

PANACHE INNOVATIONS LIMITED

Transcript of the proceedings of 40th Annual General Meeting (“AGM”) of the members of Panache Innovations Limited held on Monday, 27th September, 2021 at 3.00 P.M. through Video Conferencing / Other Audio - Visual means (“VC / OAVM”).

Mr. Vishal Adhav, Company Secretary

Good afternoon and welcome everyone for the 40th Annual General Meeting of Panache Innovations Limited.

Myself Vishal Adhav, Company Secretary & Compliance Officer of the Company.

I request all the Panelists of this meeting to put themselves on mute so as to avoid any background disturbances.

I would like to request our Chairman, Mr. Amit Rambhia to introduce himself and welcome the members.

Mr. Amit Rambhia, Chairman

Good afternoon, Ladies & Gentlemen.

I am Amit Rambhia, Chairman and Non-Executive Director of the Company. I am attending this meeting from the corporate office at Mumbai.

On behalf of the Board of Directors of the Company, it is my pleasure to extend a warm welcome to all of you on the occasion of 40th Annual General Meeting of your Company. I hope all of you and your loved ones are safe and keeping well during these tough times. I also hope that all of you are vaccinated or on your way to getting there, so that we can emerge out of this pandemic stronger and return back to our normal lives. Thank you all for your unconditional support in these pressing times and joining us today. Further i wish to inform you that, Mrs. Meeta Mehta Independent Director could not attend this meeting due to exigencies. Now, I would request Mr. Vishal to inform members regarding quorum for this meeting.

Mr. Vishal Adhav, Company Secretary

Thank you sir, In line with the provisions of Section 103 of Companies Act, 2013 and complying with various circulars issued by MCA, members present and attending the AGM via VC/ OAVM are counted for the purpose of reckoning quorum. Accordingly, we have the requisite quorum being present through video conference to conduct the proceedings of this meeting.

Mr. Amit Rambhia, Chairman

Thank you, Vishal. As the requisite quorum is present, I call this meeting to order.

Before we start the meeting, I would request Mr. Vishal Adhav (Company Secretary and Compliance Officer) to introduce the other Board members, Statutory auditor and Secretarial auditor present with us.

Mr. Vishal Adhav, Company Secretary

Thank you sir, I would now request members of the Board to introduce themselves to the members of the Company after I take their names.

To start with, I request Mr. Prakash Vichhivora to introduce himself

Mr. Prakash Vichhivora

Good afternoon everyone.

I am Prakash Vichhivora, Managing Director of the Company. I am attending this meeting from the corporate office at Mumbai. I would like to warmly welcome you to Panache Innovations Limited's 40th Annual General Meeting.

Mr. Vishal Adhav, Company Secretary

I now request Mr. Hetal Vichhivora to introduce himself

Mr. Hetal Vichhivora

Good afternoon everyone.

I am Hetal Vichhivora, Whole-Time Director and Chief Financial Officer of the Company.

I am attending this meeting from the corporate office at Mumbai. I express my heart felt gratitude for making yourself available and showering your trust throughout our journey and standing beside us in this unprecedented time.

Mr. Vishal Adhav, Company Secretary

I now request Mr. Anil Dagade to introduce himself

Mr. Anil Dagade

Good afternoon everyone.

I am Anil Dagade, Independent Director & Chairman of Nomination and Remuneration Committee. I am attending this meeting from Mumbai.

Mr. Vishal Adhav, Company Secretary

I now request Mr. Shailesh Gala to introduce himself

Mr. Shailesh Gala

Good afternoon everyone.

I am Shailesh Gala, Independent Director & Chairman of Audit and Stakeholders Relationship Committee. I am attending this meeting from Mumbai.

Mr. Vishal Adhav, Company Secretary

We also have with us Mr. Jayesh Salia, Representing M/s. Jain Salia & Associates, Statutory auditors and Mr. Dharmesh Zaveri, Representing M/s. D.M. Zaveri & Co., Secretarial Auditor.

The proceedings of the 40th Annual General Meeting will be conducted as per the Provisions of the Companies Act 2013 and the rules made thereunder.

Further, complying with the Companies Act, 2013, all the necessary registers and documents referred in the Notice of 40th Annual General Meeting are open and available for inspection via electronic mode.

Now, I would request Mr. Amit Rambhia, Chairman to address the shareholders

Mr. Amit Rambhia, Chairman

Dear Shareholders,

Greetings!

On behalf of the Board of Directors of Panache Innovations Limited, I welcome you all to this 40th Annual General Meeting of your Company. As I prepare to present to you Panache Innovation Limited Annual Report 2020-21, I would discuss topics that will help to improve the understanding of the company's growth strategy, performance and forecasts to create value for all it's stakeholder over the short, medium & long term.

As you are aware that the world is continuing to face the greatest threat to life and livelihood due to the COVID-19 pandemic. This is impacting the global economy and all its citizens. It goes without saying that these are extraordinary times. Just as our hearts go out

to everyone affected by Covid-19, we are grateful to all our first responders and medical professionals who are risking their lives to keep us safe. We are also grateful to all our employees who continued to deliver on our commitments to all stakeholders despite these challenging times. The Fast moving consumer goods (FMCG) and Telecommunication industry in which the Company operates is growing at a rapid pace which shall benefit the Company to deliver enhanced benefits to its entire ecosystem of shareholders, customers, investors, employees and partners.

Panache Innovations being the Distribution & Service Company has always tried to remain a step ahead in the market by bringing the latest and fast-moving electrical & electronic products as per the need and demand of the customers. The Company has flexible supply chain and end to end management of goods which can cater to domestic as well as international markets. At present time, the Company is confident to serve the markets through its widespread Distribution Channel across India and achieve milestones and unlock shareholders value.

Our Company strongly supports “Make in India” initiative by the Government of India by strengthening the tie-ups with the manufacturers in India. The Company completely identifies with the ‘Make in India’ and ‘Atmanirbhar Bharat’ initiatives in the Electronics domain and has positioned itself with many branded products in the Indian market which shall be a substitute to imports and proudly positioned as “Made in India” products.

I will now briefly talk about important developments in the year gone by.

During the year, the Company has launched “Panache” Brand in Telephone Category i.e. Corded Phone, Fixed Wireless Phone. The Company has opened new verticals focusing on Project based Services, AMC of Large Corporates, CCTV Surveillance etc. This will not only help to Annual turnover of the Company significantly but also it will help to increase company's profitability in coming years. The Company has made addition in its existing FMCG products by launching Rechargeable LED Lantern, 9W Speaker Bulb to acquire additional set of customers through existing distribution network. All these initiatives will widen our product range and expand the clientele base.

With respect to the Financial performance of the Company for the year 2020-21, your Company achieved the total revenue from operations of Rs. 982.88 lakhs and Net Loss after Tax of Rs. (10.20) Lakhs.

Talking about the ongoing year 2021-22, the Company is fully aware and well-positioned to tap both domestic and international opportunities. We will continue to focus on increasing our wallet-share from our existing customers, by positioning a larger portfolio of our products and acquiring new customers. Further, The Company has intends to increase its product portfolio in its LED Lighting category by introductions of Panel Lights, Down

Lights, Streetlights & Digital Signage. The Company has also plans to focus on OEM category by offering products like LED Lighting, Flashlights to its OEM customers. Company plans to further increase its Distribution channel partners by adding further territories and aim to increase it at pan India level. We have developed wide network of 500+ Channel Distributors across India who operate as Secondary tier and responsible to promote and distribute products to third tier (i.e. to dealer's/End customers/ SME's). Panache Innovations has an outlook to explore and search for new opportunities in Project based Services, AMC of Large Corporates, CCTV Surveillance which will be introduced as growth center for FY 2021-22.

We will continue to achieve deeper market penetration with more products, improving operational and financial efficiency. You are likely to see our Company make a strong bid in both traditional as well as emerging markets. We look forward to the future with renewed enthusiasm.

I now conclude my address by thanking all those who have stayed connected with Panache Innovations and supported its endeavours. Thank you for placing your confidence in the Company and its management and in Panache's growth potential.

We welcome your advice and feedback. We wish you and your families, all the very best.

Further,

The notice convening the 40th AGM along with the annual report for the financial year ended 31st March, 2021, consisting of financial statements including the Board's report, Auditor's report have been sent to those members whose email ids are registered with the company or the Registrar and Share transfer agent or the Depository Participants through electronic means and no physical copies and notice have been sent by the company to any member. The notice has also been hosted on the website of the company.

With the permission of the members present, I take the notice of 40th AGM as read.

The company presented Standalone and Consolidated Financial statements of the company for the financial year ended 31st March, 2021, as per the requirements under the Companies Act, 2013. As there are no observations or qualification in the Auditors report on Standalone Financial Statements the said report is taken as read.

Pursuant to Section 145 of the Companies Act, I would read the qualification provided by statutory auditor in their report for the Consolidated Financial Statements;

The Consolidated Ind AS Financial Statements includes the unaudited Financial Statement of Eddy & Andy International Limited (Hong Kong), whose Financial Statements reflect net gain/(net loss) of Rs.(0.66) Lakhs and total comprehensive income/(loss) of Rs.(0.66) Lakhs

for the year ended on that date, has been considered in the Consolidated Financial Statements. We state that this Financial Statement is not audited by us. This Financial Statement was to be audited by other auditors, whose report has not been furnished to us by the management. We assess that the possible effects of misstatements due to unavailability of audited Financial Statements of such subsidiary on the overall Consolidated Financial Statements could be material but not pervasive.

As explained by the Management of the Company, The operations of the subsidiary has been closed since previous financial year. The company has settled its liabilities and repatriated balance funds to parent company against its investment and has applied for deregistration with appropriate authorities. The Board states that since there were no transactions in Eddy and Andy International Limited during the year, there will not be any major impact on the group and Consolidated Financial Statements.

Further, there were no qualifications reservations or adverse remarks made by the Secretarial Auditor in their report and hence the said report is taken as read.

I would request Mr. Vishal Adhav (Company Secretary and Compliance Officer) to inform the members on the e-voting instructions

Mr. Vishal Adhav, Company Secretary

The Company had provided the facility to cast the votes electronically, on all resolutions set forth in the Notice of 40th AGM. Members who have not cast their votes yet electronically and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by Central Depository Services (India) Limited (CDSL). The e-voting was kept open for 3 days i.e. from 9 a.m. of 24th September, 2021 to 5 p.m. of 26th September, 2021. The Members may refer the notice of AGM for detailed instruction on e-voting facility provided during this meeting.

The facility of e-voting is enabled by the Moderators and the members may vote on resolutions put forth while attending the meeting. I request all the members to cast their vote on every resolution mentioned in the Notice through e-voting.

Company has appointed Mr. Dharmesh Zaveri from M/s. D. M. Zaveri & Co. as a scrutiniser for orderly conduct of Voting through E-voting in a fair and transparent manner.

The results will be declared based on the report received from the scrutiniser of remote e-voting and will be placed on the Company's website www.panachemodera.com and on CDSL website at www.evotingindia.com within two working days from the conclusion of the Annual General Meeting. The same will be communicated to the BSE Ltd where the company's shares are listed.

I request Mr. Amit Rambhia, Chairman, to proceed with the agenda items of the Notice.

Mr. Amit Rambhia, Chairman

Ordinary Business:

1. To receive, consider and adopt

a. The Audited Standalone Financial Statement of the Company for the financial year ended 31st March, 2021, and the report of the Board of Directors and Auditors thereon.

b. The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2021, and the report of the Auditors thereon. (Ordinary Resolution).

2. To Appoint a Director in place of Mr. Hetal Vichhivora (DIN 03123060) Director, who retires by rotation and being eligible, offers himself for re-appointment. (Ordinary Resolution)

I being interested in the next agenda item, I request Mr. Shailesh Gala to take up the agenda item No.3

Special Business:

Mr. Shailesh Gala

3. Approval of Related Party Transactions (Ordinary Resolution)

I now request, Mr. Amit Rambhia, Chairman to carry on with the further agenda items.

Mr. Amit Rambhia, Chairman

Thank you, Mr. Shailesh. Now, Moving further with the remaining agenda items.

4. To Consider Revision in terms of Remuneration of Mr. Prakash Vichhivora (DIN: 03123043) as Managing Director of the Company. (Special Resolution)

5. To Consider Revision in terms of Remuneration of Mr. Hetal Vichhivora (DIN: 03123060) as Whole-Time Director and Chief Financial Officer of the Company. (Special Resolution)

I would now request Mr. Vishal Adhav (Company Secretary and Compliance Officer) to inform members regarding query resolution procedure.

Mr. Vishal Adhav, Company Secretary

Dear Members, we had requested all of you to register 7 days in advance prior to AGM, who would like to express their views/ask questions or send your queries regarding the business, proposals in the AGM Notice and other matters in the Annual Report, mentioning your name, demat account number/folio number, email ID, mobile number at

compliance@panachemodera.com.

Only those members who have registered themselves as speakers were authorised to share their thoughts. As there were no speakers registered in advance with the Company, there are no queries to answer.

I request Mr. Amit Rambhia, Chairman to address and conclude the meeting.

Mr. Amit Rambhia, Chairman

Thank you, Vishal. As all the items of business as per the Notice of the 40th Annual General Meeting have been taken-up. I now declare the proceedings of the Annual General Meeting as completed. As mentioned earlier the e-voting facility will continue to be available for 15 minutes after this meeting. I request the members to cast their votes through e-voting if not cast through remote e-voting.

Lastly, On behalf of our Board of Directors and management of Panache Innovations Limited, I convey our sincere thanks to all the Members for attending and participating in this meeting. Stay healthy and stay safe and please get vaccinated. Take care, be well. Thank you, have a great day.