

Panache Innovations Limited

(Formerly known as Ruby Traders & Exporters Limited)

CIN: L51100WB1981PLC033779

36th Annual Report 2016-17

Registered Office:

68, Jessore Road, Diamond City Complex,
Block 5, Suite No.1E, Kolkata - 700055

Corporate Office:

Unit No. 201/B1, Raheja Plaza-1, LBS
Marg, Ghatkopar West, Mumbai-400086

Email:

info@panache.co.in

Website:

www.panache.co.in

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*Corporate Information***Panache Innovations Limited***(Formerly known as ruby Traders & Exporters Limited)***Board of Directors**

Amit Devchand Rambhia
Chairman & Managing Director

Jayachandran Sunderamoorthy
Whole Time Director (w.e.f. 14th January, 2017)

Rohit Mathur
Independent Director (w.e.f. 19th May, 2016)

Meeta K. Mehta
Independent Director (w.e.f. 19th May, 2016)

Nikit Rambhia
Whole-Time Director (till 14th January, 2017)

Ashish Jalan
Independent Director (till 19th May, 2017)

Manish Maskara
Independent Director (till 19th May, 2017)

Anita Jhunjhunwala
Independent Director (till 19th May, 2017)

Ramrati Choudhury
Whole Time Director (till 19th May, 2017)

Key Managerial Personnel

Nitesh Savla (till 23rd November, 2016)
CFO

Jinkle Khimsaria (till 23rd November, 2016)
CS & Compliance Officer

Vijay Patil (from 11th february, 2017)
Company Secretary & Compliance Officer

Corporate Identification Number

L51100WB1981PLC033779

Registered Office

68, Jessore Road, Diamond City Complex, Block 5, Suite
No.1E, Kolkata, West Bengal-700055

(T): +91 9833995555

(E): info@panache.co.in

(W): www.Panache.co.in

Corporate Office

Unit No. 201/B1, Raheja Plaza – 1,
LBS Marg, Ghatkopar West,
Mumbai – 400 086, Maharashtra

Auditors

Jain Salia & Associates
Chartered Accountant

Share Registrars and Transfer Agents

Niche Technologies Private Limited
D-511, Bagree Market, 71,
B.R.B. Basu Road, Kolkata- 700001
(T): 033-2235 7270/7271, 22343576
(E): nichetechpl@nichetechpl.com
(W): www.nichetechpl.com

Internal Auditor

Sanket Sangoi & Associates

Secretarial Auditor

Piyushkumar Parmar

Bankers

Canara Bank

Listed On

BSE
Scrip Code - 538742

Boards' Report

To the Members,

On behalf of the Board of Directors, it is our pleasure to present the 36th Annual Report on the business and operations of the Company together with the Audited Financial Statement of Panache Innovations Limited ("the Company") for the financial year ended March 31, 2017.

FINANCIAL RESULTS

The summarized standalone and consolidated financial results of your Company are given below:

(Rs. in lakhs)

Particulars	Financial Year Ended			
	Standalone		Consolidated	
	31/03/2017	31/03/2016	31/03/2017	31/03/2016
Revenue from operations (net)	1099.95	146.56	1120.63	-
Earnings before interest, tax, depreciation and amortization (EBITDA) and prior period adjustments	13.98	5.85	18.26	-
Depreciation and amortization expenses	1.22	0.32	1.22	-
Finance Cost	0.15	0.36	0.65	-
Profit before tax (PBT)	34.18	63.68	37.96	-
Profit after tax and minority interest (PAT)	27.62	63.63	31.40	-

*Previous year figures have been regrouped / rearranged wherever necessary.

FINANCIAL PERFORMANCE

Standalone:

The Company's Standalone revenue during the year is ₹ 1099.95 Lakhs, as compared to ₹ 146.56 Lakhs in the previous year. The Company's profit before exceptional items and tax on a Standalone basis is ₹ 35.46 Lakhs, as compared to ₹ 63.68 Lakhs in the previous year, an decrease of 44.32% over the previous year. The Company earned a net profit of ₹ 27.62 Lakhs, lower by 56.59% as against a net profit of ₹ 63.63 Lakhs in the previous year, on Standalone basis.

Consolidated:

The Company's consolidated revenue during the year is ₹ 1120.63 Lakhs. The Company's profit before exceptional items and tax on a consolidated basis is ₹ 39.24 Lakhs and the Company earned a net profit of ₹ 31.40 Lakhs during the financial year 2016-17.

DIVIDEND

Keeping in view the continued good performance, future fund requirements of the Company and policy of the Company for rewarding shareholders, your directors are pleased to recommend a dividend of 5%, i.e. ₹ 0.50 per equity share of Face Value of ₹ 10/- on 30,39,900 Equity Shares (Excluding the Equity Share upon which the members have waived/forgone his/their right to receive the dividend by him/them for financial year 2016-17). The dividend, if approved by the members of the Company in the AGM, shall be subject to Dividend Distribution Tax to be paid by your Company but will be tax-free in the hands of the Members.

Members belonging to the promoter group of your Company have waived their right to receive dividend for the Financial Year 2016-17 and hence the Dividend, if any, approved by the Members at the ensuing Annual General Meeting shall be only upon 30,39,900 Equity Shares.

TRANSFER TO RESERVE

The Company has not proposed to transfer any amount to the General Reserve.

DEPOSITS

During the year under review, your company has not accepted any deposits from the public within the meaning of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit Rules), 2014.

CHANGE IN NATURE OF INTEREST, IF ANY

During the year under review, Company has changed the main objects of the Company from trading in textiles to manufacture, trade, distribution of Information Technology Products vide resolution passed by the members of the Company on 1st April, 2016 and the same was approved by the Registrar of Companies, West Bengal through Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause on 10th June, 2016 and the Company has done well in this area of business.

Further the Company in order to expand the business plans proposed to enter in to the market of dealing in water bottles containing ionized water. This line of business is expected to give an increase in the revenues of the Company since the new business of dealing in water bottles of ionized water is technologically innovative product and has accordingly altered the object clause of the company by according members approval on 9th March, 2017 and the same being approved by the Registrar of Companies, West Bengal through Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause on 21st March, 2017.

PROMOTERS

The new promoted of the Company post completion of open offer and takeover are;

1. Amit Rambhia
2. Nikit Rambhia
3. Devchand Rambhia

SHARE CAPITAL

A. Authorised and Paid Up Capital:

There was no change in Authorised and Paid Up Share Capital of the Company during the financial year 2016-17.

B. Issue of Equity Shares with differential rights:

The Company has not issued any Equity Shares with differential rights during the year under review.

C. Sweat Equity:

The Company has not issued any Sweat Equity Shares during the year under review.

D. Bonus Shares:

The Company has not issued any Bonus Shares during the year under review.

E. Employee Stock Option:

The Company has not provided any Employee Stock Option to the employees during the year under review.

F. Issue of Equity Shares

During the year under review, company has not issued any equity shares.

NAME CHANGE

During the year under review, the name of the Company was changed from “Ruby Traders & Exporters Limited” to “Panache Innovations Limited” which was approved by the Board of Directors on 14th January, 2017 and subsequently received Members approval on 9th March, 2017. The change of name was approved by the Registrar of Companies, West Bengal vide Fresh Certificate of Incorporation pursuant to change of name having effect 23rd March, 2017.

SUBSIDIARY COMPANY AND CONSOLIDATION OF FINANCIAL STATEMENT

During the year under review, the Company has incorporated a Wholly Owned Subsidiary under the name “Eddy and Andy International Limited” having address of 13/F, Wah Kit Commercial Centre, 300 Des Voeux Road Central vide Certificate of Incorporation received on 18th July, 2016.

Further, none of the Company’s subsidiaries, joint ventures or associate companies have become or ceased to be Company’s subsidiaries, joint ventures or associate companies.

The Board of Directors reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and its Subsidiary, which forms part of this Annual Report. A statement containing the salient features of the financial position of the subsidiary companies in Form AOC-1 is annexed as Annexure I. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of subsidiary is also available on our website at www.panache.co.in.

The Policy for determining material subsidiaries as approved may be accessed on the Company’s website at www.panache.co.in

DIRECTORS’ RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Board of Directors to the best of their knowledge and ability confirm that:

- A.** in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- B.** the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are 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 that period;
- C.** the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- D.** the directors had prepared the annual accounts on a going concern basis;
- E.** the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- F.** the directors had devised proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

Corporate Governance is essentially a system by which companies are governed and controlled by the management under the direction and supervision of the board in the best interest of all stakeholders. Your Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best Corporate Governance Practices.

The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities. As a part of its growth strategy, it is committed to high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

However, as per provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, providing a separate report on Corporate Governance under Regulation 27 (2) is not applicable to the Company.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report, as required under SEBI (LODR) Regulations 2015, forms part of the Annual Report is attached herewith marked as Annexure –II.

RISK MANAGEMENT

The Company's General Risk Factors include, hardware and software failure, malware, malicious software designed to disrupt computer operations, viruses, spam, scams and phishing-unsolicited communications, criminal and cyber threats, cybercrimes, frauds, security, software updates and innovations, etc. related to the business of the company. Other risk factors are financial risk, operating risk, marketing, lack of technical and specialised skilled staff, political factors and government policy.

Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. Further to analyse and mitigate the above-mentioned risks the Company has formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board. The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedure will be reviewed by the Audit Committee and Board of Directors on time to time basis. For more details, please refer to the Management Discussion and Analysis report which form part of the Directors Report which is provided in Annexure II. Policy on Risk Management is available on the website of the Company www.panache.co.in.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTY

During the period under review, all transactions entered into with the related parties as defined under the Companies Act, 2013 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The Company is exempt from Regulation 23 of SEBI (LODR) Regulations, 2015 and hence the Company is not mandated to seek approval from members for entering into transactions which are material in nature. However, the company has voluntarily sought approval of members for entering into material related party transactions (on arm's length and in ordinary course of business) on 9th March, 2017. The details of material related party transactions are mentioned in AOC-2 as Annexure III. Also suitable disclosure as required by the Accounting Standards (AS 18) has been made in the note no. 7 to the Standalone Financial Statement, which forms a part of the Annual Report.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the period under review, the provisions of Section 135 of the Companies Act, 2013 w.r.t. Corporate Social Responsibility are not applicable to the Company.

PREVENTION OF INSIDER TRADING

Your Company has adopted the “Code of Conduct on Prohibition of Insider Trading” and “Code of fair disclosure of Unpublished Price Information” for regulating the dissemination of Unpublished Price Sensitive Information and trading in securities by Insiders. The said codes are also available on the website of the Company www.panache.co.in.

INFORMATION ON BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review, following changes took place in the Board and Key Managerial Personnel;

- Mr. Rohit Mathur (holding DIN: 06583736) was appointed as Additional Independent Director of the Company by the Board of Directors on 19th May, 2016 and the same was approved by the Shareholders of the Company on 26th September, 2016.
- Mrs. Meeta K. Mehta (holding DIN: 07515717) was appointed as Additional Independent Director of the Company by the Board of Directors on 19th May, 2016 and the same was approved by the Shareholders of the Company on 26th September, 2016.
- Mr. Ashish Jalan (holding DIN: 06503424) had resigned from the post of Independent Director of the Company with effect from 19th May, 2016.
- Mr. Manish Maskara (holding DIN: 07186168) had resigned from the post of Independent Director of the Company with effect from 19th May, 2016.
- Ms. Anita Jhunjhunwala (holding DIN: 05166313) had resigned from the post of Independent Director of the Company with effect from 19th May, 2016.
- Mr. Ramrati Choudhury (holding DIN: 05178090) had resigned from the post of Whole Time Director of the Company with effect from 19th May, 2016.
- Ms. Jinkle Khimsaria was appointed as Company Secretary & Compliance Officer of the Company by the Board of Directors on 30th May, 2016.
- Mr. Nikit Devchand Rambhia (holding DIN: 00165678) was designated as whole-time director of the Company by the Board of Directors on 30th May, 2016 & the same was approved by the members on 26th September, 2016.
- Mr. Rohit Jain (holding DIN: 01194143) was appointed as Additional Independent Director w.e.f. 19th May, 2016 to hold office till 18th May, 2021, subject to regularisation at the annual general meeting. However, on compliance check it was noticed by the compliance department that he was disqualified to be appointed as the director and hence his appointment was void-ab-initio as per section 164 of the Companies Act, 2013.
- Ms. Jinkle Khimsaria had resigned as Company Secretary & Compliance Officer of the Company with effect from 23rd November, 2016.
- Mr. Nitesh Manilal Savla had resigned as Chief Financial Officer of the Company with effect from 23rd November, 2016.
- Mr. Nikit Devchand Rambhia (holding DIN: 00165678) had resigned from the post of Whole Time Director of the Company with effect from 14th January, 2017.

- Mr. Jayachandran Sunderamoorthy (holding DIN: 07706021) was appointed as Whole-Time Director of the Company by the Board of Directors on 14th January, 2017 and the same was approved by the members on 9th March, 2017.
- Mr. Vijay Patil was appointed as Company Secretary & Compliance Officer of the Company by the Board of Directors on 11th February, 2017.

Note: During the year under review, company did not find a suitable candidate for the position of Chief Financial Officer. However, after the year under review, Mr. Manan Trivedi was appointed as the Chief Financial Officer of the company with effect from 27th April 2017 at the board meeting held on the same day.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other board business. However, in case of a special and urgent business need, the Board's approval is taken by passing Resolutions by Circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting. The notice of Board meeting is given well in advance to all the Directors.

During the Financial Year 2016-17, Total 12 (Twelve) meetings of the Board of Directors of the Company were held on 1st April, 2016; 19th May, 2016; 30th May, 2016; 10th June, 2016; 24th June, 2016; 6th July, 2016; 12th August, 2016; 22nd August, 2016; 5th November, 2016; 23rd November, 2016; 14th January, 2017; and 11th February, 2017 and a circular resolution was passed on 21st March, 2017 for Shift of Registered Office from West Bengal to Maharashtra and the same has been recorded in next Board Meeting.

The names of directors and their attendance at the board meetings held during the financial year 2016-17 and at the last annual general meeting are given below:

Name of Director	Designation	Eligibility to attend Board Meetings in 2016-17	No. of Board Meetings attended during 2016-17	Attendance at AGM on 26 th Sep, 2016
Amit Devchand Rambhia	Managing Director	12	11	Yes
Jayachandran Sunderamoorthy	Whole time Director	1	1	NA
Rohit Mathur	Independent Director	10	10	Yes
Meeta Kaushal Mehta	Independent Director	10	10	Yes
Ramrati Choudhury	Managing Director	2	1	NA
Ashish Jalan	Independent Director	2	1	NA
Anita Jhunjunwala	Independent Director	2	0	NA
Manish Maskara	Independent Director	2	1	NA
Nikit Rambhia	Whole Time Director	11	10	Yes

Committees of the Board:

The Board of Directors has constituted various statutory committees comprising of Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and other applicable statutes, rules and regulations applicable to the Company from time to time. The Committees also focus on critical functions of the Company in order to ensure smooth and efficient business operations. The Board of Directors is responsible for constituting, assigning, co-opting and fixing the terms of reference of these committees in line with the extant regulatory requirements. The Committees meets at regular intervals for deciding various matters and providing directions and authorizations to the management for its implementation.

Currently, the Board of Directors has the following committees, viz.

- i. Audit Committee
- ii. Nomination & Remuneration Committee
- iii. Stakeholders' Relationship Committee

Audit Committee

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the provisions of Section 177 of Companies Act, 2013. All members of the audit committee are financially literate, with Mrs. Meeta Mehta, Chairperson of the Committee, having the relevant accounting and financial management expertise.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Discuss and review with the management the annual/ half yearly/ quarterly financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post audit discussion to ascertain any area of concern.
- Hold timely discussions with the statutory auditors regarding critical accounting policies and practices and significant financial reporting issues and judgments made.
- Review with the management, performance of the statutory and internal auditors.
- Evaluate internal financial controls and risk management systems.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.

Composition of Audit Committee as on 1st April, 2016:

Name of Member	Position in the Committee	No. of Meetings Attended during 2016-17
Mr. Ashish Jalan	Chairperson	N.A.
Mr. Manish Maskara	Member	N.A.
Mr. Ramrati Choudhury	Member	N.A.

The Audit committee was re-constituted pursuant to resignation and appointment of Directors on 19th May, 2016 and the Composition of the Committee after re-constitution was as follows:

Name of Member	Position in the Committee	No. of Meetings Attended during 2016-17
Mrs. Meeta Mehta	Chairperson	6
Mr. Amit Rambhia	Member	6
Mr. Rohit Mathur	Member	6

The Audit Committee met Six (6) times during the financial year 2016-17 on 30th May, 2016; 6th July, 2016; 12th August, 2016; 5th November, 2016; 14th January, 2017 and 11th February, 2017. Necessary quorum was present at the above meetings.

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the provisions of Section 178 of Companies Act, 2013.

The Role of Nomination and Remuneration Committee is as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;

- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- Decide the amount of Commission payable to the Whole-Time Director / Managing Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Composition of Nomination and Remuneration Committee as on 1st April, 2016:

Name of Member	Position in the Committee	No. of Meetings Attended during 2016-17
Mr. Ashish Jalan	Chairman	N.A.
Mr. Manish Maskara	Member	N.A.
Ms. Anita Jhunjunwala	Member	N.A.

The Nomination & Remuneration committee was re-constituted pursuant to resignation and appointment of Directors on 19th May, 2016 and the Composition of the Committee after re-constitution was as follows:

Name of Member	Position in the Committee	Eligibility to attend Committee Meetings in 2016-17	No. of Meetings Attended during 2016-17
Mr. Rohit Mathur	Chairman	5	5
Mr. Nikit Rambhia (till 14/01/2017)	Member	4	4
Mr. Jayachandran Sunderamoorthy (from 14/01/2017)	Member	1	1
Mrs. Meeta Mehta	Member	5	5

The Nomination and Remuneration Committee met five (5) times during the financial year 2016-17 on 30th May, 2016; 22nd August, 2016; 23rd November, 2016; 14th January, 2017 and 11th February, 2017.

Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is constituted in accordance with the provisions of Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and the provisions of Section 178 of Companies Act, 2013.

The Role of Stakeholders Relationship Committee is as follows:

- Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- Review movements in shareholding and ownership structures of the Company.
- Oversee and review all matters related to the transfer of securities of the company.
- Recommend measures for overall improvement of the quality of investor services.

Composition of Stakeholders Relationship Committee as on 1st April, 2016:

Name of Member	Position in the Committee	No. of Meetings Attended during 2016-17
Mr. Manish Maskara	Chairman	Nil

Mr. Ashish Jalan	Member	Nil
Ms. Anita Jhunjhunwala	Member	Nil

The Stakeholders Relationship Committee was re-constituted pursuant to resignation and appointment of Directors on 19th May, 2016 and the Composition of the Committee after re-constitution was as follows:

Name of Member	Position in the Committee	No. of Meetings Attended during 2016-17
Mr. Rohit Mathur	Chairman	1
Mrs. Meeta Mehta	Member	1
Mr. Amit Rambhia	Member	1

The Stakeholders Relationship Committee met one (1) time during the financial year 2016-17 on 23rd November, 2016.

Status of Investor Complaints as on 31st March, 2017 and reported under Regulation 13(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is as under:

Particulars	No. of Complaints
Complaints Pending as on 01.04.2016	1
Received during financial year	0
Resolved during financial year	1
Pending as on 31.03.2017	0

Declaration by Independent Directors

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is attached herewith marked as Annexure IV and also placed on its website www.panache.co.in.

Board Evaluation and Remuneration Policy

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual evaluation of its own performance, the Directors individually as well as the evaluation of all the Committees of the Board for the Financial Year 2016-17. A structured questionnaire was prepared after taking into consideration inputs received from the Directors. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as qualifications, experience and competency of directors, level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. Areas on which the Committees of the board were assessed included effectiveness of the committee, regularity and frequency of meeting, contribution to decision of board and quality of relationship of the committee with the board and management. The Board of Directors has expressed its satisfaction with the evaluation process.

AUDITORS AND AUDITORS' REPORT

Statutory Audit

In accordance with the provisions of Section 139 of Companies Act, 2013, M/s Jain Salia & Associates, Chartered Accountants, Mumbai (Firm Registration No.116291W) are proposed to be appointed as auditor for a period of 5 years commencing from the conclusion of this Annual General Meeting till the conclusion of 41st Annual General Meeting i.e.

Annual General Meeting to be held for the financial year 2021-22, subject to ratification of their appointment at every Annual General Meeting.

Jain Salia & Associates have consented to their appointment as Statutory Auditors and have confirmed that their appointment, if made, will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

There are no qualifications in the Auditors' Report to the Members on the Financial Accounts for the year ended 31st March, 2017. Further, the Auditors Report being self-explanatory does not call for any further comments from the Board of Directors.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Piyushkumar Parmar, a Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the year 2016-17. Their Secretarial Audit Report confirm that the company has complied with the applicable laws. The Secretarial Audit Report forms part of this Annual Report and is attached herewith marked as Annexure V.

Reply to observation of Secretarial Auditor:

The Company has appointed Mr. Manan Trivedi as CFO of the Company on 27th April, 2017 after the end of the Financial Year 2016-17 but the same in in compliance with section 203 of the Companies Act, 2013 i.e. vacancy in the office of CFO (KMP) was filled with a period of Six months.

MERGER

During the year under review, the Company was considering merger plan with Vardhaman Technology Private Limited, however, the discussion with Vardhaman Technology Private Limited didn't work out and the merger plan was withdrawn.

DISCLOSURES

Vigil Mechanism

The Company has adopted a Whistle Blower Policy, to provide a formal vigil mechanism to the directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

Significant and Material Orders Passed by the Regulators or Courts

No Significant Material Orders have been passed by the regulators or courts or tribunals which would impact the going concern status of the company.

Particulars of Loans given. Investments made. Guarantees given and Securities Provided

The Company has made compliance with the provisions of Section 186 of the Companies Act, 2013 during the year under review. Please refer Note 8 and 15 to the Standalone Financial Statement which forms a part of this Annual report.

Conservation of Energy. Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014, is attached as Annexure VI.

Extract of Annual Return

Pursuant to Section 92 (3) of the Companies Act 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT 9 is attached as Annexure VII.

Particulars of Employees and related disclosures

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure VIII.

Unpaid/Unclaimed Dividend

During the year, total unclaimed dividend was Rs. 31,450/-.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitment affecting financial position which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the Directors Report.

EVENTS WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE DIRECTORS' REPORT

For administrative easy, the Board of the Company proposed to shift the registered office of the Company from the state of West Bengal to the State of Maharashtra and received the approval of the members of the Company by postal ballot on 4th May, 2017. Now the Company is in process of shifting the registered office of the Company to the State of Maharashtra.

GENERALDematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on March 31, 2017, only 86,000 shares were held in physical form.

ACKNOWLEDGEMENT

Your directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The board places on record its appreciation for the support and co-operation your company has been receiving from its suppliers, retailers and others associated with the company as its trading partners.

The Directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

**By order of the Board of Directors of
Panache Innovations Limited**

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Date: 18/08/2017

Place: Mumbai

Annexure I to Directors Report

FORM AOC-1

(Pursuant to first proviso to section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures u/s 129(3) read with rule 5 of Companies (Accounts) Rules, 2014

Part "A" – Subsidiary

Sr. No.	Particulars	Details
1	Name of the subsidiary	Eddy and Andy International Limited
2	The date since when subsidiary was acquired	18/07/2016
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR 64.8589 per USD
5	Share capital	₹ 83,152.35
6	Reserves & surplus	₹ 3,78,082.79
7	Total assets	₹ 5,04,798.76
8	Total Liabilities	₹ 50,137.88
9	Investments	-
10	Turnover	₹ 20,67,856.33
11	Profit before taxation	₹ 3,78,082.79
12	Provision for taxation	-
13	Profit after taxation	₹ 3,78,082.79
14	Proposed Dividend	-
15	% of shareholding	100%
<ul style="list-style-type: none"> Indian Rupee equivalents of the figures given in foreign currencies in the accounts of the Subsidiary Company, is based on the exchange rates as on 31.03.2017. None of the subsidiaries of the Company are yet to commence business operations. None of subsidiaries of the Company have been liquidated or sold during the year. 		

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

-Not Applicable as the Company doesn't have any associates and joint ventures as on 31st March, 2017.

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 18/08/2017
Place: Mumbai**

**Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919**

MANAGEMENT DISCUSSION AND ANALYSIS**1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

Indian IT Industry is dynamic and highly competitive, with frequent changes in both technologies and business models. IT industry in India has been one of the most significant growth contributors for the Indian economy. The industry has helped India transform from a rural and agriculture based economy to a knowledge based economy.

2. OPPORTUNITIES AND THREATS

India is now one of the biggest IT capitals in the modern world and has presence of all the major players in the world IT sector. The Indian information technology sector continues to be one of the sunshine sectors of the Indian economy showing rapid growth and promise. Based on our assessment of key technology trends and our broad focus on long-term research and development of new products and services, we see significant opportunities to generate future growth. Enhanced spends by government towards implementation of various Digital India and Smart City projects will boost demand of IT products in the medium term.

The market for IT Industry is dynamic and highly competitive. To achieve the growth in IT Sector, We will need to rise up to the new challenges and put in dedicated efforts toward providing more and more of end-to-end solutions to the clients to keep the momentum going.

3. OUTLOOK

The Indian IT Industry has a significant presence in the Indian economy as well as in the International IT economy. We expect financial year 2017-18 to be the start of growth year for the Indian economy as a whole in view of various measures being taken by the new government to boost IT infrastructure development in the country. Your company will target to ensure steady operations and deliver high quality projects for its customers.

4. RISK AND CONCERNS

The following may be considered as a risk and concerns for the Indian IT Industry:

- Intense competition in the market for technology services could affect our pricing, which could reduce our share of business from clients and decrease our revenues.
- The economic environment, pricing pressures, and decreased employee utilization rates could negatively impact our revenues and operating results.
- Our success depends largely upon our highly-skilled technology professionals and our ability to hire, attract, motivate, retain and train these personnel.

5. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has put in place an adequate system of internal control commensurate with its size and nature of business.

These systems provide a reasonable assurance with regard to financial and operational information, complying with applicable statutes, safeguarding assets of the company and ensuring compliance with corporate policies.

6. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The turnover and other income of the Company during the year is ₹ 10.99 Crs as against ₹ 1.47 Crs in the previous year. The profit from operations before tax is ₹ 34.18 Lacs as against ₹ 63.68 Lacs in the previous year. The net profit after taxation is ₹ 27.62 Lacs as against ₹ 63.63 Lacs in the previous year.

7. HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill sets, interests and background that would be an asset for our business.

As on 31st March, 2017 we have 12 employees at the registered office and corporate office. Our manpower is a prudent mix of experienced and youth which gives us the dual advantage of stability and growth. Our work progress and skilled/ semi-skilled/ unskilled resources together with our strong management team have enabled us to successfully implement or growth plans.

8. CAUTIONARY STATEMENT:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include among others, climatic conditions, economic conditions affecting demand/ supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

FORM NO. AOC-2

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 arm's length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis- NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis-

Sr. No.	Name of Related Party	Nature of Contract	Nature of Relationship	Duration of Contract	Date of approval of Board	Amount Paid as advances	Salient Terms	Amount
1	Panache Digilife Limited	Sales	Common Director	F.Y. 2016-17	30.05.2016	-	Sales in the ordinary course of business	2,32,448
2	Panache Digilife Limited	Purchases	Common Director	F.Y. 2016-17	30.05.2016	-	Purchases in the ordinary course of business	1,98,19,624
3	Panache Digilife Limited	Service charge for use of facilities	Common Director	Year on year basis	10.06.2016	-	Payment of Service charge for use of facilities in the ordinary course of business	2,92,100

*

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 18/08/2017
Place: Mumbai**

**Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919**

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated and approved by the Board of Directors.

1. DEFINITIONS

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. Such other officer as may be prescribed.

“Senior Managerial Personnel” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to Departmental/Functional Head.

2. OBJECTIVE

The objective of the policy is to ensure that

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel's and Senior Managerial Personnel's of the quality of work required to run the company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. ROLE OF THE COMMITTEE

The role of the NRC will be the following:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of independent directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iv. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- v. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;

- vi. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- vii. Decide the amount of Commission payable to the Whole-Time Director / Managing Directors;
- viii. Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- ix. To formulate and administer the Employee Stock Option Scheme;
- x. Devising a policy on Board diversity; and
- xi. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

4. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- iii. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding his position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

5. TERM / TENURE

- i. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

- ii. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

6. EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

7. REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

8. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

9. POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

i. Remuneration to Managing Director / Whole-time Directors:

- a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

ii. Remuneration to Non-Executive / Independent Directors:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - The Services are rendered by such Director in his capacity as the professional; and
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

iii. Remuneration to Key Managerial Personnel and Senior Management:

- a. The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

- b.** The Fixed pay shall include monthly remuneration and may include employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c.** The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

10. IMPLEMENTATION

- i.** The clauses of policy shall be applicable as far as they are mandatory under the governing laws. In case if there is an exemption to company as per governing regarding implementation of the clause, it shall be voluntary for the Company to implement such a clause.
- ii.** The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- iii.** The Committee may delegate any of its powers to one or more of its members.

**Annexure V to Boards Report
Secretarial Audit Report**

For The Financial Year Ended on 31st March, 2017.

[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,
Panache Innovations Limited
68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E,
Kolkata, West Bengal, 700055.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panache Innovations Limited (formerly known as Ruby Traders & Exporters 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 my opinion thereon. Based on our verification of the 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 ended on 31st March, 2017, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Panache Innovations Limited (formerly known as Ruby Traders & Exporters Limited)** for the period ended on 31st March, 2017 according to the provisions of:

- 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. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- The Company has complied Foreign Exchange Management (Transfer or Issue of any foreign security) Regulation, 2004 in respect of Overseas Direct Investment in wholly own subsidiary under automatic route.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) viz:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. Regulations, 2009;
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee purchase scheme) Guidelines, 1999. (Not applicable to the company during audit period).
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities). Regulations, 2008. (Not applicable to the company during audit period).
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the company during audit period).
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during audit period), and.
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during audit period).

VI. Other laws as may be applicable specifically to the company-NIL

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations,2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards.etc mentioned above subject to the following observations:

1. 1.Mr.Nitesh Savla resigned from the designation of Chief Financial Officer of the company w.e.f 23rd November,2016,the position of the Chief Financial Officer was not filed even upto the end of the Audit Period.

I further report that:

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

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

Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period;

- (A) The Company has Change its name to Panache Innovations Limited.
- (B) The Company has altered Memorandum of Association of the Company as per Format of Companies Act,2013.
- (C) The Company has altered Object Clause of Memorandum of Association of the Company.

2. During the year under reviewed the company issued Postal Ballot Notice dated 21st March,2017 in respect of below mentioned matter: -

A) Shifting of Registered office of the Company from the state of west Bengal to the state of Maharashtra.

I further report that during the audit period the company has no specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Mumbai
Date: 18/08/2017

Piyushkumar Parmar
Practising Company Secretary
COP No:-11678
Mem No:-A25675

This report is to be read with my letter of even date which is annexed as Annexure 'I' and forms an integral part of this report.

To,
The Members,
Panache Innovations Limited
68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E,
Kolkata, West Bengal ,700055.

My report of even date is to be read along with this Letter.

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provision of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of company nor of the efficacy of effectiveness with which the management has conducted the affairs of the company.

Place: Mumbai
Date: 18/08/2017

Piyushkumar Parmar
Practising Company Secretary
COP No:-11678
Mem No:-A25675

Annexure VI to Directors Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014, and forming part of the Directors' Report for the year ended 31st March, 2017

A. Conservation of Energy

(i)	the steps taken or impact on conservation of energy	The Company's operations involve low energy consumption to run its office & factory and therefore the scope of energy conservation is limited. The Company is taking all necessary measures for conservation of energy and creating awareness amongst the employees on the necessity of conservation of energy is practiced regularly.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	NIL

B. Technology absorption

(i)	the efforts made towards technology absorption	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NA
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology has been fully absorbed	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof		
(iv)	the expenditure incurred on Research and Development	During the year under review, the Company has not initiated any new Research and Development activity.

C. Foreign exchange earnings and Outgo

Rs. In Lacs

Particulars	2016-17	2015-16
Foreign Exchange Earned	Nil	Nil
Outgo of Foreign Exchange	Nil	Nil

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 18/08/2017
Place: Mumbai**

**Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919**

Annexure VII to Directors Report

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31/03/2017
of
PANACHE INNOVATIONS LIMITED

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L51100WB1981PLC033779
2.	Registration Date	16/06/1981
3.	Name of the Company	Panache Innovations Limited
4.	Category/Sub-category of the Company	Public Company limited by Shares
5.	Address of the Registered office & contact details	(A): 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata – 700055, West Bengal. (E): info@panache.co.in (C): +91 98339 95555 (W): www.panache.co.in
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited (A): D-511, Bagree Market, 71 B.R.B. Basu Road, Kolkata-700001 (E): nichetechpl@nichetechpl.com (F): 033-2215 6823 (C): 033-2235 7270/7271, 22343576 (W): www.nichetechpl.com

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	Trading of computers and peripheral equipment	465	72.30%
2	AV Display	465	27.41%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable section
1	Eddy and Andy International Limited 13/F, Wah Kit Commercial Centre, 300 Des Voeux Road Central, Hong Kong	-	Subsidiary	100%	Section 2(87)

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

A. Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	-	1350100	-	1350100	30.754	30.754
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	0	0	0	0	1350100	-	1350100	30.754	30.754
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	0	0	0	0	0	0	0	0	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	0	0	0	0	1350100	-	1350100	30.754	30.754
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
c) Central Governments	-	-	-	-	-	-	-	-	-
d) State Governments	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	0	0	0	0	0	0	0	0	-
(2) Non-Institutions									

	a) Bodies Corporate									
	i) Indian	681350	0	681350	15.521	750	0	750	0.017	-15.504
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto Rs 1 lakh	112550	86000	198550	4.523	110238	85800	196038	4.466	-0.057
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3510100	0	3510100	79,957	2655095	0	2655095	60.481	-19.476
	c) Others Specify									
	1. NRI	-	-	-	-	0	200	200	0.005	0.005
	2. Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
	3. Foreign Nationals	-	-	-	-	-	-	-	-	-
	4. Clearing Members	-	-	-	-	187817	-	187817	4.278	4.278
	5. Trusts	-	-	-	-	-	-	-	-	-
	6. Foreign Bodies - D.R.	-	-	-	-	-	-	-	-	-
	Sub-total (B)(2)	4304000	86000	4390000	100	2953900	86000	3039900	69.246	-30.754
	Total Public Shareholding (B) = (B)(1)+(B)(2)	4304000	86000	4390000	100	2953900	86000	3039900	69.246	-30.754
	C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C)	4304000	86000	4390000	100	4304000	86000	4390000	100	-

B. Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Promoter								
1	Amit Devchand Rambhia	300100	6.836	-	4,25,100	9.683	-	2.847
2	Nikit Devchand Rambhia	300000	6.834	-	4,25,000	9.681	-	2.847
3	Devchand Lalji Rambhia	460000	10.478	-	5,00,000	11.390	-	0.912

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

Sr. No.	Name of the Shareholders	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of the Company	Date of increase or decrease	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Amit Devchand Rambhia	3,00,100	6.836	15/04/2016	1,25,000	2.847	Transfer	4,25,100	9.683	4,25,100	9.683
2	Nikit Devchand Rambhia	3,00,000	6.834	15/04/2016	1,25,000	2.847	Transfer	4,25,000	9.681	4,25,000	9.681
3	Devchand Lalji Rambhia	4,60,000	10.478	15/04/2016	40,000	0.911	Transfer	5,00,000	11.390	5,00,000	11.390

D. Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholders	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of the Company	Date of increase or decrease	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Aakash Deepak Savla	0	0	22/04/2016	110000	2.506	Transfer	110000	2.506	110000	2.506
2	Anurodh Merchandise Pvt Ltd	100100	2.280	15/04/2016 01/07/2016	100000 100	2.278 0.002	Transfer	0	0	0	0
3	Arihant Capital Markets Ltd	0	0	24/03/2017 31/03/2017	200000 13266	4.556 0.302	Transfer Transfer	200000 13266	4.556 0.302	186734	4.254
4	Beena Mitesh Mehta	100000	2.278	15/04/2016	100000	2.278	Transfer	0	0	0	0
5	Bhavini Sanjay Sheth	35000	0.797	15/04/2016	60000	1.367	Transfer	95000	2.164	95000	2.164
6	Chetan Nanji Dedhia	40000	0.911	15/04/2016	60000	1.367	Transfer	100000	2.278	100000	2.278
7	Chetna Chetan Dedhia	40000	0.911	15/04/2016	60000	1.367	Transfer	100000	2.278	100000	2.278
8	Deepak Meghji Savla	35000	0.797	22/04/2016	100000	2.278	Transfer	135000	3.075	135000	3.075
9	Geetha Jain	150000	3.417	No Change during the year						150000	3.417
10	Kamalesh Shantilalji Jain	150000	3.417	No Change during the year						150000	3.417
11	Mahendra M Mehta HUF	10000	0.228	22/04/2016	90000	2.050	Transfer	100000	2.278	100000	2.278
12	Manjula Dhiraj Mehta	100000	2.278	22/04/2016	100000	2.278	Transfer	0	0	0	0
13	Pratyush Bhartiya	150000	3.417	19/08/2016 02/09/2016	40000 8000	0.911 0.182	Transfer Transfer	110000 102000	2.506 2.323	102000	2.323
14	SKB Finance Limited	100100	2.280	15/04/2016 01/07/2016	100000 100	2.278 0.002	Transfer Transfer	100	0.002	0	0
15	Sparkle Securities Solutions Pvt Ltd	290000	6.606	15/04/2016	290000	6.606	Transfer	0	0	0	0
16	Vidisha Stock Broking Co Pvt Ltd	150000	3.417	22/04/2016	150000	3.417	Transfer	0	0	0	0

E. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		Change during the year				Cumulative Shareholding during the year		Shareholding at the End of the year	
		No. of Shares	% of total Shares of the Company	Date of increase or decrease	No. of Shares	% of total Shares of the Company	Reason	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Amit D Rambhia	300100	6.836	15/04/2016	1,25,000	2.847	Transfer	4,25,100	9.683	4,25,100	9.683

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	---			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not paid				
Total (i+ii+iii)	---			
Change in Indebtedness during the financial year	---			
Addition				
Reduction				
Net Change				
Indebtedness at the end of the financial year	---			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	---			

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Sr. No.	Particulars of Remuneration	Amit D Rambhia (Chairman & Managing Director)	S. Jayachandran (Whole Time Director)	Nikit D Rambhia (Whole Time Director)	Total Amount
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,00,000	5,79,705	7,50,000	25,29,705
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total	12,00,000	5,79,705	7,50,000	25,29,705

B. Remuneration to other directors:

(In Rs.)

Sr. No.	Particulars of Remuneration	Rohit Mathur	Meeta K. Mehta	Total Amount
1	Independent Directors			
	(a) Fee for attending board / committee meetings	33,000	33,000	66,000
	(b) Commission			
	(c) Others, please specify			
	Total (1)	33,000	33,000	66,000
2	Other Non-Executive Directors			
	(a) Fee for attending board / committee meetings			
	(b) Commission			
	(c) Others, please specify			
	Total (2)			
	Total (1)+(2)	33,000	33,000	66,000

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

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Jinkle Khimsaria Company Secretary	Nitesh Savla Chief Financial Officer	Vijay Patil Company Secretary	Total Amount
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,02,446	8,00,000	23,391	9,25,837
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total	1,02,446	8,00,000	23,391	9,25,837

VII. 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					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

DETAILS OF DIRECTORS AND EMPLOYEE REMUNERATION

I. Information as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Particulars	Details
1	The ratio of the remuneration of each director to the median employees of the Company for the financial year	<ul style="list-style-type: none"> ➤ Mr. S. Jayachandran – 7.90x ➤ Mr. Amit Rambhia – 3.41x
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	<ul style="list-style-type: none"> ➤ Mr. Amit Rambhia, Managing Director, was paid remuneration for the first time during the financial year and thus the details of increase in remuneration cannot be calculated. ➤ Mr. S Jayachandran, Whole-Time Director, has been appointed as a director during the year and thus the details of increase in remuneration cannot be calculated. ➤ Mr. Nitesh Savla was the Chief Financial Officer of the Company till 23rd November, 2016. During the Financial year there was no increase in the remuneration paid to him. ➤ Ms. Jinkle Khimsaria, was appointed as a Company Secretary & Compliance Officer of the Company during the financial year and further she resigned on 23rd November, 2016, thus the details of increase in remuneration cannot be calculated. ➤ Mr. Nikit Rambhia was designated as a Whole-Time Director of the Company during the financial year and further he resigned on 14th January, 2017, thus the details of increase in remuneration cannot be calculated. ➤ Mr. Vijay Patil has been appointed as the Company Secretary & Compliance Officer during the year and thus the details of the increase in remuneration as compared to previous year cannot be calculated.
3	The percentage increase in the median remuneration of employees in the financial year	<ul style="list-style-type: none"> ➤ There were no employees during the financial year 2015-16 except managerial personnel, thus increase in median remuneration of employees in the current financial year cannot be calculated.
4	The number of permanent employees on the rolls of company	<ul style="list-style-type: none"> ➤ As on 31st March, 2017, there were 12 employees on the rolls of the Company.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration	<ul style="list-style-type: none"> ➤ As there were no employees during the previous financial year except managerial personnel, thus average percentile increase in the salaries of employees other than the managerial personnel cannot be calculated and accordingly it cannot be compared with the percentile increase in the managerial remuneration in the current financial year. ➤ There has been complete change in the management team of the company during the current financial year, the percentile increase in the managerial remuneration cannot be calculated as it is not comparable. Further, the managerial personnel are drawing remuneration as approved at the time their appointment and there has been no increase in the current financial year.
6	Remuneration is as per the remuneration policy of the company.	<ul style="list-style-type: none"> ➤ It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other employees, adopted by the company.

II. Information as per Section 197(12) of the Companies Act, 2013, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

A. Details of Top Ten Employees in terms of remuneration drawn

Sr. No.	Name	Designation	Remuneration Received (₹)	Qualification	Experience (in years)	Date of employment	Age	Last employer	% of equity	Relative of Director / Manager
1	Amit Rambhia	Managing Director	12,00,000	Bachelor in Engineering; Executive PG in Management (IIM - Indore)	20	02/02/2016	42	Panache Digilife Limited	9.68%	Brother of Nikit Rambhia
2	*Nitesh Savla	CFO	8,00,000	C.A.	14	09/12/2015	38	Panache Digilife Limited	-	-
3	*Nikit Rambhia	WTD (till 14/01/2017)	7,50,000	B.Com; MBA	17	02/02/2016	38	Panache Digilife Limited	9.68%	Brother of Amit Rambhia
4	*Amit Mistry	Display Division Head	6,00,000	B.E Electronics and Telecom	29	26/12/2016	47	Panache Digilife Limited	-	-
5	*Jayachandran Sunderamoorthy	WTD (from 14/01/2017)	5,79,705	Graduate Diploma in Materials Management from IIM	35	14/01/2017	61	Proprietor - Business Consultant	-	-
6	*Puneet Swaroop	Head- Aquatatva	2,00,000	MBA in Marketing & Finance	3	26/11/2016	27	Knight Frank	-	-
7	*Abhishek Srivastava	Chief Operating Officer	1,94,643	MBA in Marketing & Finance	3	26/11/2016	27	American Express	-	-
8	*Bhavin Shah	Manager- Key Accounts	1,41,000	B.Com	11	02/01/2017	36	Panache Digilife Limited	-	-
9	*Jinkle Khimsaria	CS & Compliance Officer	1,02,446	B.Com; CS	-	30/05/2016	23	-	-	-
10	*Manan Trivedi	Senior Accountant	48,387	C.A.	-	22/02/2017	23	-	-	-

- * Employed for only part of the year
- Nature of employment is permanent for employees

B. Details of Employees drawing a remuneration of Rs. 1.02 Crore and above per annum which is posted in India (other than those mentioned above) – None of the employees draw a remuneration of Rs. 1.02 Crore or above per annum and posted in India.

By order of the Board of Directors of
Panache Innovations Limited

Date: 18/08/2017

Place: Mumbai

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

Independent Auditor's Report

To,
 The Shareholders of
 Panache Innovations Limited,
 (Formerly Known as Ruby Traders & Exporters Limited)
 68, Jessore Road,
 Diamond City Complex, Block 5,
 Suite No.1E, Kolkata,
 West Bengal - 700055.

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of Panache Innovations Limited ('the Company')(Formerly Known as Ruby Traders & Exporters Limited) which comprise the Balance Sheet as at 31st March, 2017, Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting & auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements to give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Standalone Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017;

- ii. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters Paragraph

The comparative financial information of the company for the year ended 31st March 2016 included in the standalone financial statements, are based on the previously issued Statutory Financial Statements which were audited by M/s M.Jhunjhunwala & Associates, (Chartered Accountants) whose report for the year ended 31st March 2016 dated 30th May 2016 expressed an unmodified opinion on the financial statements for the year ended 31st March 2016.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we enclose herewith; 'Annexure- A', a statement on the matters specified in paragraphs 3 and 4 of the said 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 purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
 - f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in 'Annexure-B'.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - i. The Company has disclosed that there are no pending litigations which would impact its financial position.
 - ii. The Company did not have any long term contracts for which there were any material foreseeable losses;
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.
 - iv. As per the information and according to the information and explanation given to us, we report that, that the holding company has given requisite disclosures in Para.5 of Note No. 27 Of the financial statements with regard to holdings as well as dealings in specified bank notes ('SBNs') as defined in Notification S.O. 3407(E) dated 08th November 2016 of Ministry of Finance, during the period 08th November 2016 to 30th December 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For Jain Salia & Associates
Chartered Accountants
[FRNo: 116291W]

Place : Mumbai
Dated : 22.05.2017

Partner
(CA Jayesh K. Salia)
(Membership No. 044039)

ANNEXURE - A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2017.

(Referred to in Paragraph (1) of our Report of even date)

- (i)
- a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets are physically verified by the management in a phased manner; which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, all the fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) Based on the information & explanation given to us and the records examined by us we are able to conclude that there are no immovable property held by the company as on the reporting date.
- (ii) The physical verification of inventory & spares has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification between physical stock and book records.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not given any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are applicable.
- (vi) According to the information and explanations given to us, the Company is not required to maintain any cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii)
- a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, Income tax, VAT, CST, custom duty, cess and any other statutory dues with the appropriate authorities during the year.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, as on 31st March, 2017 for a period of more than six months from the date they became payable.
- (viii) On the basis of our examination and according to the information and explanations given to us, the Company has not defaulted in re-payment of its dues to the Banks and no amounts were borrowed by the Company through Debentures from any financial institution.
- (ix) On the basis of our examination and according to the information and explanations given to us, the Company has not raised any money through Initial Public Offer (IPO) or Further Public Offer (FPO) in the current year.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable to our company.

- (xiii) All the transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Jain Salia & Associates
Chartered Accountants
[FRNo: 116291W]**

**Place : Mumbai
Dated : 22.05.2017**

**Partner
(CA Jayesh K. Salia)
(Membership No. 044039)**

ANNEXURE -B TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2017.*(Referred to in Paragraph (1) of our Report of even date)***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 Panache Innovations Limited ("the Company") (Formerly known as Ruby Traders & Exporters Limited) as of 31st March 2017 in conjunction with our audit of the Standalone 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 standalone 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 standalone 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 standalone 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 31st March 2017, 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.

For Jain Salia & Associates
Chartered Accountants
[FRNo: 116291W]

Place : Mumbai
Dated : 22.05.2017

Partner
(CA Jayesh K. Salia)
(Membership No. 044039)

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in INR)

SR. NO.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
I.	EQUITY AND LIABILITIES			
1	SHAREHOLDERS FUNDS			
(a)	Share Capital	1	4,39,00,000	4,39,00,000
(b)	Reserves and Surplus	2	42,06,285	81,19,075
(c)	Money Received Against Share Warrants		0	0
2	SHARE APPLICATION MONEY PENDING ALLOTMENT		0	0
3	NON-CURRENT LIABILITIES			
(a)	Long-Term Borrowings		0	0
(b)	Deferred Tax Liabilities (Net)	9	1,63,394	568
(c)	Other Long Term Liabilities		0	0
(d)	Long-Term Provisions		0	0
4	CURRENT LIABILITIES			
(a)	Short-Term Borrowings	3	0	2,875
(b)	Trade Payables	4	10,98,75,049	13,06,786
(c)	Other Current Liabilities	5	32,38,611	7,60,450
(d)	Short-Term Provisions	6	28,26,914	12,00,000
			16,42,10,253	5,52,89,754
II.	ASSETS			
1	NON-CURRENT ASSETS			
(a)	Fixed Assets	7		
(i)	Tangible Assets		15,639	42,722
(ii)	Intangible Assets		9,00,000	10,00,000
(iii)	Capital Work-in-Progress		0	0
(iv)	Intangible Assets under Development		0	0
(b)	Non-Current Investments	8	2,60,41,370	2,93,24,345
(c)	Deferred Tax Assets (Net)		0	0
(d)	Long-Term Loans and Advances		0	0
(e)	Other Non-Current Assets	10	4,77,318	10,78,128
2	CURRENT ASSETS			
(a)	Current Investments	11	0	23,49,626
(b)	Inventories	12	3,37,91,724	8,75,407
(c)	Trade Receivables	13	8,76,71,323	36,46,062
(d)	Cash and Cash Equivalents	14	6,46,226	8,00,683
(e)	Short Term Loans and Advances	15	1,39,79,642	1,56,35,771
(f)	Other Current Assets	16	6,87,010	5,37,010
			16,42,10,253	5,52,89,754

AS PER OUR REPORT OF EVEN DATE
FOR JAIN SALIA & ASSOCIATES
CHARTERED ACCOUNTANTS
[FRNO. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE INNOVATIONS LIMITED

CA JAYESH K. SALIA, PARTNER
(MEMBERSHIP NO. 044039)

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. S. Jayachandran
Whole-Time Director
DINo:- 07706021

Mr. Manan Trivedi
CFO

Mr. Vijay V. Patil
Company Secretary
Membership No. A43690

PLACE: MUMBAI
DATED: 22.05.2017

PLACE: MUMBAI
DATED: 22.05.2017

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017
(Amount in INR)

Sr.No	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH, 2017	FOR THE YEAR ENDED 31ST MARCH, 2016
I.	Revenue from Operations	17	10,99,95,315	1,46,56,062
II.	Other Income	18	22,84,677	58,50,795
III.	TOTAL REVENUE (I + II)		11,22,79,992	2,05,06,857
IV.	<u>Expenses:</u>			
	Cost of Materials Purchased	19	13,28,69,642	1,11,17,385
	Changes in Inventories of Finished Goods Work-	20	(3,29,16,317)	(9,696)
	Employee Benefits Expenses	21	50,26,466	10,65,528
	Finance Cost	22	14,728	35,712
	Depreciation and Amortisation Expenses	23	1,22,337	32,245
	Other Expenses	24	36,16,808	18,97,749
	Total Expenses		10,87,33,665	1,41,38,923
V.	PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX		35,46,327	63,67,934
VI.	<u>Exceptional Items</u>	25	(1,28,276)	0
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (VI - VII)		34,18,051	63,67,934
VIII.	<u>Extraordinary Items</u>		0	0
IX.	PROFIT BEFORE TAX (VIII- IX)		34,18,051	63,67,934
X.	<u>Tax Expense:</u>			
	Current Tax		6,50,240	
	Deferred Tax	26	5,912	5,400
XI.	PROFIT(LOSS)FOR THE PERIOD FROM CONTINUING OPERATIONS(X-XI)		27,61,899	63,62,534
XII.	Profit/(Loss) from Discontinuing Operations		0	0
XIII.	Tax Expense of Discontinuing Operations		0	0
XIV.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS		0	0
XV.	PROFIT(LOSS) FOR THE PERIOD (XII + XV)		27,61,899	63,62,534
XVI.	<u>Earning Per Share</u>			
	Basic		0.63	1.45
	Diluted		0.63	1.45

AS PER OUR REPORT OF EVEN DATE
FOR JAIN SALIA & ASSOCIATES
CHARTERED ACCOUNTANTS
[FRNO. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE INNOVATIONS LIMITED

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. S. Jayachandran
Whole-Time Director
DINo:- 07706021

CA JAYESH K. SALIA, PARTNER
(MEMBERSHIP NO. 044039)

Mr. Manan Trivedi
CFO

Mr. Vijay V. Patil
Company Secretary
Membership No. A43690

PLACE: MUMBAI
DATED: 22.05.2017

PLACE: MUMBAI
DATED: 22.05.2017

CASH FLOW STATEMENT FOR THE YEAR ENDED

PARTICULARS	FOR THE Y.E. 31ST MARCH, 2017	FOR THE Y.E. 31ST MARCH, 2016
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit for the year before tax	34,18,051	63,67,934
<u>Adjustments for Non-cash Items</u>		
Depreciation on Fixed Assets	1,22,337	32,245
Investments w/off	1,08,530	0
Fixed Assets w/off	4,746	0
Assets W/off	15,000	0
Provision for DDT Payable	(8,93,700)	0
Preliminary Expense w/off	1,01,228	1,01,228
Share Issue Expense w/off	4,30,582	4,30,582
	33,06,774	69,31,989
<u>Adjustments for Non-Operating Items</u>		
Profit on Sale of Investment	(2,75,295)	(49,66,589)
Dividend Income	(5,625)	(55,000)
Interest Income	(20,02,730)	(6,49,206)
Finance Cost	14,728	0
	(22,68,922)	(56,70,795)
Operating Profit before Working Capital Changes	10,37,852	12,61,194
<u>Adjusted for Change in Working Capital:</u>		
Trade Receivable	(8,40,25,261)	(33,76,062)
Inventories	(3,29,16,317)	(9,696)
Short Term Loans and Advances	3,39,064	(88,06,114)
Other Current Assets	(1,50,000)	0
Other Non Current Assets	69,000	0
Current Investments	23,49,626	0
Trade Payable	10,85,68,263	(4,93,764)
Other Current Liability	18,27,921	(33,53,421)
Short Term Provisions	28,26,914	10,66,168
	(11,10,790)	(1,49,72,889)
Cash Generated from Operations	(72,938)	(1,37,11,695)
Taxes Paid	(11,32,010)	0
Extraordinary Items	0	(11,566)
	(11,32,010)	(11,566)
Net Cash Flow from Operations (A)	(12,04,948)	(1,37,23,261)
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
<u>Cash Inflow</u>		
Profit on Sale of Investment	2,75,295	0
Dividend Income	5,625	55,000
Non Current Investments	32,61,645	1,36,81,569
	35,42,565	1,37,36,569
<u>Cash Outflow</u>		
Investment in WOS	87,200	0
	(87,200)	0
Net Cash Flow from Investing Activities (B)	34,55,365	1,37,36,569

Continued

CASH FLOW STATEMENT FOR THE YEAR ENDED

PARTICULARS	FOR THE Y.E. 31ST MARCH, 2017		FOR THE Y.E. 31ST MARCH, 2016	
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
<u>Cash Inflow</u>				
Interest Income	20,02,730	20,02,730	6,49,206	6,49,206
<u>Cash Outflow</u>				
Short Term Borrowing	2,875		0	
Finance Cost	14,728		10,227	
Dividend Paid	43,90,000	(44,07,603)	0	(10,227)
Net Cash Flow from Financing Activities	(C)	<u>(24,04,873)</u>		<u>6,38,979</u>
CASH FLOW FROM ALL ACTIVITIES	(A+B+C)	(1,54,457)		6,52,287
<u>Cash and Cash Equivalents at the Beginning</u>				
Cash in Hand	7,06,079		1,32,749	
Balance in Bank	94,604		1,92,382	
Fixed Deposits with Bank	0	8,00,683	21,72,891	24,98,022
<u>Cash and Cash Equivalents at the Closing</u>		<u>6,46,226</u>		<u>31,50,309</u>
<u>Closing Balance as per accounts</u>				
Cash in Hand	47,449		7,06,079	
Balance in Bank	5,98,777		94,604	
Fixed Deposits with Bank	0		23,49,626	31,50,309
		<u>6,46,226</u>		<u>31,50,309</u>

AS PER OUR REPORT OF EVEN DATE
FOR JAIN SALIA & ASSOCIATES
CHARTERED ACCOUNTANTS
[FRNO. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE INNOVATIONS LIMITED

CA JAYESH K. SALIA, PARTNER
(MEMBERSHIP NO. 044039)

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. S. Jayachandran
Whole-Time Director
DINo:- 07706021

Mr. Manan Trivedi
CFO

Mr. Vijay V. Patil
Company Secretary
Membership No. A43690

PLACE: MUMBAI
DATED: 22.05.2017

PLACE: MUMBAI
DATED: 22.05.2017

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR)

NOTE NO. 1 : SHARE CAPITAL

a. Particulars of Share Capital	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
AUTHORISED		
2,50,00,000 Equity Shares of Rs.10/- each	25,00,00,000	25,00,00,000
	25,00,00,000	25,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP :		
43,90,000 Equity shares of Rs.10/- each fully paid-up	4,39,00,000	4,39,00,000
	4,39,00,000	4,39,00,000
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :		
	0	0
	4,39,00,000	4,39,00,000

b. Details of Shareholding as at March 31, 2017
i. Equity Shares held by various entities

No Equity shares have been held by any entity.

ii. Shareholders holding more than 5% of Equity / Preference Shares :

4,25,100 Equity Shares of Rs.10/- each held by Mr. Amit D. Rambhia, Director

4,25,000 Equity Shares of Rs.10/- each held by Mr. Nikit D. Rambhia, Director

5,00,000 Equity Shares of Rs.10/- each held by Mr. Devchand L. Rambhia.

c. Reconciliation of the number of Equity Shares outstanding

(No. of Shares)

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Number of Shares at the beginning of the year	43,90,000	43,90,000
<u>Add:</u> Shares issued	0	0
<u>Less:</u> Shares forfeited	0	0
Number of Shares at the end of the year	43,90,000	43,90,000

d. Each equity share is entitled to one voting right only.

(Amount in INR)

NOTE NO. 2 : RESERVES AND SURPLUS

a. Particulars	Opening as at 01.04.2016	Additions	Ded ⁿ / Adj	Balance as at 31.03.2017
Surplus/(Deficit) as per Profit and Loss Account {See Note 2(b)}	81,19,075	27,61,899	66,74,689	42,06,285
	81,19,075	27,61,899	66,74,689	42,06,285

b. Surplus as per Profit and Loss Account

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Net Profit/(Loss) after Tax	27,61,899	63,62,534
Balance brought forward	81,19,075	17,68,107
Profit/(Loss) available for Appropriation	1,08,80,974	81,30,641
<u>Less: Appropriation</u>		
Dividend on Equity Shares	43,90,000	0
Dividend Distribution Tax	8,93,700	0
Others *	13,90,989	11,566
	66,74,689	11,566
Surplus/(Deficit) carried to Reserves & Surplus	42,06,285	81,19,075

(Amount in INR)

NOTE NO. 3 : SHORT - TERM BORROWINGS

				AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
<u>Unsecured Borrowings</u>					
From Related Parties	...	...	...	0	0
From Others	...	...	...	0	0
			(I)	0	0
<u>Short term Secured Borrowings</u>					
Bank Overdraft	...	...	...	0	2,875
		
		
			(II)	0	2,875
Short Term Borrowings			(I+II)	0	2,875

(Amount in INR)

NOTE NO. 4 : TRADE PAYABLES

				AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
I <u>Due to Small and Micro Enterprises</u>					
For Services / Expenses	...	...	...	2,66,700	0
For Goods	...	...	...	1,97,75,104	0
II <u>Other than Small and Micro Enterprises</u>	...	...	...
For Services / Expenses	...	...	...	1,65,985	0
For Goods	...	...	...	8,96,67,260	13,06,786
Trade Payables			(I+II)	10,98,75,049	13,06,786

(Amount in INR)

NOTE NO. 5 : OTHER CURRENT LIABILITIES

				AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Statutory Liabilities	...	...	...	32,38,611	1,12,394
Others	...	...	...	0	6,48,056
Other Current Liabilities				32,38,611	7,60,450

(Amount in INR)

NOTE NO. 6 : SHORT TERM PROVISIONS

				AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
<u>Short term Provisions</u>					
MAT Payable	...	...	...	0	12,00,000
Others	...	...	...	28,26,914	0
Short Term Provisions				28,26,914	12,00,000

NOTE NO. 7 - FIXED ASSETS (AS PER COMPANIES ACT,2013)

SR.	PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
		Actual cost	Additions	Deductions	Cost as on	Upto	Additions	Deductions	As at	As at	As at
		01.04.2016		(sales / W/off)	31.03.2017	31.03.2016			31.03.2017	31.03.2016	31.03.2017
(i)	TANGIBLE ASSETS										
A>	Furnitures & Fixtures										
	Furniture & Fixture	34,725	0	0	34,725	16,199	2,887	0	19,086	18,526	15,639
B>	Plant & Machinery										
1	Office Equipments	85,000	0	85,000	0	62,486	19,450	81,936	0	22,514	0
2	Computers & Laptops	1,70,400	0	1,70,400	0	1,68,718	0	1,68,718	0	1,682	0
		2,90,125	0	2,55,400	34,725	2,47,403	22,337	2,50,654	19,086	42,722	15,639
(ii)	Intangible Assets										
	Brand (Cavin Cally)	10,00,000	0	0	10,00,000	0	1,00,000	0	1,00,000	10,00,000	9,00,000
		10,00,000	0	0	10,00,000	0	1,00,000	0	1,00,000	10,00,000	9,00,000
		12,90,125	0	2,55,400	10,34,725	2,47,403	1,22,337	2,50,654	1,19,086	10,42,722	9,15,639

(Amount in INR)

NOTE NO. 8 : NON - CURRENT INVESTMENT
Non - Trade (Value at Cost unless stated otherwise)

					AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
(1) Investment in Shares	...	...	...		2,59,54,170	2,93,24,345
(2) Investment in Debentures	...	...	...		0	0
(2) Investment in Foreign Subsidiary	...	...	...		87,200	0
Non Current Investments					2,60,41,370	2,93,24,345

NOTE NO. 9 : DEFERRED TAX LIABILITY (NET)

AS ON 31.03.2017 AS ON 31.03.2016

Differential Tax (Asset)/Liability due to depreciation under Co. Act & I.T. Act
In Respect Of Assets On The Book As On 31.03.2017

1 Net Block of Fixed Assets as per Companies Act, 2013	9,15,639	76,650
2 WDV of Fixed Assets as per Income Tax Act, 1961	3,86,856	74,812
Timing Difference, giving rise to Deferred Tax (Asset)/Liability	5,28,783	1,838
(X) Applicable Income Tax Rate (Basic Rate + Ed. Cess)	30.90%	30.90%
Deferred Tax (Asset)/Liability as on 31st March for Adjustments [A]	1,63,394	568
Deferred Tax (Benefit)/Expense to be shown in Profit & Loss Account for the Year 2016-17	1,62,826	
Deferred Tax Reworked due to Brand Adjusted in Reserves	1,56,914	
Deferred Tax for FY 2016-17	5,912	

(Amount in INR)

NOTE NO. 10 : OTHER NON-CURRENT ASSETS

					AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
I	<u>Deposits</u>					
	Demat Deposit	...	...	...	3,000	0
	MVAT Deposit	...	...	...	25,000	25,000
	Security Deposit	...	...	...	0	72,000
					28,000	97,000
II	<u>Miscellaneous Expenses</u>					
	Preliminary Expenses				1,01,226	2,02,454
	Share Issue Expenses				3,48,092	7,78,674
					4,49,318	9,81,128
	Other Non-Current Assets				4,77,318	10,78,128

(Amount in INR)

NOTE NO. 11 : CURRENT INVESTMENT

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Fixed Deposit with Banks	0	23,49,626
Current Investment	0	23,49,626

(Amount in INR)

NOTE NO. 12 : INVENTORIES

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Valued at Lower of Cost or NRV		
Shirting Fabrics	0	8,75,407
Electronic Items	3,37,91,724	0
	3,37,91,724	8,75,407

(Amount in INR)

NOTE NO. 13 : TRADE RECEIVABLES

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
I Outstanding for a period exceeding Six Months from due date for payment		
a Secured, Considered good	0	0
b Unsecured, Considered good	25,68,364	
c Doubtful	0	0
II Other Trade Receivable		
a Secured, Considered good	0	0
b Unsecured, Considered good	8,51,02,959	36,46,062
c Doubtful	0	0
Trade Receivables	8,76,71,323	36,46,062

(Amount in INR)

NOTE NO. 14 : CASH AND CASH EQUIVALENTS

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Cash and Cash Equivalents		
Balance with Banks	5,98,777	94,604
Cash on hand	47,449	7,06,079
Cash & Cash Equivalents	6,46,226	8,00,683

(Amount in INR)

NOTE NO. 15 : SHORT TERM LOANS AND ADVANCES

	AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Loans & Advances	1,36,83,163	1,41,19,576
Motor Car Advances	0	15,000
Advance Salary	2,50,800	1,99,130
MAT Credit Entitlement	0	12,19,145
TDS Receivable	45,679	82,920
Other Advances	0	0
Short Term Loans and Advances	1,39,79,642	1,56,35,771

(Amount in INR)

NOTE NO. 16: OTHER CURRENT ASSETS

(Unsecured, Considered Good)

				AS AT 31ST MARCH, 2017	AS AT 31ST MARCH, 2016
Preliminary Expenses	...	...	...	1,01,228	1,01,228
Share Issue Expenses	...	...	...	4,30,582	4,30,582
Advance to Sundry Creditors	...	...	...	1,55,200	5,200
Other Current Assets				6,87,010	5,37,010

(Amount in INR)

NOTE NO. 17 : REVENUE FROM OPERATIONS IN RESPECT OF NON FINANCE COMPANY

				For y.e.31st March,2017	For y.e.31st March,2016
Net Sales (Domestic)	...	...	...	9,98,83,855	1,44,82,440
Service Tax	...	...	...	1,03,950	0
Value Added Tax	...	...	...	99,66,651	1,73,622
Central Sales Tax	...	...	...	33,434	0
Krishi Kalyan Cess	...	...	...	3,713	0
Swachh Bharat Cess	...	...	...	3,713	0
Revenue from Operations				10,99,95,315	1,46,56,062

(Amount in INR)

NOTE NO. 18 : OTHER INCOME

				For y.e.31st March,2017	For y.e.31st March,2016
Discount Received (Net)	...	...	...	1,027	0
Profit on Sale of Investment	...	...	...	2,75,295	49,66,589
Dividend Received	...	...	...	5,625	55,000
Interest Income	...	...	...	20,02,730	6,49,206
Rent Income	...	...	...	0	1,80,000
Other Income				22,84,677	58,50,795

(Amount in INR)

NOTE NO. 19 : COST OF MATERIAL PURCHASED

				For y.e.31st March,2017	For y.e.31st March,2016
Net Purchase	...	...	...	12,39,71,462	1,10,55,158
Service Tax	...	...	...	85,833	0
Krishi Kalyan Cess	...	...	...	3,065	0
Swachh Bharat Cess	...	...	...	3,065	0
Value Added Tax	...	...	...	87,93,954	62,228
Central Sales Tax	...	...	...	12,262	0
Cost of Material Purchased				13,28,69,642	1,11,17,385

(Amount in INR)

NOTE NO. 20 : CHANGE IN INVENTORIES / STOCK IN TRADE

				For y.e.31st March,2017	For y.e.31st March,2016
Opening Stock / Inventories	...	...	...	8,75,407	8,65,711
Less : Closing Stock / Inventories	...	...	...	3,37,91,724	8,75,407
Change in Inventories				(3,29,16,317)	(9,696)

(Amount in INR)

NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES

				For y.e.31st March,2017	For y.e.31st March,2016
Director's Remuneration	...	...	...	25,29,705	2,34,000
Salary & Bonus to Employees	...	...	...	24,94,846	8,31,528
Staff Welfare Expenses	...	...	...	1,915	0
Employee Benefit Expenses				50,26,466	10,65,528

(Amount in INR)

NOTE NO. 22 : FINANCE COST

				For y.e.31st March,2017	For y.e.31st March,2016
Bank Charges	...	...	...	14,710	1,415
Interest on Bank OD	...	...	...	18	34,297
Finance Cost				14,728	35,712

(Amount in INR)

NOTE NO. 23 : DEPRECIATION & AMORTISE EXPENSES

				For y.e.31st March,2017	For y.e.31st March,2016
Depreciation	...	...	...	1,22,337	32,245
				1,22,337	32,245

(Amount in INR)

NOTE NO. 24 : OTHER EXPENSES

				For y.e.31st March,2017	For y.e.31st March,2016
Advertisement Expense	...	...	...	86,688	59,604
AMC for Computers	...	...	...	0	11,750
Audit Fees	...	...	...
Statutory Audit	...	...	...	86,250	25,000
Tax Audit	...	...	...	28,750	15,000
Internal Audit	...	...	...	0	10,000
Secretarial Audit	...	...	...	0	10,000
Brokerage and Commission	...	...	...	0	15,034
Certification Fees	...	...	...	0	20,000
Conveyance	...	...	...	19,254	0
CST Paid	...	...	...	33,433	0
Custodial Fees	...	...	...	17,175	32,035
Donation	...	...	...	3,00,000	0
Demat & Registration Charges	...	...	...	7,778	258
Electricity Charges	...	...	...	16,850	64,817
Filing & Uploading Charges	...	...	...	65,362	44,599
General Expenses	...	...	...	0	30
Interest on TDS	...	...	...	1,591	268
Interest on SA Tax	...	...	...	1,36,410	0
Interest on Service Tax	...	...	...	1,056	0
Listing Fees	...	...	...	2,96,805	3,48,878
Octroi Expenses	...	...	...	2,949	0
Professional Fees	...	...	...	2,06,358	92,813
Profession Tax	...	...	...	2,500	5,000
Preliminary Expenses Written Off	...	...	...	1,01,228	1,01,228
Printing & Stationery	...	...	...	13,492	76,125
Postage & Stamp	...	...	...	34,305	36,371
Rent	...	...	...	4,40,600	3,09,718
RTA Fees	...	...	...	0	21,266
Rates & Taxes	...	...	...	0	1,16,419
Sales Promotion Expenses	...	...	...	5,000	0
Securities Transaction Tax	...	...	...	0	12,987
Service Tax Paid	...	...	...	41,735	0
Share Issue Expenses w/off	...	...	...	4,30,582	4,30,582
Stamp Duty	...	...	...	0	1,300
Sundry Expenses	...	...	...	15,470	0
Telephone Expenses	...	...	...	11,835	31,259
Transaction Charges	...	...	...	0	407
Travelling Expenses	...	...	...	12,101	0
VAT Paid	...	...	...	11,72,466	0
Warehouse Expenses	...	...	...	13,785	0
Website Expenses	...	...	...	15,000	5,000
Other Expenses				36,16,808	18,97,749

(Amount in INR)

NOTE NO. 25 : EXCEPTIONAL ITEMS

				For y.e.31st March,2017	For y.e.31st March,2016
Assets Written off	...	...	...	19,746	0
Investments Written Off	...	...	...	1,08,530	0
Exceptional Items				1,28,276	0

NOTE NO. 26 : DEFERRED TAX

	For y.e.31st March,2017	For y.e.31st March,2016
Deferred Tax Liability	5,912	5,400
Deferred Tax Liability	5,912	5,400

**Note No.27: Standalone Notes to the Accounts
for the year ending on 31st March, 2017.**

1 Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March, 2017.

1.1 System of Accounting :

1.1.1 The Company follows Mercantile System of Accounting and recognizes Income & Expenditure on an accrual basis.

1.1.2 Accounts of the Company are prepared under the Historical Cost convention method and in accordance with generally accepted accounting principles in India and in accordance with the provisions of the Companies Act, 2013.

1.2 Going Concern :

Fundamental Accounting assumption of going concern is followed in preparation of the financial statement.

1.3 Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting period. As such estimates are based on the management's best knowledge of the current events and actions; there are possibilities of such estimates resulting in outcome's requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

1.4 Fixed Assets and Depreciation :

1.4.1 Acquired fixed assets are stated at book value and the new assets purchased during the year are recorded at cost of an asset comprised of its purchase price and cost directly attributable of bringing the asset to the working condition for its intended use.

1.4.2 Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

1.4.3 Depreciation on fixed assets has been provided for on Straight-Line Method at the rates specified in Schedule II of the Companies Act, 2013. Depreciation on assets added/sold during the year has been provided on pro-rata basis.

1.4.4 Every Asset/Cash Generating Unit is subject to impairment tests at the end of the year, by the management, in order to recognize the impact of Impairment of Assets as per AS-28.

1.5 Intangible Assets:

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Considering the future benefits that may accrue to the company through the use of such intangible asset, and as per the requirements of AS-26 on 'Intangible Assets', the management has estimated the useful life of the Asset to be 10 years. The asset will be amortised on a SLM basis over its useful life.

1.6 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.7 Inventories :

Finished Goods & Stock In Trade (in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes overheads and any other taxes (to the extent not refundable) paid on such goods.

1.8 Provision for Tax :

1.8.1 Provision for Income Tax has been made as per the provisions of the Income Tax Act, 1961.

1.8.2 As per the Accounting Standard 22 "Accounting for Taxes on Income" issued by ICAI, the Company has recorded Deferred Tax Expense arising on account of timing difference in Depreciation and assets sold & written off during the year under the Companies Act of Rs.5,912/- till 31st March,2017. Separate working sheet for the same is annexed here with.

1.9 Earnings per Share :

Basic and Diluted earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period.

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

2 Accounting Transactions

2.1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to not less than Rs.60,00,000/- for the year or not less than Rs.5,00,000/- per month, if employed for part of the year.

2.2 Outstanding balances as at 31st March, 2017 of Current & Non-Current Liabilities and Assets including Trade Payables, Trade Receivables are subject to confirmation.

2.3 In the opinion of the Board of Directors; the Current and Non-current Assets, Loans & Advances are recorded approximately at the value as if realised in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and are not in excess of the amounts reasonably necessary.

2.4 All investments are classified as long term investments and hence are valued at cost, unless there is other than temporary decline in the value of investments, in which case, adequate provision has been made against such diminution in the value of investments.

2.5 In the opinion of the Board of Directors', the Company is dealing in different varieties of computer systems, parts & accessories, etc. Day to day Quantitative Stock Records have been maintained properly.

2.6 All the Directors have drawn remuneration for the Accounting Year 2016-17 aggregating to Rs.25,29,705/-

3 Previous year's figures have been regrouped / reclassified wherever necessary.

4 Investment in Subsidiary

With the view to enlarge the scale of operations conducted by the company, we have incorporated a wholly owned subsidiary; Eddy & Andy International Limited in Hong Kong on 18th July, 2016. The amount remitted towards subscription of shares and other statutory payments is Rs. 87,200/- (\$ 1282.05).

5 Disclosure on specified bank notes (SBN) Pursuant to MCA notification 308(E) dated 30th March, 2017:

The details of Cash transactions entered into by the company during the demonetisation period i.e. between 08th November, 2016 to 30th December, 2016 is as under:

<u>Particulars</u>	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	--	Rs. 95,079	Rs. 95,079
(+) Permitted Receipts	--	--	--
(-) Permitted Payments	--	--	--
(-) Amount Deposited in banks	--	--	--
Closing cash in hand as on 30.12.2016	--	Rs. 95,079	Rs. 95,079

6 Related Party Transactions:

The Company has identified all the related parties having transactions during the year as per details given hereunder:-

Name of the person	Relations with the company	Nature of Transaction	Volume of transaction during F.Y.16-17 (in Rs.)	Outstanding as on 31 st March,2017 (in Rs.) Cr/(Dr)
Amit D. Rambhia	Director	Remuneration	12,00,000 /-	10,09,450 /-
Nikit D. Rambhia	Director	Remuneration	7,50,000 /-	7,46,000 /-
Jayachandran Sunderamoorthy	Director	Remuneration	5,79,705 /-	2,28,141 /-
Nitesh Savla	CFO	Remuneration	8,00,000 /-	3,59,701 /-
Jinkle Khimsaria	Company Secretary	Remuneration	1,02,446 /-	Nil
Vijay Patil	Company Secretary	Remuneration	23,391 /-	16,714 /-
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Sales	2,32,448 /-	(2,32,448 /-)
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Purchases	1,98,19,624 /-	1,98,19,624 /-
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Rent Paid	2,92,100 /-	2,66,700 /-
ICT Infratech Services Private Limited	Company having common Director	Sales	22,26,000 /-	22,26,000 /-
ICT Infratech Services Private Limited	Company having common Director	Purchases	6,360 /-	6,360 /-

For and on behalf of the Board of Directors
Panache Innovations Ltd.

Amit D. Rambhia
Managing Director
DINo:- 00165919

S. Jayachandran
Whole-Time Director
DINo:- 07706021

Manan Trivedi
CFO

Vijay Patil
Company Secretary
Membership No. A43690

Place : Mumbai
Dated: 22.05.2017

INDEPENDENT AUDITOR'S REPORT

To,
 The Shareholders of
 Panache Innovations Limited,
 (Formerly Known as Ruby Traders & Exporters Limited)
 68, Jessore Road,
 Diamond City Complex, Block 5,
 Suite No.1E, Kolkata,
 West Bengal - 700055.

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial statements of Panache Innovations Limited ('hereinafter referred to as the Holding Company')(Formerly Known as Ruby Traders & Exporters Limited) and its subsidiary 'Eddy & Andy International Limited', which comprise the Consolidated Balance Sheet as at 31st March, 2017 and the Consolidated Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters specified in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position and the consolidated financial performance of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting & auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Financial Statements to give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in other matter paragraph below, is sufficient to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on Financial Statements of the subsidiary referred to in the other matters paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view, in conformity with the accounting principles generally accepted in India:

- i. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2017;
- ii. In the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

Other Matters Paragraph

The Financial Statements of the wholly owned subsidiary 'Eddy & Andy International Limited', incorporated in Hong Kong on 18th July 2016, has been audited by C. K. Liu & Company (Certified Public Accountants, Hong Kong) for the period ended on 31st March 2017. We have relied upon the report given by the aforesaid auditor for the purpose of consolidation of Financial Statements. The salient features of the subsidiary's Financial Statements are as Follows;

Sr.No.	Particulars	Amount in INR
1.	Net Assets	Rs. 4,54,661
2.	Total Revenue	Rs. 20,68,089
3.	Net Income	Rs. 3,78,083

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that based on our audit and on the consideration of the report of other auditor on separate financial statement of the Foreign subsidiary, referred in the other matters paragraph above, we report to the extent applicable that :

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of accounts as required by law relating to the preparation and presentation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of relevant books & records, returns and the report of the other auditor.
- c. The Consolidated Balance Sheet, and the Consolidated Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Consolidated 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 written representations received from the directors of the Holding Company as on 31st March 2017, taken on record by the Board of Directors of the Holding Company and based on the report of the Statutory auditor of its subsidiary, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013; and
- f. Our Opinion on the adequacy of the Internal Financial Controls of the company over the financial reporting and the operating effectiveness of such controls has been given by us in a separate report in 'Annexure-A', which is based on auditor report of the Holding and its Foreign subsidiary.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to explanations given to us:
 - i. The Holding Company has disclosed that there are no pending litigations which would impact its consolidated financial position.
 - ii. The Holding Company did not have any long term contracts for which there were any material foreseeable losses;
 - iii. The Holding Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company.

- iv. As per the information and according to the information and explanation given to us, we report that, except where, for the reasons explained in Para. 4 of Note No. 25 Of the Consolidated Financial Statements, the disclosure in the Consolidated Financial Statement (comprising of a holding company and its wholly owned foreign subsidiary) with regard to specified bank notes ('SBNs') as defined in Notification S.O. 3407(E) dated 08th November 2016 of Ministry of Finance, during the period 08th November 2016 to 30th December 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

**For Jain Salia & Associates
Chartered Accountants
[FRNo: 116291W]**

**Place : Mumbai
Dated : 22.05.2017**

**Partner
(CA Jayesh K. Salia)
(Membership No. 044039)**

ANNEXURE -A TO THE AUDITOR'S REPORT FOR THE Y. E. 31ST MARCH, 2017.

(Referred to in Paragraph (1) of our Report of even date)

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 Panache Innovations Limited ("the Company") (Formerly known as Ruby Traders & Exporters Limited) as of 31st March 2017 in conjunction with our audit of the Consolidated 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 judgment, including the assessment of the risks of material misstatement of the Consolidated 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 Consolidated 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 Consolidated 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 consolidated 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 31st March 2017, 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.

For Jain Salia & Associates
Chartered Accountants
[FRNo: 116291W]

Place : Mumbai
Dated : 22.05.2017

Partner
(CA Jayesh K. Salia)
(Membership No. 044039)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in INR)

SR. NO.	PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2017
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS FUNDS			
	(a) Share Capital	1	4,39,00,000
	(b) Reserves and Surplus	2	45,73,745
	(c) Money Received Against Share Warrants		0
2 SHARE APPLICATION MONEY PENDING ALLOTMENT			
			0
3 NON-CURRENT LIABILITIES			
	(a) Long-Term Borrowings		0
	(b) Deferred Tax Liabilities (Net)	8	1,63,394
	(c) Other Long Term Liabilities		0
	(d) Long-Term Provisions		0
4 CURRENT LIABILITIES			
	(a) Short-Term Borrowings		0
	(b) Trade Payables	3	10,99,25,187
	(c) Other Current Liabilities	4	32,38,611
	(d) Short-Term Provisions	5	28,26,914
			16,46,27,851
II. ASSETS			
1 NON-CURRENT ASSETS			
	(a) Fixed Assets	6	
	(i) Tangible Assets		15,639
	(ii) Intangible Assets		9,00,000
	(iii) Capital Work-in-Progress		0
	(iv) Intangible Assets under Development		0
	(b) Non-Current Investments	7	2,59,54,170
	(c) Deferred Tax Assets (Net)		0
	(d) Long-Term Loans and Advances		0
	(e) Other Non-Current Assets	9	4,77,318
2 CURRENT ASSETS			
	(a) Current Investments		0
	(b) Inventories	10	3,37,91,724
	(c) Trade Receivables	11	8,79,31,602
	(d) Cash and Cash Equivalents	12	8,90,746
	(e) Short Term Loans and Advances	13	1,39,79,642
	(f) Other Current Assets	14	6,87,010
			16,46,27,851

AS PER OUR REPORT OF EVEN DATE
FOR JAIN SALIA & ASSOCIATES
CHARTERED ACCOUNTANTS
[FRNO. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE INNOVATIONS LIMITED

CA JAYESH K. SALIA, PARTNER
(MEMBERSHIP NO. 044039)

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. S. Jayachandran
Whole-Time Director
DINo:- 07706021

Mr. Manan Trivedi
CFO

Mr. Vijay V. Patil
Company Secretary
Membership No. A43690

PLACE: MUMBAI
DATED: 22.05.2017

PLACE: MUMBAI
DATED: 22.05.2017

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in INR)

Sr.No	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH, 2017
I.	Revenue from Operations	15	11,20,63,171
II.	Other Income	16	22,84,909
III.	TOTAL REVENUE (I + II)		11,43,48,080
IV.	<u>Expenses:</u>		
	Cost of Materials Purchased	17	13,43,93,802
	Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-	18	(3,29,16,317)
	Employee Benefits Expenses	19	50,26,466
	Finance Cost	20	64,893
	Depreciation and Amortisation Expenses	21	1,22,337
	Other Expenses	22	37,32,490
	Total Expenses		11,04,23,671
V.	PROFIT BEFORE EXCEPTIONAL, EXTRAORDINARY ITEMS AND TAX		39,24,409
VI.	<u>Exceptional Items</u>	23	1,28,276
VII.	PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX (VI - VII)		37,96,133
VIII.	<u>Extraordinary Items</u>		0
IX.	PROFIT BEFORE TAX (VIII- IX)		37,96,133
X.	<u>Tax Expense:</u>		
	Current Tax		6,50,240
	Deferred Tax	24	5,912
XI.	PROFIT(LOSS)FOR THE PERIOD FROM CONTINUING OPERATIONS(X-XI)		31,39,981
XII.	Profit/(Loss) from Discontinuing Operations		0
XIII.	Tax Expense of Discontinuing Operations		0
XIV.	PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS		0
XV.	PROFIT(LOSS) FOR THE PERIOD (XII + XV)		31,39,981
XVI.	<u>Earning Per Share</u>		
	Basic		0.72
	Diluted		0.72

AS PER OUR REPORT OF EVEN DATE
FOR JAIN SALIA & ASSOCIATES
CHARTERED ACCOUNTANTS
[FRNO. 116291W]

FOR AND ON BEHALF OF BOARD OF DIRECTORS
PANACHE INNOVATIONS LIMITED

CA JAYESH K. SALIA, PARTNER
(MEMBERSHIP NO. 044039)

Mr. Amit D. Rambhia
Managing Director
DINo:- 00165919

Mr. S. Jayachandran
Whole-Time Director
DINo:- 07706021

Mr. Manan Trivedi
CFO

Mr. Vijay V. Patil
Company Secretary
Membership No. A43690

PLACE: MUMBAI
DATED: 22.05.2017

PLACE: MUMBAI
DATED: 22.05.2017

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

(Amount in INR)

NOTE NO. 1 : SHARE CAPITAL

a. Particulars of Share Capital				AS AT 31ST MARCH, 2017
AUTHORISED				
2,50,00,000 Equity Shares of Rs.10/- each	...	...		25,00,00,000
				25,00,00,000
ISSUED, SUBSCRIBED & FULLY PAID-UP :				
43,90,000 Equity shares of Rs.10/- each fully paid-up	...	...		4,39,00,000
				4,39,00,000
ISSUED, SUBSCRIBED AND NOT FULLY PAID-UP :				
				0
				4,39,00,000

b. Details of Shareholding as at March 31, 2017
i. Equity Shares held by various entities

No Equity shares have been held by any entity.

ii. Shareholders holding more than 5% of Equity / Preference Shares :

4,25,100 Equity Shares of Rs.10/- each held by Mr. Amit D. Rambhia, Director

4,25,000 Equity Shares of Rs.10/- each held by Mr. Nikit D. Rambhia, Director

5,00,000 Equity Shares of Rs.10/- each held by Mr. Devchand L. Rambhia.

c. Reconciliation of the number of Equity Shares outstanding

c. Reconciliation of the number of Equity Shares outstanding				AS AT 31ST MARCH, 2017
Number of Shares at the beginning of the year	...	...	...	43,90,000
<u>Add:</u> Shares issued	...	...	...	0
<u>Less:</u> Shares forfeited	...	...	...	0
Number of Shares at the end of the year	...	...	...	43,90,000

d. Each equity share is entitled to one voting right only.

(Amount in INR)

NOTE NO. 2 : RESERVES AND SURPLUS

a. Particulars	Opening as at 01.04.2016	Additions	Ded ⁿ / Adj	Balance as at 31.03.2017
Surplus/(Deficit) as per Profit and Loss Account {See Note 2(b)}	81,19,075	31,39,981	66,85,311	45,73,745
	81,19,075	31,39,981	66,85,311	45,73,745

b. Surplus as per Profit and Loss Account

b. Surplus as per Profit and Loss Account				AS AT 31ST MARCH, 2017
Net Profit/(Loss) after Tax				31,39,981
Balance brought forward				81,19,075
Profit/(Loss) available for Appropriation	...	...	( I)	1,12,59,056
<u>Less: Appropriation</u>				
Dividend on Equity Shares	...	...		43,90,000
Dividend Distribution Tax	...	...		8,93,700
Others *	...	...		13,90,989
			(II)	66,74,689
<u>Foreign Currency Translation Reserve</u>				
Due to Operations of Subsidiary				6,574
Due to Investment in Subsidiary				4,048
				10,622
Surplus/(Deficit) carried to Reserves & Surplus	...		(I - II)	45,94,989

(Amount in INR)

NOTE NO. 3 : TRADE PAYABLES

				AS AT 31ST MARCH, 2017
I	<u>Due to Small and Micro Enterprises</u>			
	For Services / Expenses	...	...	2,66,700
	For Goods	...	...	1,97,75,104
II	<u>Other than Small and Micro Enterprises</u>			
	For Services / Expenses	...	...	2,07,562
	For Goods	...	...	8,96,75,821
	Trade Payables		(I+II)	10,99,25,187

(Amount in INR)

NOTE NO. 4 : OTHER CURRENT LIABILITIES

				AS AT 31ST MARCH, 2017
	Statutory Liabilities	...	...	32,38,611
	Other Current Liabilities			32,38,611

(Amount in INR)

NOTE NO. 5 : SHORT TERM PROVISIONS

				AS AT 31ST MARCH, 2017
	<u>Short term Provisions</u>			
	Others	...	...	28,26,914
	Short Term Provisions			28,26,914

NOTE NO. 6 - FIXED ASSETS (AS PER COMPANIES ACT,2013)

SR.	PARTICULARS	GROSS BLOCK				DEPRECIATION (S.L.M)				NET BLOCK	
		Actual cost	Additions	Deductions	Cost as on	Upto	Additions	Deductions	As at	As at	As at
		01.04.2016		(sales / W/off)	31.03.2017	31.03.2016			31.03.2017	31.03.2016	31.03.2017
(i)	TANGIBLE ASSETS										
A>	Furnitures & Fixtures										
	Furniture & Fixture	34,725	0	0	34,725	16,199	2,887	0	19,086	18,526	15,639
B>	Plant & Machinery										
1	Office Equipments	85,000	0	85,000	0	62,486	19,450	81,936	0	22,514	0
2	Computers & Laptops	1,70,400	0	1,70,400	0	1,68,718	0	1,68,718	0	1,682	0
		2,90,125	0	2,55,400	34,725	2,47,403	22,337	2,50,654	19,086	42,722	15,639
(ii)	Intangible Assets										
	Brand (Cavin Cally)	10,00,000	0	0	10,00,000	0	1,00,000	0	1,00,000	10,00,000	9,00,000
		10,00,000	0	0	10,00,000	0	1,00,000	0	1,00,000	10,00,000	9,00,000
		12,90,125	0	2,55,400	10,34,725	2,47,403	1,22,337	2,50,654	1,19,086	10,42,722	9,15,639

(Amount in INR)

NOTE NO. 7 : NON - CURRENT INVESTMENT

				AS AT 31ST MARCH, 2017
	Non - Trade (Value at Cost unless stated otherwise)			
	(1) Investment in Shares	...	...	2,59,54,170
	(2) Investment in Debentures	...	...	0
	(2) Investment in Foreign Subsidiary	...	...	0
	Non Current Investments			2,59,54,170

NOTE NO. 8 : DEFERRED TAX LIABILITY (NET)

	AS ON 31.03.2017	AS ON 31.03.2016
Differential Tax (Asset)/Liability due to depreciation under Co. Act & I.T. Act In Respect Of Assets On The Book As On 31.03.2017		
1 Net Block of Fixed Assets as per Companies Act, 2013	9,15,639	76,650
2 WDV of Fixed Assets as per Income Tax Act, 1961	3,86,856	74,812
Timing Difference, giving rise to Deferred Tax (Asset)/Liability	5,28,783	1,838
(X) Applicable Income Tax Rate (Basic Rate + Ed. Cess)	30.90%	30.90%
Deferred Tax (Asset)/Liability as on 31st March for Adjustments [A]	1,63,394	568
Deferred Tax (Benefit)/Expense to be shown in Profit & Loss Account for the Year 2016-17	1,62,826	
Deferred Tax Reworked due to Brand Adjusted in Reserves	1,56,914	
Deferred Tax for FY 2016-17	5,912	

(Amount in INR)

NOTE NO. 9 : OTHER NON-CURRENT ASSETS

	AS AT 31ST MARCH, 2017
I <u>Deposits</u>	
Demat Deposit	3,000
MVAT Deposit	25,000
	28,000
II <u>Miscellaneous Expenses</u>	
Preliminary Expenses	1,01,226
Share Issue Expenses	3,48,092
	4,49,318
Other Non-Current Assets	4,77,318

(Amount in INR)

NOTE NO. 10 : INVENTORIES

	AS AT 31ST MARCH, 2017
Valued at Lower of Cost or NRV	
Shirting Fabrics	8,75,407
Electronic Items	3,55,03,224
	3,63,78,631

(Amount in INR)

NOTE NO. 11 : TRADE RECEIVABLES

	AS AT 31ST MARCH, 2017
I <u>Outstanding for a period exceeding Six Months from due date for payment</u>	
a Secured, Considered good	0
b Unsecured, Considered good	25,68,364
c Doubtful	0
II <u>Other Trade Receivable</u>	
a Secured, Considered good	0
b Unsecured, Considered good	8,53,63,238
c Doubtful	0
Trade Receivables	8,79,31,602

(Amount in INR)

NOTE NO. 12 : CASH AND CASH EQUIVALENTS

				AS AT 31ST MARCH, 2017
<u>Cash and Cash Equivalents</u>				
Balance with Banks	...	...	...	8,43,297
Cash on hand	...	...	...	47,449
Cash & Cash Equivalents				8,90,746

(Amount in INR)

NOTE NO. 13 : SHORT TERM LOANS AND ADVANCES

				AS AT 31ST MARCH, 2017
Loans & Advances	...	...	...	1,36,83,163
Advance Salary	...	...	...	2,50,800
TDS Receivable	...	...	...	45,679
Short Term Loans and Advances				1,39,79,642

(Amount in INR)

NOTE NO. 14: OTHER CURRENT ASSETS

				AS AT 31ST MARCH, 2017
(Unsecured, Considered Good)				
Preliminary Expenses	...	...	...	1,01,228
Share Issue Expenses	...	...	...	4,30,582
Advance to Sundry Creditors	...	...	...	1,55,200
Other Current Assets				6,87,010

(Amount in INR)

NOTE NO. 15 : REVENUE FROM OPERATIONS IN RESPECT OF NON FINANCE COMPANY

				For y.e.31st March,2017
Net Sales (Domestic)	...	...	...	10,19,51,711
Service Tax	...	...	...	1,03,950
Value Added Tax	...	...	...	99,66,651
Central Sales Tax	...	...	...	33,434
Krishi Kalyan Cess	...	...	...	3,713
Swachh Bharat Cess	...	...	...	3,713
Revenue from Operations				11,20,63,171

(Amount in INR)

NOTE NO. 16 : OTHER INCOME

				For y.e.31st March,2017
Discount Received (Net)	...	...	...	1,027
Profit on Sale of Investment	...	...	...	2,75,295
Dividend Received	...	...	...	5,625
Interest Income	...	...	...	20,02,962
Other Income				22,84,909

(Amount in INR)

NOTE NO. 17 : COST OF MATERIAL PURCHASED

				For y.e.31st March,2017
Net Purchase	...	...	...	12,54,95,622
Service Tax	...	...	...	85,833
Krishi Kalyan Cess	...	...	...	3,065
Swachh Bharat Cess	...	...	...	3,065
Value Added Tax	...	...	...	87,93,954
Central Sales Tax	...	...	...	12,262
Cost of Material Purchased				13,43,93,802

(Amount in INR)

NOTE NO. 18 : CHANGE IN INVENTORIES / STOCK IN TRADE

				For y.e.31st March,2017
Opening Stock / Inventories	...	...	...	8,75,407
<u>Less</u> : Closing Stock / Inventories	...	...	...	3,37,91,724
Change in Inventories				(3,29,16,317)

(Amount in INR)

NOTE NO. 19 : EMPLOYEE BENEFIT EXPENSES

				For y.e.31st March,2017
Director's Remuneration	...	...	...	25,29,705
Salary & Bonus to Employees	...	...	...	24,94,846
Staff Welfare Expenses	...	...	...	1,915
Employee Benefit Expenses				50,26,466

(Amount in INR)

NOTE NO. 20 : FINANCE COST

				For y.e.31st March,2017
Bank Charges	...	...	...	64,875
Interest on Bank OD	...	...	...	18
Finance Cost				64,893

(Amount in INR)

NOTE NO. 21 : DEPRECIATION & AMORTISE EXPENSES

				For y.e.31st March,2017
Depreciation	...	...	...	1,22,337
				1,22,337

NOTE NO. 22 : OTHER EXPENSES

				For y.e.31st March,2017
Advertisement Expense	...	...	...	86,688
Audit Fees	...	...	...
Statutory Audit	...	...	...	1,28,562
Tax Audit	...	...	...	28,750
Internal Audit	...	...	...	0
Secretarial Audit	...	...	...	0
Conveyance	...	...	...	19,254
CST Paid	...	...	...	33,433
Custodial Fees	...	...	...	17,175
Donation	...	...	...	3,00,000
Demat & Registration Charges	...	...	...	7,778
Electricity Charges	...	...	...	16,850
Filing & Uploading Charges	...	...	...	65,362
Interest on TDS	...	...	...	1,591
Interest on SA Tax	...	...	...	1,36,410
Interest on Service Tax	...	...	...	1,056
Listing Fees	...	...	...	2,96,805
Octroi Expenses	...	...	...	2,949
Professional Fees	...	...	...	2,79,727
Profession Tax	...	...	...	2,500
Preliminary Expenses Written Off	...	...	...	1,01,228
Printing & Stationery	...	...	...	13,492
Postage & Stamp	...	...	...	34,305
Rent	...	...	...	4,40,600
Sales Promotion Expenses	...	...	...	5,000
Service Tax Paid	...	...	...	41,735
Share Issue Expenses w/off	...	...	...	4,30,582
Sundry Expenses	...	...	...	15,470
Telephone Expenses	...	...	...	11,835
Travelling Expenses	...	...	...	12,101
VAT Paid	...	...	...	11,72,466
Warehouse Expenses	...	...	...	13,785
Website Expenses	...	...	...	15,000
Other Expenses	...	...	...	37,32,490

NOTE NO. 23 : EXCEPTIONAL ITEMS

				For y.e.31st March,2017
Assets Written off	...	...	...	19,746
Investments Written Off	...	...	...	1,08,530
Exceptional Items				1,28,276

NOTE NO. 24 : DEFERRED TAX

Deferred Tax Liability	...	...	...	5,912
Deferred Tax Liability				5,912

**Note No.25: Consolidated Notes to the Accounts
for the year ending on 31st March, 2017.**

1 Significant Accounting Policies, practices annexed to & forming part of accounts for the year ending on 31st March, 2017.

1.1 System of Accounting :

1.1.1 The Company follows Mercantile System of Accounting and recognizes Income & Expenditure on an accrual basis.

1.1.2 Accounts of the Company are prepared under the Historical Cost convention method and in accordance with generally accepted accounting principles in India and in accordance with the provisions of the Companies Act, 2013.

1.2 Basis of Consolidation

The Consolidated Financial Statements relate to Panache Innovations Limited. (the "Company") and its subsidiary. The Company and its subsidiary together constitute the "Group". The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary has been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and unrealised profits or losses as per Accounting Standard 21 'Consolidated Financial Statements' as prescribed under section 133 of the Companies Act, 2013.
- ii. Since the subsidiary is a foreign subsidiary, revenue items are consolidated at the average exchange rate prevailing during the year. All assets and liabilities as at the year-end are converted at the rates prevailing as on that date. Any exchange difference arising on consolidation is shown under Foreign Currency Translation Reserve.
- iii. The financial statements of subsidiary, with which the Financial Statement of the Company is consolidated, are drawn upto the same reporting date as that of the Company.

1.3 Going Concern :

Fundamental Accounting assumption of going concern is followed in preparation of the Consolidated Financial Statement.

1.4 Use of Estimates

The preparation of Consolidated Financial Statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as at the date of Consolidated Financial Statements and the results of operations during the reporting period. As such estimates are based on the management's best knowledge of the current events and actions; there are possibilities of such estimates resulting in outcome's requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

1.5 Fixed Assets and Depreciation :

1.5.1 Acquired fixed assets are stated at book value and the new assets purchased during the year are recorded at cost of an asset comprised of its purchase price and cost directly attributable of bringing the asset to the working condition for its intended use.

1.5.2 Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance & repairs are charged to the profit & loss account.

1.5.3 Depreciation on fixed assets has been provided for on Straight-Line Method at the rates specified in Schedule II of the Companies Act, 2013.

1.5.4 Every Asset/Cash Generating Unit is subject to impairment tests at the end of the year, by the management, in order to recognize the impact of Impairment of Assets as per AS-28.

1.6 Foreign Exchange Fluctuation

Financial Statements of the subsidiary whose functional currency is different than Indian Rupees is translated into Indian Rupees as follows;

- A. Assets and Liabilities presented in the Balance Sheet of the subsidiary are translated at the closing rate prevailing as on the reporting date;
- B. Income, expenses and cash flows are generally translated using average exchange rates for the period unless those rates do not approximate the actual exchange rates at the dates of specific transactions, in which case the exchange rates as at the date of transactions are used.

1.7 Intangible Assets:

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Considering the future benefits that may accrue to the company through the use of such intangible asset, and as per the requirements of AS-26 on 'Intangible Assets', the management has estimated the useful life of the Asset to be 10 years. The asset will be amortised on a SLM basis over its useful life.

1.8 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

1.9 Inventories :

Finished Goods & Stock In Trade(in respect of goods acquired for trading) at lower of weighted average cost or net realisable value. Cost includes overheads and any other taxes (to the extent not refundable) paid on such goods.

1.10 Provision for Tax :

1.10.1 Provision for Income Tax has been made as per the provisions of the Income Tax Act,1961.

1.10.2 As per the Accounting Standard 22 "Accounting for Taxes on Income" issued by ICAI, the Company has recorded Deferred Tax Expense arising on account of timing difference in Depreciation and assets sold & written off during the year under the Companies Act of Rs.5,912/- till 31st March,2017. Separate working sheet for the same is annexed here with.

1.11 Earnings per Share :

Basic and Diluted earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders and weighted average number of shares outstanding during the period.

There are no potential equity shares in the books, and therefore diluted earnings per share are same as basic earnings per share.

2 Accounting Transactions

2.1 None of the employees were in receipt of or are entitled to receive remuneration aggregating to not less than Rs.60,00,000/- for the year or not less than Rs.5,00,000/- per month, if employed for part of the year.

2.2 Outstanding balances as at 31st March, 2017 of Current & Non-Current Liabilities and Assets including Trade Payables, Trade Receivables are subject to confirmation.

2.3 In the opinion of the Board of Directors; the Current and Non-current Assets, Loans & Advances are recorded approximately at the value as if realised in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and are not in excess of the amounts reasonably necessary.

2.4 All investments are classified as long term investments and hence are valued at cost, unless there is other than temporary decline in the value of investments, in which case, adequate provision has been made against such diminution in the value of investments.

2.5 In the opinion of the Board of Directors', the Company is dealing in different varieties of computer systems, parts & accessories and other electronic items. Day to day Quantitative Stock Records have been maintained properly.

2.6 All the Directors have drawn remuneration for the Accounting Year 2016-17 aggregating to Rs.25,29,705/-

3 Previous year's figures have been regrouped / reclassified wherever necessary.

4 Disclosure on specified bank notes (SBN) Pursuant to MCA notification 308(E) dated 30th March, 2017:

The details of Cash transactions entered into by the company during the demonetisation period i.e. between 08th November, 2016 to 30th December, 2016 is as under:

<u>Particulars</u>	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	--	Rs. 95,079	Rs. 95,079
(+) Permitted Receipts	--	--	--
(-) Permitted Payments	--	--	--
(-) Amount Deposited in banks	--	--	--
Closing cash in hand as on 30.12.2016	--	Rs. 95,079	Rs. 95,079

5 Preparation of Consolidated Cash Flow Statement.

Being the first year of preparation of Consolidated Financial Statements, as it is impracticable to obtain previous year's consolidated figures based upon which the Consolidated Cash Flow Statement would have been prepared, it has decided not to prepare Consolidated Cash Flow Statement, which otherwise forms part of Consolidated Financial Statements as per Section 129(3) of Companies Act, 2013.

7 Related Party Transactions:

The Company has identified all the related parties having transactions during the year as per details given hereunder:-

Name of the person	Relations with the company	Nature of Transaction	Volume of transaction during F.Y.16-17 (in Rs.)	Outstanding as on 31 st March,2017 (in Rs.) Cr/(Dr)
Amit D. Rambhia	Director	Remuneration	12,00,000 /-	10,09,450 /-
Nikit D. Rambhia	Director	Remuneration	7,50,000 /-	7,46,000 /-
Jayachandran Sunderamoorthy	Director	Remuneration	5,79,705 /-	2,28,141 /-
Nitesh Savla	CFO	Remuneration	8,00,000 /-	3,59,701 /-
Jinkle Khimsaria	Company Secretary	Remuneration	1,02,446 /-	Nil
Vijay Patil	Company Secretary	Remuneration	23,391 /-	16,714 /-
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Sales	2,32,448 /-	(2,32,448 /-)
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Purchases	1,98,19,624 /-	1,98,19,624 /-
Panache Digilife Limited (Formerly Known as Vardhaman Technology Private Limited)	Company having common Director	Rent Paid	2,92,100 /-	2,66,700 /-
ICT Infratech Services Private Limited	Company having common Director	Sales	22,26,000 /-	22,26,000 /-
ICT Infratech Services Private Limited	Company having common Director	Purchases	6,360 /-	6,360 /-

*For and on behalf of the Board of Directors
Panache Innovations Ltd.*

Amit D. Rambhia
Managing Director
DINo:- 00165919

S. Jayachandran
Whole-Time Director
DINo:- 07706021

Manan Trivedi
CFO

Vijay Patil
Company Secretary
Membership No. A43690

Place : Mumbai
Dated: 22.05.2017

PANACHE® INNOVATIONS LIMITED

(Formerly known as Ruby Traders and Exporters Limited)

Reg. Off.: 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata – 700055, West Bengal
 Corporate Off.: Unit No. 201/B1, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai – 400086, Maharashtra, India
 Tel: +91-9833995555; Email: compliance@panache.co.in; Website: www.panache.co.in
 CIN: L51100WB1981PLC033779

NOTICE TO MEMBERS

Notice is hereby given that the 36th Annual General Meeting (AGM) of the Members of Panache Innovations Limited will be held on Tuesday 19th September, 2017 at 2.00 p.m. at 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata – 700055, West Bengal to transact the following business;

Ordinary Business:

1. To receive, consider and adopt –
 - a. The Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2017, and the report of the Board of Directors and Auditors thereon.
 - b. The Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2017, and the report of the Auditors thereon.
2. To declare dividend of ₹ 0.50 per Equity Share of Face Value of ₹ 10/- each for the Financial Year ended 31st March 2017.

“RESOLVED THAT a dividend at ₹ 0.50/- per equity share of Face Value Rs. 10/- each on 30,39,900 Equity Shares as recommended by Board of Directors be and hereby declared (Excluding the Equity Share upon which the members have waived/forgone his/their right to receive the dividend by him/them for financial year 2016-17) for payment to those holders of Equity Shares whose names appear in the Register of Shareholders of the Company as on 12th September, 2017”

3. To appoint a Director in place of Mr. Jayachandran Sunderamoorthy, Whole Time Director, (DIN 07706021), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution;

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (the “Act”) read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to the recommendation of the Audit Committee and Board of Directors, M/s. Jain Salia & Associates, Chartered Accountants, Mumbai (Firm’s Registration No. 116291W), be and is hereby appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting (‘AGM’) till the conclusion of the 41st AGM to be held in 2022, subject to ratification of their appointment at every AGM, if so required under the Act, at such remuneration including applicable taxes and out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors upon recommendation of the Audit Committee.”

Special Business:

5. **Alteration of Articles of the Company**

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

RESOLVED THAT in accordance with the provisions of applicable law, including Section 14 of the Companies Act, 2013 and the rules made thereunder and amended from time to time, consent of the Members of the Company be and is hereby accorded for alteration of Articles of Association of the Company as follows;

- a. Insertion of following Clause in Articles of Association of the Company after Clause 196 as Clause 196A;

Sr. No.	Particulars	
196A	Notwithstanding anything contained in this Articles of the Company, but subject to the provisions of the Companies Act, 2013 and all other applicable rules of the statutory authorities and the Rules framed by the Board of Directors of the Company in this behalf as amended from time to time by the Board, it shall be open for the Members of the Company who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend (interim or final) by him/them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company. The waiver/forgoing by the Members, his/ their right to receive the dividend (interim or final) by him/them under this Article shall be irrevocable immediately after the record date/book closure date fixed for determining the names of Members entitled for dividend. The Company shall not be entitled to declare or pay and shall not declare or pay dividend on equity shares to such Members who have waived/forgone his/their right to receive the dividend (interim or final) by him/ them under this Article.	Open to Members to waive/forego his/her right to receive the Dividend.

- b. Replacing the existing Clause 197 with the following Clause;

Sr. No.	Particulars	
197	The Company in General Meeting may declare dividends to be paid to the Members other than the Members who have waived/forgone their right of receiving any Dividend (including any interim dividend), declared/to be declared by the Company for Financial Year, in accordance with Rules framed by the Board and amended from time to time, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The Company in General Meeting may declare Dividends.

- c. Replacing the existing Clause 199 with the following Clause;

Sr. No.	Particulars	
199	Subject to the provisions of the Act, the Directors may, from time to time, pay to the Members other than the Members who have waived/foregone their right of receiving any dividend declared/to be declared by the Company for any financial year, in accordance with Rules framed by the Board and amended from time to time, such interim dividends as in their judgment the position of the Company justifies.	Interim Dividend

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded for authorising Board of Directors for framing Rules for equity members who want to waive/forgo the right to receive dividend in respect any financial year and amend the same from time-to-time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board (including its Committee(s) thereof and/or any Director or any individual delegated with powers necessary for the purpose) be and is hereby authorized to do all such acts, deeds, matters and things, as may be necessary, proper or expedient without being required to seek any further consent or approval of the Company or otherwise to the end and intent that they shall be deemed to have been given all necessary approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT any of the Directors, Company Secretary & Compliance Officer and CFO of the Company, be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolutions, including filing of necessary forms with the Registrar of Companies, as may be required in relation to such amendments and to comply with all other requirements in this regard.”

**By order of the Board of Directors of
Panache Innovations Limited**

**Date: 18/08/2017
Place: Mumbai**

**Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919**

*The actual equity dividend to be declared by the members at the 36th Annual General Meeting will be for only equity shares other than the equity shares in respect of which the equity shareholder(s) has / have waived / forgone his / their right to receive the dividend for the financial year ended 31st March, 2017.

Notes:

- 1. The relevant Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.**
- 2. PROXIES: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE 'MEETING') IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the Company not later than Forty Eight (48) hours before the Meeting. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- 3. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.**
- 4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote at meeting.**
- 5. Share Transfer Books of the Company will remain closed from 13th September, 2017 to 19th September, 2017 (both days inclusive) for the purpose of Annual General Meeting (AGM) of the Company to be held on 19th September, 2017.**
- 6. Cut-off Date for Despatch:** Members of the Company, holding shares either in dematerialised form or physical form, as on 11th August 2017 (cut-off for receiving Notice and Annual Report), shall be entitled for receiving of the Annual Report for the period 2016-17, physically or through their registered mail id.

7. **Registrar & Share Transfer Agents and Depository Participant:** Members holding Shares in physical mode are requested to intimate changes in their address, bank details, ECS mandate, nomination, power of attorney, change in name etc. to Niche Technologies Private Limited, Registrar and Share Transfer Agents (RTA) of the Company located at D-511, Bagree Market, 71 B.R.B. Basu Road, Kolkata-700001. Members holding Shares in electronic mode are requested to send the intimation for change of address, bank details, ECS mandate, nomination, power of attorney, change in name etc. to their respective Depository Participants, any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
8. **Nomination Facility:** Members holding shares in the physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13, as applicable for this purpose to the Company's Registrar and Share Transfer Agents (RTA), Niche Technologies Private Limited, who will provide the form on request. In respect of shares held in electronic/demat form, the Members may please contact their respective depository participant.
9. **Dividend:** Subject to the provisions of Section 123 to Section 127 of the Companies Act, 2013, Dividend on Equity Shares for the year ended 31st March, 2017 as recommended by the Board (Excluding the shares upon which the members have waived/forgone his/their right to receive the dividend by him/them for financial year 2016-17), if sanctioned at the AGM, will be paid within a period of 30 days from the date of declaration to those Members who have not waived their right to receive the dividend for the Financial year 2016-17-
 - a. to those Members, holding Equity Shares in physical form, whose names appear on the Company's Register of Members, at the close of business hours on Tuesday, 12th September, 2017 after giving effect to all valid transfers in physical form lodged on or before Tuesday, 12th September, 2017 with the Company and/or its Registrar and Share Transfer Agents; and
 - b. in respect of Shares held in electronic form, to all beneficial owners as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose, as on Tuesday, 12th September, 2017.

Members who are holding Shares in electronic form may note that bank particulars registered with their respective Depository Participants will be used by the Company for electronic credit / dispatch of dividend. The Company or its Registrar and Share Transfer Agents (RTA) cannot act on any request received directly from the Members holding Shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised by the Members concerned to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.

10. **Go Green Initiative:** Members holding Shares in physical form are requested to register their email IDs with the Company's Registrar and Share Transfer Agents (RTA) i.e. Niche Technologies Private Limited and Members holding Shares in electronic/demat mode are requested to register their email IDs with their respective Depository Participants (DPs). Members whose email IDs have undergone any change or whose IDs require any correction, may kindly update the same with the RTA or the DPs, as stated above. Members are requested to carry their copies of the Annual Report along with attendance slip to the Meeting.
11. **Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, Niche Technologies Private Limited.
12. **Inspection by Members:** All Statutory Registers and relevant documents referred to in the Notice shall be available for inspection by the Members at the Registered Office of the Company on all working days, except

Saturdays, Sundays and public holidays, during the business hours up to the date of the Annual General Meeting.

The Register of Directors and Key Managerial Personnel (KMPs) and their shareholding maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company at the Meeting are requested to send their requests to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.

- 13. Subsidiary Accounts:** In accordance with the provisions of Section 136 of the Companies Act, 2013, the Company will provide a copy of separate audited financial statements in respect of its subsidiary, to any shareholder of the Company on making requisition to the Company Secretary or email at compliance@panache.co.in.

A Statement containing the salient features of the financial statement of subsidiaries forms part of the Annual Report of the Company. The audited financial statements will also be available for inspection at the Registered Office of the Company and the concerned subsidiary companies during business hours on all working days, except Saturdays, Sundays and public holidays, during the business hours up to the date of the Annual General Meeting. Further, the documents shall also be available on the website of the Company www.panache.co.in.

- 14. Voting at the AGM:** In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their votes electronically through electronic means. The e-voting service facility will be provided by Central Depository Services (India) Limited (CDSL).

The process and manner for remote e-voting are as under:

In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the 36th Annual General Meeting by electronic means. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited.

The facility for voting through poll paper shall be made available at the AGM and Members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through poll paper.

The Members who have casted their vote by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.

The instructions for Members voting electronically are as under:

- (i) The e-voting period commences on Saturday, 16th September, 2017 (9.00 am) to Monday, 18th September, 2017 (5.00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 12th September, 2017, may cast their vote by e-voting. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on “Shareholders” tab.

(iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format</p>
Bank Account Number(DBD)	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> • Please Enter the DOB or Bank Account Number in order to Login. • If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

(viii) After entering these details appropriately, click on “SUBMIT” tab.

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

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Company Name i.e. PANACHE INNOVATIONS LIMITED on which you choose to vote.

(xii) 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.

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

(xiv) 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.

- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which 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 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.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533
- (xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June, 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at payaltachakandassociates@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 18th September, 2017, upto 5:00 pm without which the vote shall not be treated as valid.
- The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.panache.co.in and on the website of CDSL. The same will be communicated to the listed stock exchanges viz. Bombay Stock Exchange.
15. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on cut-off date i.e. Tuesday 12th September, 2017, may write to Registrar & Share Transfer Agent of the Company, Niche Technologies Private Limited, or send an e-mail at helpdesk.evoting@cdslindia.com.
 16. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday 12th September, 2017.
 17. The Company has appointed Payal Tachak and Associates, Practising Company Secretary, as the Scrutinizer who will conduct the remote evoting process of the AGM in a fair and transparent manner.
 18. The Scrutinizer shall, after the conclusion of voting at the AGM, count the votes and submit report of voting, of the total votes casted in favour or against, if any, to the Chairman of the meeting or a person as may be authorised by him shall declare the results of the voting forthwith and all the resolutions as mentioned in the notice of this AGM shall be deemed to be passed on the date of the meeting.

- 19.** The results declared along with the scrutiniser's report shall also be placed on the website of the Company i.e. www.panache.co.in and communicated to BSE Limited where the shares of the Company are listed.
- 20.** The Route Map of venue of the Annual General Meeting is enclosed.
- 21.** Brief resume of the Directors including those proposed to be appointed/re-appointed, their functional expertise and qualification, Names of the Companies in which they hold directorships etc. as stipulated under Companies Act, 2013 and Regulation 36(3) of SEBI (LODR) Regulations, 2015, are provided below as Annexure A and forming part of the Notice.

Statement pursuant to Section 102 of the Companies Act, 2013 in respect of resolution at item No. 5**Item No. 5:**

Your Directors propose to alter the Articles of Association (AOA) of your Company to enable the Members of the Company including Promoters & Promoters Group, who hold the equity shares in the Company to waive/forgo his/their right to receive the dividend, interim or final, by him/them for any financial year which may be declared or recommended respectively by the Board of Directors of the Company or Members of the Company.

In this regard, the Board of Directors shall be authorised to formulate necessary rules and amend the same from time-to-time.

Now, approval of the members is required by way of Special Resolution for Alteration of Associations of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution at point 5, except to the extent of their shareholding in the Company, if any.

**By order of the Board of Directors of
Panache Innovations Limited**

Date: 18/08/2017

Place: Mumbai

Amit Devchand Rambhia
Chairman & Managing Director
DIN: 00165919

“Annexure A”

Information about directors seeking appointment / reappointment in this Annual General Meeting in compliance with Regulation 26(4) & 36 (3) of SEBI LODR and 1.2.5 of the Secretarial Standard on General Meetings (SS- 2)

Name of the Director	Mr. Jayachandran Sunderamoorthy
Father's Name	Mr. Sunderamoorthy
DIN	07706021
Date of Birth	14/01/1956
Age	61
Educational Qualification	Bachelors in Commerce and Graduate Diploma in Materials Management (GDMM) from Indian Institute of Materials Management (IIMM)
Experience / Expertise	Mr. Jayachandran Sunderamoorthy is competent & versatile Management Professional offering rich and varied exposure of 35+ years to the entire spectrum of Business activities.
Nature of his expertise in specific functional area	Materials Management
Terms and conditions of appointment or re-appointment	a. He Shall be liable to retire by rotation. b. He shall be eligible to a gross remuneration of Rs. 32,00,000/- annually. c. He shall cease to be director on cessation of his employment with the company.
Last drawn remuneration	Rs. 5,79,705/-
Date of 1st Appointment on the Board	14/01/2017
Number of Meetings of the Board attended during the year 2016-17	3 (Includes Circular Resolution)
No. of share held as on date	NIL
Relationship with other directors, manager & KMP	NIL
Directorships in listed entities	Panache Innovations Limited
Committee Memberships in listed entities	Panache Innovations Limited Nomination and Remuneration Committee- Member

PANACHE® INNOVATIONS LIMITED

(Formerly known as Ruby Traders & Exporters Limited)

Reg. Off.: 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata- 700055, West Bengal.
 Corporate Off.: Unit No. 201/B1, Raheja Plaza-1, L.B.S. Marg, Ghatkopar West, Mumbai – 400086, Maharashtra, India
 Tel: +91-9833995555; Email: compliance@panache.co.in; Website: www.panache.co.in
 CIN: L51100WB1981PLC033779

Form MGT-11 - Proxy Form

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

Name of the member(s)	E-mail Id
Registered Address	Folio No./*Client ID-DP ID No.

I / We, being the holder/s of _____ equity shares of Panache Innovations Limited, hereby appoint:

- Name: _____ E-Mail ID: _____
 Address: _____ Signature: _____, or failing him/her
- Name: _____ E-Mail ID: _____
 Address: _____ Signature: _____, or failing him/her
- Name: _____ E-Mail ID: _____
 Address: _____ Signature: _____, or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on the Tuesday, 19th September, 2017 at 02:00 P.M. at 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata- 700055, West Bengal and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Resolu-tion No.	Particulars	For	Against
Ordinary Business:			
1	Consider and adopt: a) the audited Standalone Financial Statement of the Company for the year ended March 31, 2017 and the report of the Board of Directors and Auditors thereon. b) the audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2017 and the report of the Auditors thereon.		
2	Declare dividend on Equity Shares for the financial year ended 31 st March 2017		
3	Appoint a Director in place of Mr. Jayachandran Sunderamoorthy, Whole Time Director, who retires by rotation and being eligible, offers himself for re-appointment		
4	Re-appointment of M/s. Jain Salia & Associates, Chartered Accountants, Statutory Auditor of the Company		
Special Business:			
5	Alteration in Articles of Company		

*Applicable for investors holding shares in electronic form.

**This is Optional

Signed this _____ day of _____, 2017

 Signature of Member

 Signature of Proxy Holder

Please Affix
 Revenue
 Stamp

Notes:

- i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- ii. A Proxy need not be a member of the Company.
- iii. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights, may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- iv. *It is optional to indicate your preference. If you leave the 'For' or 'Against' blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.

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 CIN: L51100WB1981PLC033779

Attendance Slip

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the venue of the meeting

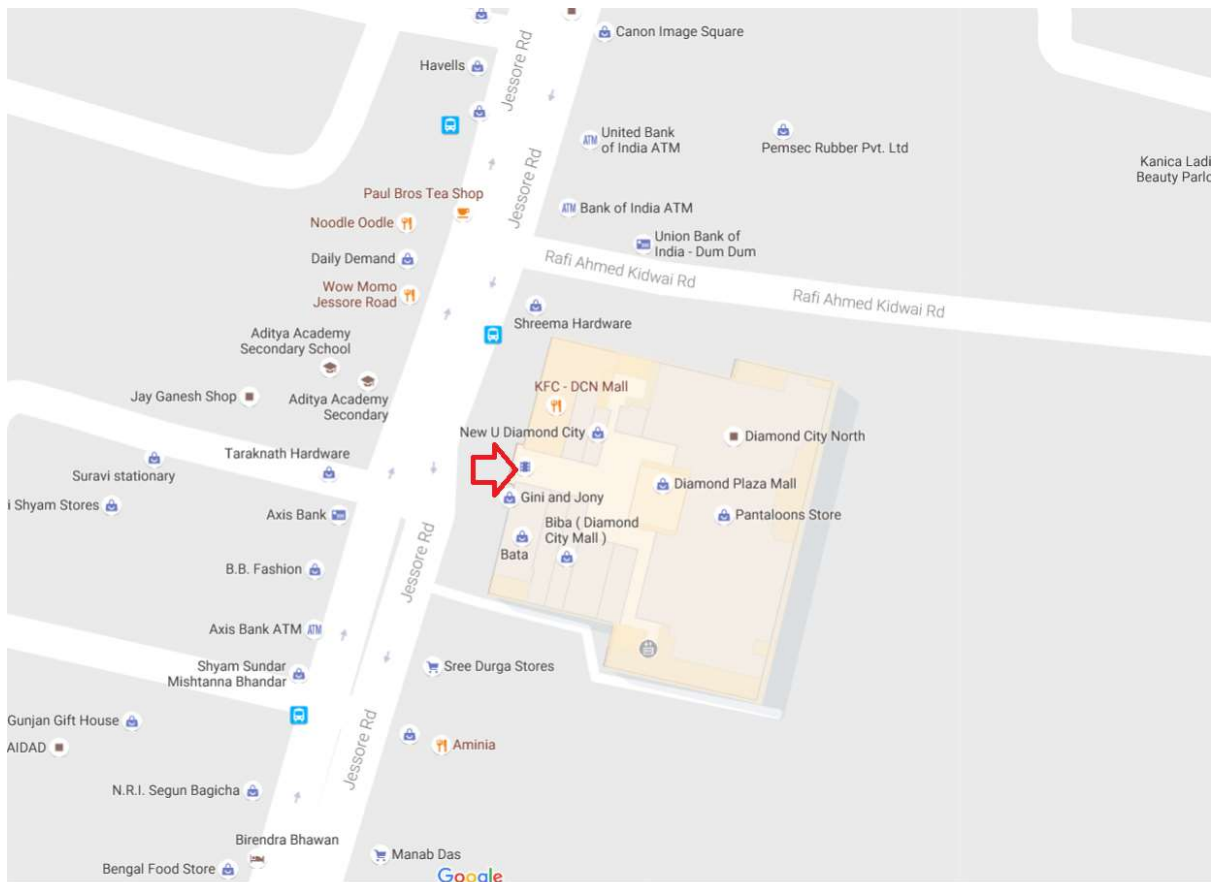
Name of the Member:	
Address of the Member:	
DP Id*	Folio No.
Client Id*	No. of Shares

I hereby record my presence at the 36th ANNUAL GENERAL MEETING of the Company held on Tuesday, 19th September, 2017 at 02:00 P.M. at 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata – 700055, West Bengal.

Signature of member/Proxy holder(s)

***Applicable for investors holding shares in electronic form.**

Route Map for the Venue of 36th Annual General Meeting of Panache Innovations Limited to be held on Tuesday, 19th September, 2017 at 2.00 P.M. at 68, Jessore Road, Diamond City Complex, Block 5, Suite No.1E, Kolkata – 700055, West Bengal;



Diamond City Complex

If undelivered, Return to:

Panache Innovations Limited
Unit No. 201/B1, Raheja Plaza-1,
LBS Marg, Ghatkopar West,
Mumbai – 400 086

(E): info@panache.co.in

(W): www.panache.co.in