



PACE AUTOMATION LIMITED
34TH ANNUAL REPORT
2023-2024

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. S. G. Chandru	Managing Director
Ms. Malathi Gopalakrishnan	Non-Executive Director
Mr. K. Venkateswaran	Independent Director
Ms. Raghavan Suguna	Independent Director

AUDIT COMMITTEE

Mr. K. Venkateswaran	Chairperson
Ms. Raghavan Suguna	Member
Ms. Malathi Gopalakrishnan	Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Ms. Malathi Gopalakrishnan	Chairperson
Mr. K. Venkateswaran	Member
Mr. S. G. Chandru	Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. K. Venkateswaran	Chairperson
Ms. Malathi Gopalakrishnan	Member
Ms. Raghavan Suguna	Member

STATUTORY AUDITORS

M/s. Vivekanandan Associates,
Chartered Accountants,
4/22, Sri Ramajayam, Raghavan Colony
Ashok Nagar, First Cross Street,
Chennai, Tamil Nadu-600083

SECRETARIAL AUDITORS

M/s. Lakshmmi Subramanian & Associates
Practicing Company Secretaries,
Ground Floor, 81, MNO Complex
Greems Road, Thousand Lights
Chennai-600006

INTERNAL AUDITOR

T.S.R. Sivasubramanian, F.C.A.
F Flat No. 4-E, Block-3, Ceebros Orchid, 263/33
Velachery Main Road, Velachery, Chennai-600042

Principal Bankers

ICICI Bank, Adyar, Chennai
Canara Bank, T. Nagar, Chennai

Registrars & Share Transfer Agents

M/s. Cameo Corporate Services Limited
Subramanian Building, No.1, ClubHouse
Road, Anna Salai, Chennai-600002
Phone: 044-28460390
Email: cameo@cameoindia.com

Stock Exchange Where Company's Securities Are Listed

Metropolitan Stock Exchange of India Limited

Registered Office

No. 2, III Street, Parameswari Nagar, Adyar, Chennai-600020, Tamil Nadu

Email: srinivasan@paceautomation.com

Website: www.paceautomation.com

Investor Relations Email ID: srinivasan@paceautomation.com

Contact Number: +91 9940081528

Corporate Identity Number (CIN): L29141TN1989PLC018133

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NOTICE OF THE ANNUAL GENERAL MEETING (AGM)

Notice is hereby given that the 34th Annual General Meeting (AGM) of the Members of Pace Automation Limited will be held on Wednesday, 25th day of September, 2024 through Video Conference ('VC') or Other Audio-Visual Means ('OAVM') at 11:30 A.M to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company comprising of Balance Sheet as on 31st March 2024, Profit and Loss A/c and Cash Flow Statement for the financial year ended 31st March, 2024 together with the Report of the Board of Directors and the Auditors' thereon.
- 2) To appoint a Director in place of Ms. Malathi Gopalakrishnan (having DIN: 00841108) who retires from office by rotation and being eligible offers herself for re-appointment.

Place: Chennai

Date: 26.08.2024

**By and on behalf of the Board
For Pace Automation Limited**

Sd/-
S.G. Chandru
Managing Director
(DIN: 00814605)

Sd/-
Malathi Gopalakrishnan
Director
(DIN: 00841108)

Notes:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated 8th April, 2020; 17/2020 dated 13th April, 2020; 20/2020 dated 5th May, 2020; 02/2021 dated 13th January, 2021; 03/2022 dated 05th May, 2022, 10/2022 dated 28th December, 2022, 09/2023 dated 25th September 2023 and any amendment/modification thereof issued by MCA and read with the Securities and Exchange Board of India (“SEBI”) Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05th January, 2023 (hereinafter referred to as “Circulars”), and in compliance with the provisions of the Companies Act, 2013 (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”) permitted the holding of the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue.
2. Accordingly, in compliance with the provisions of the Act read with the Circulars, the AGM of the Company is being held through VC/OAVM only. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Guidance/Clarification dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
3. Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. In compliance with the aforesaid MCA Circulars and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July, 2023 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023, the Annual Report for the financial year 2023-24 including Notice of the 34th AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent by Email, to all the Members whose Email IDs are registered with the Company/Registrar and Share Transfer Agent or with the respective Depository Participant(s) for communication purposes to the Members and to all other persons so entitled and the same will also be available on the website of the Company at www.Paceautomation.com and can also be accessed from the websites of the Stock Exchanges i.e., Metropolitan Stock Exchange of India (MSEI) Limited at www.msei.in

5. The SEBI has mandated the submission of the Permanent Account Number (“PAN”) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their PAN details to the Company’s share transfer agent, M/s. Cameo Corporate Services Limited.
6. Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated with their DP to enable servicing of notices/ documents/reports and other communications electronically to their e-mail address in future.
7. Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. In compliance with the provisions of Sections 108 and other applicable provisions of the Act, read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is offering only e-voting facility to all the Members of the Company and the business will be transacted only through the electronic voting system. The Company has engaged the services of M/s. Cameo Corporate Services Limited for facilitating e-voting to enable the Members to cast their votes electronically as well as for e-voting during the AGM. Resolution(s) passed by Members through e-voting are deemed to have been passed as if they have been passed at the AGM.
9. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from 01st April 2019 except in case of transmission or transposition of securities. In view of the above, members holding shares in physical form are advised to dematerialise the shares with their Depository Participant.
10. Members are provided with the facility for voting through Voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already casted their vote by remote e-voting, are eligible to exercise their right to vote at the AGM.
11. Members who have already casted their vote by remote e-voting prior to the AGM will be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already casted the vote through remote e-voting.

12. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 19th September, 2024** to **Wednesday, 25th September, 2024** (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015.
13. The Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date on **Wednesday, 18th September, 2024**, may cast their vote by remote e-voting. The remote e-voting period commences on **Sunday, 22nd September, 2024 at 09:00 A.M (IST) and ends on Tuesday, 24th September, 2024 at 05:00 P.M. (IST)**. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.
14. Facility of joining the AGM through VC/OAVM shall open 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
15. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution/ authorization letter to the Company or upload on the VC/OAVM portal/e-voting portal.
16. The Register of Directors and Key Managerial Personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
17. All documents referred to in the Notice will also be available for electronic inspection, during business hours, without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to the Company. Members seeking any information with regard to the accounts or any matter to be considered at the AGM, are requested to write to the Company by sending e-mail on srinivasan@paceautomation.com. The same will be replied by the Company suitably.

18. Members holding shares in demat form are hereby informed to ensure that updated bank particulars be registered with their respective Depository Participants, with whom they maintain their demat accounts. The Company or its Registrar and Transfer Agent (RTA) cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their Depository Participants.
19. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to M/s. Cameo Corporate Services Limited, Registrar and Transfer Agent of the Company or Investor Relations Department of the Company immediately by sending a request on email at srinivasan@paceautomation.com

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

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

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

- (i) The voting period begins on **Sunday, 22nd September, 2024 at 09:00 A.M (IST) and ends on Tuesday, 24th September, 2024 at 05:00 P.M. (IST)**. 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) on Wednesday, 18th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode	<p>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is</p>

with NSDL	<p>available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile.</p> <p>Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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

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

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

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

	Shareholders who have not updated their PAN with the Depository Participant are requested to use the sequence number sent by RTA or contact RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth in (dd/mm/yyyy) format as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository, please enter the member id/folio number in the Dividend Bank details field.

vi. After entering these details appropriately, click on “SUBMIT” tab.

vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix. Click on the EVSN for the relevant Pace Automation Limited on which you choose to vote.

x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired.

The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvi. Additional Facility for Non - Individual Shareholders and Custodians - For Remote Voting only.

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

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

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

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at srinivasan@paceautomation.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at srinivasan@paceautomation.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com.

xvii. The Company has appointed Smt. Lakshmi Subramanian, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed.

The Scrutinizer, after scrutinising the votes cast during the AGM and through remote e-voting, will not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.paceautomation.com and CDSL website. The results shall simultaneously be communicated to the Metropolitan Stock Exchange of India Limited.

**For and on behalf of the Board
Pace Automation Limited**

Sd/-
S.G. Chandru
Managing Director
(DIN: 00814605)

Sd/-
Malathi Gopalakrishnan
Director
(DIN: 00841108)

Place: Chennai

Date: 26.08.2024

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (AGM):

Name of the Director	Ms. Malathi Gopalakrishnan
DIN	00841108
Age	81 Years
Date of Appointment	31.08.2006
Experience	42 Years
No. of. Shares held as on 31.03.2024	8,65,526
No. of. Board Meetings attended during FY 2023-2024	6
Directorship in other public companies	Nil
Chairman/Member of committees of company	3
Relationship with any other Director	Mr. S.G. Chandru
Brief History	She is a promoter of the company. As a Director, she oversees the Key function of Office Management & HR Activities. She drives the continuous renewal of Key process systems and policies across the company in client relationship management. Since, she is a director retiring by rotation and being eligible, she offer herself for reappointment.

Place: Chennai

Date: 26.08.2024

**By and on behalf of the Board
Pace Automation Limited**

Sd/-
S.G. Chandru
Managing Director
(DIN: 00814605)

Sd/-
Malathi Gopalakrishnan
Director
(DIN: 00841108)

DIRECTOR'S REPORT

To,

The Members

Your Directors have pleasure in presenting the 34th Annual Report on the business and operations of your company along with the Audited Financial statements for the year ended 31st March 2024.

1. FINANCIAL RESULTS:

The summarized Financial Results for the year ended 31st March 2024.

(Rs. In Lakhs)

PARTICULARS	2023-24	2022-23
Revenue from Operations	428.68	568.49
Other Income	34.38	14.25
Total Income	463.06	582.74
Total expenses	348.15	372.57
Profit/(Loss) before interest and Depreciation	124.64	266.23
Less: Interest	0.17	0.05
Profit before depreciation	124.47	266.18
Less: Depreciation	9.56	56.02
Profit/(Loss) before tax	114.91	210.16
Exceptional Item	-	-
Tax Expenses:		
Current Tax	26.61	61.16
Deferred Tax	3.53	(8.26)
MAT Credit entitlement		-
Transfer to Reserve		-
Profit / (Loss) carried to Balance sheet	83.88	158.88

2. STATE OF AFFAIRS OF THE COMPANY'S AFFAIRS/CHANGE IN NATURE OF BUSINESS:

During the year under review, the Company has earned a net profit of Rs.83.88 Lakhs as against a net profit of Rs.158.88 Lakhs in the previous year.

There are adequate financial controls commensurate with the size of the organization and with reference to the financial statements; there is no change in the nature of the business.

3. SHARE CAPITAL:

The Company has got approval from the Hon'ble National Company Law Tribunal (NCLT) vide order dated 31st May 2023 to implement a scheme of reduction of capital to set off a part of the accumulated loss against the paid-up share capital. Consequent to the implementation of this scheme, the paid-up equity share capital of the company is reduced to an extent of 68%.

According to the approval given by the NCLT, Special Bench- I, Chennai Bench vide its order dated 31.05.2023 to the Company's Scheme of Reduction of Capital by which 68% of the nominal value of the equity shares from Rs.10/- each to Rs.3.20/- each of the paid-up equity share capital is reduced and that such reduced Subscribed, Issued and Paid-up share capital of Rs.3,02,33,710/- divided into 94,48,035 equity shares of Rs.3.20 has been consolidated into 30,23,371 equity shares of Rs.10/- each in such manner that every 100 equity shares of Rs.3.20 each shall constitute 32 equity shares of Rs.10/- each fully paid-up.

4. DIVIDEND:

The Board of Directors wish to conserve the profit for future development and expansion. Hence, your Company have not recommended any dividend for the financial year 2023-24.

5. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

There has been no loan and guarantees given or made by the Company under Section 186 of the Companies Act, 2013 during the financial year 2023-24.

6. TRANSFER TO GENERAL RESERVE:

Your directors do not propose to transfer any amount to the general reserve of the company during the financial year 2023-24.

7. DEPOSITS:

During the financial year 2023-24, your Company has not accepted any deposit under the provisions of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

During the year 2023-24, the Company had not entered into any material transaction with related parties pursuant to the provisions of Section 188 of the Companies Act, 2013. The details of related party transactions during the year under review have been disclosed in note no. 24 forming part of the financial statements.

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Management Discussion and Analysis Report is as under:

Industry Structure and Developments:

Presently the company provides restaurant retail automation services to more than 3,500 restaurant outlets in India and abroad. It has developed and deployed best-in-class solutions in Sales Force Automation, Business Process Automation, Small, Medium as well as Large Format Retailing, Petroleum Retail, Online Lottery and Turf Club Automation and Remote Digital Content Delivery to the granularity of a single display and so on.

Opportunities and Threats:

Your company's project has resulted in high quality output which has resulted to tie up long term contracts with the customers. The main concern is, continuous competition from other service providers in the same line.

Segment wise performance:

Presently the company has one service segment to provide restaurant retail automation services to restaurant outlets in India and abroad. The products are very useful to hotels and retail outlets. Our products are in competitive position in the market.

Risks and Concerns:

Our main concern is, continuous competition from other service providers in the same line of service by reducing the price in the market due to which the company has to reduce the price to retain its share in the market.

10. BOARD POLICIES:

The Company has the following policies which are applicable as per the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 which are placed on the website of the Company www.paceautomation.com

- (i) Code of conduct for Directors and Senior Management
- (ii) Policy on Directors' Appointment and Remuneration
- (iii) Nomination & Remuneration Policy
- (iv) Policy on Related Party Transactions
- (v) Policy on Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
- (vi) Risk Management Policy
- (vii) Vigil Mechanism/ Whistle Blower Policy
- (viii) Policy for determination of materiality of an event or information
- (ix) Policy for preservation of documents

Since your Company's paid-up Equity Capital, and Net worth is less than Rs.10 Crores and Rs.25 Crores respectively, the provisions of the SEBI (LODR) Regulations, 2015 relating to corporate governance is not applicable to the Company.

11. RISK MANAGEMENT:

Pursuant to Section 134 of the Companies Act, 2013, the Company has a risk management policy in place for identification of key risks to its business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

12. NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members. The policy and details of Nomination and Remuneration is available on the website of the Company at www.paceautomation.com.

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. The Committee had formulated the criteria for determining qualifications, positive attributes, and independence of a director and the same is available on the company's website www.paceautomation.com.
2. The Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
4. The Board shall carry out evaluations of the performance of every Director, KMP and Senior Management Personnel at regular intervals (yearly).
5. The remuneration/compensation/commission etc. to the Managerial Personnel, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
6. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.
7. Where any insurance is taken by the Company on behalf of its Managerial Personnel, Chief Executive Officer, Chief Financial Officer, the Company Secretary, and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
8. The Non-Executive/Independent Director is paid remuneration by way of fees for attending meetings of the Board or Committee thereof.
9. Commission to Non-Executive/Independent Directors, if proposed may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

13. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT:

Training in all sectors is given to our employees periodically and they are motivated to work in line with the development of the industry. The willingness and commitment of the employees help the company to stand tall among its customer in quality and service.

14. INTERNAL COMPLAINTS COMMITTEE:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. Internal Complaints Committee ("ICC") is in place for all the works and offices of the Company to redress complaints received regarding sexual harassment. The policy on Prohibition,

Prevention & Redressal of Sexual Harassment is available on the website of the Company at www.paceautomation.com.

During the Financial Year under review, no complaints with allegation of sexual harassment were filed with the ICC.

Internal Complaint Committee Members:

1. S. G. Chandru
2. Malathi Gopalakrishnan

The Committee met once in the financial year 2023-24. The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your directors state that during the financial year 2023-24, there were no cases filed pursuant to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

15. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

The Company does not have any subsidiaries, associates and joint venture companies.

16. COMMISSION RECEIVED BY DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY:

The Company neither has any holding nor has any subsidiary company, therefore, disclosure under Section 197 (14) of the Companies Act, 2013 is not applicable.

17. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report under Section 134(3)(i) of the Companies Act, 2013.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations except the Hon'ble NCLT order dated 31st May 2023 received for Capital Reduction of the Company during the year under review.

19. REPORTING OF FRAUDS BY AUDITORS:

The Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Companies Act, 2013 during this year.

20. AUDITORS:**STATUTORY AUDITORS:**

M/s. Vivekanandan Associates, Chartered Accountants, (FRN:005268S) were appointed as the Statutory Auditors of the Company for a term of five (5) years at the 32nd Annual General Meeting held on 03rd August 2022 and they shall continue to hold the office as the Statutory Auditors till the conclusion of 37th AGM to be held in the year 2027.

COMMENT ON STATUTORY AUDITOR'S REPORT:

There are no qualifications, reservations, remarks or disclaimers made by M/s. Vivekanandan Associates, Statutory Auditors, in their audit report.

SECRETARIAL AUDITOR:

Pursuant to the requirements of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ms. Srividhya, Practicing Company Secretary, Chennai (Membership No.A34438; CP No. 14058) was appointed to conduct the Secretarial Audit of the Company for the financial year 2023-2024.

The Secretarial Audit report as received from the Secretarial Auditor is annexed to this report as **Annexure I**.

QUALIFICATION IN SECRETARIAL AUDIT REPORT:

There are no material qualifications in the Secretarial Audit Report for the financial year 2023-24 except for few which was taken on record by the Board for due action.

Board's Reply:

- i) The Company is in the process of dematerialising the entire 100% shareholding of the promoters.
- ii) The Company has paid the entire fine levied by the Stock Exchange for the non-compliance of provisions of Regulation 6 of the SEBI (LODR) Regulations, 2015 and the Demat accounts of the promoters have been unfrozen by the depositories. Additionally, Ms. Sweety Goyal has been appointed as the Company Secretary and Compliance Officer of the Company, effective May 24, 2024, to ensure compliance with Section 203 of the Companies Act, 2013, and Regulation 6 of the SEBI (LODR) Regulations, 2015.
- iii) The Company is in the process of identifying a suitable candidate for the Chief Financial Officer (CFO) position to comply with Section 203 of the Companies Act, 2013.

INTERNAL AUDITORS:

M/r. T.S.R. Sivasubramanian was appointed as an Internal Auditor of the Company w.e. f., April 01, 2023. The Audit Committee determines the scope of Internal Audit in line with regulatory and business requirements.

COST AUDITORS:

Pursuant to Section 148 of the Companies Act, 2013 read with notification of the Companies (Cost Records and Audit) Rules, 2014 and Companies (Cost Records and Audit) Amendment Rules, 2014, the Company does not fall under the purview of the Cost Audit.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

The Board consists of 4 Directors and 2 KMP including a Managing Director and Company Secretary. After the closure of financial year under review, Ms. Sweety Goyal was appointed as Company Secretary and Compliance Officer of the Company w. e. f 24th May 2024.

22. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Boards' functioning, the composition of the Board and its committees, culture, execution and performance of specific duties, obligations, and governance.

The board and the committee were evaluated on various criteria as stated below:

1. Composition of the Board and Committee.
2. Understanding of the Company and its business by the Board.
3. Availability of information to the Board and Committee.
4. Effective Conduct of Board and Committee Meetings.
5. Monitoring by the Board management effectiveness in implementing strategies, managing risks and achieving the goals.

The Board also carried out the evaluation of the Directors and Chairman based on following criteria:

1. Attendance at meetings.
2. Understanding and knowledge of the entity.
3. Maintaining Confidentiality of board discussion.
4. Contribution to the board by active participation.
5. Maintaining independent judgment in the decisions of the Board.

23. AUDIT COMMITTEE RECOMMENDATION:

During the year all the recommendations of the Audit Committee were accepted by the Board. Pursuant to Section 177(8) of the Companies Act, 2013, the Composition of Audit Committee is given as under:

Composition of Audit Committee:

The Composition of the Audit Committee as on 31st March 2024 is as follows:

- Mr. K Venkateswaran Chairperson
- Ms. Raghavan Suguna Member
- Ms. Malathi Gopalakrishnan Member

24. NUMBER OF MEETINGS OF THE BOARD AND BOARDS' COMMITTEE:

The Board meets at regular intervals to discuss and decide on the business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled, and a tentative annual calendar of the Board meeting is circulated to the Directors well in advance to facilitate the Directors to plan their schedules.

Meeting	No. of Meetings during the Financial Year 2023-24	Date of the Meeting
Board Meeting	6	28 th April 2023, 30 th May 2023, 19 th July 2023, 10 th August 2023, 14 th November 2023, 09 th February 2024
Audit Committee	5	30 th May 2023, 19 th July 2023, 10 th August 2023, 14 th November 2023, 09 th February 2024
Nomination & Remuneration Committee	2	19 th July 2023, 09 th February 2024
Stakeholders' Relationship & Grievances Committee	2	19 th July 2023, 09 th February 2024

The interval between two Board Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

25. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

As required under Clause VII of Schedule IV of the Companies Act, 2013, the Independent Directors held a Meeting on 09th February 2024, without the attendance of Non-Independent Directors and the members of Management.

26. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The familiarization program is to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes and about the overall functioning and performance of the Company. The policy and details of familiarization program is available on the website of the Company at www.paceautomation.com.

27. INDEPENDENT DIRECTOR'S DECLARATION:

All the Independent Directors have given declarations that they meet the Criteria of independence laid down under Section 149 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of financial year ended 31st March, 2024, which has been relied on by the Company and placed at the Board Meeting.

28. SECRETARIAL STANDARDS:

In terms of Section 118 (10) of the Act, the Company states that the applicable Secretarial Standards i.e., SS-1 and SS-2, issued by the Institute of Company Secretaries of India (ICSI), relating to the Meetings of Board of Directors and General Meetings respectively, have been duly complied with however improvements in certain areas are being made by the Board.

29. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has established a Vigil Mechanism policy for its directors and employees to report their genuine concerns about unethical behaviours, actual or suspected fraud, violations of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against the victimization of employees who avail themselves of the mechanism and also provides for direct access by the Whistle Blower to the Audit Committee. It is affirmed that during the Financial Year 2023-24, no employee has been denied access to the Audit Committee. The vigil mechanism policy is also available on the Company's website www.paceautomation.com

30. INTERNAL FINANCE CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has formulated a Framework on Internal Financial Controls in accordance with Rule 8 (5) (viii) of Companies (Accounts) Rules, 2014, the Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations and they are operating effectively.

The systems are periodically reviewed by the Audit Committee of the Board for identification of deficiencies and necessary time-bound actions are taken to improve efficiency at all the levels. The Committee also reviews the observations forming part of internal auditors' report, key issues and areas of improvement, significant processes and accounting policies.

31. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

The Board of Directors has adopted a policy and procedure on Code of Conduct for the Board Members and employees of the Company in accordance with the SEBI (Prohibition of Insiders Trading) Regulations, 2015. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements of the Company.

The Code is aimed at preventing any wrong doing and promoting ethical conduct at the Board and by employees. The Compliance Officer is responsible to ensure adherence to the Code by all concerned.

The Code lays down the standard of Conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the workplace, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management Personnel have confirmed Compliance with the Code.

32. CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provision of Section 135 of the Companies Act, 2013, all Companies having a net worth of Rs.500 Crore or more, or a turnover of Rs.1,000 Crore or more or a Net Profit of Rs.5 Crore or more during any financial year are required to constitute a CSR Committee and our Company does not meet the criteria as mentioned above, hence the Company has not constituted any Corporate Social Responsibility Committee; and has not developed and implemented any Corporate Social Responsibility initiatives and the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

33. EXTRACT OF ANNUAL RETURN:

The Annual Return in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is available on company's website and can be accessed at –www.paceautomation.com.

34. PARTICULARS OF EMPLOYEES:

There are no employees falling within the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

35. DISCLOSURE REQUIREMENTS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and is of the view that such systems are adequate and operating effectively.

36. DIRECTORS' RESPONSIBILITIES STATEMENT:

As required under Section 134(3)(C) of the Companies Act, 2013 the Directors hereby state and confirm that they have:

- a) In the preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for the year ended on that date.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts on a going concern basis.
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

During the year under review, there were no frauds reported by the Auditors on the employees or officers of the Company under Section 143(10) of the Companies Act, 2013.

37. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

- a. In view of the employees' working from home, the registered office has been shifted to a very small place wherein there is absolutely no power consumption when compared to the earlier years.
- b. Improvements in operating efficiency and reduction in the employee strength.

B. TECHNOLOGY ABSORPTION:

- (i) The efforts made towards technology absorption: NIL
- (ii) Benefits derived
Production improvement: NIL
Cost Reduction: NIL
Production development or Import substitution; NIL
- (iii) Import Technology; NIL
- (iv) Expenditure incurred on Research and Development; NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in lakhs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO	2023-24	2022-23
Earnings in Foreign Exchange	NIL	NIL
Expenditure in Foreign Exchange	NIL	NIL
CIF value of imports – Raw Materials	NIL	NIL

38. CORPORATE GOVERNANCE REPORT:

As prescribed under the provisions of Regulation 15(2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, your Company does not fall under the purview of complying with the provisions of Corporate Governance. During the year, with the approval of the Board of Directors, your Company has informed the non-applicability provision to the MSEI Limited.

Since, the provisions of Corporate Governance is not applicable for the entire Financial Year 2023-24, a separate report of Corporate Governance is not disclosed in the Annual Report for 2023-24.

39. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.

40. MAJOR THINGS HAPPENED DURING THE YEAR WHICH MADE THE IMPACT ON THE OVERALL WORKINGS OF THE COMPANY & THE MAJOR ACTIONS TAKEN BY THE COMPANY IN THAT RESPECT:

Reduction of Capital's final order received was received from Hon'ble NCLT on 31st May 2023 which had an impact on the paid-up share capital of the Company. The Company has taken steps to implement the order with MSEI through CDSL /RTA during the year under review. However certain actions are pending for complete implementation of the order for reduction of Capital of the Company.

41. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the year under review there was no instance of one-time settlement with any Bank or Financial Institution.

42. THE RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR AND PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR AND KMP:

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

S. No	Name	Designation	Remuneration paid. FY 2023-24	Remuneration paid. FY 2022-23	Increase /Decrease in remuneration from previous year	Ratio / times per median of employee remuneration
1	S. G. Chandru	Managing Director	Rs. 56,02,000	Rs. 59,85,000	Rs. (383000)	20.8:1

43. LISTING FEES:

The Company confirms that it has paid the annual listing fees for the year 2023-24 to the Metropolitan Stock Exchange of India (MSEI) Limited.

44. CLOSURE OF REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS:

The Register of Members and Share Transfer books of the Company were closed from Thursday, 17th day of August 2023 to Wednesday, 23rd day of August, 2023 (both days inclusive) during the year under review.

45. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company have no amounts in un-paid dividend account, application money due for refund, matured deposits and interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to be transferred to Investor Education and Protection Fund (IEPF).

46. DETAILS OF DIRECTORS OR KMPs APPOINTED OR RESIGNED DURING THE YEAR:

No Directors or KMPs were appointed or resigned during the year under review.

However, Mrs. Raghavan Suguna (having DIN:06601230) was re-appointed as an Independent Director of the Company for a second term of five (5) consecutive years from 14th August 2023 to 13th August 2028 at the Annual General Meeting held on 23rd August 2023.

47. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their sincere gratitude to the encouragement, assistance, co-operation, and support given by the Central Government, the Government of Tamil Nadu during the year. They also wish to convey their gratitude to all the customers, auditors, suppliers, dealers, and all those associated with the Company for their continued patronage during the year.

Your Directors also wish to place on record their appreciation for the hard work and unstinting efforts put in by the employees at all levels. The directors are thankful to the esteemed stakeholders for their continued support and the confidence reposed in the Company and its management.

48. CAUTIONARY STATEMENT:

The statements contained in the Board's Report and Management Discussion and Analysis Report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Place: Chennai

Date: 26.08.2024

**For and on behalf of the Board
For Pace Automation Limited**

Sd/-
S.G. Chandru
Managing Director
(DIN: 00814605)

Sd/-
Malathi Gopalakrishnan
Director
(DIN: 00841108)

Annexure-I**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2024**

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

To,
The Members,
Pace Automation Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pace Automation 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, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8th February, 2019.

- (a) all the documents and records made available to us and explanation provided by Pace Automation Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- (c) Website of the Listed Entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Pace Automation Limited ("the Company") for the financial year ended on 31st March, 2024 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. However, the Regulation 24A relating to Secretarial Compliance Report is not applicable to the Company for the period under review;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client to the extent of securities issued;

We hereby report that,

- a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.
- b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
- c. There were no actions taken against the listed entity/directors/material subsidiaries either by the SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts /Regulations and circulars / guidelines issued thereunder.

However for non-compliance of provisions of Regulation 6 of the SEBI (LODR) Regulations, 2015 the demat accounts of the Promoters of the Company have been frozen by the Depositories upon the instructions of the Stock Exchange during the year.

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

- (i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India as amended from time to time.

In our opinion and as identified and informed by the Management, the following laws are specifically applicable to the Company:

S. No	Particulars of the Act/Rules
1.	Designs Act, 2000
2.	Consumer Protection (E-Commerce) Rules, 2020
3.	Information Technology (Electronic Service Delivery) Rules, 2011
4.	The Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.
5.	Information Technology (Intermediaries Guidelines) Rules, 2011
6.	The Information Technology Act, 2000
7.	Policy relating to Software Technology Parks of India and its Regulations
8.	The Indian Copyright Act, 1957
9.	The Trademark Act, 1999

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

- For few delays in filing of forms/returns under the Act, for which adequate filing fees was paid to the Ministry of Corporate Affairs (MCA).
- Promoters' Shareholding is not in 100 percent Dematerialised form.
- The previous Company Secretary (CS) and Compliance Officer of the Company resigned on March 31st, 2023. The Company did not fill such vacancy within the period prescribed under Section 203 of the Companies Act, 2013, and Regulation 6 of the SEBI (LODR) Regulations, 2015.

Due to non-compliance with Regulation 6 of the SEBI (LODR) Regulations, 2015, fines were levied by the Metropolitan Stock Exchange of India Limited, in accordance with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020. The Exchange had also instructed the depositories to freeze the entire shareholding of the promoters and all other securities held in the promoters' Demat accounts. The Company has since paid the entire fine levied by the Stock Exchange, and the Demat accounts of the promoters have been unfrozen by the depositories. Additionally, Ms. Sweety Goyal has been appointed as the Company Secretary and Compliance Officer of the Company, effective May 24, 2024, to ensure compliance with Section 203 of the Companies Act, 2013, and Regulation 6 of the SEBI (LODR) Regulations, 2015.

- The Company has not yet complied with the provisions of Section 203 of the Companies Act, 2013, regarding the appointment of a Chief Financial Officer (CFO), and there is currently no CFO in the Company.

We further report that there were no actions/events in pursuance of

1. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
3. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
5. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
6. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Act transactions under Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives, in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other applicable general laws including Human Resources and Labour Laws.

We further report that, the compliance by the Company of applicable financial laws such as Direct and Indirect tax laws and maintenance of financial records, books of accounts, cost records have not been reviewed in this audit since the same have been subject to the review by statutory financial auditors, tax auditors and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with one Executive, one Non-Executive and two Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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.

We further report that during the audit period no events have occurred during the year which have a major bearing on the company's affairs except the following:

1. The Company has got approval from the Hon'ble National Company Law Tribunal (NCLT) vide order dated 31st May 2023 to implement a scheme of reduction of capital to set off a part of the accumulated loss against the paid-up share capital. Consequent to the implementation of this scheme, the paid-up equity share capital of the company is reduced to an extent of 68%.
2. The Company has received listing approval for 30,23,371 Equity Shares of Rs. 10/- each from the Metropolitan Stock Exchange of India Limited, following the reduction of its share capital.
3. The members of the Company have re-appointed Mrs. Raghavan Suguna (having DIN:06601230) as an Independent Director of the Company for a second term of five consecutive years from 14th August 2023 to 13th August 2028 at the Annual General Meeting held on 23rd August 2023.

4. The members of the Company have approved and accorded their consent by way of special resolution to the Board of Directors to borrow funds pursuant to the provisions of Section 180(1) (c) of the Companies Act, 2013 for an amount not exceeding Rs.15 Crores (Rupees Fifteen Crore) at the Annual General Meeting held on 23rd August 2023.

There were no material events after the end of the financial year ended 31st March 2024 except the following:

1. Appointment of Ms. Sweety Goyal as the Company Secretary and Compliance officer w.e.f. 24th May 2024

Place: Chennai
Date: 08.08.2024

N. Srividhya
Practising Company Secretary
Membership No. A34428
C.P. No. 14058
Peer Review Certificate No. 829/2020
UDIN: A034428F000931984
Unique Code: P2004TN081200

Annexure-A

To,
The Members,
Pace Automation Limited

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the random 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 the management. Our examination was limited to the verification of procedures on a random 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.

Place: Chennai
Date: 08.08.2024

Sd/-
N. Srividhya
Practising Company Secretary
Membership No. A34428
C.P. No.: 14058
Peer Review Certificate No.: 829/2020
UDIN: A034428F000931984
Unique Code: P2004TN081200

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (i) OF THE
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,

The Members,

Pace Automation Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Pace Automation Limited** (hereinafter referred to as 'the Company') having CIN:L29141TN1989PLC018133 and having its registered office at No.2, III Street, Parameswari Nagar, Adyar, Chennai, Tamil Nadu-600020, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the year ended 31st March 2024.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company/Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Directors	Designation	DIN	Date of Original Appointment
1	Mr. S G. Chandru	Managing Director	00814605	18/10/2002
2	Mr. Venkateswaran Krishnaswamy	Director	00001899	06/12/2019
3	Mrs. Raghavan Suguna	Director	06601230	14/08/2018

4	Mrs. Malathi Gopalakrishnan	Director	00841108	31/08/2006
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Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai

Date: 08.08.2024

Sd/-
N. Srividhya
Practising Company Secretary
Membership No. A34428
C.P. No. 14058
Peer Review Certificate No.: 829/2020
UDIN: A034428F000931601
Unique Code: P2004TN081200



INDEPENDENT AUDITOR'S REPORT

To the members of M/s. Pace Automation Limited
Report on the audit of Financial Statements

Opinion

We have audited the standalone financial statements of M/s. Pace Automation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, ("Ind AS") as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Profit and Other total Comprehensive Income, Changes in Equity and Cash Flows for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period.

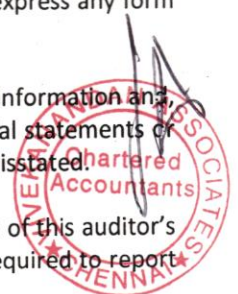
Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's report, including Annexure to Board Report, and Shareholders Information but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules made thereunder.

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

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

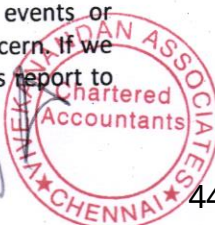
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

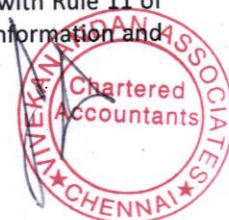
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 other operating effectiveness of such controls, refer to our separate report in "Annexure B".

With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, as amended:

- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to me:



- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and Based on the audit procedures adopted by me, nothing has come to my notice that has caused me to believe that the representations made by the management under sub clause (i) and (ii) above, contain any material Misstatement.
- vi. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- vii. Based on our examination which included test checks and in accordance with requirements of Implementation Guide on Reporting on Audit Trail under the rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 *the company has not maintained the audit trail (edit log) in the accounting software.*

For Vivekanandan Associates
Firm Reg No: 0052685

S Dehaleesan (Partner)
M. No: 027312
UDIN: 24027312BKAKNW1222
Date: 24-05-2024 Place: Chennai



"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of Pace Automation Limited for the year ended March 31, 2024:

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

(b) These Property, Plant and Equipments have been physically verified by the management in a phased manner, at regular intervals, which in our opinion, is reasonable having regard to the size of the company and nature of its business and no material discrepancies between the book records and the physical fixed assets have been noticed.

(c) The company does not hold any immovable properties and hence clause (i) (c) of the Order is not applicable.

(d) The Company have not revalued its Property, Plant and Equipments (including right of use of assets) or intangible assets during the year ended March 31, 2024.

(e) The Company is not holding any Property, Plant and Equipments under benami names and no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (a) As informed to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies noticed on such physical verification are less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account.

(b) The Company had not availed any working capital loans from banks during the year against the security of the stock of shares.
- 3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the 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.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to me and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and



any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, there are no transactions unrecorded previously in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the requirement to report on Clause 3(viii) of the Order is not applicable to the Company.
- 9) The Company has not defaulted in the repayment of dues to banks as it has not taken any loan either from financial institutions or from the government and it has not issued any debentures.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans during the year.
The company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year under audit.

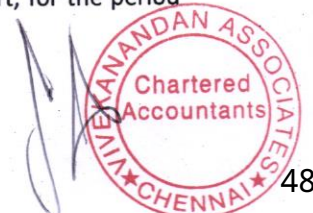
Accordingly, the provisions of clause 3 (x) (a) and 3(x) (b) of the Order are not applicable to the Company and hence not commented upon.

- 11) (a) During the course of our examination of books and records of the company, carried out in accordance with the generally accepted audit procedures performed for the purpose of reporting true and fair view of the standalone financial statements, to the best of our knowledge and belief and as per the information and explanations given by the Management and the representations obtained from the Management, no material fraud on the company by its officers or employees has been noticed or reported during the year.

(b) There is no report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year. According to the information and explanations given to us and records verified by us, the Secretarial Auditors have not filed report in Form ADT-4 prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to me and records verified by me, there are no whistle blower complaints received by the Company during the year.

- 12) In our opinion and based on verification of the records, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, based on verification of the records and approvals of the Audit Committee, the Company is in compliance with Section 177 and Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards
- 14) a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
b) The internal audit reports of the Company issued till the date of this audit report, for the period under audit have been considered by us.



- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) (a) In our opinion, and according to the information and explanations given by the management and verified by us, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report under clause (xvi) of the Order does not arise.
- (b) The Company has not conducted any Non-Banking Financial or House Financing activities.
- (c) The Company is not a core investment company as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report under clause (xvi) of the Order does not arise.
- 17) The Company had not incurred cash loss in the current year and in the immediately preceding financial year.
- 18) There is no resignation of the statutory auditor during the year under review. Accordingly, the requirement to report under clause 3 (xviii) of the Order does not arise. However, the undersigned firm has been appointed by the board of directors due to the vacation of the office by the earlier statutory auditors.
- 19) According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements together with our knowledge of the Board of Directors and management plans and based on my examination of the evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities as disclosed therein and existing at the date of balance sheet (except for the dividend, if any payable on the redeemable preference shares due for repayment in December 2023 which has not been provided for) as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 relating Corporate Social Responsibility are not applicable to this Company and hence not commented upon.

For Vivekanandan Associates

Firm Reg No: 005268S

S Dehaleesan (Partner)

M. No: 027312

UDIN: 24027312BKAKNW1222

Date: 24-05-2024

Place: Chennai



"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s. Pace Automation Limited for the year ended March 31, 2024

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 M/s. Pace Automation Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

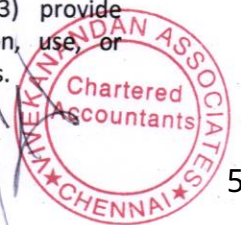
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India]

For Vivekanandan Associates

Firm Reg No: 005268S



S Dehaleesan (Partner)

M. No: 027312

UDIN: 24027312BKAKNW1222

Date: 24-05-2024

Place: Chennai



PACE AUTOMATION LIMITED
 No2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
 CIN: L29141TN1989PLC018133
 Balance Sheet as at March 31, 2024

(Amount - Rs.)

Particulars	Note No.	As at	31-	As at	31-03-
		03-2024	31-	2023	2023
		Rs.		Rs.	
ASSETS					
(1) Non-Current assets					
(a) Property, Plant & Equipment	2	2,738,377		2,920,265	
(b) Capital work-in-progress	2	100,194		100,194	
(c) Other intangible assets	2	565,425		942,375	
(d) Financial assets					
i. Investments		-		-	
ii. Loans & Advances	3	12,000		12,000	
iii. Others (Bank deposits)		40,280,422		28,380,000	
(e) Deferred Tax assets		-		-	
(f) Other non-current assets		-		-	
		43,696,418		32,354,834	
(2) Current Assets					
(a) Inventories	4	-		-	
(b) Financial assets					
i. Trade receivables	5	9,736,836		11,275,104	
ii. Cash and Cash equivalents	6	2,739,595		3,136,751	
iii. Loans & Advances	7	826,530		350,000	
iv. Other Financial Assets					
(c) Other current assets	8	7,227,917		12,265,857	
		20,530,879		27,027,712	
Total Assets (A)		64,227,296		59,382,546	
EQUITY AND LIABILITIES					
(1) Equity					
(a) Equity share capital	9	30,233,710		94,480,350	
(b) Other equity	10	363,215		(72,271,984)	
		30,596,925		22,208,366	
(2) Liabilities					
(i) Non-current liabilities					
(a) Financial liabilities					
(i) Borrowings	11	523,023		523,023	
(b) Provisions		-		-	
(c) Deferred tax liabilities(net)	12	690,992		337,950	
(d) Other non-current liabilities		-		-	
		1,214,015		860,973	
(ii) Current liabilities					
(a) Financial liabilities					
i. Borrowings	13	25,000,000		25,000,000	
ii. Trade payables	14	709,163		615,137	
iii. Other financial liabilities	15	2,602,773		3,139,129	
(b) Provisions	16	4,104,420		7,558,941	
(c) Other current liabilities		-		-	
		32,416,356		36,313,207	
Total equity and liabilities		64,227,296		59,382,546	
Significant accounting policies	1				

See accompanying notes to financial statements

Vide our report of even date attached

for VIVEKANANDAN ASSOCIATES

Chartered Accountants

Firm Regn. No. 0051685

S Dehaleesan

Partner

Memb. No: 027311

UDIN: 24027312BKAKNW1222

Place: Chennai

Date: May 24, 2024



S G Chandru
 S G Chandru
 Managing Director
 DIN: 00814605

Malathi Gopalakrishnan
 Malathi Gopalakrishnan
 Director
 DIN: 00841108



PACE AUTOMATION LIMITED
No.2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
CIN: L29141TN1989PLC018133

Statement of Profit & Loss for the year ended March 31, 2024

(Amount - Rs.)

	Notes	Year ended 31-03-2024	Year ended 31-03-2023
I Revenue from Operations	17	42,867,886	56,849,015
II Other Income	18	3,438,480	1,424,581
III Total Income		46,306,366	58,273,596
IV Expenses:			
Cost of material consumed		-	-
Purchase of stock in trade	19	-	-
Change in inventories of finished goods, stock-in-trade, work-in-progress	20	-	50,000
Employee benefit expense	21	24,043,391	21,793,650
Finance costs	22	17,630	5,294
Depreciation and amortisation expense	2	956,079	5,601,502
Other expenses	23	9,797,903	9,206,853
Total expenses		34,815,003	37,257,299
V Profit before exceptional and extraordinary items and taxes (III-IV)		11,491,363	21,016,297
VI Exceptional items		-	-
VII Profit before tax (PBT) (VII-VIII)		11,491,363	21,016,297
VIII Tax expense			
i) Current tax		2,660,979	6,115,500
ii) Excess IT Provision for earlier Year Provided/(written back)		88,784	(161,274)
iii) Deferred tax		353,042	(825,748)
IX Profit/(Loss) for the period from continuing operations		8,388,558	15,887,819
X Profit/(Loss) for the period		8,388,558	15,887,819
XI Other comprehensive income			
A. Items that will not be reclassified to profit or loss:			
Remeasurements of post employment benefit obligations			-
Change in fair value of equity instruments			-
Income tax relating to these items			-
B. Items that will be reclassified to profit or loss:			
Fair value changes on cash flow hedges			-
Income tax relating to these items			-
Other comprehensive income for the year, net of tax			-
XII Total comprehensive income for the year		8,388,558	15,887,819
XIII Earnings per equity share		2.77	1.68
Basic & Diluted Earnings per share		2.77	1.68

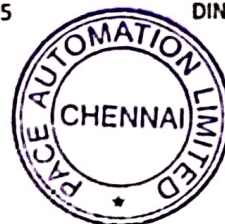
See accompanying notes to financial statements
Vide our report of even date attached
for VIVEKANANDAN ASSOCIATES
Chartered Accountants
Firm Regn. No.0052685

S Dehaleesan
Partner
Memb. No: 027312
UDIN: 24027312BKAKNW1222
Place: Chennai
Date: May 24, 2024



S G Chandru
S G Chandru
Managing Director
DIN: 00814605

Malathi Gopalakrishna
Malathi Gopalakrishna
Director
DIN: 00841108



Pace Automation Limited
No2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
CIN: L29141TN1989PLC018133
Cash Flow Statement for the year ended March 31, 2024

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
A. Cash Flow from Operating Activities				
Net Profit Before Tax and Extraordinary Items		8,388,558		15,887,819
Add:				
Depreciation and Amortisation for the year	1,104,745		5,601,502	
Income tax - deferred tax & Others			(987,022)	
Interest Income	(3,438,480)		(1,424,581)	
Finance cost	17,630		5,294	
Operating Profit before Changes in Working Capital		6,072,453		19,083,013
(Increase)/ Decrease in Working Capital				
Inventories	-		50,000	
Sundry Debtors	1,538,268		(8,425,230)	
Loans and Advances	(476,530)		478,186	
Other current assets	5,037,940		(5,623,502)	
Current Liabilities	(3,896,850)		2,188,835	
		2,202,828		(11,331,710)
Cash generated from operations		8,275,281		7,751,303
Direct taxes paid/(Received)		(204,375)		(161,274)
Net Cash Flow from Operating Activities (A)		8,479,656		7,912,577
B. Cash Flow from Investing Activities				
Purchase of Property, Plant and Equipment	(545,907)		(2,805,486)	
Capital Work-in-Progress	-		(4,194)	
Interest received	3,438,480		1,424,581	
Sale of Fixed Assets	148,667		-	
Dividend received			-	
Net Cash Flow from Investing Activities (B)		3,041,240		(1,385,099)
C. Cash Flow from Financing Activities				
Long Term Borrowings availed/(repaid)	-		(345,000)	
Short-Term Borrowings availed/(repaid)			-	
Interest Paid on Borrowings	(17,630)		(5,294)	
Loans and Advances	-		575,045	
Net Cash Flow from Financing Activities (C)		(17,630)		224,751
Total (A+B+C)		11,503,266		6,752,228
Cash and Cash Equivalents at the Beginning of the year		31,516,751		24,764,523
Cash and Cash Equivalents at the end of the year		43,020,017		31,516,751
D. Increase/(Decrease) In Cash and Cash Equivalents		11,503,266		6,752,228

See accompanying notes to financial statements
Vide our report of even date attached
for VIVEKANANDAN ASSOCIATES

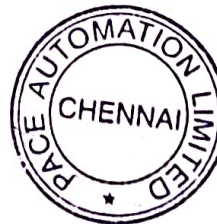
Chartered Accountant
Firm Regn. No. 0052685

S Dehaleesan
Partner
Memb. No: 027312
UDIN: 24027312BKAKNW1222
Place: Chennai
Date: May 24, 2024



S G Chandru
S G Chandru
Managing Director
DIN: 00814605

Malathi Gopalakrishnan
Malathi Gopalakrishnan
Director
DIN: 00841108



PACE AUTOMATION LIMITED
Statement of Change in Equity for the year ended March 31, 2024

a. Equity Share Capital	Rupees
As at 01-04-2020	94,480,350
Change in equity share capital	-
As at 31-03-2021	94,480,350
Change in equity share capital	-
As at 31-03-2022	94,480,350
Change in equity share capital	-
As at 31-03-2023	94,480,350
Change in equity share capital	-
As at 31-03-2024	94,480,350

b. Other Equity

Particulars	Reserves & Surplus			
	Retained earnings	Capital Reserves	Export Market Development Grant	Total
Balance as at 31-03-2019	(63,866,858)	2,309,000	192,839	(61,365,019)
Add: Profit for the year 2019-20	4,459,475	-	-	4,459,475
Add: Additions during the year 2019-20	-	-	-	-
Less: Deductions during the year 2019-20	-	-	-	-
Balance as at 31-03-2020	(59,407,382)	2,309,000	192,839	(56,905,543)
Add: Profit for the year 2020-21	(35,550,752)	-	-	(35,550,752)
Add: Additions during the year 2020-21	-	-	-	-
Less: Deductions during the year 2020-21	-	-	-	-
Balance as at 31-03-2021	-94,958,133	2,309,000	192,839	(92,456,294)
Add: Profit for the year 2021-22	4,296,492	-	-	4,296,492
Add: Additions during the year 2021-22	-	-	-	-
Less: Deductions during the year 2021-22	-	-	-	-
Balance as at 31-03-2022	(90,661,641)	2,309,000	192,839	(88,159,802)
Add: Additions during the year 2022-23	15,887,819	-	-	15,887,819
Less: Deductions during the year 2022-23	-	-	-	-
Balance as at 31-03-2023	(74,773,823)	2,309,000	192,839	(72,271,984)
Add: Additions during the year 2023-24	8,388,558	-	-	8,388,558
Less: Deductions during the year 2023-24 by transfer from Equity Share Capital as per the Scheme of Reduction of Capital approved by NCLT	64,246,640	-	-	64,246,640
Balance as at 31-03-2024	(2,138,624)	2,309,000	192,839	363,215

PACE AUTOMATION LIMITED
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Description	Property, Plant & Equipment								Total
	Electric Vehicle	Plant and Machinery	Moulds and Tools	Office Equipment	Furniture & Fixtures	Computers	Intangibles		
	1	2	3	4	5	6	7	8	
Cost of assets									
Gross carrying value as at 01-04-2023	1,299,017	904,750	5,538,070	3,887,263	261,703	66,248,237	1,507,800	79,646,839	
Additions	-	28,250	-	104,784	-	412,873	-	545,907	
Sub total	1,299,017	933,000	5,538,070	3,992,047	261,703	66,661,110	1,507,800	80,192,746	
Sales/deletion/ write off	-	27,474	-	21,090	10,000	90,102	-	148,666	
Total	1,299,017	905,526	5,538,070	3,970,957	251,703	66,571,008	1,507,800	80,044,080	
Depreciation/Amortisation									
Up to 31.03.2023	159,263	21,039	5,538,070	3,782,407	38,271	65,679,725	565,425	75,784,200	
For the year	162,377	136,441	-	16,383	22,343	241,585	376,950	956,079	
Sub total	321,640	157,480	5,538,070	3,798,790	60,614	65,921,310	942,375	76,740,279	
Withdrawn on assets sold/deleted	-	-	-	-	-	-	-	-	
Total	321,640	157,480	5,538,070	3,798,790	60,614	65,921,310	942,375	76,740,279	
Carrying value									
As at 31-03-2024	977,377	748,046	-	172,167	191,089	649,698	565,425	3,303,802	
As at 31-03-2023	1,139,754	883,711	-	104,856	223,432	568,512	942,375	3,862,640	

PACE AUTOMATION LIMITED
Notes to Balance Sheet for the year ended March 31, 2024

	As at		
3 LOANS	31.03.2024	As at	31.03.2023
		As at	31.03.2022
(A) Loans and Advances to Related Parties			-
(B) Security Deposits (Secured, Considered good)			325,045
(C) Security Deposits(Unsecured, Considered good)	12,000		262,000
Total (A+B)	12,000		587,045
(C) Other Loans and Advances Unsecured, Considered good Income Tax Payments			
Total (B)	-	-	-
Total (A+B+C)	12,000		587,045
4 INVENTORIES			
a) Stock-in-Trade (The Stock-in-trade are valued at lower of cost and net realisable value).			
b) Work-in-Progress (WIP)	-	-	-
c) Finished Goods	-	-	50,000
	-	-	50,000
5 Trade Receivables			
(A) Outstanding for a period exceeding six months from date they are due for payments:			
Secured, Considered good		-	-
Unsecured, Considered good		-	627,184
Doubtful		-	-
Less: Bad and doubtful debts Written off		-	-
Total (A)	-	-	627,184
(B) Others			
Secured, Considered good		-	-
Unsecured, Considered good	9,736,836	11,275,104	2,222,691
Doubtful		-	-
Less: Allowance for bad and doubtful debts		-	-
Total (B)	9,736,836	11,275,104	2,222,691
Total (A+B)=C	9,736,836	11,275,104	2,849,875
6 Cash And Cash Equivalents			
Balance with Banks in Current accounts	2,739,423	3,136,349	4,817,812
Deposits with Banks	40,280,422	28,380,000	-
Cash on hand	172	402	46,711
	43,020,017	31,516,751	4,864,523
7 Current Assets- Loans			
(A) Loans and Advances to related parties		-	-
(B) Others			
(i) Secured, Considered good			
(ii) Unsecured, Considered good			
Deposit		-	-
Others	826,530	350,000	828,186
(iii) Doubtful			
Total	826,530	350,000	828,186
8 Other Current Assets			
TDS Receivable	5,125,278	8,117,598	5,944,180
IT Refund & Interest Due	-	2,226,390	-
Interest accrued on Deposits	2,063,802	1,866,883	698,175
Other Receivables	38,837	54,986	-
	7,227,917	12,265,857	6,642,355

PACE AUTOMATION LIMITED
Notes to Balance Sheet for the year ended March 31, 2024

9 EQUITY SHARE CAPITAL

(a) Authorised, issued, subscribed and fully paid up

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Rupees	Number	Rupees
Authorised: Equity Shares of Rs.10 each	9,500,000	95,000,000	9,500,000	95,000,000
Redeemable Preference Shares Rs.10 each	2,500,000	25,000,000	2,500,000	25,000,000
(b) Issued, Subscribed and Fully paid up : Equity Shares of Rs.10 each*	3,023,371	30,233,710	9,448,035	94,480,350
Redeemable Preference Shares Rs.10 each	2,500,000	25,000,000	2,500,000	25,000,000
(b) Paid-Up, Share Capital* : Equity Shares of Rs.10 each	3,023,371	30,233,710	9,448,035	94,480,350
	3,023,371	30,233,710	9,448,035	94,480,350

(b) Reconciliation of number of equity shares outstanding at

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number	Rupees	Number	Rupees
Number of shares outstanding as at the beginning of the year	3,023,371	30,233,710	9,448,035	94,480,350
Shares issued during the year	-	-	-	-
Number of shares outstanding as at the end of the year	3,023,371	30,233,710	9,448,035	94,480,350

Note: The National Company Law Tribunal, Special Bench- I, Chennai Bench vide its order dated 31.05.2023 approved the Scheme of Reduction of Capital by which 68% of the paid-up equity share capital by reducing the nominal value of the equity shares from Rs.10/- each to Rs.3.20 each by canceling the equity share capital of Rs.6.80 per Equity share and that such reduced Subscribed, Issued and Paid-up share capital of Rs.3,02,33,710/- divided into 94,48,035 equity shares of Rs.3.20 shall be consolidated into 30,23,371 equity shares of Rs/10/- each in such manner that every 100 equity shares of Rs.3.20 each shall constitute 32 equity shares of Rs.10/- each fully paid-up.

(ii) As per the Scheme of Reduction of Capital by the NCLT, Rs. 6,42,46,640/- out of the Equity Share Capital is transferred to the Profit and Loss Account and set off the accumulated Losses to this extent during the year.

(iii) Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders to receive dividends distributed and also has a right in the residential interest of the assets of the Company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act, 2013.

(iv) There are no restrictions attached to equity shares.

(d) Shareholder holding more than 5% shares at the end of the year

Name of the shareholder	Class of shares	As at 31-03-2024		As at 31-03-2023	
		Number	%	Number	%
Mr S Chandru	Equity	650,606	6.89	650,606	6.89
Mrs Meera Chandru	Equity	2,615,600	27.68	2,615,600	27.68
Ms Malathi Gopalakrishnan	Equity	2,704,769	28.65	2,704,769	28.65
Electronics Corporation of Tamil Nadu Ltd	Equity	489,285	5.18	489,285	5.18
Redeemable Preference Shares - Mrs Meera Chandru	Preference	2,500,000	100.00	2,500,000	100.00

PACE AUTOMATION LIMITED
Notes to Balance Sheet for the year ended March 31, 2024

10 Other equity

	As at 31-03-2024	As at 31-03-2023
(i) Capital Reserve (a)	2,309,000	2,309,000
(ii) Export Market Development Grant (b)	192,839	192,839
(iii) Retained Earnings		
Opening Balance	(74,773,823)	(90,661,641)
Add: Profit/(Loss) for the year	8,388,558	15,887,819
Less: Transfer from Equity Share Capital*	64,246,640	-
Closing Balance (c)	(2,138,624)	(74,773,823)
Total (a+b+c)	363,215	(72,271,984)

11 Non-current Liabilities - Financial Liabilities- Borrowings

Particular	As at 31-03-2024	As at 31-03-2023
Redeemable Preference Shares		-
Trade Deposits	523,023	523,023
Total	523,023	523,023

Note:

The Company has only class of Preference Shares (Non-convertible Cumulative Redeemable) having a face value of Rs.10/- and carry a dividend rate of 5%. The cumulative dividend payable thereon since inception of receipt of Redeemable Preference Shares @5 % per annum till March 31, 2023 is Rs. 250.00 Lakhs. The due date of redemption of Preference shares is 31.12.2023.

2. Details of shares held by each shareholder more than 5% shares.

	31.03.2024	31.03.2023
	No. of shares	No. of shares
Mrs Meera Chandru (100%)	250,000	250,000

12 Non-Current Liabilities - Financial Liabilities- Deferred Tax Liabilities

Particular	As at 31-03-2024	As at 31-03-2023
Opening Balance	337,950	1,163,698
Add: Additions during the year on account of depreciation Benefits	353,042	(825,748)
Closing Balance	690,992	337,950

13 Current Liabilities - Financial Liabilities- Borrowings

Particular	As at 31-03-2024	As at 31-03-2023
SECURED LOANS		
(Secured by a lien on the fixed deposits held by the company with banks for less than 12 months)		-
UNSECURED LOAN		
Redeemable preference shares	25,000,000	25,000,000
Toatl	25,000,000	25,000,000

Note: The Redeemable Preference Shares are due for redemption on 31.03.2024

14 Current Liabilities - Financial Liabilities- Trade Payable

Particular	As at 31-03-2024	As at 31-03-2023
Trade Creditors	709,163	615,137
Toatl	709,163	615,137

15 Current Liabilities - Financial Liabilities- Other Financial Liabilities

Particular	As at 31-03-2024	As at 31-03-2023
Managing Director's Current Account	-	21,860
Other Payables		
-PF payable	79,970	69,291
-ESI payable	3,154	2,080
-GST payable	431,215	975,243
-TDS payable	247,567	333,291
-Gratuity Payable	80,769	80,769
-Other Creditors	1,760,098	1,656,595
Toatl	2,602,773	3,139,129

16 Current Liabilities - Provisions

Particular	As at 31-03-2024	As at 31-03-2023
For Income tax	4,104,420	7,558,941
Toatl	4,104,420	7,558,941

PACE AUTOMATION LIMITED
Notes to Statement of Profit and Loss for the year ended March 31, 2024

17 REVENUE FROM OPERATIONS	Year ended 31/03/2024	Year ended 31/03/2023
Sales of material		
IT related Services - Transaction Processing Charges	42,867,886	56,849,015
	<u>42,867,886</u>	<u>56,849,015</u>
18 OTHER INCOME		
Interest income	3,438,480	1,298,565
Interest on Income Tax Refund	-	126,016
Miscellaneous income	-	-
	<u>3,438,480</u>	<u>1,424,581</u>
19 Purchase of Trade Goods		
Electronic Goods	-	-
	<u>-</u>	<u>-</u>
20 Change in Inventory of Finished Goods		
Opening stock	-	50,000
Less: Material Rejected / Returned	-	-
Closing Stock of Finished Goods	-	-
	<u>-</u>	<u>50,000</u>
21 Employee Benefit Expenses		
Salaries, Wages and Bonus	16,325,446	14,747,684
Remuneration to directors	5,810,509	5,757,098
Sitting Fees to Directors	90,000	75,000
Contribution of PF and other funds	1,113,837	883,476
Staff Welfare Expenses	456,329	203,581
Gratuity/Ex-gratia	247,270	126,810
	<u>24,043,391</u>	<u>21,793,650</u>
22 Finance Cost		
Interest Expense	15,545	-
Bank Charges	2,085	5,294
	<u>17,630</u>	<u>5,294</u>

23 Other expenses

Advertisement Charges	30,000	203,600
Rent	240,000	240,000
Printing and Stationery	11,503	8,366
Repairs and Maintenance - Equipments	97,500	41,307
Repairs and Maintenance Others	131,716	161,039
Communication expenses	186,752	447,356
General Expenses	292,500	240,560
Electricity Charges	9,775	200,674
Virtual Server Charges	6,832,279	5,320,750
Professional charges	762,420	1,587,526
Rates and Taxes	1,270	6,505
Postage and courier expenses	5,704	666
Registrations and renewals	86,027	72,146
Office Maintenance	3,000	51,500
Listing Fees	55,000	55,000
Filing fees	7,683	38,300
Miscellaneous expenses	285,084	204,827
Payments to statutory auditors:		
- As Auditors	60,000	60,000
- For Certification	20,000	-
- Taxation Matters	15,000	15,000
- Reimbursement of expenses		-
Travelling and Conveyance	664,690	79,269
Bad debts written off	-	772,463
	9,797,903	9,806,853

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2024

1. MATERIAL ACCOUNTING POLICIES

The material accounting policies used in preparation of the standalone financial statements have been included in the relevant notes to the standalone financial statements.

The accounting policies mentioned herein are relating to standalone financial statements of the Company.

a) Brief description of the Company

Pace Automation Limited is a public limited company incorporated and domiciled in India with its registered office located at No2, III Street, Parameshwari Nagar, Adyar, Chennai 600020.

It is engaged in providing on-line transaction processing services to various clients. Its shares are listed in stock exchanges.

b) Basis of Preparation

The financial statements 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 provisions of the Act. The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per accounting policy below), which have been measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

c) Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the company to estimate the efforts or cost expended to date as a proportion of the total efforts or costs to be expensed, provision for doubtful debts, further obligations under employee retirement benefit plans, income taxes and the useful lives of fixed assets and intangible assets, Actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the period in which the results are known/materialized. Management believes that the estimates used in preparation of financial statements are prudent and reasonable.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

(i) Revenue Recognition

Revenue is primarily derived from providing "online transaction services", software development and related services. Arrangements with customers for online transaction services are either on a fixed price, fixed timeframe or on a time and material basis. Annual technical services revenue from fixed-price on-line service contracts are recognized over the period in which the services are rendered. Where the service contracts are expired and not renewed/finalised before the end of the

year, revenue is not recognised after the period for which negotiations for renewal is not accepted by the customers. The Company presents revenues net of indirect taxes in the Statement of Profit and Loss.

(ii) Property, Plant and Equipment

All Items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation/ amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefit associated with the item flows to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance costs are charged to Profit and Loss during the reporting period in which they are incurred.

(iii) Depreciation and amortization

1) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset (or part of the asset) on straight line method, in accordance with Part - A of Schedule II of the Companies Act, 2013. On tangible fixed assets additions/ disposed off during the year, depreciation is charged on pro-rata basis from the date of addition/ till the date of disposal.

2) Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

3) **Intangible Assets:** Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Research costs are expenses as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company had an intention and ability to complete and use or sell the product with the software and the costs can be measured reliably.

Depreciation on assets purchased/ sold during a period is proportionately charged. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

(iv) Provisions and Contingent Liabilities

A provision is recognized when an enterprise has a potential obligation as a result of the past event. An outflow of resources will probably be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to the current best estimates.

(v) Retirement Benefits to employees

a. Gratuity

The Company provides for gratuity, a defined retirement benefit plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at

retirement, death, Incapacitation or termination of employees, of an amount based on the respective employee's salary and the tenure of employment with the company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary at each Balance Sheet date using the projected unit credit method. The Company fully contribute all ascertained liabilities to the Pace Automation Employees' Gratuity Fund Trust ('the Trust'). Trustees administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India, as permitted by law. The Company recognizes the net obligation of the gratuity plan in the Balance Sheet as an asset or liability, respectively in accordance with the Accounting Standard (AS) 15, 'Employee Benefits'.

b. Provident Fund and Employees State Insurance Benefits

Contribution to Provident Fund and Employees State Insurance Corporation is made every month at the prescribed rate, to the Provident Fund Commissioner and Employees State Insurance Corporation. All eligible employees of the Company are entitled to receive benefits under the provident fund and ESI in which both the employee and employer (at a determined rate) contribute monthly to the Provident Fund Commissioner and Employees State Insurance Corporation. This plan is a defined contribution plan as the obligation of the employer is limited to the monthly contributions made to the fund. The contributions made to the fund are recognized as an expense in profit and loss under employee benefit expenses. There is no benefit like short/long term compensated absence.

(vi) Foreign Currency Transactions

Foreign exchange transactions are normally recorded at the exchange rate prevailing at the time of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining the net profit for the period in which the transaction is settled.

(vii) Income Taxes

Current Tax is determined in accordance with the Income Tax Act, 1961. Deferred Tax arising on timing difference between the book and tax profit is accounted for using the tax rates and laws as of the Balance Sheet date. Deferred Tax Assets are reassessed and recognized on prudence, based on reasonable certainty of future taxable income.

Both Deferred tax liability and asset are recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. In the case of deferred tax assets, the same will be recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income is available against which such deferred tax assets can be realized.

(viii) Earnings per Share

Earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for deriving basic earnings per share, and also the weighted average number of shares, if any, which would have been issued on the conversion of dilutive potential equity shares, if any.

(xi) Investments

Trade Investments are the investments made to enhance the Company's business interests. Investments are classified as current or long-term based on management's intention. Long-term investments are stated as cost less depreciation, if any. Short-term investments are valued at lower

of cost or market value. Income from Investment – Interest income is accounted for on an accrual basis.

(ix) Trade Receivables

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

(x) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash and cash on deposit with banks and corporations. The company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(xi) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expenses associated with investing or financing cash flows, The cash flows from operating, investing and financing activities of the Company are segregated.

f) Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

PACE AUTOMATION LIMITED

24. Other Notes Forming Part of Financial Statement for the year ended March 31, 2024

	('In Lacs)	
	2023 – 24	2022 – 23
1. Adjustment to the carrying amount of investments	---	---
2. Net gain/loss on foreign currency transaction and translation (other than considered as finance cost)	---	---
3. Value of imports calculated on CIF basis by the company during the financial year in respect of Material	---	---
4. Expenditure in foreign currency during the financial year	---	---
5. The amount remitted during the year in foreign currencies on account of dividends	---	---
6. Earnings in foreign exchange	---	---
7. Other Liabilities include Deposits from customers	5.23	5.23
8. Sundry Debtors/Creditors and advances are subject to confirmation/reconciliation		
9. In the opinion of the Board, Current Assets, Loans and Advances are realizable approximately at the values stated in the Balance Sheet in the ordinary course of business.		

10. The compensation details of Key Management Personnel as defined under Ind AS (Ind AS 24), "Related Party Disclosure", which comprise Directors and Executive Officers are as follows:

Managing Director

Mr. S G Chandru

	('in Lacs)	
Salary and other employee benefits to Whole-Time Directors and Executive Officers	56.02	59.85
Sitting fees to Directors	0.90	0.75
Rent paid to another Director	2.40	2.40

11. The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Profit and Loss Statement. An amount of Rs. Nil paid on this account during the year is charged to the Profit & Loss Statement. Defined benefit plans as per actuarial valuation is given below:

	(Amount in Rupees)	
	31.03.2024	31.03.2023
i. Present value of projected benefit obligation as at the beginning of each year	26,22,032	24,45,062
ii. Service cost	192,117	193,751
iii. Interest cost	190,097	171,753
iv. Actuarial Loss/(Gain)	11,442	(30,927)
v. Benefits paid	(310,962)	(1,65,865)
vi. Present value of projected benefit obligation as	27,04,726	26,22,032

at the end of each year		
vii. Fair value of Plan Assets as at the end of each year	28,18,509	27,82,464
viii. Liability / (Asset) recognised in the Balance Sheet	1,13,783	1,60,432
ix. Amount charged to Profit & Loss Account (Gross)	182,605	61,245
x. Actuarial assumptions:		
a) Discount rate	7.25%	7.25%
b) Future Salary Escalation	6.00%	6.00%
c) Expected rate of return on Plan assets	7.00%	7.00%

12. Details of Earnings per Share:

	31.03.2024	31.03.2023
Profit / (Loss) after tax (in Rs.)	83,88,557	1,58,87,819
No of equity shares at the beginning of the year	30,23,371	94,48,035
No of equity shares at the end of the year	30,23,371	94,48,035
Face value of per share (in Rs.)	10.00	10.00
Earnings per share (in Rs.) – Basic and Diluted	2.77	1.68

13. Previous year's figures have been regrouped or reclassified wherever necessary to conform to the current period.

14. The Company's operation predominantly relate to providing a single segment of software related technical services to enable clients to enhance business performance. Geographic segmentation is based on business sourced from India only and hence segment reporting in this case is not applicable.

15. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

On the basis of the information and records available with the Company, the Company had not paid any interest during the year to any parties who are classified as Micro, Small and Medium Enterprises on account of default in payment of their dues. Also there are no amounts outstanding as on 31.03.2024 in excess of Rs.1,00,000/- to any party classified as Micro, Small and Medium Enterprises.

(i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under		

16. ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013

- (i) The Company does not own any Immovable property.
- (ii) The Company does not have any Investment property.
- (iii) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation-related disclosures as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- (iv) The Company has not granted any Loans or Advances in the nature of loans to promoters, Directors, KMPs, and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.
- (v) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vi) The Company does not have any sanctioned facilities from banks based on the security of current assets.
- (vii) The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter-related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- (viii) There are no transactions with the Companies whose names are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2024.
- (ix) The Company does not have any requirement for filing registration or satisfaction of charges with the Registrar of Companies. No registration or satisfaction is pending at the year ended 31st March 2024.
- (x) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- (xi) The National Company Law Tribunal, Special Bench- I, Chennai Bench vide its order dated 31.05.2023 approved the Scheme of Reduction of Capital by which 68% of the paid-up equity share capital by reducing the nominal value of the equity shares from Rs.10/- each to Rs.3.20 each by canceling the equity share capital of Rs.6.80 per Equity share and that such reduced Subscribed, Issued and Paid-up share capital of Rs.3,02,33,710/- divided into 94,48,035 equity shares of Rs.3.20 shall be consolidated into 30,23,371 equity shares of Rs/10/- each in such manner that every 100 equity shares of Rs.3.20 each shall constitute 32 equity shares of Rs.10/- each fully paid-up.

As per the Scheme of Reduction of Capital sanctioned by the NCLT, Rs. 6,42,46,640/- out of the Equity Share Capital is transferred to the Profit and Loss Account and set off the accumulated Losses to this extent during the year.

- (xii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiary.
- (xiii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(xiv) The Company has not operated in any cryptocurrency or Virtual Currency transactions.

(xv) During the year the Company has not disclosed or surrendered, any income other than the income recognized in the books of accounts in the tax assessments under the Income Tax Act, 1961.

17. KEY FINANCIAL RATIOS

S. No	Particulars	As at 31-03-2024	As at 31-03-2023
1	Current ratio (Current Asset/ Current Liabilities)	0.63	0.74
2	Debt-equity ratio (Borrowings/ Equity share capital)	0.83	1.15
3	Debt service coverage ratio (EBIT/ Finance charges)	N.A.	N.A.
4	Return on equity (PAT/ Average shareholders fund)	31.77	111.38
5	Inventory turnover ratio [Note-2]	NA	NA
6	Debtors' turnover ratio (Annual turnover/ Average debtors)	4.08	8.05
7	Trade payables turnover ratio (Note 3)	14.80	5.15
8	Net capital turnover ratio (Sales/ (Current Asset-Current Liabilities))	(3.56)	(6.12)
9	Net profit ratio (PAT/ Sales) [Note 1]	19.57%	27.95%
10	Return on Capital employed (EBIT/ (Equity + Preference Share capital) [Note 1]	20.26%	43.72%
11	Return on Investment (EBIT/ Total Assets)	N.A.	N.A.

Note:

1. The Income from operations during 2023-24 has come down by 20% as compared to the previous year. This has affected all the operating ratios during 2023-24 as compared to the previous year.
2. Figures in brackets indicate negative figures.

As per our report of even date

For VIVEKANANDAN ASSOCIATES

Chartered Accountants

Firm Regn No: 005268S

S. DEHALEESAN
Partner

Membership No. 027312

UDIN: 24027312BKAKNW1222

Place: Chennai

Date: May 24, 2024



S. G. CHANDRU
Managing Director

MALATHI GOPALAKRISHNAN
Director

