



**PARAG
FANS & COOLING
SYSTEMS LTD.**

CIN : U51102MP1991PLC006760

Date: 06.09.2024

To,
The Metropolitan Stock Exchange of India Ltd (MSEI)
Vibgyor Towers, 4th Floor,
Plot No C 62, G-Block,
Opp. Trident Hotel, Bandra- Kurla Complex,
Mumbai 400098

Sub: Submission of 33rd Annual Report along with notice of Annual General Meeting to be held on Monday, 30th September, 2024 at 09:00 A.M at the Registered Office of Company Registered office Plot No. 1/2B & 1B/3A, Industrial Area No.1, AB Road, Dewas (MP), pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations")

Dear Sir/Madam,

Pursuant to provisions of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related submission of 33rd Annual Report along with Notice of Annual General Meeting to be held on Monday, 30th September, 2024 at 09:00 A.M at Registered office situated at Plot No. 1/2B & 1B/3A, Industrial Area No.1, AB Road, Dewas (M.P.)

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, any amendment made thereon the Company is offering e-voting facility to its members in respect of the businesses to be transacted at Annual General Meeting. The cut-off date (i.e. the record date) for the purpose of e-voting is Monday, September 23, 2024.


Notice of Annual General Meeting is also available on the website of the Company i.e. www.paragfans.com

You are requested to please take on record the above said documents of the company for your reference and further needful.

Thanking you,

Yours Faithfully,

FOR PARAG FANS AND COOLING SYSTEMS LIMITED


UMESH NAMBIAR
Director



Regd. Office and Works:
Plot no. 1/2B & 1B/3A, Industrial Area No. 1, A. B. Road, Dewas-455 001 (M.P.) India,
Ph: 91-7272-425100 to 117 Fax: 91-7272-, 400273,
E-mail: info@paragfans.com
Website: www.paragfans.com



PARAG
FANS & COOLING
SYSTEMS LTD.

CORPORATE INFORMATION

Board of Directors

Executive Directors:

Mr. Umesh Nambiar
Mr. Deepak Pagnis
Mr. Sandeep Surendrakumar Badjatia

Non Executive Directors:

Mr. Surendra Kumar Badjatia
Mrs. Neelam Tanwani

Chief Financial Officer

Mr. Gajendra Madhukar Takwale

Company Secretary

Ms. Pooja Chauhan

Internal Auditor

M/s N H Variava & Co
Chartered Accountants

Bankers

Bank of India

Registrars and Share Transfer Agents

Ankit Consultancy Private Limited
(SEBI REG.No. INR 000000767)
60, Electronic Complex, Pardeshipura,
Indore (M.P.) 452010

Stock Exchange Listing

Metropolitan Stock Exchange of India Limited
4th floor, Vibgyor tower, Opposite Trident Hotel, Bandra-Kurla
Complex, Mumbai, India- PIN: 400098

Statutory Auditors

M/s A K P S & Co.
Chartered Accountant
FRN: 102264W
HO. 3-H BCM City
4th Floor
Navlakha Square
A.B. Road – Indore M.P.

Secretarial Auditor

M/s Neelesh Gupta & Co.
Practicing Company Secretaries
111, 1st Floor, Ratanmani Complex
7/1, New Palasia, Indore

Regd. Office and Works:

Plot no. 1/2B & 1B/3A, Industrial Area No. 1, A. B. Road, Dewas-455 001 (M.P.)India,
Ph: ++91-7272-425100, 425102 Fax: ++91-7272-400273





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NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the members of the company shall be held on **Monday, 30th September, 2024 at 9:00 A.M. (IST)** at Registered Office Plot No. 1/2B & 1B/3A, Industrial Area No.1, AB Road, Dewas (MP) to transact the following business:

ORDINARY BUSINESS:

1. - Adoption of Audited Financial Statements along with the Reports of the Board of Directors and of the Statutory Auditors thereon

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and of the Statutory Auditors thereon, and in this regard, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and of the Statutory Auditors thereon be and are hereby received, considered, and adopted.”pics

2. To appoint a director in place of Mr. Sandeep Surendra Kumar Badjatia (DIN 00979809), who retires by rotation and being eligible offers himself for re-appointment.

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 152 and other applicable provisions, if any of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Sandeep Surendra Kumar Badjatia (DIN 00979809) who retires by rotation from the Board of Directors and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company and whose office shall be liable to retire by rotation.

3. Re-appointment of Statutory Auditors of the Company

To re-appoint M/s. AKPS & Co, Chartered Accountants (ICAI Firm Registration No. 0097100) as Statutory Auditors of the Company to hold office for a second term for period of one year from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2025 and to fix their remuneration. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions of the Companies Act, 2013 read with the Companies(Audit and Auditors) Rules, 2024 and other applicable rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. AKPS & Co, Chartered, Chartered Accountants (ICAI Firm Registration No. 0097100) be and are hereby re-appointed as the Statutory Auditors of the Company for a second term to hold office for a period of one year from the conclusion of this Annual General Meeting (‘AGM”) till the conclusion of the 34th AGM of the Company to be held in the year 2025.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (or any Committee thereof) be and is hereby authorized to fix remuneration of the Statutory Auditors and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

SPECIAL BUSINESS:

4 To approve Re-appointment and remuneration of Mr. Deepak Pagnis as Whole Time Director of the Company.

To consider and if thought fit to pass with or without modification(s), the following resolution as Special Resolution

RESOLVED THAT in accordance with the provisions of sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications), re-enactments thereof for the time being in force), and on the recommendation of the nomination and remuneration committee and approval of the board, approval of the members be and is hereby accorded for the re-appointment Mr. Deepak Pagnis (DIN: 02566436) as Whole Time Director of the Company for a period of 5 (Five) years with effect from August 14, 2024 on the terms and conditions including remuneration for a period of 3 (three) years on a basic salary of Rs. 100,000/--10000/--120000/- per month As set out in the explanatory statement as annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits in any financial year during the currency of tenure of Shri Deepak Pagnis the aforesaid remuneration shall be minimum remuneration payable to him. However any remuneration in excess over the limits on minimum remuneration prescribed in Schedule V to the Companies Act, 2013, shall be payable to Shri Deepak Pagnis, with the prior approval of the Central Government, if so required.”

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to schedule V to the Companies Act, 2013 the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Deepak Pagnis (DIN: 02566436) within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Deepak Pagnis (DIN: 02566436) without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board, and /or the Company Secretary be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

5.To approve Re-appointment and remuneration of Mr. Umesh Nambiar (DIN: 02566355) as Whole Time Director of the Company.

To consider and if thought fit to pass with or without modification(s), the following resolution as Special Resolution

RESOLVED THAT in accordance with the provisions of sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications), re-enactments thereof for the time being in force), and on the recommendation of the nomination and remuneration committee and approval of the board, approval of the members be and is hereby accorded for the re-appointment Mr. Umesh Nambiar (DIN: 02566355) as Whole Time Director of the Company for a period of 5 (Five) years with effect from August 14, 2024 on the terms and conditions including remuneration for a period of 3 (three) years on a basic salary of Rs. 100,000/--10000/--120000/- per month As set out in the explanatory statement as annexed to the Notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

“**RESOLVED FURTHER THAT** in the event of loss, absence or inadequacy of profits in any financial year during the currency of tenure of Mr. Umesh Nambiar the aforesaid remuneration shall be minimum remuneration payable to him. However any remuneration in excess over the limits on minimum remuneration prescribed in Schedule V to the Companies Act, 2013, shall be payable to Shri Deepak Pagnis, with the prior approval of the Central Government, if so required.”

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to schedule V to the Companies Act, 2013 the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Umesh Nambiar within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Umesh Nambiar (DIN: 02566355) without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board, and /or the Company Secretary be and is hereby authorized to do all acts, and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

6. To approve related Party Transaction.

To pass the following resolution as Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 2(76), 188(1) (a) & (c) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Meetings of Board and its Powers) Rules, 2014 and regulation 2(1)(zc), 23 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modifications or amendments or substitution or re-enactment thereof, for the time being in force) and based on the recommendation of the Audit Committee and Board of Directors of Parag Fans And Cooling Systems Limited ("the Company") as well as the Company's policy on Related Party Transactions, the consent of the members of the Company be and is hereby ratify and accorded for approval of material related party transaction(s) entered into/ proposed to be entered into with Impact Cooling Solution LLC (ICS), Impact Cooling Solutions is a manufacturer of high-efficiency axial flow FRP fans and related components. They supply energy-saving solutions worldwide, with a focus on industrial ventilation, cooling tower fans, and air-cooled heat exchangers. The company offers site consultation, technical support, and a range of products including FRP grids, fill hangers, and fan stacks. Impact Cooling Solutions emphasizes customer service, quality products, and continuous R&D to meet evolving customer needs in the global market. The company caters to providing solutions of energy saving needs in the America. The company has a invaluable pool of personnel equipped to provide technical support and has warehousing and full logistics support to carry out activities in the USA. Impact Cooling Solution is a worldwide authorized Distributor/ Agent of Parag Fans And Cooling Systems Limited, a related party within the meaning of section 2(76) of the Act and a company in which directors of the Company are interested, to provide facility in relation to contract or subcontract erect and to carry on business or manufacturing of chemical, food Products and to act as distillers , metallurgical & mechanical and electrical engineers, carriers or Manufacture of chemicals and chemical products, Manufacture of plastics and synthetic rubber in primary forms, Manufacture of plastic in primary forms includes amino-resins polyurethanes etc. to manufacture, fabricate, assemble, buy sell and to generally deals in FRP Fans, Hubs and bush blocks and related hardware on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs. 25.00 Crore (Twenty Five Crore only) for 5 (five) consecutive years till the end of financial year 2028-2029.

RESOLVED Further that the Board of Directors be and are hereby severally authorized, to negotiate and finalize the terms and conditions, execute necessary documents, papers, agreements etc. with regard to the aforementioned transaction with "Impact Cooling Solutions LLC" (ICS) and to give such directions in the best interest of the Company, as may be considered necessary or expedient in its absolute discretion and such decision shall be final & binding on the company and to settle any question or difficulty that may arise and to delegate all or any of these powers to any committee of the Board or any other officer in this regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.



**By Order of the Board
PARAG FANS AND COOLING SYSTEMS LIMITED**

**Regd Office:
Plot No. 1/2 & 1B/3A,
Industrial Area No. 1,
AB Road, Dewas (M.P) 455001
Date: 14th August, 2024**

**Sd/-
(UMESH NAMBIAR)
Wholetime Director
DIN: 02566355**

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. A person can act as proxy for only 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent 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 proxy for any other member.
3. Corporate Members are requested to send to the Company a duly certified copy of the Board Resolution, pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
4. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
5. The Register of Members and Share transfer Books of the company will remain close from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both days inclusive).
6. Members are requested to notify immediately any change in their address and E-Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company viz., Ankit Consultancy Private Limited, Located at 60, Electronic Complex, Pardeshipura, Indore, Tel: +91 0731- 3198601/602: Fax: +91 0731- 4065798, E-mail: ankit_4321@yahoo.com to receive soft copy of Annual Report of the Company.
7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Ankit Consultancy Private Limited for assistance in this regard.
8. Members are requested to :
 - a. Complete the attendance slip and deliver the same at the entrance of the meeting hall.
 - b. Bring their copies of the Annual Report at the time of attending the Annual General Meeting.
 - c. Send their questions at least 10 days in advance of the Annual General Meeting about any further information on accounts so as to enable the Company to answer their question satisfactorily.

9. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturday between 11:00 A.M. to 1:00 P.M. upto the date of the Annual General Meeting.
10. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Nos. for easy identification of attendance at the meeting.
11. In terms of circulars issued by the Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of PAN card to the Company or its RTA in the following cases viz. transfer of shares, deletion of name, transmission of shares and transposition of shares.
12. The Annual Report of the Company for the year 2022-23, circulated to the Members of the Company, is available on the Company's website viz. paragfans.com, websites of the Stock Exchange, i.e. MSE at msei.in and on the website of CDSL i.e. www.evotingindia.com.
13. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice calling the Annual General Meeting, Directors Report, Audited Financial Statements, Auditors Report, etc. are being sent only through electronic mode to those Members whose email addresses are registered with the RTA / Depositories. Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website paragfans.com not later than 2 (two) days of passing of the resolution at the Annual General Meeting of the Company and will be communicated to the Stock Exchange(s).
15. Members may also note that the Notice of Annual General Meeting, Attendance Slip, Proxy Form, Route Map, Ballot/Poll Paper for the year 2023-24 will also be available on the company website paragfans.com for their download. For any communication, the shareholders may also send request to the company on the aforementioned Email ID.
16. The Map of Venue of AGM is given at the last page of Annual Report.
17. The Company has engaged the services of Central Depository Services Limited ("CDSL") as the Agency for providing e-Voting facility (remote e-Voting and voting at AGM) to the shareholders of the Company in order to cast their votes electronically in terms of the aforesaid 'MCA Circulars'.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and as per listing agreement (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the below provisions, through the e- voting services provided by CDSL.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Friday, **27th September, 2024** at **9.00 a.m.** and ends on Sunday, **29nd September, 2024** at **5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, **23rd September, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

Type of shareholders	Login Method
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<p>Individual Shareholders holding securities in Demat mode with CDSL Depository</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
<p>Individual Shareholders (holding</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After</p>



securities in demat mode) login through their Depository Participants (DP)	Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

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

- (v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.

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

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@paragfans.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)



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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911

EXHIBIT TO NOTICE

Details of directors seeking appointments/ re- appointments at the Annual General meeting

Name of Director	Mr. Umesh Nambiar	Mr. Sandeep Kumar Badjatia	Mr. Deepak Pagnis
Date of Birth and Age	26 th March, 1978 (46 Years)	2 nd August, 1965 (59 Years)	30 th April, 1970 (55 Years)
Qualification	Graduate	B.E. in Mechanical Engineering	Graduate
Date of Appointment	04/02/2009	10/12/2008	04/02/2009
Directorships held in other Companies as on 31 st March, 2024	NA	1. Impact Fans & Cooling Systems Limited 2. Impact Projects And Consultants Private Limited	1. Impact Fans & Cooling Systems Limited
Chairman /Members of the Committees As on 31 st March, 2024	Audit Committee & Shareholders/ Investor Grievance Committee	NA	NA
Number of Equity Shares held in the Company	50,000	28.47,799	50,000

By Order of the Board
PARAG FANS AND COOLING SYSTEMS LIMITED

Regd Office:
Plot No. 1/2 & 1B/3A,
Industrial Area No. 1,
AB Road, Dewas (M.P) 455001
Date: 14th August, 2024

Sd/-
(UMESH NAMBIAR)
Wholetime Director
DIN: 02566355

Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No.4:

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Deepak Pagnis as Whole Time Director of the Company w.e.f. August 14, 2024 for a further period of 5 (five) years subject to the approval of the members.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Deepak Pagas Whole Time Director of the Company in terms of the applicable provisions of the Act.

Brief resume of Mr. Deepak Pagnis, nature of her expertise in specific functional areas and names of companies in which she hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Information required on the matter pursuant to Section II, Part II of Schedule V of the Companies Act, 2013 is given in Exhibit to Notice.

The remuneration as set out in the resolution above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

The main terms and conditions of the appointment of Mr. Deepak Pagnis, are given below:

1. Tenure of Appointment: 5 years
2. Remuneration: 3 years

a. Salary : Basic salary of Rs. 100,000/--10000/--120000/- per month with absolute discretion to the Board of Directors to alter and vary the terms and conditions as the board of Directors may in its absolute discretion consider necessary and as may be agreed to by the said director

He is not related to any of the Directors or other Key Managerial Personnel of the Company. none of the other directors or the Key Managerial Personnel or their relatives are interested or concerned whether directly or indirectly in this Special Resolution. The Board considers that his continued association would be of immense benefit to the Company and it is desired to avail his continuous services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in item No. 4 of this Notice.

The remuneration as set out above may be altered and varied from time to time by the Board/Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem to subject to the same but not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment thereof.

The Board of Directors recommend the passing of the Special resolution at item no. 4 of the companying notice for members' approval. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board of Directors recommend the passing of the resolution under the item nos. 4

Item No. 5:

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee re-appointed Mr. Umesh Nambiar as Whole Time Director of the Company w.e.f. August 14, 2024 for a further period of 5 (five) years subject to the approval of the members.

It is proposed to seek members' approval for the re-appointment of and remuneration payable to Mr. Umesh Nambiar Whole Time Director of the Company in terms of the applicable provisions of the Act.

Brief resume of Mr. Umesh Nambiar, nature of her expertise in specific functional areas and names of companies in which she hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Information required on the matter pursuant to Section II, Part II of Schedule V of the Companies Act, 2013 is given in Exhibit to Notice.

The remuneration as set out in the resolution above may be altered and varied from time to time by the Board/ Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem fit subject to the same but not exceeding the limits specified under Schedule V to the Act, or any statutory modification(s) or re-enactment thereof.

The main terms and conditions of the appointment of Mr. Umesh Nambiar, are given below:

1. Tenure of Appointment: 5 years
2. Remuneration: 3 years

a. Salary : Basic salary of Rs. 100,000/--10000/--120000/- per month with absolute discretion to the Board of Directors to alter and vary the terms and conditions as the board of Directors may in its absolute discretion consider necessary and as may be agreed to by the said director

He is not related to any of the Directors or other Key Managerial Personnel of the Company. none of the other directors or the Key Managerial Personnel or their relatives are interested or concerned whether directly or indirectly in this Special Resolution. The Board considers that his continued association would be of immense benefit to the Company and it is desired to avail his continuous services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in item No. 5 of this Notice.

The remuneration as set out above may be altered and varied from time to time by the Board/Nomination and Remuneration Committee of the Board, as it may, at its discretion, deem to subject to the same but not exceeding the limits specified under Schedule V to the Act or any statutory modification(s) or re-enactment thereof.

The Board of Directors recommend the passing of the Special resolution at item no. 5 of the companying notice for members' approval. Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board of Directors recommends the passing of the resolution under the item nos. 5

Item No. 6

The Company, in ordinary course of its business enters into transactions inter-alia to provide facility in relation to carry on business or manufacturing of chemical, food Products and to act as distillers , metallurgical & mechanical and electrical engineers, carriers or Manufacture of chemicals and chemical products, Manufacture of plastics and synthetic rubber in primary forms, Manufacture of plastic in primary forms includes amino-resins polyurethanes etc. to manufacture, fabricate, assemble, buy sell and to generally deals in FRP Fans, Hubs and bush blocks and related hardware and such other forms of transaction as set out in the resolution at Item No. 6 of the Notice with Impact Cooling Solution LLC (ICS) a related party of the Company. These transactions are at arm's length basis and strategically and operationally beneficial to the Company and necessary approvals as required in compliance of the provisions under the Act/ SEBI LODR, 2015 have already been obtained from the Audit Committee/ Board. To ensure stability of business, your Company proposes to enter into transaction(s) with the relevant parties. Section 188 of the Act and the applicable Rules framed there under provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. Hence, approval of the shareholders is being sought



for the said Related Party Transaction(s) proposed to be entered into by your Company. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date. It may be noted that as per the amended definition provided in the explanation to Regulation 23(1) of SEBI LODR, 2015 which is effective April 01, 2022, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1,000 Crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. Further, all Material Related Party Transactions require prior approval of the Members through a Resolution and no related party shall vote to approve such resolution whether an entity is a related party to the particular transaction or not. The transactions with "Impact Cooling Systems LLC" (ICS LLC) for Financial Year 2024-25 till the financial year ended 2028-2029

Except Mr. Sandeep Badjatia, Director of the company, None of the Directors / Key Managerial Personnel of the Company/ their relatives is in any way concerned or interested financially or otherwise, in the Resolution as set out at Item No.6 of the Notice. The Board recommends the Ordinary Resolution set out at Item No.6 for the approval of the Members

**By Order of the Board
PARAG FANS AND COOLING SYSTEMS LIMITED**

**Regd Office:
Plot No. 1/2 & 1B/3A,
Industrial Area No. 1,
AB Road, Dewas (M.P) 455001
Date: 14th August, 2023**

**Sd/-
(UMESH NAMBIAR)
Wholetime Director
DIN: 02566355**

Director's Report

**To,
The Members,**

Your directors have pleasure in presenting their Thirty Third (33rd) Annual Report on the business and operations of the company together with the Audited Financial Statement of Accounts for the year ended 31st March, 2024.

1. Financial summary and Highlights:

During the year under review, performance of your company as under:

Particulars	(In Rupees)	
	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Total Income	14,95,19,132	12,63,23,290
Total Expenditure	14,62,88,502	12,34,63,122
Profit/(Loss) before Exceptional and extra ordinary item and taxation	32,30,630	28,62,169
Extra ordinary item	-	-
Profit Before tax	32,30,630	28,62,169
Less: Tax Expense:	6,00,000	6,00,000
Tax Adjustment of earlier year	(1,70,676)	0
Deferred Tax Assets	39,165	(1,89,666)
Profit/(Loss) after tax	27,62,141	24,51,835

2. Dividend:

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any Dividend for the year under review.

3. Review of Company's Affairs and Future Outlook:

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. COVID19 is significantly impacting business operation of the companies, resulting in significant reduction in economic activities of the Company.

During the year under review the Company has achieve the net sales of Rs. 14,82,33,340/- (previous year 12,29,39,897/) and a Net Profit of Rs. 27,62,141 (previous year Rs. 24,51,835/-The directors are focusing upon the expansion of the market of the company's product globally and has set focus on acquiring new global clients. Your directors look forward for better working results in the years to come.

4. Transfer to Reserve and Surplus:

The amount of surplus of Profit and Loss account of Rs. 27,62,141/- has been transferred to Reserves and Surplus in the Balance Sheet.

5. Changes in Share Capital, If Any:

Authorized Share Capital:

There was a change in the Authorized Share Capital of the Company during the Financial 2023-24.

The Authorised Share Capital of the Company has been increased from existing capital of Rs. 6,00,00,000/- (Rupees Six Crore Only) divided into 60,00,000(Sixty Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 12,00,00,000/- (Rupees Twelve Crore Only) divided into 1,10,00,000 (One

Crore Ten Lakhs) Equity Shares of Rs. 10/- (Rupee Ten only) each and 10,00,000 (Ten Lakhs) Preference shares of Rs. 10/- (Rupee Ten only) each.

Issued, Subscribed and Paid Up Share Capital:

The issued, Subscribed and Paid up share Capital of the Company is Rs. 5,59,12,000/- (Rupees Five Crore Fifty Nine Lakhs Twelve Thousands Only) divided into 55,,91,200 (Fifty Five Lakhs Ninety One Thousand Twelve Hundred Only) Equity Shares of Rs.10/- (Rupees Ten Only) each. During the year no further issue or bonus issue was brought by company.

6. Disclosure regarding issue of equity shares with differential rights:

During the year company has not issued any equity shares with Differential Rights.

7. Disclosure Regarding Issue of Employee Stock Options:

During the year Company has not issued any employee stock options.

8. Disclosure Regarding Issue of Sweat Equity Shares:

During the year Company has not issued any sweat equity shares.

9. Annual Return: omitted

10. Management Discussion and Analysis:

A Separate report on Management Discussion and Analysis is annexed to this report as **Annexure-I**.

11. Number of Board Meetings:

During the Financial Year 2023-24, Seven (7) meetings of the Board of Directors of the company were held.

S.NO	DATE OF BOARD MEETING
01.	30/052023
02.	17/07/2023
03.	05/08/2023
04.	14/08/2023
05.	10/11/2023
06	10/02/2024
07.	05/03/2024

12. Particulars of loan, guarantees and investments under section 186:

During the year under review, your Company has not given any loan or guarantee which is covered under the provisions of Section 186 of the Companies Act, 2013.

13. Particulars of Contracts or Arrangements with Related Parties:

All Contracts/ arrangements/ transactions entered by the Company are on Arm's Length Basis during the financial year with the related parties. The disclosure under Form AOC-2 is annexed to this report as **Annexure-II**.

14. Directors and Key Managerial Personnel:

As on March 31, 2024, the Company has Five Directors. Out of which one is Non-Executive Independent Director and three are Executive Director and one is Non-Executive Non Independent Director.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Sandeep Surendra Badjatia (holding DIN 00979809), Director of the Company, will retire by rotation at the ensuing Annual General Meeting of the Company and, being eligible, offers himself for re-appointment.



Ms. Rukmini Badjatia and Mr. Vijay Singh Bharkatiya both have resigned from the post of the Non-Executive Non Independent Director and Non-Executive Independent Director of the company dated 30th May, 2023 and 30th October, 2023.

The Board consists of the following directors namely:

DIN NO	NAME	DESIGNATION	DATE OF APPOINTMENT	DATE OF CESSATION
00979809	Mr. Sandeep Surendra Kumar Badjatia	Director	10.12.2008	-
02566355	Mr. Umesh Nambiar	Whole Time Director	04.02.2009	-
02566436	Mr. Deepak Pagnis	Whole Time Director	04.02.2009	-
00017285	Mr. Vijai Singh Bharkatiya	Non-Executive Independent Director	06.12.2012	30.10.2023
07501398	Mr. Surendra Kumar Badjatia	Non-Executive Non Independent Director	18.01.2017	-
07501462	Mrs. Rukmini Badjatia	Non Executive Director	18.01.2017	30.05.2023
010146348	Ms. Neelam Tanwani	Non-Executive Independent Director	30.05.2023	-
ACQPT4590E	Mr.Gajendra Madhukar Takwale	CFO(KMP)	01.09.2014	-
AQOPC9875H	Ms. Pooja Chauhan	Company Secretary	06.12.2022	-

15. Auditors and their Report:

Board of Directors has appointed M/s Ashok Pahawa & Co., Chartered Accountant, (Firm Registration No. 009710C), as the statutory auditor of the company for the period of five years to hold office i.e. until the conclusion of the Annual General Meeting of the Company held in year 2024 as per the provisions of the

Companies Act, 2013. In this regard the Company has received eligibility certificate from the Auditors in accordance with the provisions of section 141 of the Companies Act, 2013. Their appointment is subject to ratification by the Members at every subsequent Annual General Meeting held after the AGM held on 30th September, 2019. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from 07th May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. In view of the above, ratification of the Members for continuance of their appointment at this Annual General Meeting is being sought. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their second term of appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

The report given by M/s Ashok Pahawa & Co.,Chartered Accountant, Statutory Auditors on financial statements of the Company for Financial Year 2023-2024 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self explanatory.

The Auditor report for the year ended on 31st March, 2024 has some remarks and your Director was given the following explanations/clarifications on Auditors Remarks

1. During the course of our audit, details of the Capital Work in progress amounting Rs 68.99 Lacs were not made available to us (as per explanatory note to Note 2).

Board Remarks

The Company was being taken over by the Board of Director of the company and this figure is continue and Board of Director has approached to the previous management for giving the details about the same.

2. During the course of our audit, documents related to DSIR project grant amounting to Rs. 20.00 Lacs were not made available to us.

Board Remarks

The Company was being taken over by the Board of Director of the company and this figure is continue and Board of Director has approached to the previous management for giving the details about the same.

3. Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed (as per explanatory note to Note 3).

Board Remarks

The Company has sent the letter for balance Confirmation from the respective parties as soon as Company will receive the same, Company will provide the same in due course.

4. During the course of our audit, documents related to dispute with parties having debit balance of trade receivable against export sale in earlier year not realized and party hold certain amount were not made available to us.

Board Remarks

The Company has approach to the various parties for recovery of the amount however due to the financial impact of the Covid-19, party has assured to clear the dues and also Company has in earlier year approached to NCLT under Insolvency and Bankruptcy Code 2016 for recovery of the same, However company could not succeed. Directors are taking every efforts to recover the same.

5. In case of Non current investment physical certificate as well as demate account is not available with the company but as explained to us the company received dividend from investment in earlier year hence the company decided to carry the balances in books (as per explanatory note to Note 4).

Board Remarks

The Company was being taken over by the Board of Director of the company and this figure is continue and Board of Director has approached to the previous management for giving the details about the same.

16. Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are disclosed in Annexure enclosed with this Report.

The activities of the company are least dependant on power/energy consumption. Hence the particulars as required under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules regarding consumption of energy and technology absorption are nil.

a) Technology Absorption: Nil

Efforts made for technology absorption	
Benefits derived	
Expenditure on Research & Development, if any	
Details of technology imported, if any	
Year of import	
Whether imported technology fully absorbed	
Areas where absorption of imported technology has not taken place, if any	

b) Foreign Exchange Earnings/ Outgo:

Earnings	0
Outgo	0

17. Details of Subsidiary, Joint Venture or Associates: NA**18. Risk Management:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

19. Details of significant & material orders passed by the regulators or courts or tribunal:

During the year under review no material order has been passed by the court or tribunal against the company having material impact upon the financial position of the company.

20. Material Changes affecting the Financial Position of the Company:

There are no material changes occurring after 31 March, 2024 which may affect the financial position of the Company.

21. Voluntary Revision of Financial Statements or Board's Report: NA**22. Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements:**

Company has sufficient internal financial controls with reference to the financial positions and operations of the Company.

23. Deposits:

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

24. Receipt of any Commission by MD / WTD from a Company or for Receipt of Commission / Remuneration from its Holding or Subsidiary: Nil**25. Declaration by Independent Directors and statement on compliance of code of conduct:**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as prescribed in Section 149(6) of Company Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

26. Internal Auditor

M/s N. H. Variava & CO., Chartered accountants is appointed as an Internal Auditor of the Company to conduct the internal audit of the Company for the Financial Year 2023-24, as required under Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the Internal Control System and suggests improvements to strengthen the same. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit function, Company undertakes corrective action in their respective areas and thereby strengthens the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee of the Board and accordingly implementation has been carried out by the Company.

27. Cost Auditors: NA

28. Secretarial Auditor & Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s Neelesh Gupta & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from Mr. Neelesh Gupta, Practicing Company Secretary is attached as an Annexure to the Board's Report.

29. Corporate Social Responsibility (CSR) Policy: NA

30. Corporate Governance:

Pursuant to Regulation 15(2) of SEBI (Listing obligation and Disclosure requirement) Regulation, 2015, the provisions of Corporate Governance Report are not applicable on the company. Hence disclosures in this regard are not provided in this report

31. Committees of the Board:

The Company has following Committees: the Audit Committee, and the nomination and remuneration committee. Both the committees consist of optimum number of Independent Directors as per Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Audit Committee:

The Company has constituted Audit Committee as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Audit Committee comprises of the following Directors of the Company as on 31st March, 2024.

S.No	Name	Designation	Position in Committee
1.	Mrs. Neelam Tanwani	Director	Chairman
2.	Mr. Umesh Nambiar	Director	Member
3.	Mr. Surendra Kumar Badjatiya	Director	Member

During the financial year 2023-24, there was total 5 (Five) meeting of the audit committee of the Company. Details regarding the date, venue, strength of the audit committee present at the respective meetings are as under:

Date of the Meetings	Place of meetings	Total Strength of the Board	No. of Directors present
30/05/2023	Dewas	3	3
14/08/2023	Dewas	3	3
14/11/2023	Dewas	3	2
14/02/2024	Dewas	3	2
05/03/2024	Dewas	3	2

32. Nomination & Remuneration Committee:

The Company has constituted a Nomination and Remuneration Committee in accordance section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of the following Directors of the Company as on 31st March, 2024.

S.No	Name	Designation	Position in Committee
1.	Mrs. Neelam Tanwani	Director	Chairman
2.	Mr. Surendra Kumar Badjatiya	Director	Member
3.	Mr. Umesh Nambiar	Director	Member

During the financial year 2023-24, there was total 3 (Three) meeting of the remuneration committee of the Company. Details regarding the date, venue, strength of the Nomination & Remuneration committee present at the respective meetings are as under:

Date of the Meetings	Place of meetings	Total Strength of the Board	No. of Directors present
30/05/2023	Dewas	3	3
14/08/2023	Dewas	3	3
05/03/2024	Dewas	3	2

33. Evaluation of the Performance of the Board, its Committees and Individual Directors:

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees with the Company.

34. Board Diversity

The Company recognizes and embraces the importance of diverse board in overall Success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural, and geographical background, age, ethnicity, gender, and race that will help us retain our competitive advantage.

The current policy is to have an appropriate mix of executive, non executive and independent directors to maintain the independence of Board, and separate its function of governance and management.

35. Code of Conduct

The Company has laid down a code of conduct for all Board members and Senior Management and Independent Directors of the Company. All the Board members including Independent Directors and Senior Management Personnel have affirmed compliance with the code of conduct.

36. Secretarial Standards of ICSI

The Secretarial Standards as specified by the Institute of Company Secretaries of India for Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1st July 2015. The Company is in compliance with the same.

37. Green Initiatives

Electronic copies of the Annual Report 2023-24 and the Notice of the 33RD Annual General Meeting are sent to all members whose email addresses are registered with the Company / depository participant(s).

38. Investor Education and Protection Fund (IEPF)

During the year under review, the provision of section 125(2) of Companies Act, 2013 do not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by Central Government of India.

39. Disclosure on Establishment of a Vigil Mechanism:

In the financial year 2023-2024, pursuant to the provision of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism called the 'Whistle Blower Policy' for Directors and Employees to report concern of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The mechanism ensures adequate safeguard against victimization of person who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

40. Managerial Remuneration

During the year 2023-24 your company has paid remuneration of Rs 20,35,728/- to the following Directors:

S.No.	Name	Designation	Amount
1.	Umesh Nambiar	Whole time Director	10,17,864
2.	Deepak Pagnis	Whole time Director	10,17,864

41. Discloser under Sexual Harassment of Woman at Workplace (Prevention, Prohibition & Redressal) Act 2013.

During the Year 2023-24 Company has not received any complaint, which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

42. Fraud Reporting (Required by Companies Amendment Bill, 2014): NA

43.The Details of Application Made or any Proceeding Pending under the Insolvency And Bankruptcy Code, 2016 (31 of 2016):

No application has been made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year to which this financials relates.

44. The Details of difference between amount of the Valuation done at the time of One Time Settlement and the Valuation done while taking Loan from the Banks or Financial Institutions along With the reasons thereof:

The Company has not undertaken any one-time settlement and hence there was no need to undertake valuation also for the same.

45. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) in relation to the audited financial statements of the Company for the year ended 31st March, 2024 of the Companies Act, 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards had 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 as at 31st March, 2024 and of the profit /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 the 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
- e) concern basis;
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

46. Particulars of Employees:

The ratio of the remuneration of each whole-time director and key managerial personnel (KMP) to the median of employees' remuneration as per Section 197 (12) of the Companies Act, 2013, read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board's report as Annexure-IV .

Additionally, the following details form part of Annexure IV to the Board's report:

- Remuneration to Whole Time Directors
- Remuneration to non-executive / independent directors
- Percentage increase in the median remuneration of employee in the financial year
- Number of permanent employees on the rolls of company
- There has not been any employee drawing remuneration exceeding 1.02 Crores during the year, employed for the full year or Rs. 8.50 lakhs employed for part of the year.
- The company did not allot any sweat equity shares or having employees' stock option scheme.

47. Acknowledgment:

The Directors express their sincere appreciation to the valued shareholders, bankers and clients, government Authorities for their support.

Place: Dewas
Date: 14.08.2024

For and on behalf of the Board of Directors
PARAG FANS AND COOLING SYSTEMS LIMITED

Sd/-
DEEPAK PAGNIS
DIRECTOR
(DIN: 02566436)

Sd/-
UMESH NAMBIAR
DIRECTOR
(DIN: 02566355)

ANNEXURE- I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company is involved in design, manufacture, erection, testing & commissioning of Energy Efficient FRP fans. There is a reasonable potential of the product both in the domestic as well international market & these markets may offer sizable opportunities as well as a double digit growth in the years to come.

The company has built Market capabilities and Distribution network to meet out the requirement in domestic as well as export markets & continually strives to enhance market presence as well as explore new markets & territories for growth.

(i) Industry structure and developments:

The market Of Energy Efficient fans comprises mainly of three segments viz. OEM market, Domestic retrofit market & Exports. The ever growing need to reduce energy costs as well as green house emissions entails deploying methods of energy saving & use of our fans targets the aware customer who believes in efficiency as well environment protection.

With investment in infrastructure building booming especially in the power sector & other core industries, the demand for FRP fans is only going to keep increasing in the first two segments. In the export segment, the company has slowly built its presence in the international markets & built goodwill as well thus creating a pool of opportunity for itself.

(ii) Concerns:

The fear of a recurrence of recession and it's fallout in the broader economy may affect prospects of growth in the company. Although the chances are bleak, there is a building fear of a possible double dip in world economies and the same can adversely affect company's growth possibilities.

(iii) Outlook:

The FRP fans business is dependent on investment in infrastructure & the will of core industry to invest in energy efficient technologies. Even the very conservative managements are known to invest in such technologies & that has always reaped rich dividends. Therefore, the overall outlook of the industry is positive. The Company has always been striving to keep options of alternate avenues of growth alive for countering any negative impact due to either a slow down or a credit crunch which is feared and

cannot be ruled out. The Company forever keeps trying upgrade its product(s) variants to be able to cater to the niche international market thus expand its marketing reach both in the country as well as overseas market.

(iv) Internal Control Systems and their adequacy:

The Company has clearly laid down policies, guidelines and procedures that form a part of the internal control system which provide for automatic checks and balances. The Audit committee reviews the effectiveness and efficiency of these systems to ensure that all the assets are protected against loss and that the financial and operational information is complete and accurate.

Audits are finalized and conducted based on the internal risk assessment. Significant findings are brought to the notice of the Audit committee of the Board and corrective measures recommended for implementation. Our work opportunities and competitive compensation policy helps us in attracting and retaining our personnel.

(v) Human relations:

The company lays special emphasis to the human resources function in our organization and believes.

The company has an elaborate performance evaluation system in place involving goal setting, and periodic reviews involving confirmation and annual reviews. The review sessions impress upon several aspects of the professionals careers such as career and competency development, financial rewards and recognition. We endeavor to link careers to competencies, individual preferences and organizational needs.

The compensation package has a fixed component and a variable component linked to the corporate and individual performance.

(vi) Safety:

Safety management is integrated with the Company's overall environment, health and safety (EHS) management system and zero accident is taken up as the Company's goal. The following measures have been taken by the Company:

- Identification of hazard and risk present in work environment and its rectification.
- Continuous monitoring of unsafe condition and unsafe acts through safety inspection.
- Safety induction training for all employees and specific job safety awareness programs on a continuous basis

(vii) Environment friendly operations:

Environmental protection is a prime concern for us and we are aware of our core responsibility to the society in this regard.

(viii) Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be forward looking statements within the meaning of applicable securities 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 other things, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations, tax laws and other statutes and incidental factors.

**By Order of the Board
PARAG FANS AND COOLING SYSTEMS LIMITED**

**Place: Dewas
Date: 14.08.2024**

**Sd/-
UMESH NAMBIAR
DIRECTOR
(DIN: 02566355)**

Annexure-II

FORM NO. AOC -2

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

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

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

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

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

SL. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount

Place: Dewas
Date: 14.08.2024

For and on behalf of the Board of Directors
PARAG FANS AND COOLING SYSTEMS LIMITED

Sd/-
DEEPAK PAGNIS
DIRECTOR
DIN: 02566436

Sd/-
UMESH NAMBIAR
DIRECTOR
DIN: 02566355

Annexure-III

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

**To,
The Members,
PARAG FANS AND COOLING SYSTEMS LIMITED
CIN- U51102MP1991PLC006760
1/2 & 1B/3A Industrial Area No. 1
A B Road Dewas MP 455001**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PARAG FANS AND COOLING SYSTEMS LIMITED** (hereinafter called 'the company'). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The Company's Board of Directors is responsible for the matters of Compliances of the various provisions of the Companies Act, 2013 and other applicable laws. Our responsibility to conduct the audit of the Compliances made during the year upon test check basis. We have adopted such methods and procedure and based on our verification of the **PARAG FANS AND COOLING SYSTEMS LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (**Applicable to the Company during the review period**)

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Applicable to the Company during the review period)**
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Applicable to the Company during the review period)**
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the review period)**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the review period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the review 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 the review period)**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the review period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the review period)**
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 **(Applicable to the Company during the review period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., mentioned above.

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

Sr. No.	Com-pliance Require-ment (Regu-lations/ circulars/ guide- lines including specific clause)	Regu-lation/ Circular No.	Devi-ation	Actio-n Take-n by	Type of Actio-n	Details of Violati-on	Fine Amou-nt	Observatio-n/ Remarks of the Practicing Company Secretary	Managem-ent Response	Remarks
1.	Structured Digital Database (SDD) For The Quarter Ended 30th September 2023	Regulation 3 (5) and 3 (6) of SEBI (Prohibitio-n of Insider Trading) Regulation-s, 2015	-	-	-	Has not been filed by the compa-ny.	-			

We further report that, we have the following observation during the conduct of secretarial audit mentioned below,

1. In the covering letter of Statement of Investor Grievance Redressal under Regulation 13 the **word half year ended** on June 30th , 2023 has been mentioned instead of quarter ended 30th June, 2023.
2. In the covering letter of Statement of Investor Grievance Redressal under Regulation 13 for the quarter and year ended the date mentioned is **31st January 2024** instead of 31st March, 2024 and in the table the word nine month is mentioned instead of year ended.
3. In the covering letter of Shareholding Pattern under Regulation 31 the **word Six Month ended** on June 30th , 2023 has been mentioned instead of quarter ended 30th June, 2023.
4. In the covering letter of Shareholding Pattern under Regulation 31 for the **quarter and year ended** the date mentioned is 31st January 2024 instead of 31st March, 2024.
5. In the covering letter of Reconciliation of Share Capital Audit report the **word half year ended on June 30th , 2023** has been mentioned instead of quarter ended 30th June, 2023.
6. In the covering letter of certificate under Regulation 74 (5) for the quarter ended **March 31st , 2023** has been mentioned instead of quarter ended March 31st , 2024.
7. In the Disclosure of Book Closure and Record Date for 32nd AGM the name of company **Excel Realty N Infra Limited** has been mentioned instead of Parag Fans & Cooling Systems Limited.
8. In the Disclosure of Book Closure and Record Date for 32nd AGM the register of member and the share transfer Books of the company will remained close from Sunday 17th September, 2023 to Saturday **23rd September,2021** has been mentioned instead of 23rd September,2023.
9. In the Voting Result of EGM under Reg. 44 the word **Annual General Meeting** of the members of the company has been mentioned instead of word Extra Ordinary General Meeting.
10. In the Book Closure Certificate filed for on 01st April, 2024, Instead of the mentioning the Date as 31st March, 2024, The Quarter ended **30th June, 2024** is mentioned.

We further report that:

The Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director.

During the year Ms. Neelam Tanwani (DIN: 10146348) was appointed as Additional Non Executive Independent Director of the Company in the Board Meeting held on 30th May, 2023. Further Ms. Neelam Tanwani (DIN: 10146348) was appointed as Regular Independent Director in the Annual General Meeting held on 23rd September, 2023 for a period of 5 years.

During the year Mr. Vijay Singh Bharkatiya (DIN: 00017285) was re-appointed as Non Executive Independent Director of the Company in the Annual General Meeting held on 23rd September, 2023 for a period of 5 years.

During the Year Mr. Vijay Singh Bharkatiya (DIN: 00017285) has resigned from the post of the Non Executive Independent Director of the company w.e.f. 30th October, 2023.

The company has appointed Independent Directors as per requirement of Section 149 of the Companies act, 2013 but at the end of the year the company has failed to maintain the adequate mixture of the Independent Directors.

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, except where meeting was held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that:



There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines, standards etc.

We further report that: -

During the audit period of the company, there were instances of:

1. Related Party Transaction

The Company has entered into some related party transactions on the terms and conditions as may be decided by the Board of Directors of the Company in their Board Meetings and all transactions are as per the section 188 of the Companies Act, 2013 and at arm's length basis.

2. Internal Auditor and Secretarial Auditor

During the year M/s N H Variava & Co. Chartered Accountants was appointed as an internal auditor of the company for the financial year 2023-24 in the Board Meeting held on 30th May, 2023 and M/s Neelesh Gupta & Co. (CP No. : 6846) was appointed as the Secretarial Auditor of the Company, for the financial year 2023-24 in board meeting held on 30th May, 2023.

3. Alteration of Memorandum of Association for increase in the Authorized Share Capital of the Company

The company has taken the approval from the shareholder in the Annual General Meeting held on 23rd September, 2023 but the company has not filled the Form MGT-14 and SH-7 for the same. However Company has taken fresh approval for the same in the Extra Ordinary General Meeting held on 30th March, 2024 and filled the Form MGT-14 & SH-7.

The company has increased its Authorized Share Capital from Rs. 6,00,00,000/- (Rupees Six Crore only) divided into 60,00,000 (Sixty Lakhs Only) Equity Shares of Rs.10/- (Rupees Ten Only) each to Rs. 12,00,00,000/- (Rupees Twelve Crore Only) divided into 1,10,00,000 (One Crore Ten Lakh) Equity Shares of Rs.10/- (Rupees Ten Only) each and 10,00,000 (Ten Lakh) Preference shares of Rs. 10/- (Rupees Ten Only) each in the extra ordinary general meeting held on 30th March, 2024.

4. Re-Constitution of Committees

During the year the company has re constituted the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee w. e. f. 15th August, 2023.

For & on behalf of NEELESH GUPTA & CO.

**(Company Secretaries)
(Peer Review Certificate No.: 1995/2022)**

Place: Indore

Date:14.08.2024

**CS Neelesh Gupta
FCS No.: 6381
CP No.:684**

UDIN: F006381F000982180

Annexure IV

PARTICULARS OF EMPLOYEES

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of the remuneration of each Director to the median remuneration of the Employee of the Company for the financial year 2023-24, the percentage increase in remuneration of Directors, Chief Financial Officer and Company Secretary during the financial year 2023-24.

S. No.	Name of the Director/Key Managerial Personnel(KMP) and Designation	Remuneration of Director/ KMP for the financial year 2023-24 (Including Non-Executive Independent Director)	Remuneration of Director/ KMP for the financial year 2022-23	% increase (decrease) in remuneration in the financial year 2023-24
1.	Mr. Sandeep Badjatia Director	-	-	-
2.	Mr. Umesh Nambiar Whole Time Director	1017864	888960	(10%)
3.	Mr. Deepak Pagnis Whole Time Director	1017864	888960	(10%)
4.	Mr. Vijai Singh Bharkatiya Non-Executive Independent Director	12,250	21000	-
5.	Mr. Surendra Kumar Badjatia Non-Executive Independent Director	-	-	-
6.	Mrs. Rukmini Badjatia Non-Executive Independent Director	-	-	-
7.	Mrs. Neelam Tanwani	20,000	-	-
8.	Mr. Gajendra Madhukar Takwale Chief Financial Officer	694464	607200	(10%)
9.	Ms.Pooja Chauhan	597504	200000	(10%)

ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –

As stated above in item no (I).

iii. Percentage increase in the median remuneration of employees in the financial year –

Median Remuneration 2023-24	Median Remuneration 2022-23	% Increase in the Median Remuneration



iv. Number of permanent employees on the rolls of company –

As on 31st March, 2024 the total number of employees on the roll was 35.

Company has more employees or workers but they are not on permanent basis and are working on contract basis through some other entity.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: the detail is as provided above.

vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the company.

**Place: Dewas
Date: 14.08.2024**

**For and on behalf of the Board of Directors
PARAG FANS AND COOLING SYSTEMS LIMITED**

**Sd/-
DEEPAK PAGNIS
DIRECTOR
DIN: 02566436**

**Sd/-
UMESH NAMBIAR
DIRECTOR
DIN: 02566355**

**PARAG FANS AND COOLING SYSTEMS
LIMITED**

(CIN: - U51102MP1991PLC006760)

**AUDIT REPORT
FINANCIAL YEAR
2023-2024**

AUDITORS

**A K P S & CO
Chartered Accountants
Indore**

9425060686, 8109032532, 0731-4701567

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF

PARAG FANS AND COOLING SYSTEMS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **PARAG FANS AND COOLING SYSTEMS LIMITED** ('the Company'), which comprise the balance sheet as at March 31, 2024, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. During the course of our audit, details of the Capital Work in progress amounting Rs 68.99 Lacs were not made available to us (as per explanatory note to Note 2).
2. During the course of our audit, documents related to DSIR project grant amounting to Rs. 20.00 Lacs were not made available to us.
3. Certain balances of loans, other financial assets, trade receivables, other current & non-current assets, Trade payables, other financial liabilities and other current liabilities have not been confirmed (as per explanatory note to Note 3).
4. During the course of our audit, documents related to dispute with parties having debit balance of trade receivable against export sale in earlier year not realized and party hold certain amount were not made available to us.
5. In case of Non current investment physical certificate as well as demate account is not available with the company but as explained to us the company received dividend from investment in earlier year hence the company decided to carry the balances in books (as per explanatory note to Note 4).

Emphasis of Matter

Consequential impact on confirmation / reconciliation / adjustment of such balances (which will not be material as per management), if any is not ascertainable;

Our opinion is not qualified in respect of the above matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Email us at: info@akpsandco.com

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

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

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

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

That Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error,

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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;

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-
- c. The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with section 469 of the companies act and rule 7 of the Companies (Accounts) Rules 2014;
- e. On the basis of written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has an appeal pending with Income tax department as per note no. 19 attached with the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the

Investor Education and Protection Fund by the Company.

- iv.
- a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c. Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) contain any material mis-statement.
- v. No Dividend is declared or paid by the company during the year.
- vi. During the course of our audit, it was observed that the current accounting software being used by the organization does not have the

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functionality to maintain an audit trail. This limitation is due to the inherent design of the software, and it is not possible to configure this feature within the existing system. Given the limited number of transactions processed by the organization, it was not deemed feasible to migrate to more advanced accounting software that offers audit trail functionality. The Management has been informed of this limitation, and alternative controls have been implemented to ensure the integrity and accuracy of financial data. These alternative controls include manual reviews, approvals, and documentation. As informed to us by the Management for implementing new software having audit trail feature from next financial year.

For A K P S & COMPANY
Chartered Accountants
FRN: 009710C

Place: Indore
Date: 29-05-2023

CA Dr. Ashok Pahwa
Partner
M No-077665
UDIN NO- 24077665BKFCLZ2770

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on other Legal and Regulatory Requirements’ section of our report to the Members of Parag Fans and Cooling Systems Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **PARAG FANS AND COOLING SYSTEMS LIMITED** (“the Company”) as at March 31, 2024 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 Board of Directors of the Company 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 (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 of the Company 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”) issued by the ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent 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.

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Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial 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 ICAI.

Place: Indore
Date:

For: **A K P S & COMPANY**
Chartered Accountants
FRN: 009710C

CA Dr. Ashok Pahwa
Partner
M No-077665
UDIN No-

Parag Fans And Cooling Systems Limited

CIN- U51102MP1991PLC006760

Balance Sheet

As On 31-Mar-2024

(Amount in Rupee)

S. No.	Particulars	Notes	As On 31-Mar-2024	As On 31-Mar-2023
ASSETS				
Non-Current Asset				
a	Property, Plant and Equipment	1	70,89,328	67,13,981
b	Capital Work In Progress	2	68,99,607	68,99,607
c	Financial Assets	3	-	-
d	Investments	4	20,050	20,050
e	Other Non Current Assets	9	27,48,888	28,26,026
	Deferred Tax Asset (Net)	14	7,12,638	7,51,803
Current Assets				
a	Inventories	5	3,32,07,852	3,86,62,871
b	Financial Assets	3	-	-
c	Trade Receivable	6	7,22,56,754	7,01,31,900
d	Cash & Cash Equivalent	7	62,143	33,557
e	Other Bank Balances	8	29,68,978	31,46,205
f	Other Current Assets	9	14,84,185	31,93,323
Total Assets			12,74,50,422	13,23,79,322
EQUITY & LIABILITIES				
Equity				
a	Equity Share Capital	10	5,59,12,000	5,59,12,000
b	Other Equity	11	-43,20,590	-69,35,295
Non-Current Liabilities				
Financial Liabilities				
a	Borrowings	12	61,68,138	84,85,130
b	Trade Payables	13	2,07,860	2,07,860
c	Other Non Current Liabilities	15	33,11,845	26,48,437
	Deferred Tax Liability (Net)	14	-	-
Current Liabilities				
a	Borrowings	12	3,26,12,334	4,30,95,270
b	Trade Payables	13	2,95,65,783	2,54,82,016
c	Other Current Liabilities	15	39,93,051	34,83,904
Total Assets			12,74,50,422	13,23,79,322

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
PARAG FANS & COOLING SYSTEMS LIMITED

AS PER OUR REPORT OF EVEN DATE

FOR A K P S & CO.
CHARTERED ACCOUNTANTS
FRN-009710CSURENDRAKUMAR BADJATIA DEEPAK PAGNIS
DIRECTOR DIRECTOR
DIN: 07501398 DIN: 02566436CA (DR)ASHOK PAHWA
PARTNER
Mem No.077665
UDIN No- 24077665BKFLZ2770Place : Dewas
Date : 29-05-2024

Company Secretary

Place : Indore
Date : 29-05-2024

Parag Fans And Cooling Systems Limited

CIN- U51102MP1991PLC006760

Statement Of Profit and Loss

For period ended on 31-Mar-2024

(Amount in Rupee)

S. No.	Particulars	Notes	Period ending on 31-Mar-2024	Period ending on 31-Mar-2023
Income				
a	Revenue from Operations	16	14,82,33,340	12,29,39,897
b	Other income	17	12,85,792	33,83,394
Total Income			14,95,19,132	12,63,23,290
Expenses				
a	Cost of Material Consumed	18	9,66,67,433	9,17,70,234
b	Changes in Inventories of Finished Goods & Work - In - Progress	19	1,10,81,532	53,45,156
c	Employee benefits expense	20	1,55,06,622	1,30,10,725
d	Finance costs	21	49,78,060	76,53,358
e	Depreciation and amortisation expense	1	8,04,848	3,92,753
f	Other expenses	22	1,72,50,007	52,88,895.50
Total Expenses			14,62,88,502	12,34,61,122
Profit/(Loss) before exceptional item and tax			32,30,630	28,62,169
Exceptional item (Net of Tax)			-	-
Profit/(Loss) Before Tax			32,30,630	28,62,169
Tax Expense				
a	Current Tax Expense		6,00,000	6,00,000
b	Tax Adjustement of earlier year		-1,70,676	-
C	Deferred Tax		39,165	-1,89,666
Profit/(Loss) for the Year			2762141	24,51,835
Other Comprehensive Income				
Items That Will Not Be Reclassified to Profit and Loss			-1,47,436	1,35,019
Tax on OCI items			-	-
Items That Will Be Reclassified to Profit and Loss			-	-
Total Comprehensive Income/(Loss)			(147436)	135019
Earnings Per Share of Rs 10 each fully paid				
Basic			0.49	0.44
Diluted			0.49	0.44
Notes to Finacial Statements 1-25				
Significant Accounting Policies 24				

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
PARAG FANS & COOLING SYSTEMS LIMITED

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR A K P S & CO.
CHARTERED ACCOUNTANTS
FRN-009710C

SURENDRAKUMAR BADJATIA

DEEPAK PAGNIS

CA (DR)ASHOK PAHWA

DIRECTOR

DIRECTOR

PARTNER

DIN: 07501398

DIN: 02566436

M. No.077665

UDIN No- 24077665BKFLZ2770

Place : Dewas

Company Secretary

Place : Indore

Date : 29-05-2024

Date : 29-05-2024

Parag Fans And Cooling Systems Limited
CIN- U51102MP1991PLC006760
Statement of Cash Flow
For Period Ended on 31-Mar-2024

(Amount in Rupee)

S. No	Particulars	2023-24	2022-23
I	Cash Flow From Operating Activity		
	Net Profit / (Loss) After Tax	27,62,141	24,51,835
	<u>Adjustments for</u>		
	Depreciation and Amortisation	8,04,848	3,92,753
	Finance Costs	49,78,060	76,53,358
	Interest Income	-1,82,748	-2,65,169
	Creditors Write Back	0	0
	Deferred Tax	39,165	-1,89,666
	Other Comprehensive Income	-1,47,436	1,35,019
	Operating profit / (loss) before working capital changes	82,54,030	1,01,78,130
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets		
	Inventories	54,55,019	96,79,440
	Financial Assets	0	18,08,434
	Trade Receivable	-21,24,854	-14,37,481
	Other Bank Balances	1,77,227	-2,44,386
	Other Current Assets	17,86,276	-19,54,224
	Adjustments for increase / (decrease) in operating liabilities		
	Trade Payables	40,83,768	-92,26,500
	Other Current Liabilities	11,72,555	3,91,939
	Net cash flow from / (used in) operating Activities (A)	1,88,04,020	91,95,352
II	Cash Flow From Investing Activity		
	Investment in Capital Expenditure	-11,80,195	-17,98,605
	Net cash flow from / (used in) Investing Activities (B)	-11,80,195	-17,98,605
III	Cash Flow From Financing Activity		
	Proceeds From Equity Shares / Preference Shares	0	60,00,000
	Proceeds From Borrowings	-1,27,99,928	-76,63,905
	Finance Cost	-49,78,060	-76,53,358
	Interest Income	1,82,748	2,65,169
	Net cash flow from / (used in) Financing Activities (C)	-1,75,95,240	-90,52,094
D	Net increase / decrease in cash & cash equivalent (A+B+C)	28,586	-16,55,348
E	Cash & Cash Equivalent at the Beginning of Year	33,557	16,88,904
	Cash & Cash Equivalent at the End of Year (D+E)	62,143	33,557

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
PARAG FANS & COOLING SYSTEMS LIMITED

AS PER OUR REPORT OF EVEN DATE
FOR A K P S & CO.
CHARTERED ACCOUNTANTS
FRN-009710C

SURENDRAKUMAR BADJATIA DEEPAK PAGNIS
DIRECTOR DIRECTOR
DIN: 07501398 DIN: 02566436
Place : Dewas
Date : 29-05-2024

Company Secretary

CA (DR) JASHOK PAHWA
PARTNER
Mem No.077665
Place : Indore
Date : 29-05-2024

Auditors Certificate

To,
The Board of Directors,
Parag Fans & Cooling Systems Limited

We have examined the attached Cash Flow Statement of Parag Fans & Cooling Systems Limited for the year ended as on 31st March 2024. The statement has been prepared by the Company in accordance with the requirement of IND AS and in agreement with the corresponding statement of profit and loss and balance sheet of the company covered by our report of 29th May 2024 to the member of the company.

For A K P S & Company
Chartered Accountants
FRN- 009710C

Place : Indore
Date : 29-05-2024

CA Dr. Ashok Pahwa
Partner
M. No. 077665
UDIN No- 24077665BKFLC22770

Parag Fans & Cooling Systems Limited

CIN- U51102MP1991PLC006760

Statement of Changes in Equity

For period ended on 31-Mar-2024

A. Equity Share Capital

(Amount in Rupee)

Particulars	31-03-2024	31-03-2023
Balance at the beginning for the year	5,59,12,000	4,99,12,000
Changes in Capital During the Year	-	60,00,000
Balance at the end of the year	5,59,12,000	5,59,12,000

(Including Preference share converted into equity shares of Rs NIL during the year (previous year 6,000,000))

B. Other Equity

(Amount in Rupee)

Particulars	DSIR Project	Security Premium	Preference Share Capital	Retained earnings	Total Other Equity
Balance as on 31-March-2022	20,00,000	2,46,87,000	-	-3,62,09,149	-95,22,149
Addition / Reduction during the year	-	-	-	0	0
Profit/ (Loss) for the Year	-	-	-	24,51,835	24,51,835
Other Comprehensive reserve	-	-	-	1,35,019	1,35,019
Closing balance as on 31-March-2023	20,00,000	2,46,87,000	-	-3,36,22,295	-69,35,295
Addition / Reduction during the year	-	-	-	-	-
Profit/ (Loss) for the Year	-	-	-	27,62,141	27,62,141
Other Comprehensive reserve	-	-	-	(1,47,436)	-1,47,436
Closing balance as on 31-March-2024	20,00,000	2,46,87,000	-	-3,10,07,590	-43,20,590

1. Property, Plant and Equipment

(Amount in Rupee)

Particulars	Gross Carrying Value			Accumulated Depreciation & Amortization			Net carrying amount as on	
	As on 1-Apr-2023	Additions During the Year	As on 31-Mar-2024	Upto 1-Apr-2023	Depreciation During the Year	Upto 31-Mar-2024	31-03-2024	31-03-2023
Land	4,57,983	-	4,57,983	-	-	-	4,57,983	4,57,983
Previous Year	4,57,983	-	4,57,983	-	-	-	4,57,983	4,57,983
Building	1,54,96,358		1,54,96,358	1,34,00,706	2,99,469	1,37,00,175	17,96,183	20,95,652
Previous Year	1,53,20,608	1,75,750	1,54,96,358	1,30,67,907	3,32,799	1,34,00,706	20,95,652	22,52,701
Site Development	8,07,895	-	8,07,895	7,56,790	10,727	7,67,517	40,378	51,105
Previous Year	8,07,895	-	8,07,895	7,43,213	13,577	7,56,790	51,105	64,682
Plant & Machinery	4,15,36,907	-	4,15,36,907	3,94,60,061	-303	3,94,59,758	20,77,149	20,76,846
Previous Year	4,15,36,907	-	4,15,36,907	3,94,60,364	-303	3,94,60,061	20,76,846	20,76,543
Computers & Printers	2,92,735	1,02,345	3,95,080	1,38,574	94,027	2,32,601	1,62,479	1,54,161
Previous Year	1,55,359	1,37,376	2,92,735	1,18,932	19,642	1,38,574	1,54,161	36,427
Furniture & Fixtures	30,68,642		30,68,642	15,11,980	3,82,417	18,94,397	11,74,245	15,56,662
Previous Year	15,91,558	14,77,084	30,68,642	15,11,980	0	15,11,980	15,56,662	79,578
Office Equipments	2,90,220	1,40,046	4,30,266	2,47,891	18,511	2,66,402	1,63,864	42,329
Previous Year	2,81,825	8,395	2,90,220	2,20,938	26,953	2,47,891	42,329	60,887
Vehicles	55,84,860	9,37,804	65,22,664	53,05,617	-	53,05,617	12,17,047	2,79,243
Previous Year	55,84,860	-	55,84,860	53,05,531	86	53,05,617	2,79,243	2,79,329
Total	6,75,35,600	11,80,195	6,87,15,795	6,08,21,619	8,04,848	6,16,26,467	70,89,328	67,13,981
Previous Year	6,57,36,995	17,98,605	6,75,35,600	6,04,28,865	3,92,754	6,08,21,619	67,13,981	53,08,130

Parag Fans And Cooling Systems Limited

CIN- U51102MP1991PLC006760

Balance Sheet as on 31-Mar-2024

2. Capital Work In Progress

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
DSIR Project	68,99,607	68,99,607
Total	68,99,607	68,99,607

Explanatory Notes:

In absence of any document which can substantiate the staufs of balance reflecting in Capital Work in Progress; the management has decided to carry the balance as it is without giving any treatment under the Ind AS.

3. Financial Assets

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
Compensation - Pankaj Bhargawa	-	-	-	-
Total	-	-	-	-

Explanatory Note:

Details regarding Compensation receivable from Pankaj Bhargava along with documentary evidence is not available with the company and the management has decided to witten off balance during the current financial year (2022-23).

4. Investments

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
Shares				
State Bank of India	2050	-	2050	-
Bank of India	18,000	-	18,000	-
Total	20,050	-	20,050	-

Explanatory Note:

Details regarding physical certificate as well as demat account is not available with the company but the company received dividend from investment in earlier year hence the company decided to carry the balances in books.

5. Inventories

(as physically verified by the management)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Raw Material	98,67,390	42,40,877
Finished Goods & WIP	2,33,40,462	3,44,21,994
Total	3,32,07,852	3,86,62,871

6. Trade Receivable (net)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Unsecured, Considered Good		
Domestic Sales		
More Than Six Months	1,35,95,162	1,25,39,720
Less Than Six Months	4,58,22,935	3,47,70,219
(Including Related party receivable of Rs 22476051, PY Rs 24549798)		
Export Sales		
More Than Six Months	1,14,20,019	1,14,20,019
Less Than Six Months	1,06,10,261	1,06,10,261
Provision for Doubtful Debts	84,47,921	
Others-Advance to Creditors	1,44,161	7,91,682
Total	7,22,56,754	7,01,31,900

Explanatory Note:

1.Their is certain dispute with parties in earlier year having debit balance of trade receivable against export sale not realized and party hold certain amount and now the management belives that such amount is recoverable as dispute resolved hence no provision against such receivable made and decided to carry the balance at year end exchange rate.

2.Recoverable from three parties amount worth Rs.4814880,Court Case pending for Recovery.Management view is that full amount is recoverable.Hence, no provision for Doubtful Debts is created

7. Cash & Cash Equivalent

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Cash In Hand (as physically verified by the management)	62,143	33,557
In Banks	-	-
Total	62,143	33,557

8. Other Bank Balances

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Bank Deposit for BG	29,68,978	31,46,205
Total	29,68,978	31,46,205

9. Other Non Current / Current Assets

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
Prepaid Bank Charges	-	-	-	-
Short Term Loans & Advances				
Credit Card	-	-	-	-
Advance to Employees	-	36,279	-	3,309
Director current account(Related Party)	-	-	-	4,30,441
Appeal Deposit				
Appeal Deposit - Sales Tax	12,73,305	-	12,73,305	-
Excise and Service Tax	1,56,350	-	4,55,330	-
Income Tax	7,41,848	-	5,73,156	-
Recoverable from Tax Authorities				
Income Tax	5,38,882	-	4,88,535	-
GST (net)	-	14,47,906	-	27,59,573
Security Deposit				
Others	-	-	-	-
Utilities	38,503	-	35,700	-
Total	27,48,888	14,84,185	28,26,026	31,93,323

10. Equity Share Capital

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	No. Of Shares	Amount	No. Of Shares	Amount
Authorised Share Capital (Rs. 10 / Share)	56,00,000	5,60,00,000	56,00,000	5,60,00,000
Issued, Subscribed and Fully Paid	55,91,200	5,59,12,000	55,91,200	5,59,12,000

Par Value Per Share (Rs. 10)

Reconciliation of No. Of Shares & Share Capital Outstanding;	As on 31-Mar-2024		As on 31-Mar-2023	
	No. Of Shares	Amount	No. Of Shares	Amount
Opening Share Capital	55,91,200	5,59,12,000	49,91,200	4,99,12,000
Add: No. of Share, Share Capital Issued/Subscribed during the Year	-	-	6,00,000	60,00,000
Closing Share Capital	55,91,200	5,59,12,000	55,91,200	5,59,12,000

Shares in the Company held by Shareholder holding more than 5%	As on 31-Mar-2024		As on 31-Mar-2023	
	No. Of Shares	% Holding	No. Of Shares	% Holding
Sandeep Badjatia	28,47,799	50.93%	28,47,799	50.93%
Impact Projects & Consultants Pvt.	6,65,971	11.91%	6,65,971	11.91%
Impact fans & Cooling system Pvt Ltd	4,00,000	7.15%	4,00,000	7.15%
Dinesh Seetha	2,87,000	5.13%	2,87,000	5.13%
Priyanka Fincap Pvt. Ltd.	2,54,800	4.56%	2,54,800	4.56%
Vimal Sodhani	4,52,250	8.09%	4,52,250	8.09%
Total	49,07,820	87.78%	49,07,820	87.78%

11. Other Equity

Particulars	DSIR Project	Security Premium	Preference Share Capital	Retained earnings	Total Other Equity
Balance as on 31-March-2022	20,00,000	2,46,87,000	-	(3,62,09,149)	(95,22,149)
Addition / Reduction during the year	-	-	-	-	-
Profit/ (Loss) for the Year	-	-	-	24,51,835	24,51,835
Other Comprehensive reserve	-	-	-	1,35,019	1,35,019
Closing balance as on 31-March-2023	20,00,000	2,46,87,000	-	(3,36,22,295)	(69,35,295)
Addition / Reduction during the year	-	-	-	-	-
Profit/ (Loss) for the Year	-	-	-	27,62,141	27,62,141
Other Comprehensive reserve	-	-	-	(1,47,436)	(1,47,436)
Closing balance as on 31-March-2024	20,00,000	2,46,87,000	-	(3,10,07,590)	(43,20,590)

Explanatory Notes:

Details regarding DSIR Project is not available with the company.

12. Borrowings

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
Term Loan / EPC - From Banks	61,68,138	1,40,05,352	84,85,130	1,74,99,109
Term Loan - Others	-	7,08,070	-	1,35,65,720
Bank - Cash Credit / OD	-	1,78,98,913	-	1,20,30,441
Total	61,68,138	3,26,12,334	84,85,130	4,30,95,270

Notes:**Bank of India Term Loan**

- Nature :- Secured Loan (Non Current)
- Purpose :- Manufacturing of fibre glass Reinforced Plastic (FRP) Fans for industrial use
- Repayment :- Interest monthly/ Principal Quarterly
- Period/Interest :- 48 months / 11.50%
- Security :- Mortgage of Fixed Assets Comprising Lease hold land, Plant & machinery and Building shed constructed.
Hypothecation of Plant and Machinery, Stocks and Book Debts

National Small Industries Corporation Limited - Term Loan Others

- Nature :- Secured Loan
- Purpose :- Procurement of Raw Material namely-Resin, Roving, Woven Roving, C.S.M., Hardener, Accelerator, Pigments etc.
- Period/Interest :- Repayment upto 90 days/ 12.95%
- Repayment between 90 days to 270 days/ 12.95%+0.75% of every cycle of 90 days
- Repayment after 271 days/ 12.95%+1% of every cycle of 90 days
- Security :- Bank Guarantee of INR 130 lacs

Unsecured Loan from Directors and Associated concern - Term Loan Others

(Considered as Interest free)

Sr. No.	Name of Related parties	Relationship	Opening Balance	Closing Balance (Rs.)
1	Mr. Umesh Nambiar	Director	-	-
2	Impact Fans and Cooling Systems Ltd	Sister Concern	-	-

Bank of India Export Credit Limit

- Nature :- Secured Loan
- Purpose :- Manufacturing of fibre glass Reinforced Plastic (FRP) Fans for industrial use
- Repayment :- Demand loan
- Period/Interest :- 12 months / 9.00%
- Security :- Mortgage of Fixed Assets Comprising Lease hold land, Plant & machinery and Building shed constructed.
Hypothecation of Plant and Machinery, Stocks and Book Debts

Bank of India Cash Credit Limit / OD

- Nature :- Secured Loan
- Purpose :- Manufacturing of fibre glass Reinforced Plastic (FRP) Fans for industrial use
- Repayment :- Demand loan
- Period/Interest :- 12 months / 10.10%
- Security :- Mortgage of Fixed Assets Comprising Lease hold land, Plant & machinery and Building shed constructed.
Hypothecation of Plant and Machinery, Stocks and Book Debts. Lien against fixed deposit in case of OD.

13. Trade Payables (net)

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
MSME (see note below @)	-	-	-	-
<u>Other Category</u>				
For Material and services (Including Directors current account of Rs 0/-, PY Rs 194376/-)	-	2,95,33,716	-	2,54,30,588
For Miscellaneous / (Receivable)	2,07,860	32,068	2,07,860	51,428
Advance From Debtors	-	-	-	-
Total	2,07,860	2,95,65,783	2,07,860	2,54,82,016

@ The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made. All the payables are considered in Other than MSME category.

14. Deferred Tax (Net)

Particulars	As on 31-Mar-2024	As on 31-Mar-2023
Opening Deferred Tax Asset	-7,51,803	-5,62,137
Current Year Timing Difference	39,165	-1,89,666
Total Deferred tax Liability/(Asset)	-7,12,638	-7,51,803

15. Other Current Liabilities

Particulars	As on 31-Mar-2024		As on 31-Mar-2023	
	Non-Current	Current	Non-Current	Current
Statutory Dues Payable				
Employee Related	-	4,14,724	-	1,73,321
Fee & Interest payable on statutory du	-	8,06,848	-	9,12,168
Sales Tax / VAT Payable	-	1,89,526	-	1,89,526
TDS	-	1,01,858	-	1,38,728
Income Tax Payable	-	5,55,933	-	5,79,953
Provision for Bonus	5,28,424	-	-	-
Provision for gratuity	27,81,421	7,82,641	26,48,437	3,89,152
Expenses Payable				
Director's Sitting Fees	2,000	-	-	-
Salary Payable	-	9,89,282	-	9,89,520
Tour Expenses - Employee / (Receivable)	-	1,52,239	-	1,11,536
Electricity expenses Payable	-	-	-	-
Total	33,11,845	39,93,051	26,48,437	34,83,904

Parag Fans And Cooling Systems Limited
CIN- U51102MP1991PLC006760
Notes to the Accounts for the Year ended 31st March 2023

(Amount in Rupee)

6 TRADE RECIEVABLES (Net of Provision)

31st March 2024

Particulars	Less Than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than three years	Less: Allowance for bad and doubtful debts	Total
Secured Trade Receivable							
Total	-	-	-	-	-	-	-
Unsecured Trade Receivable							
Undisputed Trade Receivables – considered good	5,65,77,356	1,33,000		-	-	-	5,67,10,356
Disputed Trade Receivables – considered good	-	18,02,316	7,29,885	28,38,133	1,95,11,847	-	2,48,82,181
Disputed Trade Receivables – considered doubtful							-
Total	5,65,77,356	19,35,316	7,29,885	28,38,133	1,95,11,847	-	8,15,92,537
Grand Total	5,65,77,356	19,35,316	7,29,885	28,38,133	1,95,11,847	-	8,15,92,537

Details of Receivables due from Directors or Officers, related Firms and Companies
Impact Fans & Cooling System Ltd

2,24,76,051

31st March 2023

Particulars	Less Than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than three years	Less: Allowance for bad and doubtful debts	Total
Secured Trade Receivables							
Total	-	-	-	-	-	-	-
Unsecured Trade Receivables							
Undisputed Trade Receivables – considered good	4,61,72,161	13,95,276					4,75,67,437
Undisputed Trade Receivables – considered doubtful		18,02,316	7,29,885	28,38,133	1,71,94,129		2,25,64,463
Disputed Trade Receivables – considered good							-
Disputed Trade Receivables – considered doubtful							-
Total	4,61,72,161	31,97,592	7,29,885	28,38,133	1,71,94,129	-	7,01,31,900
Grand Total	4,61,72,161	31,97,592	7,29,885	28,38,133	1,71,94,129	-	7,01,31,900

Details of Receivables due from Directors or Officers, related Firms and Companies
Impact Fans & Cooling System Ltd

2,45,49,798

16. Revenue From Operations

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Fan Sales		
Domestic	10,81,92,183	8,00,95,367
Export	3,98,70,657	4,20,13,817
SEZ		6,93,062
Packing & Forwarding	1,70,500	1,37,651
Total	14,82,33,340	12,29,39,897

17. Other Income

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Consultancy & Installation		95,000
Repair to FRP Fan Blade		-
<u>Interest Income</u>		
MPSEB	3,139	1,671
Deposit with bank	1,79,609	2,63,498
Dividend Income		640
Discount on Purchase	313	-
Foreign Exchange Gain	3,92,766	15,14,725
Sundry balance written off	6,77,037	15,07,860
Interest received from others	32,928	
Total	12,85,792	33,83,394

18. Cost of Material Consumed

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Opening Stock of RM	42,40,877	85,75,161
Add:		
Purchases		
Manufacturing	5,45,46,404	4,57,57,725
Electrical	4,30,426	31,071
Packing & Forwarding	24,75,509	22,92,798
Manufacturing Expenses		
Job Work Charges	3,36,13,223	2,97,35,125
(Paid to associate concern 29,480,970/- (PY 26,373,600/-))		
Transportation	1,03,56,072	84,85,713
Rent	4,80,000	7,93,982
Other Expenses	42,980	39,715
Power & Fuel	3,49,332	2,99,821
Less:		
Closing Stock of RM	98,67,390	42,40,877
Total	9,66,67,433	9,17,70,234

19. Changes in Inventories of Finished Goods & Work In Progress

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Closing Stock Of Finished Goods & Work In Progress	2,33,40,462	3,44,21,994
Opening Stock Of Finished Goods & Work In Progress	3,44,21,994	3,97,67,150
Total	1,10,81,532	53,45,156

20. Employee benefits expense

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Salaries & Wages	1,21,52,726	1,04,54,741
Bonus	10,11,439	4,46,870
Gratuity	3,79,037	3,31,610
Director Remuneration	19,63,420	17,77,504
Total	1,55,06,622	1,30,10,725

21. Finance costs

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Interest Expense	46,90,731	51,62,220
Commission & Other Charges	2,87,329	24,91,138
Total	49,78,060	76,53,358

22. Other Expenses

Particulars	For Period Ending 31-Mar-2024	For Period Ending 31-Mar-2023
Administrative Expense		
Professional & Consultancy		
Legal and consultancy fee	12,97,933	11,85,555
Travelling Exp (Including directors travelling of Rs2776752, PY Rs 715675)	33,96,898	10,29,536
Business Promotion	3,824	34,660
Certificate Of origin Charges	4,631	
Repairs & Maintenance	2,60,795	3,40,319
Duties, Rates & Taxes	1,77,369	5,15,646
Insurance Expenses	1,42,492	1,10,306
Discount	13,85,214	2,72,579
Donation and Charity	-	5,000
Miscellaneous Expense	1,04,15,851	16,60,295
Payment to Auditor		
Audit Fees	75,000.00	75,000
Tax audit fees	25,000.00	25,000
Consultancy	65,000	35,000
Total	1,72,50,007	52,88,896

Note 23. FAIR VALUE MEASUREMENTS

a) Financial instruments by category

PARTICULARS	March,31, 2024			March,31, 2023		
	FVOCI	Amortised Cost	Cost	FVOCI	Amortised Cost	Cost
Financial Assets						
Investments	20,050			20,050		
Loans		14,84,185			31,93,323	
Trade Receivable		7,22,56,754			7,01,31,900	
Cash and cash equivalents		62,143			33,557	
Other Current Financial Assets		29,68,978			31,46,205	
Total	20,050	7,67,72,059	-	20,050	7,65,04,985	-
Financial Liabilities						
Borrowings		3,87,80,472			5,15,80,400	
Trade Payables		2,97,73,644			2,56,89,876	
Other current financial liabilities		39,93,051			34,83,904	
Total	-	7,25,47,167	-	-	8,07,54,180	-

FAIR VALUE HIERARCHY

(a) This section explain the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value. The Company has classified its financial instruments into the three levels prescribed under the accounting standard

Financial assets and liabilities measured at fair value

PARTICULARS	March,31, 2024			March,31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	20,050		-	20,050		-
Loans			14,84,185			31,93,323
Trade receivable			7,22,56,754			7,01,31,900
Cash and Cash Equivalents			62,143			33,557
Others Financial assets			29,68,978			31,46,205
Financial Liabilities						
Short term burrowings			3,87,80,472			5,15,80,400
Trade Payable			2,97,73,644			2,56,89,876
Other financial liabilities			39,93,051			34,83,904

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds

that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments includes:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All the resulting fair value estimates are included in level 2 or level 3, where the fair value have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

Parag Fans And Cooling Systems Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2024

Fair value Estimations

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments:Disclosure" Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in a arm's length trasaction other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's Financial instruments, judgement is necessary in arriving at fair value, based on current economic conditions and specific risk attributable to the instrument. The estimates presented herein are not necessarily indicative of the amount the Company could realise in a market exchange from the sale of its full holding or a particular instrument.

Dividend/Interest-bearing investments

Fair value is calculate based on discounted expected future principles and interest cash flows. The carrying amount on the Company's investment are valued at fair value on the basis of fair market rate with reference to the investment with similar credit risk level and maturity period at the reporting date.

Trade & other receivable / Payables

The management assessed that Trade Receivables, Cash and Cash equivalents, Bank Balances, Deposits, other non derivative current financial assets, Short term borrowings, Trade payables, Non derivative Current Financial Liabilities approximate their carring amount largely due to the short-term maturities of these intruments.

There are no transfers between level 1 and level 2 during the year

As per our Report of Even Date

FOR A K P S & CO.
Chartered Accountants
FRN-009710C

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
PARAG FANS & COOLING SYSTEMS LIMITED

CA (DR)ASHOK PAHWA
PARTNER
Mem No.077665

SURENDRA KUMAR BADJATIA
Director
DIN: 07501398

DEEPAK PAGNIS
Director
DIN: 02566436

Place : Indore
Date : 29-05-2024

(Company Secretary)
Date : 29-05-2024

Parag Fans & Cooling Systems Limited

24A. Corporate Information

Parag Fans and Cooling Systems Limited (“the Company”) is a listed entity incorporated in India. The registered office of the company is located at Plot no. 1/2B & 1B/3A, Industrial Area no. 1, A.B. Road, Dewas – 455 001 (MP), India.

The company is engaged in manufacturing of High-Efficiency Axial Flow FRP (Fibre Glass Reinforced Plastic) Fans and other related components.

24B. Significant Accounting Policies

Basis of preparation of Financial Statement

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial assets and liabilities which are measured at fair value (disclosed through the explanatory notes wherever applicable), the provisions of the Companies Act, 2013 (“the Act”) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Summary of Significant Accounting Policies

Property, plant and equipment and capital work-in-progress

Property, plant and equipment are stated at cost, net of net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period in which such expenses are incurred.

Capital work-in-progress comprises of property, plant and equipment that are not ready for their intended use at the end of reporting period and are carried at cost comprising direct costs, related incidental expenses, and other directly attributable costs and borrowing costs.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation on Property, plant and equipment is provided using written down value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II;

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Intangible assets

Intangible assets are stated at cost, net of accumulated amortisation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Amortisation of intangible asset is calculated on pro rata basis on straight-line method using the useful lives of the assets and in the manner prescribed in Schedule II of the Companies Act, 2013.

Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement in exchange for consideration. A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases.

Company as a Lessee

Operating lease payments are recognised as an expense in the Statement of Profit and Loss as per the contractual terms over the lease period.

Finance lease are capitalised at the commencement of the lease and depreciated over the period of lease.

Company as a Lessor

Lease receipts are recognised as income in the statement of profit and loss when the right to receive lease instalment arises which is as per the terms of the contract.

Finance cost / Borrowing cost

Borrowing cost includes interest, exchange differences arising from the foreign currency borrowings and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each Balance sheet date. If there is any indication of impairment based on internal / external factors, Impairment Loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. Impairment losses are recognised in the Statement of Profit and Loss.

Non-Current Assets Held for Sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. The Company is committed to the sale expected within one year from the date of classification (Disclosed through explanatory notes wherever applicable).

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell (Disclosed through explanatory notes wherever applicable). Assets and liabilities classified as held for sale are presented separately in the Balance sheet (wherever applicable). Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Research and Development Expenditure

Revenue expenditure pertaining to research is charged to Statement of Profit and Loss. Development costs of product are charged to Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalized.

Inventories

Raw materials, traded goods, work in progress, finished goods, packing materials, project material for long term contracts, and stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The stock of scrap materials is taken at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Revenue recognition

Revenue from contract with customer's against sale of goods, Consultancy contracts and its related provision of services.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- a) The Company's performance does not create an asset with an alternate use to the Company and the Company has as an enforceable right to payment for performance completed to date.
- b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs

For performance obligations where one of the above conditions is not met, revenue is recognized at a point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability. In case of multiple performances obligation revenue for each performance obligation is recognized when it is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

Revenue in other cases is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Sale of goods

Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when the performance obligation is satisfied and control as per Ind AS 115 is transferred to the customer. The Company collects GST on behalf of the Government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is disclosed net of discounts, incentives and returns, as applicable.

Interest income

Interest income is recognised on accrual basis.

Dividend Income

Dividend income is recognised as and when company's right to receive the amount has been established.

Foreign Currency Translation

The Company's Financial Statements are presented in Indian rupee (INR) which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency item at the Balance sheet date

Foreign currency monetary assets and liabilities denominated in foreign currency are translated using the closing rate and Non monetary items are not reinstated on reporting date.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Employee benefits

a) Short Term Employee benefits

All short-term employee benefits such as salaries, incentives, special awards, medical benefits which are expected to be settled wholly within 12 months after the end of the period in which the employee renders the related services which entitles him to avail such benefits are charged to the Statement of Profit and Loss.

b) Defined contribution plans

Retirement benefit in the form of provident fund and 'Employer-Employee Scheme' are defined contribution schemes. The Company recognises contribution payable to the provident fund and 'Employer Employee' scheme as expenditure, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the funds. The Company's contributions to defined contribution plans are charged to the Statement of Profit and Loss.

Defined benefit plan – The Company pays gratuity to the employees who have completed five years of service at the time of resignation / superannuation.

Tax expenses

Current tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is provided using the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which

deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

Provisions, contingent liabilities and capital commitments

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Capital Commitments includes the amount of purchase orders (net of advances) issued to parties for completion of assets.

Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of cash flow statement consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through Statement of Profit and Loss; it is recorded at transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

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

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

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit and Loss (i.e., fair value through Statement of Profit and Loss), or recognised in other comprehensive income (i.e., fair value through other comprehensive income).

Financials assets carried at amortised cost

A financial asset that meets the following two conditions is measured at amortised cost (net of Impairment), unless the asset is designated at fair value through Statement of Profit and Loss under the fair value option.

Business Model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

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

Financial assets at fair value through other comprehensive income

Financial asset is subsequently measured at fair value through other comprehensive income if it is held with in a business model whose objective is achieved by both collections contractual cash flows and selling financial assets and the contractual terms of the financial assets give rise on specified dated to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through Statement of Profit and Loss.

De-Recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for the following:

- a) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.
- b) Other financial assets such as deposits, advances etc.

The Company follows 'simplified approach' for recognition of impairment loss on trade receivables or contract revenue receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

Initial recognition and measurement

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

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

Subsequent Measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognized in OCI. This gains/loss is not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at the rate of the instrument.

De-Recognition

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

Government Grants

The financial books show a grant received from the Government authorities. The company has not amortized the grant as there are no sufficient documents to substantiate the systematic basis and to ascertain the related cost for which the grant was received.

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Operating Segment

The company does not have any operating segment within the definition or criteria as set out in the standard.

In assessing the recoverability of Company's assets such as Investments, Loans, intangible assets, Goodwill, Trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

Significant accounting judgements, estimates and assumptions

In the course of applying the policies outlined in all notes, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the fundamental judgements, which have the most significant effect on the amounts recognised in the Financial Statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are considered by the company while preparation of Financial Statements. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Standards issued but not effective

The Company has applied the Companies (Indian Accounting Standards), Amendment Rules 2019 which is effective from 01 April 2019, while preparing the restated Ind AS financial statements.

Accordingly, the Company has applied the standards and interpretations issued which are not effective to the reporting period presented. Thus, all the Ind AS applicable till date has been applied, and there are no standards which are issued but not yet effective.

For: A K P S & Co
Chartered Accountants
(Firm Registration No. 009710C)

For and on behalf of the Board of directors of
Parag Fans and Cooling Systems Limited

Dr Ashok Kumar Pahwa

Partner

M. No. 077665

UDIN: 24077665BKFCLZ2770

Place: Indore

Date: 29-05-2024

Surendra kumar Badjatia

Director

DIN: 07501398

Place: Dewas

Date: 29-05-2024

Deepak Pagnis

Director

DIN: 02566436

Parag Fans And Cooling Systems Limited

25. Notes to Financial Statements- Other Disclosures as per Various IND-AS

1. Funding Pattern of the Company

Parag Fans and Cooling Systems Ltd. is incorporated under the Companies Act, 2013 as a Listed Company in the Metropolitan Stock Exchange. The company is funded through its shares as under;

Sr. No	Type Of Shares	Voting Rights	Amount as on 31-Mar-2024
1	Equity Shares	With Voting Rights	5,59,12,000.00
2	Preference Shares	Without Voting Rights	0.00
Total Equity Shares as on 31-03-2024			5,59,12,000.00
Total Equity Shares as on 31-03-2023			5,59,12,000.00

2. Contingent Liabilities

Three court cases are pending against the companies against which 370830.6 is still payable in books. Management view is to settle the amount in books. Hence, no provision for this has been made in the books.

Sr. No	Company	Amount as on 31-Mar-2024
1.	VC Sodhani	2,24,305
2.	Economic Packaging Corporation	61,889
3.	SNG Unicorn Worldwide Shipping	84,636

3. Contingent Assets: Nil

4. Commitments:

- Capital Commitments: NIL
- Other Commitments: Nil

5. Payment to Statutory Auditors and Tax Auditors

Sr. No	Particulars	2023-24	2022-23
1	Audit Fees	75000.00	75000.00
2	Tax Audit Fees	25000.00	25000.00
3	Certification work	65000.00	35000.00

6. Details of Foreign Currency not hedged by a derivative instrument or otherwise

Sr. No	Particulars	Currency	As on 31-Mar-2024	As on 31-Mar-2023
1	Borrowings	NA	NIL	NIL
2	Sundry Creditors	NA	NIL	NIL
3	Sundry Debtors	USD	287,264.82	269,648.49

7. Additional Information pursuant to Schedule III of the Companies Act, 2013

Sr. No	Particulars	2023-24	2022-23
A	Value of Imports Calculated on CIF; Raw Materials Stores & Spares Capital Goods	NO MATERIAL IMPORTED DURING THE YEAR	NO MATERIAL IMPORTED DURING THE YEAR
B	Expenditure in Foreign Currency; Professional & Consultancy Fees Travel	NIL	NIL

	Contractual Obligations Others		
D	Value of Components, Spare Parts Imported Indigenous	NIL	NIL

8. Some of the Debit / Credit Balances of parties are subject to confirmations & reconciliations, consequential impact thereof is as under;

Sr. No	Particulars	Debit / Credit Balance as on 31-Mar-2024	Debit / Credit Balance as on 31-Mar-2023
1	Total Trade Receivables (Dr.) / Payables (Cr.) as per Financial Statements – Rs.	80330954/- Receivable 29466731/- Payable	70131900/- Receivable 25482016/- Payable
2	Balance Confirmations received for – Rs.	NIL	NIL
3	Percentage of Confirmations Received – $(2 / 1) \times 100$	NA	NA

9. Information in respect of Micro, Small & Medium Enterprises;

Sr. No	Particulars	2023-24	2022-23
1	Amount remaining unpaid to any supplier – <ul style="list-style-type: none"> • Principle • Interest 	DETAILS OF MSME UNIT IS NOT AVIALABLE WITH THE COMPANY HENCE WE ARE NOT COMMENTING ON THE SAME	
2	Amount of interest paid in terms of section 16 of the Micro, Small & Medium Enterprises Development Act, 2006 along with the amount paid to the supplier beyond the appointed day		
3	Amount of interest due and payable for the period of delay in making payment but without adding interest specified under Micro, Small & Medium Enterprises Development Act, 2006		
4	Amount of interest accrued and remaining unpaid		

Disclosure requirements of Indian Accounting Standards

10. Disclosure in respect of Indian Accounting Standard 1 – Presentation of Financial Statements

Capital Management

The primary objective of the company's capital management is to maximise the shareholder value. The company monitors its capital management using Debt Equity Ratio, which is long term debt divided by total owner's capital. Debt Equity Ratio is as under;

2. Disclosure of transactions with the Key Management Persons and associate concern

Particulars	2023-24	2022-23
Salaries & Allowance	1,963,420/-	1,777,504/-
Directors travelling	2,773,752/-	715,675/-
Paid to Directors - Current account	0/-	9,221,125/-
Expenses incurred by Directors - Current acc	236,065/-	7,572,957/-
Job work expenses to associate concern	29,480,970/-	26,373,600/-
Hire charges to associate concern	480,000/-	480,000/-
Received for Directors for Share application Money	0/-	6,000,000/-

3. **Balance outstanding at the end of period**

Particulars	2023-24	2022-23
Receivable from Associate concern	22476051/-	24549798/-
Directors current account Debit balance	0/-	430441/-
Directors current account Credit balance	0/-	194376/-

15. **Disclosure in respect of Ind AS 33 – Earnings per Share (Rs. In Lacs)**

Particulars	2023-24	2022-23
Profit after Tax as per Statement of Profit & Loss	<u>Rs.27.62</u>	<u>Rs.24.52</u>
<u>Weighted Average No. of Equity Shares Outstanding:</u>		
Basic	55.91	55.91
Diluted	55.91	55.91
Basic EPS	<u>0.49</u>	<u>0.44</u>
Diluted EPS	<u>0.49</u>	<u>0.44</u>

16. **Disclosures in respect of Indian Accounting Standard 107 - Financial Instruments: Disclosures**

The disclosures as set out in the Ind AS 107 are not relevant as company has no transactions which are subject to the treatments specified in the relevant standard.

17. **Disclosure in respect of Indian Accounting Standard 108 – Operating Segment**

The company does not have any operating segment within the definition or criteria as set out in the standard.

For: AKPS& CoForand on behalf of the Board of directors of

Chartered Accountants

(Firm Registration No. 009710C)

Parag Fans and Cooling Systems Limited

Dr Ashok Kumar Pahwa

Partner

SurendraKumar Badjatia

Director

Deepak Pagnis

Director

M. No. 077665

DIN: 07501398

DIN: 02566436

Place: Indore

Place: Dewas

Date: 29-05-24

Date: 29-05-24

Form No. MGT-11**Proxy**

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

CIN : **U51102MP1991PLC006760**

Name of the Company : **PARAG FANS AND COOLING SYSTEMS LIMITED**

Registered office : Plot No. 1/2 & 1B/3A, Industrial Area No.1, AB Road, Dewas (MP)

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) ofshares of the above named company, hereby appoint:

1. Name:Address Email Id:..... Signature:.....

or failing him/her

2. Name:Address Email Id:..... Signature:.....

or failing him/her

3. Name:Address Email Id:..... 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 Annual general meeting of the company, to be held on the Monday, 30th September 2024 at 09:00 a.m. at 1/2 & 1B/3A Industrial Area No. 1, A B Road, Dewas, MP 455001 India and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution Type	Description	For	Against
1.	Ordinary Resolution	To receive and adopt the Audited Financial Statement of the Company for the financial year ended on 31 st March, 2024 and the report of the Directors & Auditors thereon.		
2.	Ordinary Resolution	To appoint a director in place of Mr. Sandeep Surendra Kumar Badjatia (DIN 00979809), who retires by rotation and being eligible offers himself for re-appointment.		
3.	Ordinary Resolution	Re-appointment of Statutory Auditors of the Company.		
4.	Special Resolution	To approve Re-appointment and remuneration of Mr. Deepak Pagnis as Whole Time Director of the Company.		
5.	Special Resolution	To approve Re-appointment and remuneration of Mr. Umesh Nambiar (DIN: 02566355) as Whole Time Director of the Company		



6.	Special Resolution	To approve related Party Transaction		

Signed this..... day of.....
Signature of Shareholder.....
Signature of Proxy holder(s).....

Affix Rs.1 Revenue Stamp

Notes:

- 1. 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.**
- 2. This is only optional. Please put “x” in the appropriate column against the resolution indicated in the box. If you leave the “For” or “Against” column blank against any or all resolutions. Your proxy will be entitled to be vote in the manner/as he/she thinks appropriate.**



ATTENDANCE SLIP

(To be presented at the entrance)

I/We hereby record my/our presence at the Thirty Third Annual General Meeting of the Company to be held on Monday, September 30, 2024 at 09:00 a.m. at registered office Plot No. 1/2B & 1B/3A, Industrial Area No.1, AB Road, Dewas (MP).

Folio No./DP ID No./Client ID No.

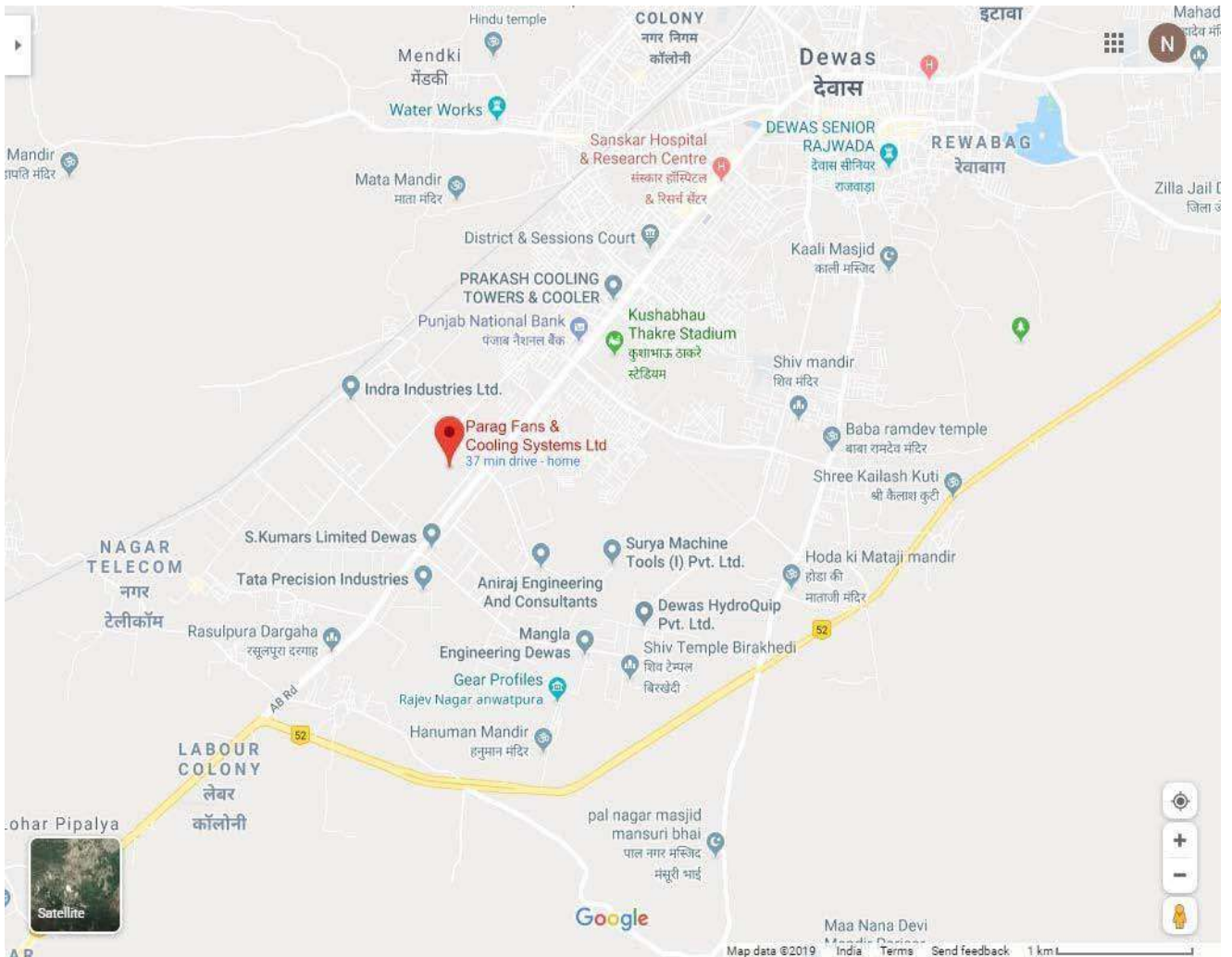
Name of the Member _____ Signature

Name of the Proxy holder _____ Signature

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

.....

Route Map to the venue of AGM



<https://goo.gl/maps/XmuXJv7eBU15EYTG9>