

7th Annual Report 2022-23



PANiLA Chem Ltd.

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Board of Directors

Pankaj Bhayani
Rushabh Bhayani
Aashisha Bhayani
Virchandbhai Patel (Appointed w.e.f 04/06/2022)
Himanshu Shah (Appointed w.e.f 04/06/2022)

Managing Director
Whole Time Director
Whole Time Director
Independent Director
Independent Director

COMPANY SECRETARY

CS KHUSHBOO BHALALA (Resigned w.e.f 12/11/2022)
CS SWATI ASHISH KATHROTIYA (Appointed w.e.f 03/04/2023)

Auditors:

M/s. B Z V AND ASSOCIATES.
Chartered Accountants
Bhavnagar

Registered / Corporate Office:

"Bhayani Skyline", Plot No. 1906/B-1,
Office No. 700, 7th Floor,
Opp. Joggers Park,
Bhavnagar-364001

Works At:

Plot No.66 Paiky 1-2, Panila Chem Limited,
Mamsa Neswad Road, Mamsa
Ghogha, Bhavnagar, Gujarat, 364140

CIN NO: U24303GJ2017PLC096453

BOARDS' REPORT

To the Members,
Panila Chem Limited,
Bhavnagar

The Directors are pleased to present to you the seventh Annual Report on the business and operations of your Company along with the audited Financial Statements for the financial year ended March 31, 2023

1. Financial Results/ Review of Operations (Rs in lakhs)

| Particulars | Current year 2022 - 23 | Previous Year 2021 - 22 |
|--------------------------------------|---------------------------|----------------------------|
| Total Revenue | 13,409.44 | 13,943.61 |
| Total Expenditure | 13,541.55 | 13,106.87 |
| Profit / (Loss) Before Taxes | 368.58 | 836.74 |
| Profit Before Tax | | |
| Less : Current Tax | 104.96 | 233.89 |
| Less: Tax Expenses prior period | - | - |
| Less : Deferred Tax Expenses(Income) | - | - |
| Profit / (Loss) After Taxes | 262.67 | 602.85 |

2. Reserves:

No amount is transferred to the reserves by the Company.

3. Dividend

Your Directors would like to use the profits earned for purpose of enhancing business and hence do not propose any dividend for the financial year under review.

4. Business

During the year under review, there is no change in the business activities of the Company

5. Material changes and commitment occurred after the end of Financial Year and up to the date of Report:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year and upto the date of this report.

6. Subsidiary Company

The Company does not have subsidiary company or Joint Venture Company or Associate Company.



7. Adequacy of Internal Control System:

There as an adequate internal control system including Internal Finance Control system in the Company with reference to process and working operations.

8. Deposits

The company has not accepted deposits from the shareholders during the year ended 31st March, 2023 within the meaning of Section 73 of the companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

9. Particulars of Loans, Guarantees or Investments made under section 186 of the Companies Act, 2013:

Pursuant to provisions of section 186 of the Companies Act, 2013, during the year under review, no loan or guarantee given by the Company and no investments in the securities of any company are made.

10. Share capital

During the year under review, there were following changes in the Share capital of the Company.

a. Paid up share capital of the company:

The following right issue was done during the year:

| Sr No | Date of Allotment | No of shares allotted |
|-------|-----------------------------|-----------------------|
| 1 | 06 th April 2022 | 35,50,000 |

11. Transfer to Investor Education & Protection Fund.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no amount required to be transferred to Investor Education & Protection Fund.

12. Annual Evaluation

Formal annual evaluation to be done by the Board of its own performance and that of its committees and individual directors is not applicable.

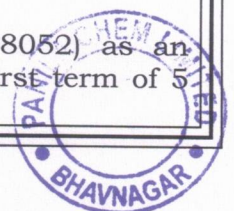
13. Directors

a) Appointment of Mr. Himanshu Bipinchandra Shah (DIN: 02998052) as Independent Director

The Board at its meeting held on 06th April 2022 appointed Mr. Himanshu Bipinchandra Shah (DIN:02998052) as Additional Director (Independent) subject to approval of members in extra ordinary general meeting held on 06th May 2022.

Appointment of Mr. Himanshu Bipinchandra Shah as Independent Director

The Board had appointed Mr. Himanshu Bipinchandra Shah (DIN:02998052) as an Additional Director and designated him as an Independent Director for a first term of 5



consecutive years commencing from 06 April 2022 to 06 April 2027 (both days inclusive), subject to approval of the members at the EGM held on 06.05.2022.

The Company had also received a declaration from Mr. Himanshu Bipinchandra Shah confirming that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder.

In the opinion of the Board, Mr. Himanshu Bipinchandra Shah is a person of integrity and has adequate experience and expertise to serve as an Independent Director. Further, Mr. Himanshu Bipinchandra Shah is independent to the Management of the Company. The Board of Directors recommended his appointment as an Independent Director and subject to the approval of members in EGM, Mr. Himanshu Bipinchandra Shah was appointed as Independent Director from 06 April 2022 to 06 April 2027 (both days inclusive).

b) Appointment of Mr. Virchandbhai Patel (DIN: 09469210) as an Independent Director

The Board at its meeting held on 06 April 2022 appointed Mr. Virchandbhai Patel (DIN:09469210) as Additional Director (Independent) subject to approval of members in extra ordinary general meeting held on 06 May 2022.

Appointment of Mr. Virchandbhai Patel as Independent Director

The Board had appointed Mr. Virchandbhai Patel (DIN:09469210) as an Additional Director and designated him as an Independent Director for a first term of 5 consecutive years commencing from 06 April 2022 to 06 April 2027 (both days inclusive), subject to approval of the members at the EGM held on 06.05.2022.

The Company had also received a declaration from Mr. Virchandbhai Patel confirming that he fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the schedules and rules issued thereunder.

In the opinion of the Board, Mr. Virchandbhai Patel is a person of integrity and has adequate experience and expertise to serve as an Independent Director. Further, Mr. Virchandbhai Patel Shah is independent to the Management of the Company. The Board of Directors recommended his appointment as an Independent Director and subject to the approval of members in EGM, Mr. Virchandbhai Patel was appointed as Independent Director from 06 April 2022 to 06 April 2027 (both days inclusive).

14. Board Meetings

During the year fourteen Board Meetings were convened as follows:

| Sr No | Date of Meeting | Strength of Board | No of Directors present |
|-------|-----------------|-------------------|-------------------------|
| 1 | 06.04.2022 | 5 | 5 |
| 2 | 05.05.2022 | 5 | 4 |
| 3 | 11.05.2022 | 5 | 5 |
| 4 | 29.06.2022 | 5 | 4 |
| 5 | 12.07.2022 | 5 | 4 |
| 6 | 20.07.2022 | 5 | 3 |
| 7 | 03.08.2022 | 5 | 4 |
| 8 | 30.08.2022 | 5 | 4 |
| 9 | 01.09.2022 | 5 | 3 |



| | | | |
|----|------------|---|---|
| 10 | 28.09.2022 | 5 | 4 |
| 11 | 12.11.2022 | 5 | 4 |
| 12 | 18.11.2022 | 5 | 4 |
| 13 | 25.11.2022 | 5 | 4 |
| 14 | 13.02.2023 | 5 | 3 |

The intervening gaps between the meetings were well within the purview of the Companies Act, 2013 and the rules made there under.

Two Extra Ordinary General Meeting was held on 04.06.2022 and 06.05.2022. Managerial Remuneration was increased from 11 percent to 22 percent and remuneration of Ms Aashisha Rushabh Bhayani was increased on 04.06.2022.

Appointment of Mr. Himanshu Bipinchandra Shah and Virchandbhai Patel as an Additional Independent Director on 06.05.2022.

15. Declaration by Independent Directors

The Independent Directors had submitted their disclosures to the Board that they fulfil the requirements as stipulated under Section 149(6) of the Act. There had been no change in the circumstances affecting their status as Independent Directors of the Company to qualify themselves to be appointed as Independent Directors under the provisions of the Act and the relevant regulations. The Independent Directors have given the declaration under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 confirming compliance with Rule 6(1) and (2) of the said Rules that their names are registered in the databank as maintained by the Indian Institute of Corporate Affairs ("IICA").

16. Familiarisation Programme

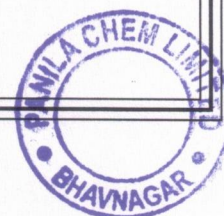
In compliance with the requirements of Listing Regulations, the Company has put in place a framework for Directors' Familiarisation Programme to familiarize the Independent Directors with their roles, rights and responsibilities, strategy planning, manufacturing process, subsidiaries business strategy, factory visit, CSR site visit, Amendments in law and Company's codes & policies.

17. Separate Meeting of Independent Directors

In terms of requirements of Schedule IV of the Act, the Independent Directors of the Company met separately on 19 January 2023 inter alia to review the performance of Non-Independent Directors (including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of information between the Management and the Board. Further, as a part of good governance, a separate discussion of the Independent Directors was held on 13 February 2023 with Statutory and Internal Auditors of the Company on scope, performance and effectiveness of audit process without the presence of Executive Directors and Management representatives of the Company.

18. Audit Committee

During the year the Company is required to constitute Audit Committee since the provisions of section 177 of the Companies Act, 2013 is applicable.



19. Nomination and Remuneration Committee and Company's Policy On directors' appointment and remuneration

The Company is required to constitute Nomination and Remuneration Committee as the provisions of section 178 of the Companies Act, 2013 is applicable.

20. Committees of the Board

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Act read with rules framed thereunder viz.

- a) Audit Committee:
- b) Nomination and Remuneration Committee;

All the recommendations made by the Committees were accepted by the Board.

21. Audit Committee

The Audit committee of the Board of Directors of the Company comprises of 3 (Three) members namely:

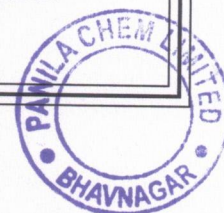
| Sr. No. | Name of the Director Category | Designation | Category |
|---------|--------------------------------|-------------------|----------------------|
| i | Mr. Virchandbhai Patel | Chairman & Member | Independent Director |
| ii | Mr. Himanshu Bipinchandra Shah | Member | Independent Director |
| iii | Mr. Pankaj Nagindas Bhayani | Member | (Non-Independent) |

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

22. Director's Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement;

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the annual accounts on a going concern basis.



5. That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively..

23. Auditors

a) Statutory Auditors

M/s. B Z V & ASSOCIATES., Chartered Accountants, bearing (FRN: 157752W) were appointed as auditors of the Company for a term of five year and to hold office till conclusion of the Annual General Meeting to be held in the year 2027.

M/s. B Z V & ASSOCIATES., Chartered Accountants have furnished a certificate of their eligibility as per Section 141 of the Companies Act, 2013 and have provided their consent for continuing office of Statutory Auditors of the Company for the FY 2022-23.

b) Cost Auditor

M/S. Mayur C. Undhad & Co. (FRN: 103961) of the Company has been appointed in the Board Meeting held on August 03, 2022 as cost auditors for the Financial Year 2022-23.

24. Maintenance Of Cost Records

As per the notification dated 31st December, 2014, on the Companies (Cost Records and Audit) amendment Rules, 2014 and amended till date, the Company is covered under maintenance of Cost Records as per Rule 3(B). Accordingly, the Company has made and maintained such records as applicable to the Industry. Since the Company is also required to carry out Cost Audit, it has appointed M/S. Mayur C. Undhad & Co. as the Cost Auditor.

25. Explanations on Qualifications/ Adverse Remarks contained in the Audit Report

There was no qualification, reservations or adverse remarks made by the Auditors in their report. Observations of the Auditors are self explanatory and do not call for further information.

26. Secretarial Audit:

The provisions of Section 204 relating to Secretarial Audit are not applicable to the Company.

27. Risk Management Policy

The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has its internal Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

28. Corporate Social Responsibility (CSR)

The provisions of Section 135 of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2013 is applicable to the Company is provided in Annexure A and is attached to this Report.



29. Disclosure under the Sexual Harassment of Women at workplace (Prevention Of, Prohibition and Redressal) Act, 2013

Your Directors state that during the year under review, there were no reported cases falling within the purview of the Sexual Harassment of Women at Workplace (Prevention, Prohibition Redressal) Act, 2013. No complaints were received under this policy during the Financial Year 2022-23.

30. Conservation of Energy, Technology Absorption and Foreign Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) steps taken by the company for utilizing alternate sources of energy including waste generated : nil

(B) Technology absorption:

1. Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

The Company has not taken any technical know how from anyone and hence not applicable.

2. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

3. Expenditure incurred on Research and Development :

(C) Foreign exchange earnings and Outgo

| PARTICULARS | Amt (In Rs.)(lacs) |
|--|--------------------|
| Foreign Exchange earned in terms of actual inflows during the year | 547.89 |
| Foreign Exchange outgo during the year in terms of actual outflows | 4748.21 |

31. Disclosure on establishment of Vigil Mechanism:

Since Companies, which accept deposits from the public and which have borrowed money from banks and public financial institutions in excess of Rs. 50 crores, according to the Companies Act, 2013 related to Vigil Mechanism activities is applicable to the Company



32. Particulars of employees as per section 197 of the companies act 2013 read with rule 5(2) of the companies (Appointment remuneration of managerial personal) Rules, 2014:

| Name of Board Member | Designation | Remuneration for F.Y. 2022-23 |
|------------------------------------|---------------------|-------------------------------|
| Aashisha Bhayani (DIN:07753875) | Whole Time Director | 30,00,000/- |
| Pankaj Bhayani (DIN: 07753850) | Managing Director | 26,50,000/- |
| Rushabh Bhayani (DIN: 07753830) | Whole Time Director | 26,50,000/- |

33. Disclosure in respect of scheme formulated under section 67(3) of the Companies act, 2013:

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013.

34. Disclosures pursuant to section 197 (12) of the Companies act, 2013 and the rules made thereunder

The Company being unlisted public limited company, the provisions relating to disclosure under section 197(12) of the Companies Act, 2013 are not applicable to the Company.

35. Disclosures pursuant to section 197 (14) of the Companies act, 2013:

None of the Directors of the Company is in receipt of any commission from the Company.

36. Related Parties Transactions

The particulars of transactions or contracts entered or arrangements made with related parties pursuant to provisions of section 188 of the Companies Act, 2013 is provided in Annexure B (in the format AOC-2) and is attached to this Report.

37. Significant and material order passed by the Regulators/ courts

During the year, no significant and material order was passed by the Regulators or courts.

38. Compliance of Applicable Secretarial Standards

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by The Institute of Company Secretaries of India and approved by the Central Government.

39. Cautionary Statement

Statements in the Annual Report, including those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.



40. Acknowledgments

The Board wishes to place on record their sincere appreciation for the continued support which the Company has received from all its bankers, stakeholders and above all, its employees.

Place: Bhavnagar
Date: 06/09/2023



On behalf of the Board
For Panila Chem Limited

A handwritten signature in blue ink, appearing to read "P N Bhayani".

Pankaj Nagindas Bhayani
Chairman
DIN-07753850

ANNEXURE- A TO THE BOARD REPORT

CSR (Corporate Social Responsibility) as specified in section 135 of The Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR

Policy of the Company: Panila is dedicated to eradicate all types of inequalities from the society by supporting various initiatives of Healthcare, providing food to the needy, by supporting our armed forces and their families, by promoting sports etc. and for all these initiatives the Company has collaborated with various NGOs and your Board takes pleasure to report the details as under:

| Sr No | Particulars | Amt. in Rs. / Remark if any |
|-------|--|--|
| (a) | Amount required to be spent by the company during the year | 15,19,631 |
| (b) | Amount of expenditure incurred | 15,87,000 |
| (c) | Shortfall at the end of the year | Nil |
| (d) | Total of previous years shortfall | Not Applicable |
| (e) | Reason for shortfall | Not Applicable, as there is no shortfall at the end of the year |
| (f) | Nature of CSR activities | Activities covered as per Sr. No.(i) and (ii), (vi) and (vii), of Schedule VII of Companies Act, 2013. |
| (g) | Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard. | No such transactions are carried out / contributions are given during the year hence, not applicable |
| (h) | Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Nil, Not Applicable |

2. Composition of CSR Committee: Not Applicable as per Section 135 (9) of the Companies Act, 2013 as the total amount to be spent on CSR does not exceed Rs.50 Lakh.

| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: <https://panilachem.com/>

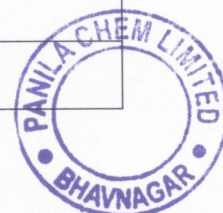


4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – The Company do not fall under the criteria as mentioned in Rule 8 (3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and hence the provisions of impact assessment is not applicable to the company
5. a) Average net profit of the company as per sub-section (5) of section 135.: Rs. 7,59,81,568/-
 b) Two percent of average net profit of the company as per sub-section (5) of section 135.: Rs. 15,19,631
 c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.: N A
 d) Amount required to be set-off for the financial year, if any.: NA
 e) Total CSR obligation for the financial year [(b)+(c)-(d)].: Rs. 15,19,631
6. a) Amount spent on CSR (both Ongoing Project and the other Ongoing Project): Rs. 15.87 Lakhs
 b) Amount spent in Administrative Overheads.: NA
 c) Amount spent on Impact Assessment, if applicable.: NA
 d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 15.87 Lakhs
 e) CSR amount spent or unspent for the Financial Year: Nil

| Total Amount Spent for the Financial Year. (In Rs.) | Amount Unspent (in Rs.) | | | | |
|---|---|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per sub- section (6) of section 135. | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| | | | | | |

f) Excess Amount for set off, if any – Rs. 67,369

| Sl. No. | Particular | Amount (in Rs.) |
|---------|--|-----------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | 15,19,631 |
| (ii) | Total amount spent for the Financial Year | 15,87,000 |



| | | |
|-------|---|--------|
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 67,369 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | 0 |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | 67,369 |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **Not Applicable**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---------|-----------------------------|--|--|--|---|--|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in The Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
| | | | | | Amount (in Rs) | Date of Transfer | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in financial year.

Yes

No

If Yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year. - **Not Applicable**

| Sl. No. | Short particulars of the property | Pin code of the Property or asset(s) | Date of creation | Amount of CSR Amount spent | Details of entity/ Authority/ beneficiary of the registered owner |
|---------|-----------------------------------|--------------------------------------|------------------|----------------------------|---|
| | | | | | |



I. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority[RD /NCLT/Court] | Appeal made. If any(give details) |
|---------------------------------------|------------------------------|-------------------|--|---------------------------|-----------------------------------|
| A. Company-N/A. | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. Directors - N/A. | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OtherOfficersInDefault N/A. | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

**BY THE ORDER OF THE BOARD
FOR, PANILA CHEM LIMITED**


Pankaj Bhayani
Managing Director
DIN: 07753850




Aashisha Bhayani
Managing Director
DIN: 07753875

PLACE: BHAVNAGAR
DATE: 06/09/2023

**ANNEXURE- B TO THE BOARD REPORT
FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

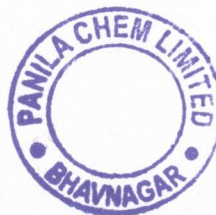
| SL. No. | Particulars | Details |
|---------|---|---------|
| a) | Name (s) of the related party & nature of relationship | NA |
| b) | Nature of contracts / arrangements / transaction | NA |
| c) | Duration of the contracts/ arrangements/ transaction | NA |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| e) | Justification for entering into such contracts or arrangements or transactions' | NA |
| f) | Date of approval by the Board | NA |
| g) | Amount paid as advances, if any | NA |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| SL.No. | Particulars | Details | | | | | |
|--------|---|-----------------------------|---------------------|----------------------|--------------------------|--------------------------|--------------------------|
| 1 | Name (s) of the related party & nature of relationship | Mr. Pankaj Nagindas Bhayani | Mr. Rushabh Bhayani | Ms. Aashisha Bhayani | Nagindas Hiralal Bhayani | Nagindas Hiralal Bhayani | Nagindas Hiralal Bhayani |
| 2 | Nature of contracts/arrangements/transaction | Remuneration | Remuneration | Remuneration | Sales | Rent | Purchase |
| 3 | Duration of the contracts/arrangements/transaction | 1 year | 1 year | 1 year | Ongoing | Ongoing | Ongoing |
| 4 | Salient terms of the contracts or arrangements or transaction including the value, if any | NA | NA | NA | NA | NA | NA |
| 5 | Date of approval by the Board | NA | NA | NA | NA | NA | NA |
| 6 | Amount paid as advances, if any | NA | NA | NA | NA | NA | NA |

**For and on behalf of the Board of Directors
PANILA CHEM LIMITED**

Aashisha
Aashisha Rushabh Bhayani
Whole Time Director
DIN: 07753875



Pankaj Bhayani
Pankaj Bhayani
Managing Director
DIN: 07753850

Date: 06th September, 2023

Place: Bhavnagar

Form No.MGT-9

EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31/03/2023

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

I. **REGISTRATION AND OTHER DETAILS:**

| | | |
|-------------|---|--|
| i. | CIN | U24303GJ2017PLC096453 |
| ii. | Registration Date | 23/03/2017 |
| iii. | Name of the Company | PANILA CHEM LIMITED |
| iv. | Category/Sub-Category of the Company | Company limited by shares/Indian Non Government Company |
| v. | Address of the Registered office and contact details | "Bhayani Skyline", Plot No. 1906/B-1, Office No. 700, 7 th Floor, Opp. Joggers Park, Bhavnagar 364001 |
| vi. | Whether listed company | No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | N.A. |

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| Sr. No. | Name and Description of main products/services | NIC Code of the Product/Service | %to total turnover of the company |
|----------------|---|--|--|
| 1 | Industrial Solvent | 9961 | 100% |
| 2 | | | |

| | | | | | | | | | |
|---|--------------------|--------------------|---------------------|-----------------|--------------------|--------------------|---------------------|-----------------|----|
| d)State Govt(s) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| e)Venture Capital Funds | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| f)Insurance Companies | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| g)FIIs | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| h)Foreign Venture | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| i)Others(specify) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sub-total(B)(1) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 2. Non Institutions | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| a)BodiesCorp. (i) Indian (ii)Overseas | -- | --- | --- | --- | -- | --- | --- | --- | -- |
| b)Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs1 | -- 6,18,000 | -- 3,82,000 | -- 10,00,000 | -- 6.06% | -- 6,18,000 | -- 3,82,000 | -- 10,00,000 | -- 6.06% | -- |
| c)Others(Specify) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Sub-total(B)(2) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| C. Shares held by Custodian for GDRs & ADRs | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Grand Total (A+B+C) | 161260000 | 382000 | 1,65,08,000 | 100% | 1,96,76,000 | 3,82,000 | 20,05,8000 | 100% | |

ii. Shareholding of Promoters:

| Sr. No. | Shareholders Name | Shareholding at the beginning of | | | Shareholding at the end of the year | | | |
|---------|-------------------------------------|----------------------------------|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| | | No of shares | % of total shares of the company | % of shares pledged encumbered to total shares | No of shares | % of total Shares of the company | % of shares Pledged encumbered to total shares | % change in share holding during the year |
| 1 | PANKAJ N BHAYANI | 85,40,000 | 51.73% | -- | 1,05,40,000 | 52.55% | - | +0.82 |
| 2 | RUSHABH P BHAYANI | 30,60,000 | 18.54% | -- | 40,60,000 | 20.24% | - | +1.7 |
| 3 | AASHISHA R BHAYANI | 8,50,000 | 5.15% | -- | 13,50,000 | 6.73% | - | +1.58 |
| 4 | ILA PANKAJ BHAYANI | 16,98,000 | 10.29% | -- | 16,98,000 | 8.47% | - | -1.82 |
| 5 | RUSHALI MONIL | 50,000 | 0.30% | -- | 1,00,000 | 0.50% | - | +0.20 |
| 6 | JATINNAGINDA SBHAYANI | 5,000 | 0.03% | -- | 5,000 | 0.02% | - | -0.01 |
| 7 | YASH JATINBHAYANI | 5,000 | 0.03% | -- | 5,000 | 0.02% | - | -0.01 |
| 8 | PANKAJ N BHAYANI HUF (KARTA PANKAJ) | 6,50,000 | 3.94% | -- | 6,50,000 | 3.24% | - | -0.70 |
| 9 | RUSHAB P BHAYANI HUF | 6,50,000 | 3.94% | -- | 6,50,000 | 3.24% | - | -0.70 |
| | Total | 1,55,08,000 | 93.94% | -- | 1,90,58,000 | 95.01% | - | - |

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

| Sr. no | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|--------|---|--|-------------------------------|---|-------------------------------|
| | | No.ofshares | % oftotal sharesofthe company | No.ofshares | % oftotal sharesofthe company |
| | At the beginning of the year | 1,55,08,000 | 93.94% | | |
| | Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease(e.g.allotment /transfer/bonus/sweat equity etc): | Right issue was done on 06/04/2022 for 35,50,000 | -- | | |
| | At the End of the year | 1,90,58,000 | 95.01% | | |

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

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the | | Shareholding at the end of the year | |
|---------|-------------------------------------|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of Shares | % of total shares of the company | No. of Shares | % of total shares of the company |
| 1 | SUDHABEN VINODRAY SHETH | 530000 | 3.21% | 530000 | 3.21% |
| 2 | VINODRAY PANACHAND SHETH | 435000 | 2.63% | 435000 | 2.63% |
| 3 | VASUBEN J.MEHTA | 35000 | 0.212% | 35000 | 0.212% |
| | TOTAL | 10,00,000 | 6.06% | 10,00,000 | 6.06% |

(v)Shareholding of Directors and Key Managerial Personnel:

| Sl. No | For Each of the Directors & KMP | Shareholding at the Beginning of the | | Shareholding at the End of the year | |
|--------|--|--------------------------------------|--------------------------|-------------------------------------|--------------------------|
| | | No. of Shares | % of total shares of the | No. of Shares | % of total shares of the |
| 1 | Shareholding of Directors : Pankaj Nagindas Bhayani | 85,40,000 | 51.73% | 1,05,40,000 | 52.55% |
| 2 | Rushabh Pankaj Bhayani | 30,60,000 | 18.54% | 40,60,000 | 20.24% |
| 3 | Aashisha Rushabh Bhayani | 8,50,000 | 5.15% | 13,50,000 | 6.73% |
| | TOTAL | 1,24,50,000 | 75.42% | 1,59,50,000 | 79.52 |

IV. INDEBTEDNESS

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

(Rs. in lacs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|----------------------------|-----------------|-------------------------------|
| Indebtedness at the beginning of the financial year | | | 0 | 2012.34 |
| i) Principal Amount | 2012.34 | 0 | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not paid | | | | |
| Total (i+ii+iii) | 2012.34 | 0 | 0 | 2012.34 |
| Change in Indebtedness during the financial year | 1902.79 | | 0 | |
| - Addition | | 732.11 | | |
| - Reduction | | (432.11) | | |
| Net Change | 1902.79 | 300 | 0 | 2202.79 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 3915.13 | 300 | 0 | 4215.13 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | 3915.13 | 300 | 0 | 4215.13 |

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | | Total Amount |
|---------|---|--|-----|-----|-----|----------------|
| 1. | Grosssalary (a)Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961 (b)Value of perquisites u/s 17(2) Income-tax Act, 1961 (c)Profits in lieu of salary under section17(3) Income-tax Act,1961 | Aashisha Bhayani - 30,00,000 Pankaj Bhayani - 26,50,000 RushabhBhayani- 26,50,000 | | | | 83,00,000 |
| 2. | Stock Option | --- | --- | --- | --- | --- |
| 3. | Sweat Equity | --- | --- | --- | --- | --- |
| 4. | Commission - as%ofprofit - others,specify... | --- | --- | --- | --- | --- |
| 5. | Others,please specify Bonus | --- | --- | --- | --- | --- |
| 6. | Total(A) | --- | --- | --- | --- | 83,00,000 |
| | Ceiling as per the Act | | | | | 3,35,09,818.18 |

B. Remuneration to the directors:

| Sl. No. | Particulars of Remuneration | Name of the Director | | | | Total |
|---------|---|----------------------|--|--|--|--------|
| | <u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify | | | | | 18,000 |
| | Total(1) | | | | | 18,000 |
| | <u>Other Non-Executive Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify | | | | | NIL |
| | Total(2) | | | | | Nil |
| | Total(B)=(1+2) | | | | | 18000 |
| | Total Managerial Remuneration | | | | | |
| | Overall Ceiling as per the Act | | | | | |

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|--|--------------------------|-------------------|-----|----------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s17(2)Income-tax Act,1961 (c)Profits in lieu of salary under section17(3)Income-tax Act,1961 | | 3,03,600 | | 3,03,600 |
| 2. | Stock Option | | N.A. | | |
| 3. | Sweat Equity | | N.A. | | |
| 4. | Commission - as %of profit -others, specify... | | N.A. | | |
| 5. | Others, please specify | | N.A. | | |
| 6. | Total | | 3,03,600 | | 3,03,600 |

| (1) | (2) | (3) | (4) | (5) | (6) | | |
|-----|--|-----|-----|-----|---|------|-----------------------|
| | or asset(s) [including complete address and location of the property] | | | | CSR Registration Number, if applicable | Name | Registered address |
| | | | | | | | |

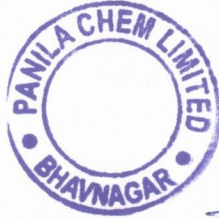
(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if any if the Company has failed to spend Two Per Cent of the average Net Profit as per Sub- Section (5) of Section 135 - **Not Applicable**

**By order of the Board of Directors
FOR PANILA CHEM LIMITED**

Registered Address:

"Bhayani Skyline", Plot No. 1906/B-1,
Office No. 700, 7th Floor,
Opp. Joggers Park,
Bhavnagar-364001



Pankaj Bhayani
**PANKAJ BHAYANI
MANAGING DIRECTOR
(DIN NO: 07753850)**

Aashisha Bhayani
**AASHISHA BHAYANI
WHOLE TIME DIRECTOR
(DIN NO: 07753875)**

CIN NO: U24303GJ2017PLC096453

Date: 06th September, 2023