

The Committee comprises of two Independent Directors and one non executive director. The Stakeholders Relationship Committee comprises of three Directors. Shri. Rajeev Mundra, Independent Director is the Chairman of this Committee. Other members of Committee consist of Shri. Mukul Taparia, Non Executive Director and Shri. Kamal Binani, Additional Director (Independent, Non Executive).

Smt. Rachana Rane, is the compliance officer for this purpose.

The committee meeting was held on 13th February, 2018 and was attended by all three members.

The Committee looks into the matters of Shareholders/ Investors grievances along with approval of transfer of shares and issue of duplicate / split /consolidation /sub-division of share certificates. During the year the Company received NIL complaints. The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Adroit Corporate Services Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate

Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meeting. The committee also reviews the feedback from the investors and approves initiatives for further improvements in investor servicing. The Committee also ensures the expeditious share transfers.

24. ANTI SEXUAL HARASSMENT POLICY

The Company has in place a policy on Anti Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Work place (Prevention, Prohibition & Redressal) Act, 2013. During the year under review, no complaints were reported to the Board.

25. EXTRACT OF ANNUAL RETURN

An extract of Annual Return in the prescribed Form No. MGT 9 as referred to in section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as "Annexure C".

26. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

27. SHARE CAPITAL

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

28. COST RECORDS AND AUDIT

Under the Section 148 of the Act the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of companies as mentioned in the Table appended to Rule 3 of the said Rules. Cost audit provisions are not applicable to the Company as of now.

29. EQUITY SHARES IN THE 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 suspense account which were issued in dematerialised form pursuant to the public issue of the Company: **NA**

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account	NIL	NIL

30. PERFORMANCE EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. Evaluation parameters of individual directors including the Chairman of the Board and Independent Directors were based on knowledge to perform the role, time and level of participation, performance of duties and level of oversight. The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

31. APPRECIATION:

Your Directors wish to thank all the shareholders, bankers and clients for lending their support in various activities of the Company. Your Directors would like to place on record their appreciation to all the employees who have continued their support during the year.

Date: 13th August, 2018

Place: Mumbai.

Corporate Office:

B-3,MIDC Industrial Area,
Village Mira, Mira Road-401104
Dist. Thane.

FOR AND ON BEHALF OF THE BOARD,

Sd/-
Sharad Taparua
Managing Director

Sd/-
Mukul Taparua
Director

ANNEXURE – A

FORM B–FORM FOR 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. Components for electrical car
 - II. Circuit Breaker Components and customized relay assemblies
 - III. Current Transformer (CT)
 - IV. Shielding Magnetic field
 - V. Customized alloy ingot of soft magnetic material e.g. Fe-Ni alloys, Fe-Si alloys, Fe-Co Alloys
 - VI. Zinc pressure die cast components (Hot Chamber) for all application (precision parts)
 - VII. Nano & Amorphous iron based ribbon parts
 - VIII. Plastic molded alnico magnet for automotive (Precision Parts)
2. Benefits derived as a result of above R & D.
 - I. New product line development for future increase in Business.
 - II. New Market segments with new components like Circuit Breakers, current transformer, shielding components, Flux Concentrator, gas meter components, customized alloy ingot, automotive precision parts.
 - III. New magnetic measurement equipment for open loop components (all soft materials)
3. Future plan of action.
 - I. Alloy developments & modifications for cost reductions & New alloy development e.g. Fe-Ni, Fe-Si (soft magnetic alloys) as well as new market
 - II. Assemblies related to electronic components & assemblies e.g. shunt assemblies with terminal & cable, customized relay assemblies
 - III. New components related to Copper alloys, Iron nickel alloys, Iron silicon alloys, Iron Cobalt alloys
 - IV. Aero space components
 - V. Development of assemblies using soft magnetic materials
4. Expenditure on R & D (in ₹)

I.	Capital	-	Nil
II.	Recurring	-	₹ 68,67,600
III.	Total	-	₹ 68,67,600

Total R & D expenditure as a percentage of total turnover is 0.74%.

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 above efforts e.g. product improvement, cost and in process cost reduction, product developments, import.
 - New product line development in progress for company with good potential for future.

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 CNG, Solar, Wind have been studied as an alternative energy.
Converting electrical to CNG may be feasible but need to change equipment.
As on today, it is not economical to change equipment.
- III. the capital investment on energy conservation equipment- Not done.

ANNEXURE B” TO DIRECTORS’ REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[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, Dadar Nagar Haveli– 396230.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 ('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 Permanent Magnets Limited ("the Company") for the financial year ended on 31st March, 2018 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;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company:
 - 1. The Factories Act, 1948
 - 2. The Employee's State Insurance Act, 1948
 - 3. The Employee's Provident Funds and Miscellaneous Provisions Act, 1952
 - 4. The Maternity Benefit Act, 1961
 - 5. The Child Labour (Prohibition & Regulation) Act, 1986



6. The Workmen's Compensation Act, 1923

7. The Environment Protection Act, 1986

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

(i) Secretarial Standards 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.

We further report that:

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

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

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

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

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

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

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

Sd/-

**CS. Arun Dash
(Proprietor)**

M. No. FCS 9765

C.P. No. 9309

Place: Mumbai

Date: 13th August, 2018

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

PERMANENT MAGNETS LIMITED

‘Annexure A’

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp. Silvassa Police Station,
SilvassaVapi Main Road,
Silvassa, Dadar 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: 13th August, 2018**

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



ANNEXURE C

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L27100DN1960PLC000371
ii) Registration Date	26/11/1960
iii) Name of the Company	PERMANENT MAGNETS LIMITED
iv) Category/Sub-Category of the Company	PUBLIC COMPANY / LIMITED BY SHARES
v) Address of the Registered office and contact details	HARSH AVENUE, 302,3 RD FLOOR., OPP SILVASSA POLICE STATION, SILVASSA VAPI MAIN RD., SILVASSA - 396230, DNH
vi) Whether listed company	YES
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any-	ADROIT CORPORATE SERVICES PRIVATE LIMITED 17-20, JAFFERBHOY IND. ESTATE, 1 ST FLOOR, MAKHWANA ROAD, MAROL NAKA, ANDHERI (E), MUMBAI - 400059. TEL/DIRECT: +91 (0)022 - 28594060 / 6060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	ITC Code of the Product/ service	% to total turnover of the company
1.	The Company has been operating in single business Segment i.e. Magnetics and its applications.	85059000	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual	3222728	0	3222728	37.48	3222728	0	3222728	37.48	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	423377	0	423377	4.93	423377	0	423377	4.93	0.00
e) Banks /FI	0	31290	31290	0.36	0	31290	31290	0.36	0.00
f) Any other									
f-1) HUF Controlling	515457	0	515457	5.99	515457	0	515457	5.99	0.00
f-2) Directors	1468711	0	1468711	17.08	1468711	0	1468711	17.08	0.00
f-3) Directors Relatives	512849	0	512849	5.97	512849	0	512849	5.97	0.00
Total Shareholding of promoter (A)	6143122	31290	6174412	71.81	6143122	31290	6174412	71.81	0.00

PERMANENT MAGNETS LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	70	620	690	0.01	70	620	690	0.01	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B) (1)	70	620	690	0.01	70	620	690	0.01	0.00
(2) Non - Institutions									
a) Bodies Corp.									
i) Indian	84789	7540	92329	1.07	56408	7540	63948	0.74	-0.33
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	921108	525064	1446172	16.82	928734	507504	1436238	16.70	-0.12
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	771973	0	771973	8.98	805186	0	805186	9.36	0.38
c) Others (Specify)									
c-1) Non Resident Indians(Individuals)	12667	32160	44827	0.52	15004	32160	47164	0.55	0.03
c-2) Non Resident Indian Corporate Bodies	0	66600	66600	0.77	0	66600	66600	0.77	0.00
c-3) Trusts	1250	0	1250	0.01	100	0	100	0.00	-0.01
c-4) Clearing Member	200	0	200	0.002	2115	0	2115	0.02	0.018
c-5) Corporate Body - Broker	0	0	0	0.00	2000	0	2000	0.02	0.02
Sub-total (B)(2)	1791987	631364	2423351	28.18	1809547	613804	2423351	28.18	0.00
Total Public Shareholding(B)= (B)(1)+(B)(2)	1792057	631984	2424041	28.19	1809617	614424	2424041	28.19	0.00
C. Shares held by Custodian for GDRs & ADRs.									
Promoter and Promoter Group	0	0	0	0	0	0	0	0	0.00
Public -	0	0	0	0	0	0	0	0	0.00
Sub-total (C)	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	7935179	663274	8598453	100	7952739	645714	8598453	100	0.00



(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rashi Taparia	1000	0.01	0.00	1000	0.01	0.00	0.00
2	Yamini Taparia	47130	0.55	0.00	47130	0.55	0.00	0.00
3	Jaiprakash Taparia, HUF	202770	2.36	0.00	202770	2.36	0.00	0.00
4	Sunilkumar Taparia	97890	1.14	0.00	97890	1.14	0.00	0.00
5	Sunaina S. Taparia	34800	0.40	0.00	34800	0.40	0.00	0.00
6	Ritu Taparia	1520	0.02	0.00	1520	0.02	0.00	0.00
7	Divya Taparia	3590	0.04	0.00	3590	0.04	0.00	0.00
8	Sharad Kumar Taparia	742857	8.64	0.00	742857	8.64	0.00	0.00
9	Rameshchandra Taparia, HUF	134727	1.57	0.00	134727	1.57	0.00	0.00
10	Poornimadevi Rameshchandra Taparia	270654	3.15	0.00	270654	3.15	0.00	0.00
11	Rameshchandra Madanlal Taparia	618890	7.20	0.00	618890	7.20	0.00	0.00
13	Mukul Taparia	691054	8.04	0.00	691054	8.04	0.00	0.00
14	Kamladevi Taparia	725695	8.44	0.00	725695	8.44	0.00	0.00
15	Anupkumar Taparia	185040	2.15	0.00	185040	2.15	0.00	0.00
16	Anupkumar Taparia, HUF	113360	1.32	0.00	113360	1.32	0.00	0.00
18	Sunitadevi Taparia	206530	2.40	0.00	206530	2.40	0.00	0.00
19	Anil Kumar Taparia	118430	1.38	0.00	118430	1.38	0.00	0.00
20	Anil Kumar Taparia, HUF	39750	0.46	0.00	39750	0.46	0.00	0.00
21	Megh Exim Pvt Ltd	88077	1.02	0.00	88077	1.02	0.00	0.00
22	Seemadevi Taparia	53500	0.62	0.00	53500	0.62	0.00	0.00
23	NYMPH Properties Private Limited	160000	1.86	0.00	160000	1.86	0.00	0.00
24	Jaiprakash Taparia	465719	5.42	0.00	465719	5.42	0.00	0.00
25	Bank of Rajasthan Limited	31290	0.36	100.00	31290	0.36	100.00	0.00
26	Sunilkumar Taparia, HUF	5450	0.06	0.00	5450	0.06	0.00	0.00
27	Shyamsunder Taparia, HUF	19400	0.23	0.00	19400	0.23	0.00	0.00
28	Shriniwas Company Pvt. Ltd.	175300	2.04	0.00	175300	2.04	0.00	0.00
29	Shyamsunder Taparia	848989	9.87	0.00	848989	9.87	0.00	0.00
30	Rishi Taparia	41000	0.48	0.00	41000	0.48	0.00	0.00
31	Manmohan Taparia	50000	0.58	0.00	50000	0.58	0.00	0.00
	TOTAL	6174412	71.81	0.51	6174412	71.81	0.51	0.00

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

Sr. No.	Name of Promoter's	Shareholding at the beginning of the year (April 01, 2017)					Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of Shares	% of total shares of the company
1	Megh Exim Private Limited	88077	1.02	NIL	NIL	NA	0	0.00
	At the End of the year						88077	1.02
2	Nymph Properties Private Limited	160000	1.86	NIL	NIL	NA	0	0.00
	At the End of the year						160000	1.86
3	Shriniwas Company Private Limited	175300	2.04	NIL	NIL	NA	0	0.00
	At the End of the year						175300	2.04
4	Anupkumar Taparia, HUF	113360	1.32	NIL	NIL	NA	0	0.00
	At the End of the year						113360	1.32
5	Jaiprakash Taparia, HUF	202770	2.36	NIL	NIL	NA	0	0.00
	At the End of the year						202770	2.36
6	Shyamsunder Taparia, HUF	19400	0.23	NIL	NIL	NA	0	0.00
	At the End of the year						19400	0.23
7	Sunilkumar Taparia, HUF	5450	0.06	NIL	NIL	NA	0	0.00
	At the End of the year						5450	0.06
8	Anil Kumar Taparia,HUF	39750	0.46	NIL	NIL	NA	0	0.00
	At the End of the year						39750	0.46
9	Divya Taparia	3590	0.04	NIL	NIL	NA	0	0.00
	At the End of the year						3590	0.04
10	Anil Kumar Taparia	118430	1.38	NIL	NIL	NA	0	0.00
	At the End of the year						118430	1.38
11	Sunitadevi Taparia	206530	2.40	NIL	NIL	NA	0	0.00
	At the End of the year						206530	2.40
12	Seemadevi Taparia	53500	0.62	NIL	NIL	NA	0	0.00
	At the End of the year						53500	0.62
13	Anupkumar Taparia	185040	2.15	NIL	NIL	NA	0	0.00
	At the End of the year						185040	2.15
14	Poornimadevi Rameshchandra Taparia	270654	3.15	NIL	NIL	NA	0	0.00
	At the End of the year						270654	3.15
15	Jaiprakash Taparia	465719	5.42	NIL	NIL	NA	0	0.00
	At the End of the year						465719	5.42
16	Sunilkumar Taparia	97890	1.14	NIL	NIL	NA	0	0.00
	At the End of the year						97890	1.14
17	Rameshchandra Madanlal Taparia	618890	7.20	NIL	NIL	NA	0	0.00
	At the End of the year						618890	7.20
18	Sharad kumar Taparia	742857	8.64	NIL	NIL	NA	0	0.00
	At the End of the year						742857	8.64
19	Rameshchandra Taparia, HUF	134727	1.57	NIL	NIL	NA	0	0.00
	At the End of the year						134727	1.57
20	Sunaina Taparia	34800	0.40	NIL	NIL	NA	0	0.00
	At the End of the year						34800	0.40

Sr. No.	Name of Promoter's	Shareholding at the beginning of the year (April 01, 2017)					Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of Shares	% of total shares of the company
21	Kamladevi Taparia	725695	8.44	NIL	NIL	NA	0	0.00
	At the End of the year						725695	8.44
22	Shyamsunder Taparia	848989	9.87	NIL	NIL	NA	0	0.00
	At the End of the year						848989	9.87
23	Mukul Taparia	691054	8.04	NIL	NIL	NA	0	0.00
	At the End of the year						691054	8.04
24	Yamini Taparia	47130	0.55	NIL	NIL	NA	0	0.00
	At the End of the year						47130	0.55
25	Ritu Taparia	1520	0.02	NIL	NIL	NA	0	0.00
	At the End of the year						1520	0.02
26	Manmohan Taparia	50000	0.58	NIL	NIL	NA	0	0.00
	At the End of the year						50000	0.58
27	Rishi Taparia	41000	0.48	NIL	NIL	NA	0	0.00
	At the End of the year						41000	0.48
28	Bank of Rajasthan Limited	31290	0.36	NIL	NIL	NA	0	0.00
	At the End of the year						31290	0.36
29	Rashi Taparia	1000	0.01	NIL	NIL	NA	0	0.00
	At the End of the year						1000	0.01

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

Sr. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2017)		Transaction during the year			Shareholding end of the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	Date	Sale	Purchase	No. of Shares	% of total shares of the company
1	Hitesh Ramji Javeri	275000	3.20	-	-	-	275000	3.20
2	Dipak Kanayalal Shah	165000	1.92	7.4.17 7.7.17 21.7.17 15.9.17 29.9.17 20.10.17 22.12.17 25.01.18 2.2.18 9.2.18 9.3.18	- - - - - - - - - - -	12073 500 500 500 2000 1000 2000 500 500 200 227	185000	2.15
3	Harsha Hitesh Javeri	150000	1.74	-	-	-	150000	1.74
4	Sangeetha S	36876	0.43	7.4.17 21.4.17 5.5.17 15.9.17	- - - 100	58414 1360 3600 -	100150	1.16
5	Centro Magneti Permanenti S P A	66600	0.77	-	-	-	66600	0.77
6	Cesare Giuseppe Rossi	36660	0.43	-	-	-	36660	0.43

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Sr. No.	Name of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2017)		Transaction during the year			Shareholding end of the year (March 31, 2018)	
		No. of Shares	% of total Shares of the Company	Date	Sale	Purchase	No. of Shares	% of total shares of the company
7	Rajendra Kumar Maliwal	23711	0.28	-	-	-	23711	0.28
8	Jyotindra Mansukhlal Mehta	20156	0.23	-	-	-	20156	0.23
9	Celaciha Tools Pvt Ltd	20037	0.23	8.9.17	-	240	20277	0.24
10	Dhanalakshmi Sridhar	-	-	8.12.17	-	21251	51169	0.60
				15.12.17	-	7867		
				22.12.17	-	1322		
				29.12.17	-	265		
				12.01.18	-	910		
				19.01.18	-	277		
				25.01.18	-	478		
				2.2.18	-	2197		
				9.2.18	-	1753		
				16.2.18	-	3153		
				23.2.18	-	3490		
				2.3.18	-	1220		
				16.3.18	-	2503		
				23.3.18	-	3201		
				30.03.18	-	1289		

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Directors & Key Managerial Personnel	Shareholding at the beginning of the year (April 01, 2017)					Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ decrease in Shareholding	Reason	No. of shares	% of total shares of the company
1	Sharad kumar Taparia	742857	8.64	NIL	NIL	NA	0	0.00
	At the End of the year						742857	8.64
2	Sunaina Taparia	34800	0.40	NIL	NIL	NA	0	0.00
	At the End of the year						34800	0.40
3	Mukul Taparia	691054	8.04	NIL	NIL	NA	0	0.00
	At the End of the year						691054	8.04
4	Arun Binani *	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00
5	Rajeev Mundra	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00
6	Kamal Binani **	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00
7	Sukhmal Jain	10	0.0001	NIL	NIL	NA	0	0.00
	At the End of the year						10	0.0001
8	Rachana Rane	0	0.00	NIL	NIL	NA	0	0.00
	At the End of the year						0	0.00

* **Shri. Arun Binani Resigned from the Board w.e.f 30.11.2017**

** **Shri. Kamal Binani appointed as an Additional Director – Independent w.e.f 26.12.2017**



V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,06,59,473	25,00,000	-	10,31,59,473
ii) Interest due but not paid	-	-	-	-
iii) Interest Accrued But not due	1,71,82,566	-	-	1,71,82,566
Total (i+ii+iii)	11,78,42,039	25,00,000	-	12,03,42,039
Change in Indebtedness during the financial year				
· Addition	1,41,33,62,589	-	-	1,41,33,62,589
· Reduction	1,39,03,60,077	25,00,000	-	1,39,28,60,077
Net Change	2,30,02,512	- 25,00,000	-	2,05,02,512
Indebtedness at the end of the financial year				
i) Principal Amount	12,31,73,197	-	-	12,31,73,197
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,76,71,354	-	-	1,76,71,354
Total (i+ii+iii)	14,08,44,551	-	-	14,08,44,551

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Sharad Taparia	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	34,92,000	34,92,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	32,400	32,400
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...		
5.	Others, please specify	-	-
	Total (A)	35,24,400	35,24,400
	Ceiling as per the Act	5% of Net Profit as per Section 197 of the Companies Act, 2013	

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B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Arun Binani	Rajeev Mundra	Mukul Taparia	Sharad Taparia	Sunaina Taparia	Kamal Binani	
1.	Independent Directors · Fee for attending Board and Committee meetings · Commission · Others, please specify	27,500 - -	55,000 - -	- - -	- - -	- - -	15,000 - -	97,500 - -
	Total (1)	27,500	55,000	-	-	-	15,000	97,500
2.	Other Non-Executive Directors · Fee for attending Board and Committee meetings · Commission · Others, please specify	- - -	- - -	33,000 - -	- - -	24,000 - -	- - -	57,000 - -
	Total (2)	-	-	33,000	-	24,000	-	57,000
	Total (B)=(1+2)	27,500	55,000	33,000	-	24,000	15,000	1,54,500
3.	Total Managerial Remuneration							36,78,900
4.	Overall Ceiling as per the Act	1% of the Net Profits as per Section 197(1) (ii) of the Companies Act, 2013						

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

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	- - -	3,42,152 - -	30,18,667 21,600 -	33,60,819 21,600 -
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	3,42,152	30,40,267	33,82,419

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



ANNEXURE D

Ratio of director remuneration to employee median remuneration

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

Sr. No.	Particulars	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	Shri. Sharad Taparia – 11.32x
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Shri. Sharad Taparia (MD) – 169% Shri. Sukhmal Jain (CFO) - 23% Smt. Rachana Rane (CS) – 0%
3.	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in FY 17-18 was increased by 5.86%
4.	The number of permanent employees on the rolls of the Company	105 as on March 31, 2018
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the Company over a period of time.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	We confirm the same.

ANNEXURE - E

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 2017-2018. 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: 13th August, 2018

Sd/-
Sharad Taparia
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS ENVIRONMENT, INDUSTRY STRUCTURE AND DEVELOPMENT:

Your Company operate in Manufacturing of parts & accessories of Electricity Meters, Gas Meters, Cast Alloys, Permanent Magnets and Magnetic Assemblies.

Smart Meters:

In terms of volume, the market is expected to reach 285.4 million units by 2025. The devices are used to project the lower peak electricity demand; also end-users can easily monitor power consumption on a daily basis and reduce it accordingly. Energy suppliers are also anticipated to gain advantages through these devices, aligning to their benefits of reduction in reaction time to resolve power outages & hardware faults and improved customer service delivery due to remote reading conveniences.

Various smart meters rollout schemes in different regions, such as U.S, UK, and favourable government initiatives supporting the installation of these devices are expected to play a vital role in industry growth. Since energy production using renewable approaches varies with time, low power generation ultimately outcomes in unstable energy productivity. However, using metering devices that are capable of handling intermittent supply help in compensating for this loss by controlling energy consumption of various electronic equipment.

The smart electricity meter industry has witnessed a dynamic phase change from Automatic Meter Reading (AMR) to Advanced Metering Infrastructure (AMI) equipment. Smart electricity meters are incorporated into automated data simulators that forecast future energy requisites based on the present energy consumption rates, thereby offering benefits to energy sources as well consumers.

The market is projected to witness a high competition among suppliers as they are striving to differentiate themselves on the basis of quality and cost.

Smart electricity meters are anticipated to offer several advantages to energy suppliers, such as reduction in reaction time to resolve power outages and hardware faults and enhanced customer service delivery by offering convenient remote readings. Additionally, attentiveness to environment protection and associated proceedings & policies are estimated to control the surging levels of radiation emissions.

Advanced metering infrastructure is a fool-proof system. Energy theft is poised to occur either before demand measurement, while demand data is stored or after the measurement logs have been transmitted to the utility.

Smart Electricity Meters serve as an appropriate solution for these fraudulent acts. Concentrator meters aggregate data from multiple meters and can be used to monitor electricity usage and detect intermittent energy theft. Additionally, metering control centers offered by advanced infrastructure are capable of handling divergence in the data.

Asia Pacific smart meters market is expected to grow at a CAGR of 4.8% from 2016 to 2025. Asia Pacific is the fastest growing region by revenue but the growth rate by volume is moderate, which portrays a high growth potential in the region over the forecast period. China is gearing towards sustainable energy management with substantial reserves for smart grid implementation in its 13th Five Year Plan (2016 to 2020).

Asia Pacific is followed by Europe, which accounted for 12% of the revenue share in 2016. Europe and North America have the maximum deployment of smart electricity meters, due to which the regions are currently in the growth stage. Additionally, they are likely to reach the saturation stage over the forecast period. Government mandates have been established for the European Union, with rollout plans set by the Commission for Energy Regulation among other legislative bodies. Europe has also been focusing towards reducing electricity usage by energy conservation as a long-term goal.

The residential sector is projected to emerge as the most lucrative segment for this market owing to the growing smart grid adoption proposals in selected areas along with government and administrative regulations and policy standardization in constituencies such as the U.S. and Spain.

The deployment of smart electricity meters enables domestic customers to utilize varied significant features, such as enabling the reduction of peak purchases, demand response and direct load control, thereby applying downward pressure on energy prices in spot markets, potentially lowering carbon emissions through the integration of cleaner distributed generation, offsetting the need for new generation through Transmission & Distribution (T&D) capacity and reducing the domestic usage.- Source: grandviewresearch.com



Smart Meters India:

Twelve (12) smart grid demonstration/pilot projects were sanctioned by Ministry of Power with 50% Government of India grant amounting to US\$ 29.56 million and 100% funding for Smart Grid Knowledge Centre for managing research and innovation activities in 2012 (source: NSGM). Subsequently, three full Smart Grid projects were also sanctioned in 2016 with 30% funding from Ministry of Power. In addition, the country strives to install 35 million smart meters by 2019.

Several government initiatives and policies, such as Restructured Accelerated Power Development and Reform Program (R-APDRP) and Central Electricity Authority (CEA) guidelines, have paved the way for intelligent smart metering in the country. The current size of the energy metering market is approximately US\$ 340.82 million and it is expected to grow at a Compound Annual Growth Rate (CAGR) of 8-10 per cent over the next 4-5 years. Further, UDAY - a scheme for operational & financial turnaround of DISCOMS and estimated to install 35 million smart meters by 2019. India exported over 400,000 of its electricity supply and production meters to Australia, followed by over 50,000 meters to Malaysia, the United Kingdom and the United Arab Emirates. India's imports of electricity supply and production meters were very limited—less than 5,000 meters each from Hungary, Singapore, Indonesia and China in 2012; by value, Germany and the United States were the leading foreign suppliers. – source: Research Development demonstration and deployment of Smart grids in India Report, Govt. of India.

Electric Vehicles:

The Government of India had come up with an Integrated Energy Policy in 2006. The Policy recommended promotion of hybrid vehicles and electric vehicles and suggested that efforts should be made to develop low weight and high density batteries. The policy also emphasised on promoting commercially available hybrid vehicles in India and commercially available flexi-fuel vehicles which run on varying proportions of ethanol-blended fuels. The policy proposed fiscal incentives for automotive industries to support commercialisation of hybrid and battery operated vehicles in India. The Draft Energy Policy, 2017 prepared by the NITI Aayog also lays emphasis on mainstreaming emerging energy technologies like EVs. The policy talks about setting up charging stations for electric vehicles need for appropriate sub-structures for Renewable Energy (RE) to support EVs and energy storage solutions. The policy identifies hybrid vehicles, electric vehicles and fuel cell vehicles to be inducted in the transportation system of the future and indicates the need to utilize their complete potential.

National Electric Mobility Mission Plan 2020

National Electric Mobility Mission Plan 2020 (NEMMP) was launched by the Ministry of Heavy Industries and Public Enterprises in 2013 as a vision towards unveiling the demand for EVs. NEMMP aims to utilize electric mobility as an opportunity to achieve global leadership in manufacturing of EVs and expansion of domestic market by providing initial boost that can create demand for EVs, which would stimulate the manufacturing of these vehicles at scale. The four key principles that guide the future roadmap for EV penetration in NEMMP include: 1. Creating consumer acceptability for EVs 2. Developing infrastructure to support ownership and use of EVs 3. Development/acquisition of EV / battery technology 4. Creation of local manufacturing capability. The plan aims to achieve new vehicle sales of 6-7 million units for full range of EV (mild hybrids to full electric) by 2020. The bulk of this demand is expected to come from (pure) electric two-wheelers, followed by hybrid electric vehicles (HEVs) and other (pure) battery electric vehicles (BEVs).— source: Electric mobility paradigm shift report, TERI team.

STRATEGIC INITIATIVE

PML is developing high quality products for Smart meters and EV markets. These markets are likely to present huge demand for good quality products and suppliers.

PML is diversifying into parts related to Aerospace and related products of magnetic cores, superalloys, brass parts etc.

OPPORTUNITIES & CHALLENGES

Govt. policy of installation of smart grids across India and adoption of EV presents a good opportunity. Demand by foreign companies for high quality products for these sectors is increasing.

Competing with suppliers from low cost countries is a challenge. Products for EV and smart meters change design frequently due to change in the models of meters and cars. This presents a challenge to handle development and business with a short life cycle.

RISK AND CONCERN

Regulatory risk: The business may have a positive or a negative impact on the revenues in future due to changes in the regulatory framework and the tax laws as compared to the current scenario. Management continuously monitors and makes efforts to arrest decline and adverse output on any of these factors.

Exchange rate fluctuations: Due to products exports and raw material imports usually denominated in US dollars, EURO and at times in other currencies, exchange rate fluctuations may exert a material impact on the performance of the Company.

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

OUTLOOK

Business outlook is positive. Demand from Indian and foreign customers is increasing. PML will increase product portfolio and diversify into related businesses.

INTERNAL CONTROLS AND SYSTEMS

The Company has appropriate and sufficient internal control systems in place commensurate with the size and the industry it operates in. The Company has a well- laid framework of systems, processes, procedures and policies to ensure compliance to statutes and laws, as well as to ensure optimum and sufficient use of resources. Regular internal audits are conducted through external agency to test the adequacy and effectiveness of its internal control processes. All rules, policies, statutes and legislations are strictly followed and adhered to by the Company. The Company specifically ensures that all environment protection norms are followed without any compromise.

FINANCIAL PERFORMANCE

INCOME: Income for the Company for the FY2017-18 was 9321.19 Lakhs compared to 7310.58 Lakhs for the previous year.

EBITDA: EBITDA for FY 2017-18 was 297.81 Lakhs compared to -159.69 Lakhs for the previous year.

PAT: Net Profit after Tax for the FY2017-18 stood at 538.82 Lakhs as against 118.56 Lakhs for the previous year.

INDUSTRIAL RELATION AND HUMAN RESOURCE MANAGEMENT

Employee relations in your Company continued to be harmonious in all Plants and establishments. Talent retention was done and fresh talent was inducted for key roles. Stringent measures are followed for maintaining the safety and health of employees. Cognizant that skilled human capital is its greatest strength and enables it to create a niche in the industry; strong emphasis is given to continual skill development. Skill development and training programmes are organized on a regular basis to support their professional development.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectation may be "forward-looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.



CEO/CFO CERTIFICATION

To,
The Board of Directors,
Permanent Magnets Limited

We, Sharad Taparia, Managing Director (CEO) and Sukhmal Jain, Senior Vice President Finance of the company do hereby certify that :

- (a) We have reviewed financial statements and the cash flow statement of Permanent Magnets Limited for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing Indian accounting standards, applicable laws and regulations.
- (b) There are, to the best of their 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.
- (c) 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 they are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which they 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.
- (e) We affirm that no personnel has been denied access to the Audit Committee of the Company.

For Permanent Magnets Limited

Sd/-
Sharad Taparia
(Managing Director)

For Permanent Magnets Limited

Sd/-
Sukhmal Jain
(Senior Vice President Finance)

Place: Mumbai
Date: 29/05/2018

MANAGING DIRECTOR DECLARATION

I, Sharad Taparia, Managing Director of the company hereby declare that all Board Members and senior management personnel have affirmed compliance with the code on an annual basis.

For Permanent Magnets Limited

Place : Mumbai
Date: 29/05/2018

Sd/-
Sharad Taparia
Managing Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

PERMANENT MAGNETS LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of **PERMANENT MAGNETS LIMITED** ('the Company'), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the statement of Changes in Equity for the year ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. In conducting our audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the act and the rules made there under.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by companies' directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018 and its profit, total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

9. Emphasis of Matters

- a. We draw attention to Note no. 3 of notes to accounts, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. Honorable High Court of Bombay had passed winding up order dated 15/04/2015 for Winding up of the company on petition filed by M/s. Savino Del Bene Freight Forwarders (I) Pvt. Ltd., and court had issued direction for appointment of official liquidator in winding up order. On the appeal against this order made by the company before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated 15/04/2015. Company has deposited ₹ 19,05,179/- Lac with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court and next hearing in this matter shall come up as per listing of the court.



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

- b. We draw attention to Note no. 4 of notes to accounts of the financial statement regarding non receipts of confirmation in respect of balances due under Trade receivables, Trade payables 'Loan and Advances Receivable and Payable' though company has issued letters to the debtors to that effect, adjustments, if any, required upon such confirmation is not ascertainable.

Other Matter

10. The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 and 31st March, 2016 dated May 29, 2017 and May 28, 2016 respectively expressed an unmodified opinion on those financial statements, and have been restated to comply with Ind AS. Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS have been audited by us.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditors report) Order, 2016 ("The Order") issued by the central government of India in terms of sub-section 11 of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B statement on the matters specified in paragraphs 3 & 4 of the order.
12. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss (including other comprehensive income), Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. on the basis of written representations received from the directors as on March 31, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 A'; and
 - g. with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us :
 - I. The company has disclosed the impact if any, of pending litigations as at March 31, 2018 on its financial position in its Ind AS financial statements - Refer to Note 2 of notes to accounts
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. The provisions relating to transferring any amounts to the investor's education and protection fund is not applicable to the Company during the year.
 - IV. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

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

Sd/-

CA Karan Verma
Partner
M. No. 161335

Place: Mumbai
Date: 29th May, 2018

Annexure “A” to the Independent Auditor’s Report

[Referred to in Para 12(f) ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report of even date to the members of Permanent Magnets Limited on the Ind AS financial statement for the year ended 31st March 2018]
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, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Opinion

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

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

Place: Mumbai
Date: 29th May, 2018

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

Annexure B to Independent Auditor's Report

The referred to in paragraph 11 of Independent Auditor's Report to the members of the Permanent Magnets Limited on the standalone financial statements for the year ended 31 March 2018, we report that:

- I. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Company did not have any immovable property except 15% share of Borivali (Mumbai) property sold to Builder.
- II. According to the information and explanations given to us, management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- III. According to information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 during the year. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- IV. According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- V. According to information and explanations given to us, the company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 and rules framed thereunder during the year. Accordingly, clause 3 (v) of the Order is not applicable to the Company.
- VI. According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act'2013.
- VII. According to the information and explanations given to us, in respect of statutory dues:
 - a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, GST, service tax, duty of customs, duty of excise, value added tax, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, professional tax and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable, *except the following*:

Nature of Dues	Amount (INR in Lakhs)	Due date
TDS	8.63	As per Traces site of Income tax (TDS)

- b. According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Value added tax, Service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute, *except the following*:
- c.

Nature of Dues	Amount (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Excise Duty	63.18	F.Y. 2003-04	CESTAT – Mumbai
Income Tax	02.06	F.Y. 2006-07	CIT (A) – Mumbai
Income Tax	03.94	F.Y. 2008-09	CIT(A) – 21 Mumbai

PERMANENT MAGNETS LIMITED

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

Bank	Nature	Amount (INR in Lakhs)	Due on	Paid on
ICICI	Central Excise Loan	175.85*	Between October 2002 to October 2004	Not yet paid

*it is simple interest @ 12%. During the year, Principal amount of central excise loan taken from ICICI has been repaid in full

- IX. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments). The company has applied funds from term loans raised during the year only for the purpose for which those term loans were raised.
- X. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- XI. According to the information and explanations give to us and based on our examination of the records, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- XIII. According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (IND - AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- XIV. According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- XV. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

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

Place: Mumbai
Date: 29th May, 2018



BALANCE SHEET AS AT 31ST MARCH, 2018

(Amount in INR)

Particulars	Note No	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ASSET				
(1) Non Current Assets				
(a) Property, Plant and Equipment	2	46,671,558	44,429,389	39,838,998
(b) Other Intangible assets	3	200,418	213,880	196,300
(c) Financial Assets				
(i) Investments	4	-	10,000	10,000
(ii) Trade Receivables		-	-	-
(iii) Loans	5	4,715,730	5,225,805	4,580,305
(d) Deferred Tax Assets (Net)	6	9,175,186	10,045,576	10,045,576
(e) Other Non-Current Assets	7	6,449,342	11,528,958	15,243,354
		67,212,234	71,453,608	69,914,533
(2) Current Assets				
(a) Inventories	8	133,885,860	150,404,451	195,971,330
(b) Financial Assets				
(i) Trade Receivables	9	289,379,902	200,932,656	177,460,842
(ii) Cash and Cash Equivalents	10	523,040	4,503,022	2,411,011
(iii) Bank Balances	11	33,202,085	18,828,928	18,231,077
(iv) Loans	12	931,448	6,591,120	9,039,740
(c) Other Current Assets	13	68,639,656	19,820,697	25,419,984
		526,561,991	401,080,874	428,533,984
Total Assets		593,774,225	472,534,482	498,448,517
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	14	85,984,530	85,984,530	85,984,530
(b) Other Equity	15	97,975,732	43,843,401	31,977,729
		183,960,262	129,827,931	117,962,259
Liabilities				
(2) Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	25,154,468	35,123,257	37,140,381
(b) Provisions	17	6,785,808	6,760,246	6,236,320
(c) Other Non Current Liabilities	18	-	53,517	1,661,717
		31,940,276	41,937,020	45,038,418
(3) Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	19	112,451,667	81,811,700	138,202,032
(ii) Trade Payables	20	238,951,437	206,178,337	178,327,302
(iii) Other Financial Liabilities	21	10,164,833	6,326,827	10,294,722
(b) Other Current Liabilities	22	2,283,790	3,364,150	7,821,631
(c) Provisions	23	-	902,862	802,153
(d) Current Tax Liabilities	24	14,021,960	2,185,655	-
		377,873,687	300,769,531	335,447,840
Total Equity and Liabilities		593,774,225	472,534,482	498,448,517

Significant Accounting Policies

1

The Notes are an integral part of these financial statements
As per our report of even date.

For Ramanand & Associates

Chartered Accountants
ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner
M. No. 161335

Mumbai, 29th May, 2018

For & on behalf of the Board

Sharad Taparia
Managing Director

Mukul Taparia
Director

Sukhmal Jain
Sr. Vice President-Finance

Rachana Rane
Company Secretary

PERMANENT MAGNETS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in INR)

Particulars	Note No	31.03.2018	31.03.2017
I Revenue From Operations	25	927,659,791	719,337,428
II Other Income	26	4,460,145	11,720,258
III Total Income (I+II)		932,119,936	731,057,686
IV EXPENSES			
Cost of materials consumed	27	566,980,896	425,343,965
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	(5,230,258)	24,131,576
Employee benefits expense	29	60,085,171	49,351,280
Finance costs	30	16,536,650	16,150,340
Depreciation and amortization expense	31	12,762,254	14,004,065
Other expenses	32	221,905,831	187,891,115
Total expenses (IV)		873,040,544	716,872,340
V Profit/(loss) before exceptional items and tax (I- IV)		59,079,392	14,185,345
VI Exceptional Items		9,693,295	-
VII Profit/(loss) before tax (V-VI)		68,772,687	14,185,345
VIII Tax expense:			
(1) Current tax		14,021,960	2,329,094
(2) Deferred tax		867,977	-
IX Profit (Loss) for the period from continuing operations (VII-VIII)		53,882,750	11,856,251
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		53,882,750	11,856,251
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	33	249,581	11,834
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	- 2,413
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		54,132,331	11,865,672
XVI Earnings per equity share (for continuing operation):	34		
(1) Basic		6.27	1.38
(2) Diluted		6.27	1.38
XVII Earnings per equity share (for discontinued operation):	34		
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)	34		
(1) Basic		6.27	1.38
(2) Diluted		6.27	1.38

The Notes are an integral part of these financial statements

As per our report of even date.

For Ramanand & Associates

Chartered Accountants
ICAI Firm Reg. No. 117776W

CA Karan Verma
Partner
M. No. 161335

Mumbai, 29th May, 2018

For & on behalf of the Board

Sharad Taparia
Managing Director

Sukhmal Jain
Sr. Vice President-Finance

Mukul Taparia
Director

Rachana Rane
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(Amount in INR)

Particulars	31.03.2018	31.03.2017
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	69,022,268	14,194,766
Adjustment for :		
Depreciation & Amortization	12,762,254	14,004,065
Loss/(Profit) on Sale of Assets	(598,757)	-
Finance Charges	16,536,650	16,150,340
Misc balance w/off	(7,230,783)	-
Unrealised Foreign Exchange Gain	(1,906,556)	(4,415,632)
Operating Profit before working Capital Changes	88,585,076	39,933,540
Adjustment for:		
Inventories	16,518,591	45,566,879
Trade Receivables	(91,165,644)	(26,137,705)
Other Assets	(51,062,362)	10,518,952
Trade Payables	35,961,099	33,563,035
Other Liabilities	13,831,800	(9,567,321)
	12,668,561	93,877,379
Direct Taxes Paid	-	-
Net cash flow from Operating Activities	12,668,561	93,877,379
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of/ (Additions to) Fixed Assets	(23,072,696)	(18,612,036)
Sale of/ (Additions to) investments (net)	1,021,338	-
Net cash used in investing activities	(22,051,358)	(18,612,036)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings (Net)	(10,137,455)	(2,002,183)
Proceeds from Short Term Borrowings (Net)	32,076,921	(55,020,810)
Finance Charges paid (Net)	(16,536,650)	(16,150,340)
Net cash from Financing Activities	5,402,816	(73,173,333)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(3,979,982)	2,092,010
Opening Cash and Cash Equivalents	4,503,022	2,411,012
Closing Cash and Cash Equivalents	523,040	4,503,022

Notes :

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

Cash and Cash Equivalent	31.03.2018	31.03.2017
Cash in hand	403,062	389,996
Balance with Banks	119,978	4,113,026
Total	523,040	4,503,022

For Ramanand & Associates

Chartered Accountants

ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner

M. No. 161335

Mumbai, 29th May, 2018

For & on behalf of the Board

Sharad Taparia

Managing Director

Sukhmal Jain

Sr. Vice President-Finance

Mukul Taparia

Director

Rachana Rane

Company Secretary

PERMANENT MAGNETS LIMITED

STATEMENT SHOWING CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2018

A. Equity Share Capital

(Amount in INR)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
85,984,530	-	85,984,530

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period	-	28,019,668	15,823,733	-	43,843,401
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	28,019,668	15,823,733	-	43,843,401
Total Comprehensive Income for the year	-	-	53,882,750	-	53,882,750
Transfer to retained earnings	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	249,581	-	249,581
Any other change	-	-	-	-	-
Balance at the end of the reporting period	-	28,019,668	69,956,064	-	97,975,732

STATEMENT SHOWING CHANGES IN EQUITY AS AT 31ST MARCH , 2017

A. Equity Share Capital

(Amount in INR)

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
85,984,530	-	85,984,530

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial Statements of a foreign operations	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance at the beginning of the reporting period	2,524,570	28,019,668	1,433,491	-	31,977,729
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	2,524,570	28,019,668	1,433,491	-	31,977,729
Total Comprehensive Income for the year	-	-	11,856,251	-	11,856,251
Transfer to retained earnings	(2,524,570)	-	2,524,570	-	-
Remeasurements of the defined benefit plans	-	-	9,421	-	9,421
Any other change	-	-	-	-	-
Balance at the end of the reporting period	-	28,019,668	15,823,733	-	43,843,401



STATEMENT SHOWING CHANGES IN EQUITY AS AT 1ST APRIL, 2016

A. Equity Share Capital

(Amount in INR)

Balance at the beginning of the reporting period	Changes in equity share capital	Balance at the end of the reporting period
85,984,530	-	85,984,530

B. Other Equity

	Reserves and Surplus			Total
	General Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period	2,524,570	28,019,668	1,433,491	31,977,729
Changes in accounting policy or prior period errors	-	-	-	-
Fair Valuation changes and deferred tax thereon	-	-	-	-
Restated balance at the beginning of the reporting period	2,524,570	28,019,668	1,433,491	31,977,729

2 Fixed Assets

Sr No.	Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
		01.04.2017	31.03.2018	01.04.2017	During the year	Upto 31.03.2018	As at 31.03.2017
		INR	INR	INR	INR	INR	INR
A	Tangible Assets						
1	Freehold Land	15,253	15,253	-	-	-	15,253
2	Building	61,93,756	61,93,756	6,03,301	5,44,537	11,47,838	55,90,455
3	Plant & Machinery*	4,58,32,385	5,78,94,238	1,13,77,716	97,53,435	2,11,31,151	3,44,54,669
4	Electric Installation	1,45,966	1,45,966	39,866	9,955	49,821	1,06,100
5	Laboratory Equipments	6,537	6,537	519	-	519	6,018
6	Automobiles & Vehicles	42,60,273	51,86,349	13,45,291	12,84,928	25,48,350	29,14,982
7	Furniture & Fixtures	9,53,106	10,92,286	2,31,655	1,49,986	3,81,641	7,21,451
8	Office Equipments	9,17,130	25,84,113	2,96,669	8,90,950	11,87,619	13,96,494
	TOTAL A	5,83,24,406	7,31,18,498	1,38,95,017	1,26,33,791	2,64,46,940	4,66,71,558
B	Intangible Assets						
1	Computer Software	3,22,928	4,37,928	1,09,048	1,28,462	2,37,510	2,13,880
	TOTAL B	3,22,928	4,37,928	1,09,048	1,28,462	2,37,510	2,13,880
	TOTAL (A+B)	5,86,47,334	7,35,56,426	1,40,04,065	1,27,62,253	2,66,84,449	4,68,71,977
	Previous Year	4,00,36,898	5,86,47,334	-	1,40,04,065	1,40,04,065	4,00,36,898

*Plant & Machinery includes Misc Factory Equipments ₹ 6918534 /- (P.Y. ₹ 6133719/-)

Sr No.	Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
		01.04.2016	31.03.2017	01.04.2016	During the year	Upto 31.03.2017	As at 31.03.2016
		INR	INR	INR	INR	INR	INR
A	Tangible Assets						
1	Freehold Land	15,253	15,253	-	-	-	15,253
2	Building	61,93,756	61,93,756	-	6,03,301	6,03,301	55,90,455
3	Plant & Machinery*	2,85,10,961	4,58,32,385	-	1,13,77,716	1,13,77,716	3,44,54,669
4	Electric Installation	1,45,966	1,45,966	-	39,866	39,866	1,06,100
5	Laboratory Equipments	6,537	6,537	-	519	519	6,537
6	Automobiles & Vehicles	34,60,273	42,60,273	-	13,45,291	13,45,291	29,14,982
7	Furniture & Fixtures	8,17,632	9,53,106	-	2,31,655	2,31,655	8,17,632
8	Office Equipments	6,90,220	9,17,130	-	2,96,669	2,96,669	6,90,220
	TOTAL A	3,98,40,598	5,83,24,406	-	1,38,95,017	1,38,95,017	4,44,29,389
B	Intangible Assets						
1	Computer Software	1,96,300	3,22,928	-	1,09,048	1,09,048	1,96,300
	TOTAL B	1,96,300	3,22,928	-	1,09,048	1,09,048	1,96,300
	TOTAL (A+B)	4,00,36,898	5,86,47,334	-	1,40,04,065	1,40,04,065	4,46,43,269
	Previous Year	2,83,06,103	16,53,02,628	-	1,37,18,259	12,52,65,731	2,83,06,103

*The company has exercised the option as provided in Para D7AA of Ind AS 101: First Time Adoption of Indian Accounting Standards and accordingly the carrying amount of all the PPE as at 31st March 2016 under the previous GAAP have been considered as deemed cost.



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 4: Investments

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Unquoted			
Kisan Vikas Patra	-	10,000	10,000
Total	-	10,000	10,000
Aggregate value of Quoted Investments	-	-	-
Aggregate value of Unquoted Investments	-	10,000	10,000
Aggregate value of impairment in the value of Investment	-	-	-

Note 5: Loans

Security Deposits	4,715,730	5,225,805	4,576,605
Loans & Advances to Employees	-	-	3,700
Total	4,715,730	5,225,805	4,580,305
Secured, considered good	-	-	-
Unsecured, considered good	4,715,730	5,225,805	4,580,305
Doubtful	-	-	-

Note 6: Deferred Tax Asset

<u>Deferred Tax Asset</u>				
- On account of Depreciation difference		2,892,763	10,045,576	3,763,153
- On account of Disallowance of expenses		6,282,423	-	6,282,423
	A	9,175,186	10,045,576	10,045,576
<u>Less:</u>				
- On account of Depreciation diff.		-	-	-
	B	-	-	-
Total	(A-B)	9,175,186	10,045,576	10,045,576

Note 7: Other Non-Current Assets

Balance with statutory/ Government Authorities	239,694	1,804,164	5,016,812
Security Deposits with Govt Dept	3,013,824	3,015,574	3,015,574
Capital Advances	3,195,824	6,709,220	7,210,968
Total	6,449,342	11,528,958	15,243,354
Secured, considered good	-	-	-
Unsecured, considered good	6,449,342	11,528,958	15,243,354
Doubtful	-	-	-

Note 8: Inventories

Raw materials	89,149,017	111,786,821	132,059,642
Work-in-progress	31,459,016	29,489,615	54,583,547
Stores and spares	1,835,238	946,283	2,108,765
Finished goods	11,442,589	8,181,732	7,219,376
Total	133,885,860	150,404,451	195,971,330

Note 9: Trade Receivables

Secured, considered good	-	-	-
Unsecured, considered good	289,379,902	200,932,656	177,460,842
Doubtful	-	-	-
Less: Provision for Doubtful Debts	-	-	-
Total	289,379,902	200,932,656	177,460,842

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 10: Cash and Cash Equivalents

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Balances with Banks	119,978	4,113,026	2,066,062
Cash on hand	403,062	389,996	344,949
Total	523,040	4,503,022	2,411,011

Note 11: Bank Balances

Term Deposits for less than 12 months	33,202,085	18,828,928	18,231,077
Total	33,202,085	18,828,928	18,231,077

* Bank deposits of INR 332.02 Lacs (P.Y. INR 188.28 Lacs) held as margin money against bank guarantee/LC

Note 12: Loans

Security Deposit	-	-	625,000
Inter- Corporate Deposits	-	-	5,000,000
Advances recoverable in cash or kind	908,698	6,550,370	3,381,240
Loans & Advances to Employees	22,750	40,750	33,500
Total	931,448	6,591,120	9,039,740
Secured, considered good	-	-	-
Unsecured, considered good	931,448	6,591,120	9,039,740
Doubtful	-	-	-

Note 13: Other Current Assets

Advance to Suppliers	2,966,270	757,358	664,703
Balance with statutory/ Government Authorities	64,832,170	17,907,427	23,931,797
Prepaid Expenses	813,308	1,089,851	786,173
Other Assets	27,908	66,062	37,312
Total	68,639,656	19,820,697	25,419,984

Note 14: Equity Share Capital

AUTHORIZED CAPITAL			
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of INR 10/- each	100,000,000	100,000,000	100,000,000
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/ Non-Cumulative Preference Shares of INR 10/- each	60,000,000	60,000,000	60,000,000
	160,000,000	160,000,000	160,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL:			
85,98,453 (P.Y. 85,98,453) Equity Shares of INR 10/- each, Fully Paid-Up	85,984,530	85,984,530	85,984,530
Total	85,984,530	85,984,530	85,984,530

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

Equity Shares

Particulars	31st March 2018		31st March 2017	
	No of Shares	Amount In INR	No of Shares	Amount In INR
Number of Shares at the beginning	8,598,453	85,984,530	8,598,453	85,984,530
Add:- Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	8,598,453	85,984,530	8,598,453	85,984,530



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

14.2 Terms/Rights attached to Equity Shares

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

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

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

Particulars	31st March 2018		31st March 2017	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Equity shares of INR 10 each fully paid				
Mukul Taparia	691,054	8.04%	691,054	8.04%
Sharad Taparia	742,857	8.64%	742,857	8.64%
Kamladevi Taparia	725,695	8.44%	725,695	8.44%
Shyamsunder Taparia	848,989	9.87%	848,989	9.87%
Jai Prakash Taparia	465,719	5.42%	465,719	5.42%
Rameshchandra Madanlal Taparia	618,890	7.20%	618,890	7.20%

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

Note 15: Other Equity

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Securities Premium Reserve			
Opening Balance	28,019,668	28,019,668	28,019,668
Add/Less:	-	-	-
Closing Balance	28,019,668	28,019,668	28,019,668
General Reserve			
Opening Balance	2,524,570	2,524,570	2,524,570
Add/Less: Transferred to Surplus in Statement of Profit & Loss	(2,524,570)	(2,524,570)	-
Closing Balance	-	-	2,524,570
Retained Earnings			
Opening Surplus in the Statement of Profit and Loss	13,299,163	1,433,491	1,433,491
Add: Profit / (Loss) of the year	54,132,331	11,868,085	-
Add: General Reserves transferred	2,524,570	2,524,570	-
Less: Tax impact on remeasurement of employee benefits	-	2,413	-
Closing Balance	69,956,064	15,823,733	1,433,491
Total Equity	97,975,732	43,843,401	31,977,729

Note 16: Borrowings

Term Loan			
Rupee Loan from Bank	6,349,936	7,767,302	11,421,046
Rupee Loan from Financial Institutions	1,219,466	1,923,389	976,769
Central Excise loan*	17,585,066	22,932,566	22,242,566
Inter-corporate Deposits*	-	2,500,000	2,500,000
Total	25,154,468	35,123,257	37,140,381
<u>The above amount includes</u>			
Secured Borrowings	25,154,468	32,623,257	34,640,381
Unsecured Borrowings	-	2,500,000	2,500,000
Secured by Personal Guarantee by Director relative's (see note below)	7,569,402	9,690,691	12,397,815

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

16.1 Rupee Loans from banks are repayable in 3 years to 5 year from the date of loan and interest ranging from 9% to 15%. Above loans are secured by first charges on specific assets financed by the lender and first pari passu charges on all the present and future fixed assets & Corporate Guarantee by Synagogue Impex Ltd. (In case of Term loan taken from Central Bank of India)

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

Name of Bank	Amount including Interest	Amount including Interest	Amount including Interest
Central Excise Loan - ICICI Bank *	17,585,066	22,932,566	22,242,566

* 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 as on date.

Note 17: Provisions

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Provision for Gratuity	3,448,904	4,130,687	3,905,073
Provision for Leave Encashment	3,336,904	2,629,559	2,331,247
Total	6,785,808	6,760,246	6,236,320

Note 18: Other Non Current Liabilities

Income Tax payable	-	53,517	1,661,717
Total	-	53,517	1,661,717

Note 19: Borrowings

Foreign Currency Loan from Banks*	72,873,002	56,371,629	94,703,590
Rupee Loan from Banks	39,578,665	25,440,071	43,498,442
Total	112,451,667	81,811,700	138,202,032
<u>The above amount includes</u>			
Secured Borrowings	112,451,667	81,811,700	138,202,032
Unsecured Borrowings	-	-	-
Secured by Personal Guarantee by Promoters/ Directors	112,451,667	81,811,700	138,202,032

19.1 Foreign as well as Rupee currency Loans are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future on pari passu basis . These working capital facilities are further secured by first pari passu charge on residential flat standing in the name of M/s Synagauge Impex Ltd and second pari passu charge on entire fixed assets of the company (excluding Borivali property). The portion of working capital limits from Central Bank of India is exclusively secured by 2500 square feet constrectable area of Borivali property out of 15% share of the company. Further these facilities are secured by personal guarantees of Director's relatives and a Corporate Guarantee by Synagogue Impex Ltd.

Note 20: Trade Payables

Micro Small & Medium Enterprises*	30,054,032	23,792,777	19,403,214
Others Trade Payables	208,897,405	182,385,560	158,924,088
Total	238,951,437	206,178,337	178,327,302

Note 21: Other Financial Liabilities

Current maturities of long term debts	3,238,417	3,407,083	3,392,142
Interest accrued but not due	-	-	131,114
Other Liabilities	6,926,416	2,919,744	6,771,466
Total	10,164,833	6,326,827	10,294,722



NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 22: Other Current Liabilities

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Withholding & Other taxes payable	998,010	460,778	2,735,211
Advances received from Customers	1,285,780	2,903,372	5,086,420
Total	2,283,790	3,364,150	7,821,631

Note 23: Provisions

Provision for Excise Duty	-	902,862	802,153
Total	-	902,862	802,153

Note 24: Current Tax Liability (Net)

Provision for Income Tax	14,021,960	2,185,655	-
Total	14,021,960	2,185,655	-

Note 25: Revenue from Operations

Particulars	31.03.2018	31.03.2017
Sale of Products		
Cast Magnets & Magnetic Assembly	170,800,377	121,763,218
Parts & Accessories of Electricity Meter	698,598,543	554,180,193
Sale of services		
Job work Sale	913,384	5,479,166
Total A	870,312,304	681,422,577
Other Operational Income		
Export Benefits	18,315,428	10,370,566
Scrap Sale	59,427,000	27,544,285
Less: Sale of scrap (exceptional item)	(20,394,942)	-
Total B	57,347,487	37,914,851
Revenue from Operations (Gross)	927,659,791	719,337,428

Note 26: Other Income

Other Miscellaneous Income	2,063,746	1,121,777
Profit /(Loss) on Sale of Assets	598,757	-
Interest Income	1,797,642	1,527,825
Exchange differences (net)	-	9,070,656
Total	4,460,145	11,720,258

Note 27: Cost of Material Consumed

Inventory at the beginning of the year	111,786,821	132,059,642
Add: Purchases (net)	555,044,739	405,071,144
Less: Scrap sale cost (exceptional item)	10,701,647	-
	656,129,913	537,130,786
Less : Inventory at the end of the year	89,149,017	111,786,821
Cost of raw material & components Consumed	566,980,896	425,343,965

PERMANENT MAGNETS LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(Amount in INR)

Note 28: Change in Inventories of WIP & Finished Goods

	31.03.2018	31.03.2017
Inventory at the end of the year		
Work-in-progress (closing)	31,459,016	29,489,615
Finished goods (closing)	11,442,589	8,181,732
	42,901,605	37,671,347
Less:		
Inventory at the beginning of the year		
Work-in-progress (opening)	29,489,615	54,583,547
Finished goods (opening)	8,181,732	7,219,376
	37,671,347	61,802,923
Total	(5,230,258)	24,131,576

Note 29: Employee Benefit Expenses

Contribution to PF & Other Fund	1,745,907	1,608,578
Gratuity Expenses	1,067,236	1,058,614
Salaries, Wages & Bonus	54,921,719	44,665,081
Staff Welfare Expenses	2,188,496	2,019,007
VRS Compensation	161,813	-
Total	60,085,171	49,351,280

Note 30: Financial Cost

Interest	6,631,459	9,064,740
Other Borrowing cost*	4,512,735	2,981,086
Exchange difference on borrowings (net)	1,436,953	(1,369,523)
LC & Bill Discounting Charges	3,955,504	5,474,037
Total	16,536,650	16,150,340

*includes Bank charges & BG Commission

Note 31: Depreciation & Amortised Cost

Depreciation	12,633,792	13,895,017
Amortisation	128,462	109,048
Total	12,762,254	14,004,065

Note 32: Other Expenses

<u>Manufacturing Expenses</u>		
Consumption of Stores, Spares & Consumables	25,913,624	27,145,553
Freight Inward	5,023,204	4,388,695
Sub-Contract Charges & Labour Charges	65,912,652	59,323,329
Repairs & Maintenance - Machinery	2,587,515	2,130,385
Excise Duty on Finished Goods	-	100,709
Power & Fuel Charges	20,327,750	16,252,793
A	119,764,746	109,341,464
<u>Selling & Distribution Expenses</u>		
Advertising & Sales Promotion Expenses	2,524,756	2,094,047
Commission to Selling Agents	20,430,403	12,990,739
Freight Outward & Transportation	26,234,095	16,407,500
Other Selling & Distribution Expenses	-	-
B	49,189,253	31,492,287



	31.03.2018	31.03.2017
<u>Administrative & Other Expenses</u>		
Advertisement	149,500	231,300
Auditors Remuneration	602,500	670,000
Computer & Software Expenses	462,002	539,114
Directors' Sitting Fees	154,500	47,500
Travelling & Conveyance	5,387,494	3,913,406
Insurance	576,283	452,999
Printing & Stationery Expenses	860,765	904,624
Legal & Professional Charges	11,608,831	12,050,044
Miscl Exp	1,761,410	7,380,092
Rates & Taxes	1,762,066	2,348,784
Rent Exp	10,975,824	9,718,739
Security Service Charges	2,860,865	2,337,925
Communication Cost	1,707,378	1,909,147
Vehicle Running exp	1,955,008	2,479,690
Repairs - Building	3,250,496	1,488,179
Repairs - Others	1,364,331	585,820
Interest - Others	497,566	-
Office Expense	320,863	-
Misc-Balance W/off	6,553,709	-
Exchange differeces (net)	140,443	-
C	52,951,832	47,057,364
Total A+B+C	221,905,831	187,891,115

Payment to Auditor

As Auditor		
- Audit Fee	350,000	350,000
- Tax Audit Fee	100,000	100,000
- Others		
Certifications	42,000	70,000
Others Services	110,500	150,000
	602,500	670,000
(Note: Above Figures are Excluding Service Tax)		-

Note 33: Items that will not be reclassified to profit or loss

Remeasurements of the defined benefit plans	249,581	11,834
Others		
Total	249,581	11,834

Note 34: Earning per Share

For Continued Operations		
Profit/(Loss) attributable to Equity shareholders	53,882,750	11,856,251
<u>Weighted Average Number of Shares for Basic and Diluted EPS</u>	8,598,453	8,598,453
Basic EPS (Amount in ₹)	6.27	1.38
Diluted EPS (Amount in ₹)	6.27	1.38

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Company Overview

Permanent Magnets Limited is one of the flagship Companies of Taparia Group, Mumbai and one of the leading manufacturers of Alnico Cast Magnets and Yoke Assemblies, Parts and accessories of electricity meters in the world. PML has started with supplies of 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 parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML is adding similar range of product and forward integration of parts to assemblies in current business based on customer demand. Company has good customer base in India as well as in Europe, USA, South America and South East Asia. Permanent Magnets Limited (the 'Company') is listed on the Bombay Stock Exchange (BSE). The Significant Accounting Policies are as follows:

Significant Accounting Policies:

A. Basis of Preparation

a. Compliance with Ind AS

The financial statement comply 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.

The financial statement up to year ended 31 March 2017 were prepared in accordance with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS, refer Note 18 of Notes to Accounts for an explanation of how the transition from previous GAPP to Ind AS has affected the company's financial position, financial performance and cashflow.

b. Historical cost convention

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

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

B. Segment reporting

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

C. Foreign currency translation

i) Functional and presentation currency

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

ii) Transactions and balances

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

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

D. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is excluding of Excise Duty (up to the applicable date), reduced for customer discounts, rebates granted, other similar allowances, sales taxes (up to the applicable date), Goods and Services Tax (GST) and duties collected on behalf of third parties.

a) Revenue from sale of goods is recognised when the following conditions are satisfied.

- i. the Company has transferred the significant risks and rewards of ownership of the goods to the buyer which generally coincides when the goods are despatched in accordance with the terms of sale;
- ii. the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- iii. the amount of revenue can be measured reliably;
 - iv. it is probable that the economic benefits associated with the transaction will flow to the Company;
 - v. the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- b) Revenue from Construction Contracts is recognised based on the stage of completion determined with reference to the costs incurred on contracts and the estimated total costs. When it is estimated that the total contract cost will exceed total contract revenue, expected loss is recognised as an expense immediately. Total contract cost is determined based on the technical and other assessment of cost to be incurred.
- c) Service income is recognised, net of service tax (up to the applicable date)/Goods and Services Tax (GST), when the related services are provided.

E. Other Income

1. Dividend income from investments is recognised when the shareholder's right to receive payment has been established.
2. Interest income is recognised on the time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.
3. Insurance and other claims are accounted as and when unconditionally admitted by the appropriate authorities.

F. Income tax Current

Income tax

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

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

Deferred tax

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

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

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

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

G. Leases

As a lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to Statement of profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

H. 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.

I. 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.

J. Trade receivables

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

K. 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.

L. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement

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

Subsequent measurement

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

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

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

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

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

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

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

Derecognition

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

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

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

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

Impairment

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

Effective interest method

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

(ii) Financial liabilities and equity instruments:

Classification as debt or equity

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

Equity Instruments

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Loans and borrowings

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

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

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

Derecognition

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

Reclassification of Financial Instruments

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

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

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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

M. 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.

N. 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.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation/Amortisation methods, estimated useful lives and residual value

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

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

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

O. 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.

c) Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of intangible assets recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

P. Trade and other payables

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

Q. 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 of 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.

R. 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.

S. 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.

T. 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.

U. 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.

V. Standards issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below.

Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contract with Customers. The

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core principle of the new standard is that revenue should be recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company will adopt the standard on April 1, 2018 and the effect on adoption of Ind AS 115 is expected to be insignificant.

Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from April 1, 2018.

The Company has evaluated the effect of this on the financial statements and the impact is not material.

NOTES TO ACCOUNTS:

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

2. Contingent Liabilities:

(INR in Lakhs)

Particulars	31.03.18	31.03.17
(a) Unutilized Letters of Credit with Bankers	141.41	14.66
(b) Bank Guarantee	1.00	5.91
(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.	11.09	14.79
(d) Excise Department has rejected the appeal filed by the company and has raised demand as regards inter-unit transfers. The Company has filed appeal against the said order in CESTAT and has made payment of INR 5 Lakh for stay order. Stay order against recovery of the dues has been granted. In the opinion of Company's Consultant, since there is no suppression of facts by the Company, penalty imposed will be quashed. In case, if the case is decided against the Company, there will be no actual outflow to the Company due to availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the company and has set aside the show cause notices. Duty Demanded Penalty	31.59 31.59	31.59 31.59
(e) Interest on Central Excise loan (Operated through ICICI). According to the management, Central Excise loan is interest free. However ICICI, the Operating Agency raises certain demands towards the overdue installments. The Company has provided simple interest as demanded by ICICI. Total interest provided by the company is INR 171.83 lakhs, which may be reversible if the Central Government finally doesn't demand. The ICICI had also demanded Compounded interest which is not provided in the account as according to the company, the same is not payable and the same is shown as contingent here. Additional interest if claimed by the department will be payable. However the management does not expect any liability on that account.	1413.97*	1199.14*
(f) During the year, credit balances had been written back under the head "Misc. Balances Written back". According to the company those amounts are not payable since all have become time barred.	10.75	7.77
(g) Income tax Department has raised a demand of INR 2.59 Lakh in respect of Suyog Agency Ltd. (Company merged with PML) for the A. Y. 07-08 of which INR 0.54 Lakh is recognized in the books and for the balance amount the company has filed an appeal with CIT (A).	2.59	2.06

*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. Loan Principal amount repaid on during FY 17-18.

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

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

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

Amount deposited of INR 19,05,179/-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. Confirmation letters have been issued to parties for confirmation of balances with the request to confirm or send / comments by the stipulated date failing which the balances as appearing in the letter would be taken as confirmed. Confirmation letters have been received in very few cases; however no adverse communication has been received from the parties.
5. During the year INR 15.77 Lakh (P. Y. INR 104.40 Lakh credit) has been debited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

6. Segment reporting

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

7. Leases:

The company has operating lease agreements, primarily for leasing office space. Most of these lease agreements provide for cancellation by either party with a notice period ranging from 30 days to 120 days and contain a clause for renewal of lease agreement at the option of the company. There are no non-cancelable operating leases. There are no assets are taken on finance lease.

During the year the Company has recognized following rental expenses

Particulars	2017-18	2016-17
Premises Rent	10,975,824/-	9,718,739/-

8. Related Party Disclosure:

As per the Ind AS 24 details of related parties & transactions with them are given below:

Sr. No.	Name of Related Party	Relationship
1 2 3 4	Jyotsna Plantation Ltd. Varij Plantation Pvt Ltd. Panache Fashions Precision Medical Devices Corporation	Associates & Enterprises over which Key Managerial Personnel are able to exercise significant influence
5 6 7	Shri. Sharad Taparia Shri. Sukhamal Jain Smt. Rachana Rane	Key Managerial Personnel
8 9	Shri. Rajiv Mundra Shri. Kamal Binani	Independent Director
10 11	Smt. Sunaina Taparia Shri. Mukul Taparia	Director and Relatives of Key Managerial Person Director and Relatives of Key Managerial Person

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

(INR in Lakhs)

Particulars	Directors / Key Management Personnel and their relatives	Companies / firms Controlled by the Directors'	Outstanding Balance
Directors' /KMP Remuneration & Fees	70.61 45.60	Nil Nil	Nil Nil
ICD taken/Given	Nil Nil	Nil Nil	Nil Nil
Advance Given	Nil Nil	Nil Nil	Nil Nil

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

Note: Previous year's figures are given in *italic*

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

I. Gratuity

The Company provides gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit and loss account is INR 10.67 Lakhs

Other long-term employee benefits:

II. Leave encashment

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

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

Particulars	2017-18		2016-17	
	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)
A) Actuarial assumption				
i) Discounting rate	7.87%	7.87%	7.65%	7.65%
ii) Future salary increase	5.00%	5.00%	4.00%	4.00%
iii) Expected rate of return on plan assets	-	-	-	-
iv) Retirement age (in Years)	60	60	60	60
v) Moratility rates (% of IALM 2006-08)	100%	100%	100%	100%
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	11.15	8.01	13.99	7.91
ii) Net interest cost	1.90	2.66	1.69	2.67
iii) Expected return on plan assets	-	-	-	-
iv) Net actuarial (gain) / loss recognized in the period	-	-	-	-
v) Expenses recognized in the statement of Profit & Loss	13.06	10.67	15.68	10.59
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	-	2.23	-	(0.19)
Change in experience assumptions	-	(4.72)	-	0.07

Particulars	2017-18		2016-17	
	Leave encashment (unfunded)	Gratuity (Funded)	Leave encashment (unfunded)	Gratuity (Funded)
iii) Net (gain)/ loss recognised in other comprehensive income	-	(2.50)	-	(0.12)
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	26.30	41.31	23.31	39.05
ii) Interest cost	1.90	2.66	13.99	2.67
iii) Current service cost	11.15	8.01	1.69	7.91
iv) Past service cost incl. Curtailment gains and loss		-		-
v) Benefits paid	(4.28)	(14.99)	(2.51)	(8.21)
Actuarial (gain) / loss on PBO arising from:				
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	1.12	2.23	(0.09)	(0.19)
Change in experience assumptions	(2.82)	(4.72)	(10.09)	0.07
vi) Present value of obligation as at year end	33.37	34.49	26.30	41.31
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	(4.28)	(14.99)	(2.51)	(8.21)
iv) Fund management charges (FMC)	-	-	-	-
v) Benefits paid	(4.28)	(14.99)	(2.51)	(8.21)
vi) Actuarial gain / (loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	-	-	-
F) Liability /(Assets) recognised in Balance Sheet (E-F)	33.37	34.49	26.30	41.31
i) Within the next 12 months (next annual reporting period)	7.89	2.77	0.72	4.81
ii) Between 1 and 5 years	12.16	18.43	14.83	15.63
iii) Beyond 5 years	3.82	11.38	6.57	6.68
iv) Total Expected Payments	23.87	32.58	22.12	27.12

10. Component Accounting for Fixed Assets

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

11. Segment Reporting :

The company is operating in single segment i.e. manufacturing of Cast Magnets& part and accessories of electricity meters There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

12. Impairment of Assets:

During the year under consideration, none of the assets has been impaired.

13. Disclosure as per amendment to clause 32 of the Listing Agreement:

(INR in Lakhs)

Sr. No.	Name of the Parties	Maximum balance outstanding during the year ended		Outstanding Balance as on	
		31.03.18	31.03.17	31.03.18	31.03.17
1.	Loans to Subsidiary Co.	NIL	NIL	NIL	NIL
2.	Unsecured Loans given where there are no Repayment Schedule	NIL	NIL	NIL	NIL

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

b) Expenditure and Earning in Foreign Currencies:

A. CIF Value of Imports:

Particulars	Amount (INR In Lakhs)	
	2017-18	2016-17
Raw Materials & component	3287.24	2326.01

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

Particulars	2017-18		2016-17	
	Amount (INR In Lakhs)	%	Amount (INR In Lakhs)	%
Raw Materials				
Imported	2992.20	52.77	2616.82	61.52
Indigenous	2677.60	47.23	1636.62	38.48
Total	5669.80	100.00	4253.44	100.00

C. Expenditure in foreign currencies incurred during the year:

Particulars	Amount (INR In Lakhs)	
	2017-18	2016-17
1. Travelling Expenses	29.55	13.22
2. Others	9.84	66.53
3. Financial Charges	21.43	46.78

D. Earnings in foreign currencies during the year:

Particulars	Amount (INR In Lakhs)	
	2017-18	2016-17
a. FOB Value of Exports	5668.67	4390.11

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

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

Amount (INR in Lakhs)

Sl No	Particulars	2017-18	2016-17
a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	300.54	237.93
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	300.54	237.93
b)	Amount of interest paid by the buyer in terms of Section 18 of the Act	-	-
c)	The amounts of payment made to the supplier beyond the due date	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-

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

16. Financial instruments and risk management

Fair values

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

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

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

(i) **Categories of financial instruments**

Particulars	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets						
Measure at amortised cost:						
Non-Current						
Financial Assets						
(i) Loans	47.16	47.16	52.26	52.26	45.80	45.80
Current						
Financial Assets						
(i) Trade Receivables	2,893.80	2,893.80	2,009.33	2,009.33	1,774.61	1,774.61
(ii) Cash and Cash Equivalents	5.23	5.23	45.03	45.03	24.11	24.11
(iii) Bank Balances	332.02	332.02	188.29	188.29	182.31	182.31
(iv) Loans	9.31	9.31	65.91	65.91	90.40	90.40
Measured at fair value through profit and loss						
Non - current						
(i) Investments	-	-	0.10	0.10	0.10	0.10
Total	3,287.52	3,240.36	2,360.92	2,360.92	2,117.33	2,117.33
Financial Liabilities						
Measured at amortised cost						
Non Current						
Borrowings	251.54	251.54	351.23	351.23	371.40	371.40
Provisions	67.86	67.86	67.60	67.60	62.36	62.36
Other Non - Current Liabilities	-	-	0.54	0.54	16.62	16.62
Current						
Financial Liabilities						
Borrowings	1,124.52	1,124.52	818.12	818.12	1,382.02	1,382.02
Trade Payables	2,389.37	2,389.37	2,061.78	2,061.78	1,783.27	1,783.27
Other Financial Liabilities	101.65	101.65	63.27	63.27	102.95	102.95
Total	3,934.93	3,934.93	3,362.54	3,362.54	3,718.62	3,718.62

*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 an instruments are observable, the instrument is included in Level 2.

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

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

17. Financial risk management

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

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analysis in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.

(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 carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

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

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

an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

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

18. First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Companies (Accounting Standard) Rules, 2006, notified under section 133 of the Act and other relevant provisions of the Act (Previous GAAP). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017. This note explains the principal adjustments made by the Company in restating its statement of financial position as at 1 April 2016 and its previously published financial statements as at and for the year ended 31 March 2016 under previous GAAP.

Exemptions and Exceptions availed

Upon transition, Ind AS 101 permits certain exemptions from full retrospective application of Ind AS. The Company has applied the mandatory exceptions and certain optional exemptions, as set out below:

A. Ind AS optional exemptions

(i) Deemed cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant & Equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition, after making necessary adjustments for decommissioning liabilities. This exemption can also be used for Intangible Assets covered by Ind AS 38.

Accordingly, the Company has elected to measure all of its Property, Plant & Equipment and Intangible Assets at their previous GAAP carrying value.

(ii) Impairment of financial assets

The Company has applied the exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at 01 April 2016.

(iii) Lease

Appendix C to Ind AS 17, Leases, requires an entity to assess whether a contract or arrangement contains a lease. As per Ind AS 17, this assessment should be carried out at inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements based for embedded leases based on conditions in place as at the date of transition.

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following item in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at Fair value through Profit and Loss.
- Impairment of financial asset based on expected credit loss model.

(ii) Classification and measurement of Financial Assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C. Reconciliation between previous GAAP and Ind AS (as at 31 March 2017 and 1 April 2016)

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

The following tables represent the reconciliations from previous GAAP to Ind AS.

PERMANENT MAGNETS LIMITED

Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Year ended 31.03.2017
Net Profit /(Loss) as reported under previous GAAP	118.68
Add/(Less) adjustments for Ind AS:	
Actuarial loss on defined benefit plans recognised in Other Comprehensive Income	0.12
Net Profit /(Loss) as per Ind AS.	118.56
Other Comprehensive Income (net of tax):	
Actuarial loss on defined benefit plans	0.09
Total Comprehensive Income based on Ind AS	118.66

Reconciliation of total equity as at 31 March 2017 and 1 April 2016

Particulars	31st March,2017
Total Equity (shareholder's fund) as per Previous GAPP	1,298.30
Adjustment	
Impact on Deferred tax on account of Ind AS adjustment	0.02
Total Equity as per Ind AS	1,298.28

Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017

Particulars	Notes	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activities		949.13	10.36	938.77
Net cash flow from investing activities		(186.12)	-	(186.12)
Net cash flow from financing activities		(736.11)	(4.38)	(731.73)
Net increase/(decrease) in cash and cash equivalents	10	26.90	5.98	20.92
Cash and cash equivalents as at 1 April 2016		206.42	182.31	24.11
Cash and cash equivalents as at 31 March 2017		233.32	188.29	45.03

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note

D. Notes to first-time adoption:

i. Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. It requires recognition of tax consequences of differences between the carrying amounts of assets and liabilities and their tax base. As a result, deferred tax assets have been decreased by INR 2413/- as at 31 March 2017 with a corresponding increase in retained earnings and net profit respectively.

ii. Re-measurements of post-employment benefit obligations

Under Ind AS, re-measurements i.e. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these re-measurements were forming part of the profit or loss for the year. There is no impact on the total equity as at 31 March 2017.

iii. Other equity

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments on the date of transition. The company has transferred on April 1,2016 an amount of INR 25.25 Lakh from General reserve to retained earnings as the conditions attached to it are fulfilled as at the date of transition. However there is no impact on other equity on account of this adjustment.

iv. Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of 'other comprehensive income' did not exist under previous GAAP.



v. Cash flow from financing activities

Other bank balances (disclosed under Note 11 of Financial statement) are not considered as part of cash and cash equivalents under Ind AS and the movement of other bank balances is the variance in net increase/decrease in cash and cash equivalents as at 31 March 2017.

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

For Ramanand & Associates

Chartered Accountants
ICAI Firm Reg. No. 117776W

CA Karan Verma

Partner
M. No. 161335

Mumbai, 29th May, 2018

For & on behalf of the Board

Sharad Taparia
Managing Director

Sukhmal Jain
Sr. Vice President-Finance

Mukul Taparia
Director

Rachana Rane
Company Secretary

PERMANENT MAGNETS LIMITED

Regd Off. : Harsh Avenue, 302, 3rd Floor, Opp Silvassa Police Station, Silvassa Vapi Main Road, Silvassa- 396230. Dadra and Nagar Haveli(U.T.)

CIN: L27100DN1960PLC000371 WEBSITE: www.pmlindia.com

ATTENDANCE SLIP

I/We hereby record my/our presence at the 57th Annual General Meeting of the Company held at the The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Dadra and Nagar Haveli (U.T.) on Friday, 28th September, 2018 at 11.00 A.M.

Name of Shareholders	DP ID*
Registered Address	Client ID*
	Folio No.
	No. of Shares

Name of the Member / Proxy

Signature of the Member / Proxy

(In BLOCK letters)

Note: Kindly fill this attendance slip and hand it over at the entrance of the meeting.

* Applicable for investors holding shares in electronics form.

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

PERMANENT MAGNETS LIMITED

Regd Off. : Harsh Avenue, 302, 3rd Floor, Opp. Silvassa Police Station, Silvassa Vapi Main Road Silvassa- 396230. Dadra and Nagar Haveli(U.T.)

CIN: L27100DN1960PLC000371 WEBSITE: www.pmlindia.com

Name of the Member (s):

Registered address:

E – mail Id:

Folio No / Client Id: DP Id:

I/We, being the Member (s) of shares of above named company, hereby appoint

1) of (address)having e-mail ID , or failing him
2) of (address)having e-mail ID , or failing him
3) of (address)having e-mail ID , or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 57th Annual General Meeting of the company, to be held on the Friday, September 28, 2018 At 11.00 a.m. at The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Dadra and Nagar Haveli (U.T.)and at any adjournment thereof in respect of such resolutions as are indicated behind:

Resolutions	For	Against
Ordinary Business:		
1. To receive, consider and adopt the Audited Balance Sheet as at 31 st March, 2018 and the Statement of Profit and Loss for the year ended 31 st March, 2018 along with Directors' Report and Auditors' Report thereon.		
2. To appoint a Director in place of Smt. Sunaina Taparia (DIN: 07139610), who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.		
3. To Ratify appointment of M/s. Ramanand & Associates as a Statutory Auditors of the Company.		
Special Business:		
4. Regularization of Additional Director, Shri. Kamal Binani (DIN : 00340348) and appointment of the same as an Independent Director of the Company.		
5. Revision in remuneration payable to Shri. Sharad Taparia (DIN: 00293739), Managing Director of the Company.		

Signed this day of 2018

Signature of shareholder

Affix a
revenue
stamp

Signature of first Shareholder

Signature of Proxy holder(s)

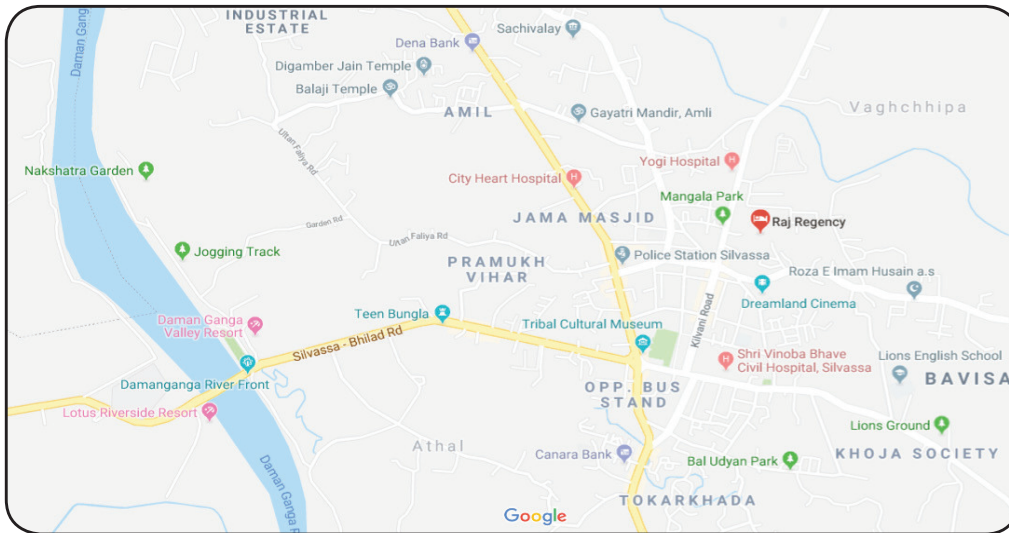
Note:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered and Corporate Office of the Company, not less than 48 hours before the commencement of the Meeting.
- (2) A proxy need not be a member.
- (3) For the Resolutions Explanatory Statement and Notes, please refer to the Notice of the 57th Annual General Meeting.
- (4) This is only optional. Please put a "X" in the appropriate column against the resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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ROUTE MAP TO THE AGM VENUE

Venue : The Raj Regency Hotel, Khanvel Road, Opp. Silvassa Civil Court, Near Anand Nagar, Tokarkhada, Silvassa – 396230, Dadra and Nagar Haveli (U.T.)



Landmark : Near Mangala park

Distance From Silvassa Bus Station: 1.4 Km (approx)

If undelivered return to :

Corporate Office :

PERMANENT MAGNETS LIMITED

B-3, MIDC Industrial Area,
Village Mira, Mira Road - 401104,
Dist. Thane.