

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. S. G. Chandru	Managing Director
Mr. K Venkateswaran	Independent Director
Mrs. Malathy Gopaldaswami	Non-Executive Director
Ms. Raghavan Suguna	Independent Director
Mr. Narayanan Sripathi	Chief Financial Officer

AUDIT COMMITTEE

Mr. K Venkateswaran	Chairperson
Ms. Raghavan Suguna	Member
Mrs. Malathy Gopaldaswami	Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. Malathy Gopaldaswami	Chairperson
Mr. K Venkateswaran	Member
Mr. S. G. Chandru	Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. K Venkateswaran	Chairperson
Mrs. Malathy Gopaldaswami	Member
Ms. Raghavan Suguna	Member

STATUTORY AUDITOR

Mr. T.S.R. Sivasubramanian,
Chartered Accountant
Flat C, Ground Flr, 6A, Ayya Flats
9th Cross Street Dhandeeswaram Nagar
Velacherry, Chennai-600042

SECRETARIAL AUDITORS

M/s. Lakshmmi Subramanian & Associates
Murugesu Naicker Office Complex,
No. 81, Grems Road,
Chennai - 600006

INTERNAL AUDITORS

Shri N Subramanian
No. 81, Grems Road,
Chennai - 600006

PRINCIPAL BANKER

Axis Bank, Mylapore, Chennai
Syndicate Bank, T. Nagar, Chennai
IDBI Bank, Grems Road Chennai
Punjab National Bank, Purasawalkam,
Chennai

Registrars & Share Transfer Agents

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

Stock Exchange Where Company's Securities Are Listed

Metropolitan Stock Exchange

REGISTERED OFFICE

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

Email: sripathi@paceautomation.com

Website: www.paceautomation.com

Investor Relations Email ID: ramaseshan@paceautomation.com

Contact Number: 044 2855 4821/9940081504

Corporate Identity Number: L29141TN1989PLC018133

Notice is hereby given that the 31st Annual General Meeting of Pace Automation Limited will be held on Monday the 29th November 2021 through Video Conference (VC) or Other Audio-Visual Mean (OAVM) at 4.00 pm to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2021 together with the Reports of the Board of Directors and the Auditors thereon.
- 2) To appoint a director in place of Mr. S.G. Chandru (having DIN: 00814605) who retires from office by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

- 3) Amendment of the Articles of Association (AOA) of the company:

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

“RESOLVED THAT pursuant to the provisions of Section 5 and 14 of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to delete and substitute the clause Nos 1 to 190 of the Existing Articles of Association with the new clause Nos 1 to 120.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required for giving effect to this Resolution and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

Place: Chennai

Date: 29.10.2021

By and on behalf of the Board

Sd/-

S.G. Chandru
Managing Director
(DIN: 00814605)

Notes:

- In view of the situation arising due to COVID-19 global pandemic, the Annual General Meeting of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No.02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- Additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the re-appointment/ appointment of Directors as mentioned under item no.2of this notice is appended. Further, the Company has received relevant disclosure/consent from the Director seeking appointment.
- The Register of Members and Share Transfer Books of the Company will remain closed from 23rd November, 2021 to 29th November, 2021 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015.
- In compliance with the aforesaid MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.paceautomation.com websites of the Stock Exchange i.e. Metropolitan Stock Exchange Limited at www.msei.in.
- The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Cameo Corporate Services Limited, the Registrar & Share Transfer Agent of the Company.
- 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 these 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 Agent M/s. Cameo Corporate Service Limited for assistance in this regard.
- Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this -Notice.

E Voting & its procedures:**Voting through Electronic Means:**

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.paceautomation.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. Metropolitan Stock Exchange Limited at www.msei.in. The AGM Notice is also disseminated on the website of CDSL (agency

for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's [General Circular No. 20/2020](#), dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Friday, 26th November 2021 at 9.00 am and ends on Sunday, 28th November 2021 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd November 2021 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.

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

to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<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.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.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 or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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	<p>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.</p>
OR Date of Birth (DOB)	<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 PACE AUTOMATION LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ramaseshan@paceautomation.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

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 on 022-23058542/43.

The Company has appointed M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed.

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

Details of Directors Seeking Re-appointment at the Annual General Meeting

Name of the Director	Mr. S.G.Chandru.
DIN	00814605
Age	78 years
Date of Appointment	18/10/2002
Experience	More than 40 years
No. of. Shares held as on 31.03.2021	650606
No. of. Board meetings Attended during FY 2020-21	4
Directorship in other public companies	NIL.
Chairman/Member of committees of company	3
Relationship with any other Director	Mrs. Malathy Gopalakrishnan-Director
Brief History	He is a promoter of the company. Since, he is a director retiring by rotation and being eligible, he offer himself for reappointment. He has decades of industry experience at various levels of responsibilities, focusing more on envisioning new solutions and strategizing to enter new verticals. He has rich experience, expertise and knowledge in areas such as product vision, engineering and product management, business administration and human resources. He pioneered concepts such as SaaS, Cloud computing and Transactional Intelligence even when they had not even entered technology lexicon.

Place: Chennai

Date: 29.10.2021

By and on behalf of the Board

Sd/-

S.G. Chandru
Managing Director
(DIN: 00814605)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 RELATING TO THE AFORESAID SPECIAL RESOLUTIONS**Item No.3**

The existing Articles of Association of the Company is based on the Companies Act, 1956 and several regulations in the existing Articles of Association contain references to specific sections of the Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the Companies Act 2013 ("The Act").

Further, your company proposes to Reduce the Share capital of the company due to accumulated losses incurred in the previous years and the existing Articles of Association of the Company doesn't contain any clause relating the reduction of Capital.

Hence, the Board proposes to amend the Articles of Association in order to replace the entire existing Articles of Association with a new set of Articles of Association.

The Board therefore, submits the resolution for your consideration and recommends it to be passed as a Special Resolution.

A copy of the existing as well as new Articles of Association of the Company is available for inspection at the Registered Office of the Company during working hours on any working day till the Date of Annual General Meeting.

None of Directors/Key Managerial Personnel or their relatives are in a way interested or concerned in the resolution.

Place: Chennai

Date: 29.10.2021

By and on behalf of the Board

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

DIRECTORS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report on the business and operations of your company along with the Audited Financial statements for the year ended 31st March 2021.

1. FINANCIAL RESULTS:

The Financial Results for the year ended 31st March 2021.

PARTICULARS	2020-21 (Rs. In Lakhs)	2019-20 (Rs. In Lakhs)
Revenue from operations	275.06	489.698
Other Income	11.77	10.14
Total Income	286.83	499.84
Total expenses	291.88	441.03
Profit/(Loss) before interest and Depreciation	(5.05)	70.43
Less: Interest	0.46	5.91
Profit before depreciation	(11.38)	64.522
Less: Depreciation	5.41	5.72
Profit/(Loss) before tax	(10.92)	58.79
Exceptional Item	340.19	-
Tax Expenses:		
Current Tax	2.61	11.83
Deferred Tax	1.79	1.848
MAT Credit entitlement	-	-
Transfer to Reserve	-	-
Profit / (Loss) carried to Balance sheet	(355.51)	44.59

2. BUSINESS PERFORMANCE

During the year under review, the Company has made Loss of Rs 3,55,50,752 against profit of Rs. 44,59,475 in the previous financial year.

3. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2021 was Rs 99,80,350 No additions and alterations to the capital were made during the financial year 2020-2021.

4. DIVIDEND

The Directors have not recommended any dividend for the financial year 2020-21 due to inadequacy of profits.

5. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

There has been no loan and guarantees given or made by the Company under Section 186 of the Act, 2013 during the financial year 2020-21.

6. TRANSFER TO GENERAL RESERVE

Your Company does not propose any transfer of funds to the General Reserve due to inadequacy of profits

7. DEPOSITS

Your Company has not accepted any deposits from the public during the year under review. There are no outstanding deposits as on 31st March 2021.

8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the year 2020-21, the Company had not entered into any material transaction with related parties pursuant to the provisions of section 188 of the Companies Act, 2013

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Industry Structure and Developments

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

Opportunities and Threats:

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

Segment wise performance:

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

Risks and Concerns:

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

10. RISK MANAGEMENT POLICY:

The risk management is overseen by the Audit Committee of the Company on a continuous basis. Major risks, if any, identified by the business and functions are systematically addressed through mitigating action on a continuous basis. The risk management policy is available in the Company website www.paceautomation.com.

11. BOARD POLICIES:

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

- (i) Code of conduct for Directors and Senior Management
- (ii) Policy of Directors' Appointment and Remuneration
- (iii) Nomination & Remuneration Policy
- (iv) Policy on Related Party Transactions
- (v) Policy on sexual harassment of women at work place (Prevention, Prohibition and redressal) Act, 2013

Since your Company's paid-up Equity Capital, and Net worth is less than Rs. 10 Crores and Rs. 25 Crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI Circular number CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 is not applicable to the Company; hence company is exempt from forming other policies such as Policy on determining materiality of events, Policy on documents preservation and archival, etc.

12. BOARD DIVERSITY:

Since the Company falls under the exempted category as provided under Regulation 15 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 disclosure on Board diversity is not applicable.

13. PARTICULARS OF EMPLOYEES:

The Information required under Section 197 (12) of Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, forms part of this Report as **Annexure - 2**.

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

Training on all sectors is given to its employees periodically and motivated to work in line with the development of the industry. The willingness and commitment of the employees help the company to stand tall among its customer in quality and service. The company has the total employee strength of 62.

15. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place Prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

The said policy is placed in the website of the Company viz www.paceautomation.com

The Company has constituted Internal Complaint Committee as per the aforesaid Act.

Your directors state that during the year under review, the 13th February, 2021 and observed that there was no case filed pursuant to the Sexual Harassment of the woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

16. SUBSIDIARIES, ASSOCIATEDS AND JOINT VENTURE COMPANIES

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

17. MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF REPORT

There are no material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, affecting the financial position of the company.

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

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

19. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

20. AUDITORS:**STATUTORY AUDITORS**

Mr. TSR Sivasubramanian, Chartered Accountant, (Registration Number:022713) were appointed as statutory auditor of the company for the term of five years in the 27th Annual General Meeting held on 18th August 2017 and they continue to be the Auditors till the conclusion of 32nd Annual General meeting to be held in the year 2022.

COMMENT ON STATUTORY AUDITOR'S REPORT:

There are no qualifications, reservations, remarks or disclaimers made by Mr. TSR Sivasubramanian, Statutory Auditor, in their audit report.

SECRETARIAL AUDITOR:

Pursuant to the requirements of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. P.S. Srinivasan of M/s. Lakshmmi Subramanian & Associates, Practicing Company Secretaries (Membership No. CP 3122) was appointed to conduct the Secretarial Audit for the financial year 2020-2021.

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

Qualification In Secretarial Audit Report

There are no material qualifications in the Secretarial Report except for few observations in the Secretarial Audit report and the same has been taken on record for due action. Chief Financial officer shall be appointed within the prescribed period under the said Act.

INTERNAL AUDITORS

Shri N Subramanian, Chartered Accountants, are the Independent Internal Auditors of the Company. The Audit Committee determines the scope of internal Audit in line with regulatory and business requirements.

COST AUDITORS

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

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors

Mr. Sriperambadur Gopalakrishnan, Director, retire by rotation and being eligible, offer himself for re-appointment.

Mr. Akil Paliwal was appointed as the Company Secretary with effect from 1st February 2021and resigned from the post of Company Secretary with effect from 1st April 2021. The Company has appointed Mr.M.Balamurugan as the Company Secretary of the Company w.e.f 24th September 2021

Mr.N.Sripathi resigned from the post of CFO of the Company w.e.f 1st July 2021.

Board Composition

The Board is well constituted with composition of one executive, one - non executive and two independent directors.

Category	Name of Director
Executive Director	S.G. Chandru
Non - Executive Director	Malathy Gopalakrishnan
Independent Directors	K. Venkateswaran, Suguna Raghavan

Key Managerial Personnel

The Key managerial personnel of the Company are as under:

- 1) Shri. S.G. Chandru Managing Director
- 2) Shri M.Balamurugan Company Secretary

22. NUMBER OF MEETINGS OF THE BOARD

4 Meetings of the Board of Directors of the Company were held during the year 2020-21 which were 29.6.2020, 14.09.2020, 12.11.2020, 13.02.2021.

The Maximum time gap between any two consecutive meetings did not exceed 120 days.

23. COMPOSITION OF BOARD COMMITTEES:**a) Audit Committee:**

Shri K. Venkateswaran	Independent Director
Ms. Suguna Raghavan	Independent Director
Mrs. Malathy Gopalakrishnan	Director

b) Nomination and Remuneration Committee:

Shri K. Venkateswaran	Independent Director
Ms. Suguna Raghavan	Independent Director
Mrs. Malathy Gopalakrishnan	Director

c) Stakeholders' Relationship Committee:

Shri K. Venkateswaran	Independent Director
Shri. S.G. Chandru	Managing Director
Mrs. Malathy Gopalakrishnan	Director

MEETING OF AUDIT COMMITTEE:

During the year ended 31st March 2021, 4 Meetings of the Audit Committee were held on 29-06-2020, 14-09-2020, 12-11-2020, 13-02-2021. The Chairperson of the Audit Committee has the accounting or related financial management expertise.

MEETING OF NOMINATION AND REMUNERATION COMMITTEE

Meeting of Nomination and Remuneration Committee For the year ended 31st March 2021, the meeting was held on 14-09-2020.

MEETING OF STAKEHOLDERS RELATIONSHIP COMMITTEE:

Meeting of Stakeholder's Relationship Committee For the year ended 31st March 2021, the meeting was held on 13th February, 2021

24. BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Relationship Committee. The Manner in which the evaluation has been carried out is explained below.

A) Evaluation Of Executive Directors at Independent Director's Meeting:

During the year under review, the Independent Directors met on 14th February, 2021, inter alia to:

- (i) Review the performance of Non - Independent directors and the Board as a whole.
- (ii) Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.
- (iii) Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

25. SECRETARIAL STANDARDS

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

26. INDEPENDENT DIRECTOR'S DECLARATION

All Independent Directors have given declarations that they meet the Criteria of independence laid down under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 in respect of financial year ended 31st March, 2021, which has been relied on by the Company and placed at the Board Meeting.

27. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulations 34 (3), 18 (3) and 46 of SEBI (LODR) Regulations, 2015, the Board of Directors had approved the policy on Vigil Mechanism, Whistle Blower and the same was hosted on the website of the Company. The Policy inter alia provides to direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no director/employee has been access to the Chairman of the Audit Committee and that no complaints were received during the year.

28. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

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

29. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

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

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

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

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

30. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company is not having profits more than Rs. 5 Crores in the year 2019-20 or net worth more than Rs. 500 Crores or Turnover of more than Rs. 1000 Crores in the previous financial year and therefore Constituting of a CSR Committee and its Compliance in accordance with the provisions of Section 135 of the Act, does not arise.

31. EXTRACT OF ANNUAL RETURN:

The details forming part of extract of Annual Return in form MGT-9 as provided under Sub Section (3) of the Section 92 of the Companies Act, 2013 (the Act) is annexed herewith as Annexure - 4 to this report. And also available on the website of the Company which can be accessed by the link www.paceautomation.com

32. DISCLOSURE OF SHARES HELD BY PROMOTERS IN DEMAT FORM:

The promoters of the Company hold 5916670 of their shares in demat form out of 9448035 total equity shares. The Company 54305 shares of promoters are not in demat form. The details of Shareholding of the Promoters are given in MGT-9 (**Annexure -I to this report**).

33. DISCLOSURE REQUIREMENTS:

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

34. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under the Companies Act, 2013 are covered under the Board's policy formulated by the Company and is available on the Company website www.paceautomation.com

35. DIRECTORS' RESPONSIBILITIES STATEMENT:

Pursuant to the requirement of Section 134 (5) of the Act, the Directors hereby confirm:

1. That in the Preparation of Final Accounts, the applicable Accounting Standards has been followed along with proper explanation relating to material departures;
2. That they had selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. That they had taken proper and sufficient care for the maintenance of adequacy Accounting Records in accordance with the provisions of the Act, for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
4. That they had prepared the Annual Accounts on a Going Concern basis.
5. That they laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating properly; and
6. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The details of Conservation of Energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are attached as **Annexure - 3**.

37. GENERAL DISCLOSURES

- i. Your Directors state that no reporting is required in respect of the following matters as there were no transaction on these matter during the year under review:
- ii. No significant material orders were passed by the Regulators or courts or tribunals which impact the going concern status of the Company
- iii. There has been no change in the nature of business of the Company
- iv. There is no proceedings pending under the Insolvency and Bankruptcy Code, 2016

38. CORPORATE GOVERNANCE REPORT:

Since your Company's paid-up Equity Capital, and Net worth is less than Rs. 10 Crores and Rs. 25 Crores respectively, the provisions of revised Clause 49 relating to Corporate Governance, vide SEBI Circular number CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 is not applicable to the Company.

39. ACKNOWLEDGEMENT:

Your directors wish to place on record their appreciation of the Contributions made by employees at all levels, towards the continued growth and prosperity of your Company.

Directors also take this opportunity to convey their thanks to all the valued shareholders of the Company and to the Bakers for their valuable services.

40. CAUTIONARY STATEMENT

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

Place: Chennai

Date: 29.10.2021

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

By and on behalf of the Board
Sd/-
Malathy Gopalakrishnan
Director
(DIN : 00841108)

ANNEXURE -I

Form No. MGT -9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2021

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

I. REGISTRATION AND OTHER DETAILS:

CIN	L29141TN1989PLC018133
Registration Date	29-09-1989
Name of the Company	Pace Automation Limited
Category / Sub - Category of the Company	Public
Address of the Registered office and contact details	No.2, III Street, Parameswari Nagar Adyar Chennai TN 600020
Whether listed Company Yes/No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Buildings" 1, Club House Road, Chennai- 600002 Ph: -044-28460390 -6 Lines Fax: -044-28460129

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All Business activities contributing 10 % or more of the total turnover of the Company shall be stated:

S.NO	Name and Description of main Products/services	NIC Code of the Product / Service	% to total turnover of the Company
1	Computer Software design	42	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S.NO	Name and Address of the Company	CIN/GNL	Holding/Subsidiary / Associate	% of Shares held	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

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

i)Category -wise Share holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters (1) Indian a) Individual /HUF	5916670	54305	5970975	63.19	5916670	54305	5970975	63.19	0
b) Central Govt.	0	0	0	0	0	0	0	0	
c) State Govt.	0	0	0	0	0	0	0	0	
d) Bodies Corporate	0	489285	489285	5.18	0	489285	489285	5.18	0
e) Banks/FI	0	0	0	0	0	0	0	0	
f) Any other	0	0	0	0	0	0	0	0	
Sub - Total(A)(1)	5916670	543590	6460260	68.37	5916670	543590	6460260	68.37	0
(2) Foreign a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub - Total(A)(2)	0	0	0	0	0	0	0	0	0

Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	5916670	543590	6460260	68.37	5916670	543590	6460260	68.37	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds									
b) Banks/FI									
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
b) Individual	21802	2763548	2785350	29.48	23502	2761848	2785350	29.48	0

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital excess of Rs. 1 lakh	100000	73200	173200	1.83	100000	73200	173200	1.83	0
a) Institutions									
b) Mutual Funds									
c) Financial Institutions/Banks									
d) Central Government/State Government (s)									
e) Foreign Venture Capital									
f) Qualified Foreign Investment									
Any other	1200	28025	29225	0.31	1200	28025	29225	0.31	
Sub - Total (B)(2)	123002	2879973	2987775	31.62	124702	2863073	2987775	31.62	0

Total Public shareholding (B)=(B)(1)+(B)(2)	123002	2879973	2987775	31.62	124702	2879973	2987775	31.62	0
C. Shares held by custodian for GDRs&ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	6039672	3408363	9448035	100	6041372	3406663	9448035	100	0

ii) Share Holding of Promoters

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of shares	% of total shares of the Company	% of Shares Pledge d/encumbered to total shares	No. of Shares	% of total Shares of the Company	% Shares pledge d /encumbered to total shares	
1.	Malathi Gopalakrishnan	2704769	28.63	0	2704769	28.63	0	0
2.	Meera Chandru	2615600	27.68	0	2615600	27.68	0	0
3.	S.G.Chandru	650606	6.89	0	650606	6.89	0	0
4.	Electronic Corporation of Tamilnadu Ltd	489285	5.18	0	489285	5.18	0	0
	Total	6460260	68.38	0	6460260	68.38	0	0

(iii) Change in Promoter's Shareholding (Please specify, if there is no change)

No Change during the financial year 2020-21

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

SL.NO		Shareholding at the beginning of the year	Cumulative Shareholding during the year
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	For each of the top 10 Shareholders	No. of Shares	% Total shares of the Company	No. of shares	% of total shares of the Company
1.	Nirmala S At the beginning of the year-1.4.19 At the end of the year-31.03.2020	100000 100000	1.0584 1.0584	100000 100000	1.0584 1.0584
2.	KhwajaNizammudin At the beginning of the year-1.4.19 At the end of the year-31.03.2020	50000 50000	0.5292 0.5292	50000 50000	0.5292 0.5292
3.	Sankar D JT-I-1 Prema Sankar At the beginning of the year-1.4.19 At the end of the year-31.03.2020	23200 23200	0.2455 0.2455	23200 23200	0.2455 0.2455
4.	Madala Anita At the beginning of the year-1.4.19 At the end of the year-31.03.2020	18100 18100	0.1915 0.1915	18100 18100	0.1915 0.1915
5.	Prithvi Securities Limited At the beginning of the year-1.4.19 At the end of the year-31.03.2020	6700 6700	0.0709 0.0709	6700 6700	0.0709 0.0709
6.	Arun Kumar Goenka At the beginning the year 1.4.19 At the end of the year-31.03.2020	5000 5000	0.0529 0.0529	5000 5000	0.0529 0.0529
7.	Govinda bhai Baldev bhai Desai At the beginning of the year-1.4.19 At the end of the year-31.03.2020	5000 5000	0.0529 0.0529	5000 5000	0.0529 0.0529
8.	Pallavi A Patel At the beginning of the year-1.4.19 At the end of the year-31.03.2020	5000 5000	0.0529 0.0529	5000 5000	0.0529 0.0529
9.	Pratibha A Patel	5000	0.0529	5000	0.0529

	At the beginning of the year-1.4.19 At the end of the year-31.03.2020	5000	0.0529	5000	0.0529
10.	Parthasarathy M At the beginning of the year-1.4.19 At the end of the year-31.03.2020	5000 5000	0.0529 0.0529	5000 5000	0.0529 0.0529

(v) Shareholding of Directors and Key Managerial Personnel:

SL.NO	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% Total shares of the Company	No. of shares	% of total shares of the Company
1.	S.G.Chandru At the beginning of the year-1.4.20 At the end of the year - 31.03.2021	650606 650606	6.8862 6.8862	650606 650606	6.8862 6.8862
2.	Malathi Gopalakrishnan At the beginning of the year-1.4.20 At the end of the year-31.03.2021	2704769 2704769	28.6278 28.6278	2704769 2704769	28.6278 28.6278

V.INDEBTEDNESS:

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

Details of borrowing	Secured	Unsecured	Deposits	Total
Indebtedness at the beginning of the financial year				
i)Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0
Changes indebtedness during the year				
Addition	0	20,00	0	20,000
Reduction				
Net Change				

Indebtedness at the end of the financial year	0	20,000	0	20,000
i)Principal Amount				
ii)Interest due but not paid				
iii)Interest accrued but not due				
Total (i+ii+iii)	0	20,000	0	20,000

VI.REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

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

S.NO	Particulars of Remuneration	Name of the MD/WTD/MANAGER	Total Amount
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) Value of perquisites under section 17(2) of the Income tax Act, 1961 (c) Profits in lieu of Salary under Section 17 (3) of the Income tax Act, 1961	Mr.S.G.Chandru (Managing Director)	49,50,000 4,18,872
2	Stock Option	NIL	NIL
3	Sweat equity	NIL	NIL
4	Commission -as % of profit -others, specify	NIL	NIL
5	Others, please specify	NIL	NIL
	Total (A)		53,68,872
	Ceiling as per the Act		

B. Remuneration to Other Directors

S.NO	Particulars of Remuneration	Name of Directors	Total Amount
1.	2. Independent Directors Fee for attending board/ committee meetings Commission Others, please specify	Sitting fees Ms. Suguna Raghavan Mr. R. Venkateswaran	20,000 20,000
	Total(1)		40,000
	4.Other Non- Executive Directors Fees for attending board/Committee meeting Commission	Ms. Malathi Gopalakrishnan	20,000

	Others, please specify		
	Total (2)		20,000
	Total (B)=(1+2)		60,000
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

C. Remuneration of Key Managerial Personnel other than MD/Manager/WTD

SL.NO	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a)Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b)Value of perquisites under section 17(2) of the Income tax Act, 1961 (c)Profits in lieu of Salary under Section 17 (3) of the	-	1,00,000	5,16,000	6,16,000
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission As % of profit Others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	-	1,00,000	5,16,000	6,16,000

VII.PENALTIES / PUNISHMENT/ COMPOUNDING OFFENCES: NIL

Place: Chennai

Date: 29.10.2021

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

By and on behalf of the Board
Sd/-
Malathy Gopalakrishnan
Director
(DIN : 00841108)

Annexure-II**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2021**

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

To,
The Members
Pace Automation Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8th February, 2019 (Regulation 24A of SEBI(LODR)).

- (a) all the documents and records made available to us and explanation provided by Pace Automation Limited ("the Listed Entity"),
- (b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- (c) website of the listed entity,
- (d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by Pace Automation Limited ("the Company") for the financial year ended on 31st March, 2021 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:
 - i. The Companies Act, 2013 (the Act) and the rules made there under
 - ii. The Securities Contracts (Regulation) Act 1956 (SCRA) and the rules made thereunder
 - iii. The Depositories Act 1996 and the Regulations and Bye-laws framed thereunder;

iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 (SEBI Act)

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. However, the Regulation 24A relating to Secretarial Compliance Report is not applicable to the Company for the period under review;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations 2015 as amended from time to time
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time regarding the Companies Act and dealing with client to the extent of securities issued;

We hereby report that

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

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

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

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

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

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

- a. There were delay in filing e-Form DIR-12 , MGT-14 and MGT-7 with delay
- b. The Company is yet to improve in certain areas of SS-1 & SS-2
- c. SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 is not complied in certain areas, particularly in demating of promoter's share, having operational website of the Company.

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

1. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Employees Stock Option Scheme 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure (Requirements) Regulations, 2009;
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
6. Foreign Exchange Management Act 1999 and the Regulations Act By-laws framed thereunder to the extent of transactions

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

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

We further report, that the compliance by the Company of applicable financial laws, like Direct and Indirect tax laws, and cost audit records has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is constituted with Executive and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Notice is given to all directors to schedule the Board Meetings agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

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

There were no material events after the end of the financial year ended 31st March 2021 except the following:

1.Mr.Akil Paliwal resigned from the post of Company Secretary of the Company w.e.f 1st April 2021.The Company has appointed Mr.M.Balamurugan as the Company Secretary of the Company w.e.f 24th September 2021.

2.Mr.N.Sripathi resigned from the post of CFO of the Company w.e.f 1st July 2021

Place: Chennai

Date:16.10.2021

For LAKSHMMI SUBRAMANIAN &ASSOCIATES

Sd/-

P.S.Srinivasan

Partner

C.P.No.3122

UDIN: A001090C001187781

ANNEXURE-A

The Members

Pace Automation Limited

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

Place: Chennai

Date: 16-10-2021

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-
P.S.Srinivasan
Partner
C.P.No.3122
UDIN: A001090C001187781

Annexure-III

The information under section 197 of the Companies Act, 2013 read with Rules, 2014 are given below:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Executive Directors	Director Remuneration (Rs)	Median Employee's Remuneration (Rs)	Times
Mr. S.G. Chandru	53,68,872	12665	402.684

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Director, Company Secretary or Manager if any, in the financial year

Directors, Chief Financial Officer, Chief Executive Officer and Company Secretary	Nil
---	-----

c) The percentage increase in the Median Remuneration of employees in the financial year: No increase.

d) The Number of permanent employees on the rolls of the Company: - 62 Employees

e) Average percentile increase already made in the salaries of the 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.

f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The company affirms the remuneration is as per the remuneration policy of the Company

g) None of the other employee is in receipt of remuneration exceeding 85000/- P.A or 10200000 /- P.A as prescribed under sub rule 2 of the Rule 5 of Companies (Appointment & Remuneration) Rules, 2014.

Place: Chennai

Date: 29.10.2021

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

By and on behalf of the Board
Sd/-
Malathy Gopalakrishnan
Director
(DIN : 00841108)

Annexure-IV**Details relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:****A) Conservation of Energy:**

- (i) Introduction of efficient lighting system and special capacitor banks for improvement of power factor
- (ii) Improvements in operating efficiency and reduction of losses at workers level
- (iii) Capital Investment o energy conservation Equipments: NIL

B) Technology absorption

- (i) The efforts made towards technology absorption: NIL
- (ii) Benefits derived

Production improvement: NIL**Cost Reduction:** NIL**Production development or Import substitution;** NIL

- (iii) Import Technology; NIL
- (iv) Expenditure incurred on Research and Development; NIL

C) Foreign exchange earnings and outgo:

Details	2020-2021 Rs. In lacs	2019-2020 Rs. In lacs
Earning in Foreign Exchange	Nil	Nil
Expenditure in Foreign Exchange		
CIF value of imports - Raw Materials - Calcium Carbide	Nil	Nil

Place: Chennai**Date:** 29.10.2021

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

By and on behalf of the Board
Sd/-
Malathy Gopalakrishnan
Director
(DIN : 00841108)

CEO/CFO CERTIFICATION

The Board of Directors

Pace Automation Limited

Mr. N. Sripathi, Chief Financial Officer of Pace Automation Limited, on the basis of the review of the financial statements and cash flow statements for the year ended on 31st March, 2021 and to the best of my knowledge and belief, hereby certify that:

1. I have reviewed the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's Report and that to the best of our knowledge and belief.
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2021 are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, those deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or purpose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - there have been no significant changes in internal control over financial reporting during the year covered by this report.
 - there have been no significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
 - instances of significant fraud in the subsidiary company, of which they have become aware and the involvement therein, if any, of the management or an employee having role in the listed entity's internal control system over financial reporting.

Place: Chennai

Date: 29.06.2021

For Pace Automation Limited

Sd/-

N. Sripathi

Chief Financial Officer

INDEPENDENT AUDITORS REPORT**To the Members of Pace Automation Limited
Report on the Audit of Standalone Financial Statements****Opinion**

I have audited the accompanying standalone financial statements of Pace Automation Limited (‘the Company’), which comprises the Balance Sheet as at March 31, 2021 and the Statement of Profit & Loss (including Other Comprehensive Income), the Cash flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid standalone Ind AS 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 Standard prescribed under section 133 of the Act read with the Companies (The 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, 2021, the profit and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

I conducted my audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. My responsibility under those Standards is further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. I am 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 my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with the requirements and the ICAI’s Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

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

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

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

Responsibility of Management for the Financial Statements

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

This responsibility 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of Financial Statements

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

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

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

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

I 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 I identify during my audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") and issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, I give in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the said Order, to the extent applicable.
2. As required by Section 143(3) of the Act, report that:
 - a) I have sought and obtained all the information and explanations, which to the best of my knowledge and belief are necessary for the purposes of my audit;
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from my examination of those books.
 - c) The Balance Sheet, the Statement of Profit & Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - d) In my opinion, the standalone Ind AS financial statements comply with the Accounting Standards specified in Section 133 of the Act.
 - e) On the basis of written representations received from the directors, as on 31st March, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 my separate Report in **Annexure - 'B'**. My 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 my opinion and to the best of my information and according to the explanations given to me, the remuneration paid, if any, 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 my opinion and to the best of my information and according to the explanations given to me:

- (i) The Company does not have any pending litigations as on date.
- (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.4

Place: Chennai

Date: June 29, 2021

Sd/-
T.S.R. SIVASUBRAMANIAN
Chartered Accountant
Membership No. 22713
UDIN : 21022713AAAABP7127

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**1. SIGNIFICANT ACCOUNTING POLICIES**

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

a) Brief description of the Company

Pace Automation Limited is a public limited company incorporated and domiciled in India. It is engaged in providing on-line transaction processing services to various clients. Its shares are listed in stock exchanges.

b) Basis of Preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The financial statements have been prepared on the historical cost convention under accrual basis of accounting except for certain financial assets and liabilities (as per accounting policy below), which have been measured at fair value.

c) Use of Estimates

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

d) Revenue Recognition

Revenue is primarily derived from providing "online transaction services", software development and related services. Arrangements with customers for online transaction services are either on a fixed price, fixed timeframe or on a time and material basis. Annual technical services revenue from fixed-price on-line service contracts are recognized over the period in which the services are rendered. Where the service contracts are expired and not renewed/ finalised before the end of the year, revenue is not recognised after the period for which negotiations for renewal is not accepted by the customers. The Company presents revenues net of indirect taxes in the Statement of Profit and Loss.

e) Provisions and Contingent Liabilities

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

f) Property, Plant and Equipment

All items of Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation/ amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty, Value Added Tax to the extent credit of the duty or tax is availed of. Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefit associated with the item flows to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to Profit and Loss during the reporting period in which they are incurred.

g) Depreciation and amortization

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

2) Intangible Assets

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

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

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

h) Retirement Benefits to employees Gratuity

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

of an amount based on the respective employee's salary and the tenure of employment with the company.

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

Provident Fund and Employees State Insurance Benefits

Contribution to Provident Fund and Employees State Insurance Corporation is made every month at the prescribed rate, to the Provident Fund Commissioner and Employees State Insurance Corporation and accounted as expenses on accrual basis. There is no benefit in the nature of short / long term compensated absence.

i) Foreign Currency Transactions

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

j) Income Taxes

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

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

k) Earnings per Share

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

l) *Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are classified as current or long term based on management's intention. Long-term investments are stated at cost, less depreciation, if any. Short-term investments are valued at lower of cost or market value. Income from investment: Interest income is accounted for on accrual basis.

m) Trade Receivables

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

n) Cash and Cash Equivalents

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

o) Cash Flow Statement

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

Place: Chennai

Date: June 29, 2021

Sd/-

T.S.R. SIVASUBRAMANIAN

Chartered Accountant

Membership No. 22713

UDIN : 21022713AAAABP7127

PACE AUTOMATION LIMITED
No2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
CIN: L29141TN1989PLC018133
Balance Sheet as at March 31, 2021

(Amount - Rs.)

Particulars	Note No.	As at 31-03-2021	As at 31-03-2020
ASSETS		Rs.	Rs.
(1) Non-Current assets			
(a) Property, Plant & Equipment	2	51,65,506	59,64,442
(b) Capital work-in-progress	2	-	227,56,529
(c) Other intangible assets	2	-	-
(d) Financial assets			
i. Investments		-	-
ii. Loans	3	5,75,045	22,81,858
iii. Others (Bank deposits)		137,50,000	28,00,000
(e) Deferred Tax assets			
(f) Other non-current assets		-	-
		194,90,551	338,02,828
(2) Current Assets			
(a) Inventories	4	10,00,000	21,08,735
(b) Financial assets			
i. Trade receivables	5	31,53,302	137,64,790
ii. Cash and Cash equivalents	6	54,93,631	79,920
iii. Loans	7	9,27,277	128,68,998
iv. Other Financial Assets		-	-
(c) Other current assets	8	31,16,296	99,63,033
		136,90,506	387,85,475
Total Assets (A)		331,81,057	725,88,304
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	944,80,350	944,80,350
(b) Other equity	10	(924,57,307)	(569,05,543)
		20,23,043	375,74,807
(2) Liabilities			
(i) Non-current liabilities			
(a) Financial liabilities		-	-
(i) Borrowings	11	251,58,750	258,68,023

(b) Provisions		-	-
(c) Deferred tax liabilities(net)	12	10,56,478	8,77,584
(d) Other non-current liabilities		-	-
		262,15,228	267,45,607
(ii) Current liabilities			
(a) Financial liabilities			
i. Borrowings	13	20,000	-
ii. Trade payables	14	8,87,837	25,07,736
iii. Other financial liabilities	15	25,94,632	45,77,490
(b) Provisions	16	14,40,317	11,82,664
(c) Other current liabilities		-	-
		49,42,787	82,67,890
Total equity and liabilities		331,81,057	725,88,304
Significant accounting policies	1		

See accompanying Notes to Financial Statements

Vide my report of even date attached

Sd/-

T S R SIVASUBRAMANIAN

Chartered Accountant

Memb. No: 022713

UDIN : 21022713AAAABP7127

Place: Chennai

Date: June 29, 2021

Sd/-

S G Chandru

Managing
Director

Sd/-

Malathi
Gopalakrishnan

Director

Sd/-

N. Sripathi
Chief Financial
Officer

PACE AUTOMATION LIMITED
No2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
CIN: L29141TN1989PLC018133
Statement of Profit & Loss for the year ended March 31, 2021

(Amount - Rs.)

		Notes	Year ended 31-03-2021	Year ended 31-03-2020
I	Revenue from Operations	17	275,05,970	489,69,817
II	Other Income	18	11,72,953	10,13,874
III	Total Income		286,78,923	499,83,691
IV	Expenses:			
	Cost of material consumed		-	-
	Purchase of stock in trade	19	-	-
	Change in inventories of finished goods, stock-in-trade, work-in-progress	20	11,08,735	-
	Excise duty		-	-
	Employee benefit expense	21	196,65,401	285,11,967
	Finance costs	22	46,235	5,90,718
	Depreciation and amortisation expense	2	5,41,271	5,72,482
	Other expenses	23	84,13,818	144,28,736
	Total expenses		297,75,460	441,03,904
V	Profit before exceptional and extraordinary items and taxes (III-IV)		(10,96,537)	58,79,787
VI	Exceptional items		340,18,680	-
VII	Profit before tax (PBT) (VII-VIII)		(351,15,218)	58,79,787
VIII	Tax expense			
	i) Current tax		2,57,653	11,82,664
	i) Relating to Previous Years		-	52,840
	iii) Deferred tax		1,78,894	1,84,808
IX	Profit/(Loss) for the period from continuing operations		(355,51,765)	44,59,475
X	Profit/(Loss) for the period		(355,51,765)	44,59,475
XI	Other comprehensive income			
	A. Items that will not be reclassified to profit or loss:			
	Remeasurements of post employment benefit obligations		-	-
	Change in fair value of equity instruments		-	-
	Income tax relating to these items			
	B. Items that will be reclassified to profit or loss:			

	Fair value changes on cash flow hedges	-	-
	Income tax relating to these items	-	-
	Other comprehensive income for the year, net of tax	-	-
XII	Total comprehensive income for the year	-	-
XIII	Earnings per equity share	-3.76	0.47
	Basic & Diluted Earnings per share	-3.76	0.47

See accompanying Notes to Financial Statements

Vide my report of even date attached

Sd/-

T S R SIVASUBRAMANIAN

Chartered Accountant

Memb. No: 022713

UDIN : 21022713AAAABP7127

Place: Chennai

Date: June 29, 2021

Sd/-

S G Chandru

Managing
Director

Sd/-

N. Sripathi
Chief

Financial
Officer

Sd/-

Malathi
Gopalakrishnan

Director

Pace Automation Limited
No2. III Street, Parameshwari Nagar, Adyar, Chennai 600020
CIN: L29141TN1989PLC018133
Cash Flow Statement for the year ended March 31, 2021

	Particulars	Year ended March 31,		Year ended March 31,	
		2021		2020	
A.	Cash Flow from Operating Activities				
	Net Profit Before Tax and Extraordinary Items		(355,51,765)		44,59,475
	Add:				
	Depreciation and Amortisation for the year	354,36,449		5,72,482	
	Loss on sale of assets	3,14,646			
	Income tax - deferred tax	1,78,894		1,84,808	
	Interest Income	(11,70,922)		(6,20,470)	
	Finance cost	46,235		5,90,718	
	Operating Profit before Changes in Working Capital		(7,46,463)		51,87,014
	(Increase)/ Decrease in Working Capital				
	Inventories	11,08,735		-	
	Sundry Debtors	106,11,488		(47,65,918)	
	Loans and Advances	15,09,885		8,94,571	
	Other current assets	68,46,737		(23,08,481)	
	Current Liabilities	(33,45,103)		6,41,961	
			167,31,742		(55,37,866)
	Cash generated from operations		159,85,279		(3,50,853)
	Direct taxes paid		-		-
	Net Cash Flow from Operating Activities (A)		159,85,279		(3,50,853)
B.	Cash Flow from Investing Activities				
	Purchase of Property, Plant and Equipment	(4,68,517)		(18,390)	
	Capital Work-in-Progress			(5,24,658)	
	Interest received	11,70,922		6,20,470	
	Sale of Fixed Assets	4,11,536		-	
	Dividend received	-		-	
	Net Cash Flow from Investing Activities (B)		11,13,941		77,422
C.	Cash Flow from Financing Activities				
	Long Term Borrowings repaid	(7,09,273)		-	
	Short-Term Borrowings availed/(repaid)	20,000		(233,32,161)	
	Interest Paid on Borrowings	(46,235)		(5,90,718)	
	Dividend and dividend tax paid				

	Net Cash Flow from Financing Activities (C)		(7,35,508)	(239,22,879)
	Total (A+B+C)		163,63,711	(241,96,310)
	Cash and Cash Equivalents at the Beginning of the year		28,79,920	270,76,229
	Cash and Cash Equivalents at the end of the year		192,43,631	28,79,920
D.	Increase/(Decrease) in Cash and Cash Equivalents		163,63,711	(241,96,310)

See accompanying Notes to Financial Statements

Vide my report of even date attached

Sd/-

T S R SIVASUBRAMANIAN

Chartered Accountant

Memb. No: 022713

UDIN : 21022713AAAABP7127

Place: Chennai

Date: June 29, 2021

Sd/-

S G Chandru

Managing
Director

Sd/-

N. Sripathi

Chief
Financial
Officer

Sd/-

Malathi
Gopalakrishnan

Director

Statement of Change in Equity for the year ended March 31, 2021

a. Equity Share Capital	Rupees	
As at 01-04-2019	1194,80,350	
Change in equity share capital	-	
As at 31-03-2020	1194,80,350	
Change in equity share capital	-	944,80,350
As at 31-03-2021	1194,80,350	

b. Other Equity

Particulars	Reserves & Surplus			
	Retained earnings	Capital Reserves	Export Market Development Grant	Total
Balance as at 31-03-2019	(638,66,858)	23,09,000	1,92,839	(613,65,019)
Add: Profit for the year 2019-20	44,59,475	-	-	44,59,475
Add: Additions during the year 2019-20	-	-	-	-
Less: Deductions during the year 2019-20	-	-	-	-
Balance as at 31-03-2020	(594,07,382)	23,09,000	1,92,839	(569,05,543)
Add: Profit for the year 2020-21	(355,51,765)	-	-	(355,51,765)
Add: Additions during the year 2020-21	-	-	-	-
Less: Deductions during the year 2020-21	-	-	-	-
Balance as at 31-03-2021	(949,59,147)	23,09,000	1,92,839	(924,57,308)

PACE AUTOMATION LIMITED
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Description	Property, Plant & Equipment								Total
	Buildings	Plant and Machinery	Moulds and Tools	Office Equipment	Furniture & Fixtures	Computers	Vehicles		
	1	2	3	4	5	6	7	8	
Cost of assets									
Gross carrying value as at 01-04-2020	-	20,091,204	5,538,070	3,808,026	6,572,013	64,656,712	340,820	101,006,844	
Additions	-	-	-	79,237	-	389,280	-	468,517	
Sub total	-	20,091,204	5,538,070	3,887,263	6,572,013	65,045,992	340,820	101,475,361	
Sales/deletion	-	20,091,204	-	-	6,572,013	-	340,820	27,004,037	
Total	-	-	5,538,070	3,887,263	-	65,045,992	-	74,471,325	
Depreciation/Amortisation									
Up to 31.03.2020	-	19,642,724	492,256	3,693,775	6,578,345	64,578,517	56,786	95,042,403	
For the year	-	-	246,128	29,544	-	265,599	-	541,271	
Sub total	-	19,642,724	738,384	3,723,319	6,578,345	64,844,116	56,786	95,583,674	
Withdrawn on assets sold/deleted	-	19,642,724	-	-	6,578,345	-	56,786	26,277,855	
Total	-	-	738,384	3,723,319	-	64,844,116	-	69,305,819	
Carrying value									
As at 31-03-2021	-	-	4,799,686	163,944	-	201,876	-	5,165,506	
As at 31-03-2020	-	448,480	5,045,814	114,251	-6,332	78,195	284,034	5,964,442	

Notes to Balance Sheet for the year ended March 31, 2021

3 LOANS	As at 31.03.2021	As at 31.03.2020
(A) Loans and Advances to Related Parties	-	-
(B) Security Deposits (Secured, Considered good)	3,25,045	3,25,045
(C) Security Deposits(Unsecured, Considered good)	2,50,000	19,56,813
Total (A+B)	<u>5,75,045</u>	<u>22,81,858</u>
(C) Other Loans and Advances Unsecured, Considered good Income Tax Payments		
Total (B)	<u>-</u>	<u>-</u>
Total (A+B+C)	<u><u>5,75,045</u></u>	<u><u>22,81,858</u></u>
4 INVENTORIES		
a) Stock-in-Trade	-	-
(The Stock-in-trade are valued at lower of cost and net realisable value).		
b) Work-in-Progress (WIP)	-	-
c) Finished Goods	10,00,000	21,08,735
	<u>10,00,000</u>	<u>21,08,735</u>
5 Trade Receivables		
(A) Outstanding for a period exceeding six months from date they are due for payments:		
Secured, Considered good	-	-
Unsecured, Considered good	14,57,775	8,82,395
Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total (A)	<u>14,57,775</u>	<u>8,82,395</u>
(B) Others		
Secured, Considered good		
Unsecured, Considered good	16,95,527	128,82,395
Doubtful	-	-
Less: Allowance for bad and doubtful debts	-	-
Total (B)	<u>16,95,527</u>	<u>128,82,395</u>
Total (A+B)=C	<u><u>31,53,302</u></u>	<u><u>137,64,790</u></u>

6 Cash And Cash Equivalents		
Balance with Banks in Current accounts	54,47,024	77,455
Fixed Deposits with Banks		-
Cash on hand	46,607	2,465
	54,93,631	79,920
7 Current Assets- Loans		
(A) Loans and Advances to related parties	-	-
(B) Others		
(i) Secured, Considered good	-	-
(ii) Unsecured, Considered good		
Deposit	12,000	12,000
Others	9,15,277	128,56,998
(iii) Doubtful	-	-
Total	9,27,277	128,68,998
8 Other Current Assets		
TDS Receivable	26,87,693	100,56,409
Interest accrued on Deposits	3,95,833	-
Other Receivables	32,770	-93,376
	31,16,296	99,63,033
Sundry Creditors- Break up		
Debit	130,53,826	128,56,997.78
Creditors	8,87,837.15	25,07,735.60
	121,65,988.63	103,49,262.18

9 EQUITY SHARE CAPITAL**(a) Authorised, issued, subscribed and fully paid up**

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number	Rupees	Number	Rupees
Authorised:				
Equity Shares of Rs.10 each	95,00,000	950,00,000	95,00,000	950,00,000
Redeemable Preference Shares Rs.10 each	25,00,000	250,00,000	25,00,000	250,00,000
(b) Issued, Subscribed and Fully paid up :				
Equity Shares of Rs.10 each	94,48,035	944,80,350	94,48,035	944,80,350
Redeemable Preference Shares Rs.10 each	25,00,000	250,00,000	25,00,000	250,00,000

(b) Paid-Up, Share Capital : Equity Shares of Rs.10 each	94,48,035	944,80,350	94,48,035	944,80,350
	94,48,035	944,80,350	94,48,035	944,80,350

(b) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number	Rupees	Number	Rupees
Number of shares outstanding as at the beginning of the year	94,48,035	944,80,350	94,48,035	944,80,350
Shares issued during the year	-	-	-	-
Number of shares outstanding as at the end of the year	94,48,035	944,80,350	94,48,035	944,80,350

(c) (i) Rights and preferences attached to equity share

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

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

Name of the shareholder	Class of shares	As at 31-03-2021		As at 31-03-2020	
		Number	%	Number	%
Mr S G Chandru	Equity	6,50,606	6.89	6,50,606	6.89
Mrs Meera Chandru	Equity	26,15,600	27.68	26,15,600	27.68
Ms Malathi Gopalakrishnan	Equity	27,04,769	28.65	27,04,769	28.65
Electronics Corporation of Tamil Nadu Ltd	Equity	4,89,285	5.18	4,89,285	5.18
Redeemable Preference Shares					
Mrs Meera Chandru	Equity	25,00,000	100.00	25,00,000	100.00

10 Other equity

	As at 31-03-2021	As at 31-03-2020
(i) Capital Reserve (a)	23,09,000	23,09,000
(ii) Export Market Development Grant (b)	1,92,839	1,92,839
(iii) Retained Earnings		
Opening Balance	(594,07,383)	(638,66,858)
Add: Profit/(Loss) for the year	(355,51,765)	44,59,475
Closing Balance (c)	(949,59,147)	(594,07,383)
Total (a+b+c)	(924,57,307)	(569,05,543)

11 Non-current Liabilities - Financial Liabilities- Borrowings

Particular	As at 31-03-2021	As at 31-03-2020
Redeemable Preference Shares	250,00,000	250,00,000
Trade Deposits	1,58,750	8,68,023
Total	251,58,750	258,68,023

Note:

1. The Company has only class of Preference Shares (Non-convertible Cumulative Redeemable) having a face value of Rs.10/- and carry a dividend rate of 1%.

2. The Company shall redeem the preference shares in 4 annual instalments of Rs.62.50 lakhs each commencing from the year 2021 - 22.

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

	31.03.2021	31.03.2020
	No. of shares	No. of shares
Mrs Meera Chandru (100%)	2,50,000	2,50,000

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

Particular	As at 31-03-2021	As at 31-03-2020
Opening Balance	8,77,584	6,92,776
Add: Additions during the year on account of depreciation Benefits	1,78,894	1,84,808
Closing Balance	10,56,478	8,77,584

13 Current Liabilities - Financial Liabilities- Borrowings

Particular	As at 31-03-2021	As at 31-03-2020
SECURED LOANS (Secured by a lien on the fixed deposits held by the company with banks for less than 12 months)	-	-
UNSECURED LOAN -Malathi Gopalakrishnan	20,000	-
Total	20,000	-

14 Current Liabilities - Financial Liabilities- Trade Payable

Particular	As at 31-03-2021	As at 31-03-2020
Trade Creditors	8,87,837	25,07,736
Total	8,87,837	25,07,736

15 Current Liabilities - Financial Liabilities- Other Financial Liabilities

Particular	As at 31-03-2021	As at 31-03-2020
Amount Payable to Managing Director	15,332	-
Other Payables		
-PF payable	56,627	1,00,981
-ESI payable	1,078	3,062
-GST payable	5,92,459	10,97,775
-TDS payable	27,515	2,59,968
-Professional Tax payable	-	61,104
-Other Creditors	19,01,622	30,54,600
Total	25,94,632	45,77,490

16 Current Liabilities - Provisions

Particular	As at 31-03-2021	As at 31-03-2020
For Income tax	14,40,317	11,82,664
Total	14,40,317	11,82,664

17 REVENUE FROM OPERATIONS

	Year ended 31/03/2021	Year ended 31/03/2020
Sales of material	-	-
IT related Services - Transaction Processing Charges	275,05,970	489,69,817
	275,05,970	489,69,817

18 OTHER INCOME

Interest income	4,78,941	6,20,470
Interest on Income Tax Refund	6,91,981	3,93,404
Miscellaneous income	2,031	-

	<u>11,72,953</u>	<u>10,13,874</u>
19 Purchase of Trade Goods		
Electronic Goods	-	-
	<u>-</u>	<u>-</u>
20 Change in Inventory of Finished Goods		
Opening stock	21,08,735	21,08,735
Less: Material Rejected / Returned	-	-
Closing Stock of Finished Goods	10,00,000	21,08,735
	<u>11,08,735</u>	<u>-</u>
21 Employee Benefit Expenses		
Salaries, Wages and Bonus	127,89,680	214,02,331
Remuneration to directors	51,44,995	49,36,622
Contribution of PF and other funds	8,07,242	15,66,206
Staff Welfare Expenses	1,92,934	3,23,590
Gratuity	7,30,550	2,83,218
	<u>196,65,401</u>	<u>285,11,967</u>
22 Finance Cost		
Interest Expense	34,223	5,79,357
Bank Charges	12,012	11,361
	<u>46,235</u>	<u>5,90,718</u>
23 Other expenses		
Advertisement Charges	38,400	44,400
Rent	10,49,480	47,36,880
Printing and Stationery	5,543	21,379
Repairs and Maintenance Others	25,252	3,23,155
Communication expenses	3,00,438	8,47,026
General Expenses	2,72,000	
Electricity Charges	2,03,871	14,06,964
Virtual Server Charges	44,91,058	39,73,723
Professional charges	12,93,331	8,06,241
Rates and Taxes	5,980	4,990
Postage and courier expenses	7,990	6,856
Registrations and renewals	31,762	84,828
Office Maintenance	42,426	4,30,352
Listing Fees	55,000	55,000
Filing fees	9,800	27,900

Loss on sale of assets	3,14,646	
Miscellaneous expenses	1,36,050	6,78,561
Payments to statutory auditors:		
- As Auditors	60,000	60,000
- Taxation Matters	15,000	15,000
- Reimbursement of expenses	10,000	10,000
Travelling and Conveyance	45,793	8,89,182
Selling and distribution expenses	-	6,300
	84,13,818	144,28,736

24. Other Notes Forming Part of Financial Statement for the year ended March 31, 2021

(`in Lacs)

	2020 - 21	2019 - 20
1. Adjustment to the carrying amount of investments	---	---
2. Net gain/loss on foreign currency transaction and translation (other than considered as finance cost)	---	---
3. Value of imports calculated on CIF basis by the company during the financial year in respect of Material	---	---
4. Expenditure in foreign currency during the financial year	---	4.09
5. The amount remitted during the year in foreign currencies on account of dividends	---	---
6. Earnings in foreign exchange	---	---
7. Other Liabilities include Deposits from customers	1.58	8.68
8. Sundry Debtors/Creditors and advances are subject to confirmation/reconciliation		
9. In the opinion of the Board, Current Assets, Loans and Advances are realisable approximately at the values stated in the Balance Sheet in the ordinary course of business		
10. The compensation details of Key Management Personnel as defined under Accounting Standard (AS 18), "Related Party Disclosure", which comprise Directors and Executive Officers are as follows:		

(`in Lacs)

Salary and other employee benefits to Whole-Time Directors and Executive Officers	64.98	90.71
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11. The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The Company has created an Employees' Group Gratuity Fund which has taken a Group Gratuity Assurance Scheme with the Life Insurance Corporation of India. Company's contributions are based on actuarial valuation arrived at the end of each year and charged to Profit and Loss Statement. An amount of Rs.7.12 lacs paid on this account during the year is charged to the Profit & Loss Statement. Defined benefit plans as per actuarial valuation is given below:

	(Amount in Rupees)	
	31.03.2021	31.03.2020
i. Present value of projected benefit obligation as at the beginning of each year	16,89,987	3,058,390
ii. Service cost	125,589	138,283
iii. Interest cost	126,891	229,379
iv. Actuarial Loss/(Gain)	24,98,314	(16,63,373)
v. Benefits paid	(21,62,693)	(72,692)
vi. Present value of projected benefit obligation as at the end of each year	23,38,317	17,50,216
vii. Fair value of Plan Assets as at the end of each year	23,05,974	33,42,275
viii. Liability / (Asset) recognised in the Balance Sheet	(210,481)	(16,52,288)
ix. Amount charged to Profit & Loss Account (Gross)	711,666	283,218
x. Actuarial assumptions:		
a) Discount rate	7..00%	7.25%
b) Future Salary Escalation	7.00%	5.00%
c) Expected rate of return on Plan assets	7.00%	7.25%

13. Details of Earnings per Share:

	31.03.2021	31.03.2019
Profit / (Loss) after tax (in Rs.)	(35,550,752)	44,59,475
No of equity shares at the beginning of the year	94,48,035	94,48,035
No of equity shares at the end of the year	94,48,035	94,48,035
Face value of per share (in Rs.)	10.00	10.00
Earnings per share (in Rs) - Basic and Diluted	(3.76)	0.47

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

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

16. Micro, Small and Medium Enterprises Disclosure

On the basis of the information and records available with the Company, the Company had not paid any interest during the year to any parties who are classified as Micro, Small and Medium Enterprises on account of default in payment of their dues. Also there are no amounts outstanding as on 31.03.2021 in excess of Rs.1,00,000/- to any party classified as Micro, Small and Medium Enterprises.

Sd/-

T S R SIVASUBRAMANIAN

Chartered Accountant

Memb. No: 022713

UDIN : 21022713AAAABP7127

Place: Chennai

Date: June 29, 2021

Sd/-

S G Chandru

Managing Director

Sd/-

N. Sripathi

Chief Financial

Officer

Sd/-

Malathi
Gopalakrishnan
Director