



ANNUAL REPORT
2018-19

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ABOUT US

Pulz manufactures an array of world class audio products specifically designed to cater to Cinema, Professional Audio, Studio and dedicated Home Theatre markets. The Research and Development team at Pulz have created numerous path breaking advances in audio technologies which form the core of all Pulz products. Some of these are:

WaveDrive Technology

WaveDrive range of products are state-of-art technology in audio. Traditional arrangement of 3-Way loudspeakers consists of transducers displaced vertically on a single plane. This arrangement creates frequency response anomalies in the crossover region due to difference in sound arrival timings at the listening point, resulting into unnatural sound reproduction.

WaveDrive series overcomes this issue by concentrically placing mid and high frequency transducers which creates a coherent wavefront and sound is reproduced as a single source. The Mid-High section is further coupled to damped FRP waveguide to load the Mid-High frequencies offering higher mid-range sensitivity and controlled dispersion. Overall the system produces a single wavefront offering a seamless reproduction of sound.

Isowave Technology

The Isowave Motor system provides high sensitivity, high SPL along with exceptional linearity and directivity control. The IsoWave design emphasizes consistency and stability on-axis as well as off-axis. The frequency response provides more consistent sound compared to designs utilizing offset drivers. The enhanced sonic accuracy of the IsoWave speaker system is only possible due to the carefully integrated coaxial solution.

Point Source Technology

The advantages of the point source coaxial approach include total wave front coherency at all frequencies and dispersion characteristics that are free of polar lobing, typical of traditional horn and woofer combinations. The net result is a natural, studio monitor like sound quality and uniform frequency coverage for the complete listening area.

AeroWave Technology

AeroWave subwoofers are critically designed with large aero-dynamically designed vents which reproduce extended low frequency details with very low turbulence. The result is uncompressed deep bass and extra cooling of the motor.

ABOUT US

DPT Technology

The New Pulz DPT Technology fluidly adjusts the power supply rails of the amplifiers to track the signal. As a result, unwanted power dissipation in the output stages is minimized by almost 80%. The amplifier remains relatively cool even when driving the most demanding low impedance subwoofer loads.

Amplifiers designed with the DPT technology are built for applications where sonic transparency and robust high power output capability are the prime criteria.

The Pulz manufacturing base is located in a 40,000 sq. ft. state of the art manufacturing facility in the outskirts of Mumbai, India. The critical components are manufactured in Germany, Italy and Spain. A dedicated team of highly skilled professionals work relentlessly towards innovation, product development, precision assembly, and stringent quality control.

The Pulz facility is also designed to build customized products for special venue requirements, giving the company the unique ability to provide a perfect solution for technically challenging projects and venues.

With thousands of cinema and audio installations in some of the leading chains, Pulz is one of the industry leaders with innovative products and advanced engineering skills.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Name of the Director	Nature of Directorship
Mr. Ramakrishnan M. K. (DIN: 00194891)	Chairman & Director
Mr. Anirvan Partha Ghose (DIN: 00188496)	Managing Director
Ms. Rumeeta Anirvan Ghose (DIN: 02885906)	Non-Executive Director
Mr. Nikhil Kumar Arya (DIN: 07776333)	Independent Director (resigned wef May 06,2019)
Mr. Naresh Kumar Gaiind (DIN: 06972069)	Independent Director
Ms. Sneh Sandeep Velani (DIN: 08380641)	Independent Director (wef July 24,2019)

KEY MANAGERIAL PERSONNEL

Mr. Mihir Doshi	Chief Financial Officer
Ms. Hetali Harish Mehta	Company Secretary and Compliance Officer (resigned wef July 19,2018)
Ms. Kanika Kaushik	Company Secretary and Compliance Officer (w.e.f. September 10, 2018)

STATUTORY AUDITOR

M/s. KNP and Associates	Chartered Accountants
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SECRETARIAL AUDITOR

M/s. N.S.Gupta and Associates	Company Secretaries
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CORPORATE INFORMATION

Composition of Committees of Board of Pulz Electronics Limited

AUDIT COMMITTEE

Name of the Director	Status in Committee	Nature of Directorship
Mr. Naresh Kumar Gaind	Chairman	Independent Director
Mr. Nikhil Kumar Arya	Member	Independent Director
Mr. Anirvan Partha Ghose	Member	Managing Director
Ms. Sneh Sandeep Velani	Member	Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Name of the Director	Status in Committee	Nature of Directorship
Mr. Naresh Kumar Gaind	Chairman	Independent Director
Mr. Nikhil Kumar Arya	Member	Independent Director
Ms. Rumeeta Anirvan Ghose	Member	Non-Executive Director
Ms. Sneh Sandeep Velani	Member	Non-Executive Director

STAKEHOLDER RELATIONSHIP COMMITTEE

Name of the Director	Status in Committee	Nature of Directorship
Ms. Rumeeta Anirvan Ghose	Chairperson	Non-Executive Director
Mr. Ramakrishnan M. K.	Member	Chairman & Director
Mr. Anirvan Partha Ghose	Member	Managing Director

CORPORATE INFORMATION

BANKERS

Yes Bank Limited, Mumbai

Axis Bank Limited, Mumbai

Bank of India, Mumbai

REGISTERED OFFICE:

46, Satish Mukherjee Road,
Kolkata 700 026, West Bengal,
India.

CIN: L32109WB2005PLC104357

Website: www.pulz.biz

Email: mumbai@pulz.co.in

CORPORATE OFFICE:

Kailashpati, 2nd Floor, Plot 10A,
Veera Desai Road, Andheri West,
India. Mumbai 400 053, Maharashtra, India.
Phone No.- 22 2673 2593

REGISTRAR AND SHARE TRANSFER AGENT:

BIGSHARE SERVICES PRIVATE LIMITED

E2 Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri East, Mumbai- 400072.

Tel: +91 22 40430200

Fax: +91 22 28475207

Email: ipo@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Ashok Shetty

SEBI Registration No.: INR000001385

DEPOSITORY

National Securities Depository Limited

Central Depository Services (India) Limited

ISIN

INE335X01014

LETTER FROM THE MANAGING DIRECTOR

Managing Director's Perspective

I am pleased to report that this has been an exciting year for Pulz. This year has involved many upgrades which have enhanced the strengths of the company resulting in great improvement in performance.

With our improved capabilities, we continue to transform the company to capture tremendous growth opportunities and drive greater shareholder value.

GLOBAL LANDSCAPE

Overall, the global cinema industry remains strong especially in India. The Indian cinema audio industry is expected to continue on a positive trend in fiscal year 2019-2020. There is a movement towards smaller centres as high-quality Multiplexes appear there. Consequently, most of the new projects are moving away from the big centres to tap into these emerging markets

ENHANCEMENTS

We have upgraded our production facility to include automation which has enhanced production quantity as well as accuracy. A state of the art CNC machine from Thermwood Corporation, USA has been installed. Our QC facilities have been enhanced with top of the line test and measurement equipment like the D Scope.

We have moved to the SAP platform providing great control over processes. Accurate data and analysis is now available which can enhance accuracy and efficiency.

A number of new R&D projects have been initiated to develop patented technologies. We hope to see the results of these in the coming years.

This year we have introduced our DPT (Dynamic Power Tracking) amplifier technology.

In this design, the amplified output signal tracks the input signal waveform, achieving greater efficiency and sonic quality compared to any other standard amplifier classes. The DPT design can deliver extremely high power density with an unprecedented audio fidelity.

LOOKING BACK

Our total revenue for the year 2018-19 was ₹ 2479.83 lacs as compared to ₹ 1,853.14 lacs in the previous year i.e. 2017-18 which represents the growth of 33.8%.

Our profit after tax was ₹ 246.53 lacs as compared to ₹ 162.99 lacs in the previous year represented the growth of 51.2%.

LETTER FROM THE MANAGING DIRECTOR

MOVING FORWARD TOGETHER

In closing, I want to thank our shareholders, customers, distributors, dealers, partners and employees for their support and their confidence in Pulz. The brand is moving from strength to strength and we are privileged to have you with us in this journey.

It is an honour to serve as the Managing Director of Pulz during this exciting time as we develop new technologies to support the audio industry in applications where sound matters. I am enthusiastic about Pulz's prospects and confident that this team has the passion and commitment to keep Pulz on a winning path well into the future.

Anirvan Ghose
Managing Director

DIRECTORS' REPORT

To
The Members
Pulz Electronics Limited

Your Directors have pleasure in presenting the 14th Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2019.

1. FINANCIAL RESULTS

The performance of the Company for the financial year ended 31st March 2019 is summarized as under:

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Total Sales / Income From Operations	23,99,77,140	18,03,38,102	23,99,77,140	18,03,38,102
Other Income	80,06,297	49,75,608	80,06,297	49,75,608
Net Profit / Loss Before Depreciation	3,99,03,357	2,57,35,905	3,98,63,908	25,680,101
Depreciation	41,49,648	22,36,458	41,49,648	22,36,458
Net Profit / Loss Before Taxation	3,57,53,716	2,34,99,447	3,57,14,267	2,34,43,643
Provision For Taxation (Incl. Deferred Taxes)	1,11,01,004	7,200,791	1,11,01,004	7,200,791
Net Profit / Loss After Tax	2,46,52,712	16,298,659	2,46,13,263	16,242,852
Balance Carried Forward	8,73,00,338	62,647,626	8,72,05,085	62,591,822

2. PERFORMANCE REVIEW

During the year under review, the Company earned total revenue of ₹. 24,79,83,437/- a growth of 33.82% over the previous year. Profit after tax clocked a growth of 51.25 % year on year, from ₹.16,298,656 in the previous financial year to ₹ 24,652,712 during the current year.

DIRECTORS' REPORT

3. DIVIDEND

Based on the Company's performance, the Directors have recommended a final Dividend of Rs. 0.50/- per share of face value of Rs. 10/- each (5%) and the same is subject to the approval of shareholders at the ensuing Annual General Meeting to be held on 14th September, 2019. The total final dividend pay-out will be Rs. 13,63,000 Excluding Dividend Distribution Tax of Rs. 2,85,205

4. ISSUE OF BONUS SHARES

Considering the financial position, the Board of Directors at its meeting held on 24th July, 2019, recommended issue of Bonus Shares, subject to approval of shareholders, in the ratio of one new Equity Share of the Company of `10 each, as fully paid-up, for every one existing Equity Share of the Company. The Bonus Shares will be issued, by capitalizing a part of its retained earnings, to those persons who are Members as on the record date.

5. RESERVES

Your Company has not transferred any amount to its reserves. However entire amount of net profit for the year has been transferred to the retained earnings of the Company.

6. DEPOSITS

During the year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

7. LISTING WITH STOCK EXCHANGES

Your Company's shares are listed at National Stock Exchange of India Limited and the listing fees for the year 2019-20 has been duly paid.

8. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company has a Subsidiary Company names R&S Electronics Systems India Private Limited (formerly known as Peerless Speakers Private Limited). There has been no material change in the nature of the business of the subsidiaries. The Company does not have any Joint Venture or an Associate Company.

DIRECTORS' REPORT

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Directors

Mr. Nikhil Arya, Independent Director of the company resigned from the Directorship w.e.f. 06th May, 2019.

Ms. Sneh Sandeep Velani was appointed as an Independent Director w.e.f. 24th July, 2019.

(B) Key Managerial Personnel (KMP)

Ms. Hetali Mehta, Company Secretary & Compliance Officer resigned w.e.f. 19th July, 2018.

Mrs. Kanika Kaushik was appointed as Compliance Officer and Company Secretary w.e.f. 10th September, 2018.

10. SHARE CAPITAL

The paid up Equity share capital as at March 31, 2019 stood at Rs. 2,72,60,000/-. During the year under review, the Company has neither issued any shares with differential voting rights nor had granted any stock options or sweat equity.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

A) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

B) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

C) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

DIRECTORS' REPORT

D) they have prepared the annual accounts on a going concern basis;

E) The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

F) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2019.

12. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of Companies (Management and Administration) Rules, 2014 and the same is enclosed as “Annexure A” to this Report.

13. AUDITORS AND AUDITORS' REPORT

A) Statutory Auditors

Pursuant to the provisions of Section 139 and the rules framed thereunder M/s. KNP & Associates, Chartered Accountants, (FRN: 0145448W), who are Statutory Auditors of the Company hold office up to the conclusion of the forth coming Annual General Meeting (AGM) and are eligible for re-appointment, subject to ratification of their appointment at every AGM.

As per the provisions of Section 40 of the Companies (Amendment) Act, 2017 there is no requirement for ratification of appointment of statutory auditor at every AGM of the Company and therefore, it is not required to ratify the appointment every year.

B) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, M/s N S Gupta & Associates, Company Secretaries in Whole-time Practice (FCS no. 9343,

DIRECTORS' REPORT

C P No. 11093), was appointed to conduct Secretarial Audit for the year ended 31st March, 2019. M/s N S Gupta & Associates, Practicing Company Secretaries has submitted report on the Secretarial Audit which is attached as “Annexure B” and forms a part of this report.

14. TAX PROVISIONS

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961 as well as other relevant laws governing taxation on the Company.

15. CORPORATE GOVERNANCE

During the year under review, the Paid Up Capital and Net Worth of the Company were less than Rs.10 crores and Rs.25 crores respectively as on 31st March, 2019, therefore Corporate Governance provisions as specified in Regulations 17, 18, 19, 20 21, 22, 23 24, 25, 26 27, and clause (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of the Schedule V of SEBI (Listing Obligations and Disclosure Requirement), Regulation 2015 is not applicable to the Company.

Whenever this regulation becomes applicable to the Company at a later date, we will comply with requirements those regulations within six months from the date on which the provisions became applicable to our Company.

16. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report is attached as “Annexure C” and forms a part of this report.

17. COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company has complied with the Secretarial Standards related to the Board Meetings and General Meeting issued by the Institute of Company Secretaries of India (ICSI).

18. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to 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(3) of the Companies (Accounts) Rules, 2014 is furnished here under.

DIRECTORS' REPORT

(I) Part A and B of the Rules, pertaining to conservation of energy and technology absorption, are not applicable to the Company.

(ii) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange Earned	Rs. 20,595,570
Foreign Exchange Used	Rs. 8,799,767

19. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

20. NUMBER OF BOARD MEETING CONDUCTED DURING THE YEAR

The Company had 9 (Nine) Board Meetings during the Financial Year. The dates on which the Board Meetings were held are 24th April, 2018, 29th May, 2018, 18th July, 2018, 07th September, 2018, 11th September, 2018, 04th October, 2018, 14th November, 2018, 17th December, 2018 & 21st January, 2019.

21. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS BY COMPANY UNDER SECTION 186

The particulars of Loans, Guarantees and Investments made by the Company under the provisions of Section 186 of the Act are provided in the notes to Financial Statements.

DIRECTORS' REPORT

22. RELATED PARTY TRANSACTIONS

During the financial year ended March 31, 2019, the contracts or arrangements entered with related parties referred to in sub Section (1) of Section 188 of the Companies Act, 2013 are provided in the notes to Financial Statements.

Thus, disclosure in form AOC-2 is applicable to the Company in “Annexure D”

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT

There was no order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have any bearing on Company's operations in future.

24. AUDIT COMMITTEE

In accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015, the Company has constituted an Audit Committee in accordance with the terms of reference specified from time to time by the Board.

There is no such incidence where Board has not accepted the recommendation of the Audit Committee during the year under review.

During the year 2018-19, 5 (Five) Audit Committee meetings were held on 24th April, 2018, 29th May, 2018, 11th September, 2018, 14th November, 2018 & 21st January, 2019.

25. NOMINATION AND REMUNERATION COMMITTEE

In accordance with the provisions of Section 178(1) of the Companies Act, 2013 and regulation 19 of SEBI(LODR) Regulation, 2015, the Company has constituted a Nomination and Remuneration Committee in accordance with the terms of reference specified from time to time by the Board.

During the year 2018-19, 4 (Four) Nomination and Remuneration Committee meetings were held on 18th July, 2018, 11th September, 2018, 14th November, 2018 & 21st January, 2019.

26. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulation, 2015 the Company has constituted a Stakeholders Relationship Committee in accordance with the terms of reference specified from time to time by the Board.

DIRECTORS' REPORT

During the year 2018-19, 3 (Three) Stakeholders Relationship Committee meetings were held on 24th April, 2018, 18th July, 2018 & 14th November, 2018.

27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

28. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has not applicable to constitute a Corporate Social Responsibility Committee due to non-fulfilment of any of the conditions pursuant to section 135 of the Companies Act, 2013.

29. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has adopted a policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaints or allegations of sexual harassment were filed with the Company.

30. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and under the provisions of the Listing Regulations.

DIRECTORS' REPORT

31. ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees, which covers various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

32. VIGIL MECHANISM/WHISTLE BLOWER POLICY

In pursuance to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. We have embodied the mechanism in the Code of Conduct of the Company for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of our Code of Conduct. This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases and no personnel have been denied access to the Audit Committee. The Board and its Audit Committee are informed periodically on the cases reported, if any and the status of resolution of such cases.

33. INVESTOR SERVICES

As the members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with both the depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of de-materialization of Company's shares on either of the Depositories as aforesaid.

DIRECTORS' REPORT

34. DISCLOSURES UNDER SECTION 134(3) (L) OF THE COMPANIES ACT, 2013

There are no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

35. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The said code of conduct is in line with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All the Directors and the designated employees have complied with the Code.

36. ACKNOWLEDGEMENTS

The Board wishes to place on record their appreciation for the sincere efforts of the Directors, employees and the co-operation extended by the Bankers, Shareholders, clients & associates for their continue support towards the conduct of the Company.

For and on behalf of the Board

Place: Mumbai
Date: July 24, 2019

Anirvan Parth Ghose
Managing Director

ANNEXURE - A TO THE DIRECTOR'S REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2019

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

1. REGISTRATION AND OTHER DETAILS

1	Corporate Identity Number (CIN)	L32109WB2005PLC104357
2	Registration Date	25/07/2005
3	Name of the Company	PULZ ELECTRONICS LIMITED (formerly known as PULZ ELECTRONICS PRIVATE LIMITED)
4	Category / Sub-Category of the Company	Company limited by shares / Indian Non Government Company
5	Address of the Registered Office and Contact Details	46 Satish Mukherjee Road Kolkata West Bengal 700026 India CIN: L32109WB2005PLC104357 E-mail: accounts@rns.co.in Website: www.pulz.biz
6	Correspondence Address of the Company	Kailashpati, 2nd Floor, Plot 10A, Veera Desai Road Andheri (West) Mumbai 400053 MH IN
7	Whether Listed Company	Yes
8	Name, Address and Contact Details of Registrar and Transfer Agent	Bigshare Services Private Limited, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059. Tel No: 022 – 62638200/99 Email Id: marketing@bigshareonline.com/ investor@bigshareonline.com Website: www.bigshareonline.com

ANNEXURE - A TO THE DIRECTOR'S REPORT

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. no.	Name and Description of Main Products / Services	NIC Code of the Product / Service	% to Total Turnover of the Company
1	Electrical equipment manufacturing services	998875	77.12
2	Wholesale Trade Services, Except on a Fee or Contract Basis	99611	15.23
3	Other Professional, Technical and Business Services	99839	07.65

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. no.	Name of the Company	CIN	Holding / Subsidiary / Associate / Joint Venture	% of shares held
1	R&S Electronics Systems India Private Limited (formerly known as Peerless Speakers Private Limited)	U32109MH2017PTC293265	Subsidiary	99.98%

ANNEXURE - A TO THE DIRECTOR'S REPORT

4. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A. Category-wise Shareholding									
Category of Shareholders	No. of Shares Held at the Beginning of the Year April 1,2018				No. of Shares Held at the End of the Year March 31, 2019				% of Change During the Year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individuals / HUF	1999980	0	1999980	73.37%	1999980	0	1999980	73.37%	0.00
(b) Central Govt	0	0	0	0	0	0	0	0	0.00
(c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
(d) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
(e) Banks / FI	0	0	0	0	0	0	0	0	0.00
(f) Any Other....	0	0	0	0	0	0	0	0	0.00
*DIRECTORS	0	0	0	0	0	0	0	0	0.00
*DIRECTORS RELATIVES	20	0	20	0	20	0	20	0	0.00
*PERSON ACTING IN CONCERN	0	0	0	0	0	0	0	0	0.00
Sub Total (A)(1)	2000000	0	2000000	73.37%	2000000	0	2000000	73.37%	0.00
(2) Foreign									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0.00
(b) NRI Individuals	0	0	0	0	0	0	0	0	0.00
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
(d) Banks / FI	0	0	0	0	0	0	0	0	0.00
(e) Any Other....	0	0	0	0	0	0	0	0	0.00
Sub Total (A)(2)	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2000000	0	2000000	73.37%	2000000	0	2000000	73.37%	0.00

ANNEXURE - A TO THE DIRECTOR'S REPORT

B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
b) Banks FI	0	0	0	0	0	0	0	0	0.00
c) Central Govt / State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
e) Insurance Companies	0	0	0	0	0	0	0	0	0.00
f) FIs	0	0	0	0	0	0	0	0	0.00
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
h) Others (specify)	0	0	0	0	0	0	0	0	0.00
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0.00
Sub Total (B)(1)	0	0	0	0	0	0	0	0	0.00
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	16000	0	16000	0.59%	10000	0	10000	0.37%	(0.22)%
(ii) Overseas	0	0	0	0	0	0	0	0	0.00
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	591221	0	591221	21.69%	478000	0	478000	17.53%	(4.16)%
(ii) Individual shareholders holding nominal share capital in excess Rs. 2 lakh	30000	0	30000	1.10%	182000	0	182000	6.68%	5.58%
C) Others (specify)									
* N.R.I.	4000	0	4000	0.15%	2000	0	2000	0.07%	(0.08)%
* TRUST	0	0	0	0	0	0	0	0	0.00
MARKET	48000	0	48000	1.76%	24000	0	24000	0.88%	0.88%
* HINDU UNDIVIDED FAMILY	0	0	0	0	0	0	0	0	0.00
*EMPLOYEE	0	0	0	0	0	0	0	0	0.00
* CLEARING MEMBERS	36779	0	36779	1.35%	30000	0	30000	1.10%	(0.25)%
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0.00
Sub Total (B)(2)	726000	0	726000	26.63%	726000	0	726000	26.63%	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	726000	0	726000	26.63%	726000	0	726000	26.63%	0.00
C. TOTSHR held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A + B + C)	726000	0	726000	26.63%	726000	0	726000	26.63%	0.00

ANNEXURE - A TO THE DIRECTOR'S REPORT

Shareholding of Promoters								
Sr No	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the End of the Year			% Change in Share Holding During the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / Encumbered to Total Shares	
1	BHAVYA RAMAKRISHNAN	4	0.00	0.00	4	0.00	0.00	0.00
2	DEVANGI RAMAKRISHNAN	4	0.00	0.00	4	0.00	0.00	0.00
3	NEETA RAMAKRISHNAN	4	0.00	0.00	4	0.00	0.00	0.00
4	ARJUN GHOSE	4	0.00	0.00	4	0.00	0.00	0.00
5	RUMEETA GHOSE	4	0.00	0.00	4	0.00	0.00	0.00
6	ANIRVAN GHOSE	699992	25.68%	0.00	699992	25.68%	0.00	0.00
7	RAMAKRISHNAN M. K.	1299988	47.69%	0.00	1299988	47.69%	0.00	0.00

Change in Promoters' Shareholding <i>(please specify, if there is no change)</i>						
Sr No	Particulars	Share Holding at the Beginning of the Year		Cumulative Shareholding During the Year		Type
		No. of Shares	% of Total Shares of the Company	No. of Shares	% change in Share Holding During the Year	
1	a) At the beginning of the year	0	0.00	0	0.00	
	b) Changes during the year	No change during the year				
	c) At the End of the year	0	0	0	0	0

ANNEXURE - A TO THE DIRECTOR'S REPORT

Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)

Sr No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01.04.2018/ end of year 31.03.2018)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	SURESH BABULAL SHAH (HUF)	30,000	1.10	01-Apr-18			30,000	1.10
				28-Sep-18	12,000	Buy	42,000	1.54
				05-Oct-18	14,000	Buy	56,000	2.05
				12-Oct-18	6,000	Buy	62,000	2.27
				31-Mar-19	62,000	2.27		
2	MANOJ AGARWAL	Nil		01-Apr-18				
				13-Jul-18	6,000	Buy	6,000	0.22
				31-Aug-18	8,000	Buy	14,000	0.51
				07-Sep-18	2,000	Buy	16,000	0.59
				14-Sep-18	16,000	Buy	32,000	1.17
				21-Sep-18	6,000	Buy	38,000	1.39
				12-Oct-18	2,000	Buy	40,000	1.47
				09-Nov-18	4,000	Buy	44,000	1.61
				23-Nov-18	10,000	Buy	54,000	1.98
				30-Nov-18	2,000	Buy	56,000	2.05
		56,000	2.05	31-Mar-19				
3	CHOICE EQUITY BROKING PRIVATE LIMITED	48,000	1.76	01-Apr-18			48,000	1.76
				13-Apr-18	2,000	Sell	46,000	1.69
				20-Apr-18	4,000	Buy	50,000	1.83
				27-Apr-18	4,000	Sell	46,000	1.69
				04-May-18	8,000	Sell	38,000	1.39
				11-May-18	4,000	Buy	42,000	1.54
				18-May-18	2,000	Sell	40,000	1.47

ANNEXURE - A TO THE DIRECTOR'S REPORT

				25-May-18	2,000	Sell	38,000	1.39
				01-Jun-18	2,000	Buy	40,000	1.47
				22-Jun-18	4,000	Buy	44,000	1.61
				29-Jun-18	2,000	Buy	46,000	1.69
				06-Jul-18	2,000	Buy	48,000	1.76
				20-Jul-18	2,000	Buy	50,000	1.83
				07-Sep-18	2,000	Buy	52,000	1.91
				14-Sep-18	2,000	Sell	50,000	1.83
				21-Sep-18	2,000	Sell	48,000	1.76
				28-Sep-18	2,000	Sell	46,000	1.69
				05-Oct-18	2,000	Sell	44,000	1.61
				12-Oct-18	4,000	Buy	48,000	1.76
				09-Nov-18	2,000	Sell	46,000	1.69
				16-Nov-18	2,000	Sell	44,000	1.61
				23-Nov-18	2,000	Sell	42,000	1.54
				07-Dec-18	4,000	Sell	38,000	1.39
				14-Dec-18	2,000	Sell	36,000	1.32
				21-Dec-18	2,000	Sell	34,000	1.25
				28-Dec-18	2,000	Sell	32,000	1.17
				31-Dec-18	2,000	Sell	30,000	1.10
				04-Jan-19	4,000	Sell	26,000	0.95
				11-Jan-19	2,000	Buy	28,000	1.03
				18-Jan-19	2,000	Buy	30,000	1.10
				25-Jan-19	2,000	Sell	28,000	1.03
				01-Feb-19	4,000	Buy	32,000	1.17
				08-Feb-19	2,000	Sell	30,000	1.10
				22-Feb-19	2,000	Sell	28,000	1.03
				01-Mar-19	2,000	Sell	26,000	0.95
				29-Mar-19	2,000	Sell	24,000	0.88
		24,000	0.88	31-Mar-19				

ANNEXURE - A TO THE DIRECTOR'S REPORT

4	MANISH DHOOT	NIL	0.81	01-Apr-18			NIL	
				07-Dec-18	8,000	Buy	8,000	0.29
				14-Dec-18	6,000	Buy	14,000	0.51
				21-Dec-18	4,000	Buy	18,000	0.66
				28-Dec-18	2,000	Buy	20,000	0.73
				25-Jan-19	3,428	Buy	23,428	0.86
				22-Feb-19	10,572	Buy	34,000	1.25
				08-Mar-19	8,000	Buy	42,000	1.54
		42,000	1.54	31-Mar-19				
5	PRABHAT FINANCIAL SERVICES LIMITED - COLLATERAL ACCOUNT	14,000	0.51	01-Apr-18			14,000	0.51
				13-Apr-18	16,000	Buy	30,000	1.10
				08-Jun-18	24,000	Sell	6,000	0.22
				03-Aug-18	24,000	Buy	30,000	1.10
				24-Aug-18	4,000	Sell	26,000	0.95
				30-Nov-18	2,000	Buy	28,000	1.03
				15-Feb-19	2,000	Sell	26,000	0.95
				30-Mar-19	2,000	Sell	24,000	0.88
		24,000	0.88	30-Mar-19				
6	MANJULA SURESH SHAH	22,000	0.81	01-Apr-18			22,000	0.81
				02-Nov-18	2,000	Sell	20,000	0.73
		20,000	0.73	31-Mar-19				

ANNEXURE - A TO THE DIRECTOR'S REPORT

7	ANIL HURKAT	NIL					NIL	
				27-Apr-18	4,000	Buy	4,000	0.15
				04-May-18	6,000	Buy	10,000	0.37
				11-May-18	2,000	Buy	12,000	0.44
				18-May-18	6,000	Buy	18,000	0.66
				25-May-18	4,000	Buy	22,000	0.81
		22,000	0.81	31-Mar-19				
8	SUJAY RAJABABU SHETH	10,000	0.37	01-Apr-18			10,000	0.37
				04-May-18	4,000	Buy	14,000	0.51
				10-Aug-18	2,000	Buy	16,000	0.59
				05-Oct-18	2,000	Buy	18,000	0.66
		18,000	0.66	31-Mar-19				
9	JAYPRAKASH M CHECHANI	16,000	0.59	01-Apr-18			16,000	0.59
		16,000	0.59	31-Mar-19				
10	DILIP MODU TIMBLO	NIL		01-Apr-18			NIL	
				20-Apr-18	14,000	Buy	14,000	0.15
				11-May-18	2,000	Buy	16,000	0.59
		16,000	0.59	31-Mar-19				
11	ASHOK RAMNIKLAL PAUN	14,000	0.51	01-Apr-18			14,000	0.51
				13-Apr-18	2,000	Sell	12,000	0.44
				20-Apr-18	2,000	Sell	10,000	0.37
				04-May-18	4,000	Sell	6,000	0.22
				08-Jun-18	2,000	Sell	4,000	0.15
				3-Aug-18	4,000	Sell		

ANNEXURE - A TO THE DIRECTOR'S REPORT

		NIL		31-Mar-19				
12	P DEVADASU	14,000	0.51	01-Apr-18			14,000	0.51
				07-Sep-18	10,000	Sell	4,000	0.15
		4,000	0.51	31-Mar-19				
13	AMIT MISRA	12,000	0.44	01-Apr-18			12,000	0.44
		12,000	0.44	31-Mar-19				
14	SHRI PRAKASH KABRA	12,000	0.44	01-Apr-18			12,000	0.44
		12,000	0.44	31-Mar-19				
15	URMI ASHOK PAUN	12,000	0.44	01-Apr-18			12,000	0.44
				13-Apr-18	2,000	Sell	10,000	0.37
				20-Apr-18	6,000	Sell	4,000	0.15
				04-Mar-18	4,000	Sell		
		NIL		31-Mar-19				

ANNEXURE - A TO THE DIRECTOR'S REPORT

Shareholding of Directors and Key Managerial Personnel				
For Each of the Directors and KMP	Share Holding at the Beginning of the Year		Cumulative Shareholding During the Year	
	No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1. Mrs. RUMEETA ANIRVAN GHOSE				
a) At the beginning of the year	4	0.00	4	0.00
b) Changes during the year	No change during the year			
c) At the End of the year			4	0.00
2. Mr. ANIRVAN PARTHA GHOSE (Managing Director)				
a) At the beginning of the year	6,99,992	25.68	6,99,992	25.68
b) Changes during the year	No change during the year			
c) At the End of the year			6,99,992	25.68
3. Mr. RAMAKRISHNAN M. K. (Chairman and Director)				
a) At the beginning of the year	12,99,988	47.69	12,99,988	47.69
b) Changes during the year	No change during the year			
c) At the End of the year			12,99,988	47.69

ANNEXURE - A TO THE DIRECTOR'S REPORT

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year i.e. 01.04.2018				
i) Principal Amount	1,92,56,987	Nil	Nil	1,92,56,987
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	1,92,56,987	Nil	Nil	1,92,56,987
Change in Indebtedness during the financial year				
i) Addition	-	Nil	Nil	-
ii) Reduction	1,90,17,328			1,90,17,328
Net Change		Nil	Nil	1,90,17,328
Indebtedness at the end of the financial year i.e 31.03.2019				
i) Principal Amount	2,39,659	Nil	Nil	
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-			
Total (i+ii+iii)	2,39,659	Nil	Nil	2,39,659

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No	Particulars of Remuneration	Mr. RAMAKRISH AN KRISHNARAJU MANDEN KATTIL (Chairman & Director)	Mr. ANIRVAN PARTHA GHOSE (Managing Director)	Total Amount
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,01,933	20,10,747	57,12,680
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil

ANNEXURE - A TO THE DIRECTOR'S REPORT

2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	37,01,933	20,10,747	57,12,680
	Ceiling as per the Act		Section 197 read with Schedule V of the Companies Act, 2013	

B. REMUNERATION TO OTHER DIRECTORS

Sr. No.	Particulars of Remuneration	Name of the Director Mr.NARESH GAIND (Independent Director)	Name of the Director Mr.NIHKIL ARYA (Independent Director)	Name of the Director Ms. Rumeeta Ghose (Non-executive Director)	Total Amount
1	Independent Directors - Fee for attending Board / committee meetings - Commission - Others, please specify	50,000	50,000	-	1,00,000
	Total (1)	50,000	50,000	-	1,00,000
2	Other Non-Executive Directors - Fee for attending Board / committee meetings - Commission - Others, please specify (Remuneration)	-	-	- 8,95,581	-
	Total (2)	-	-	8,95,581	8,95,581
	Total (B)=(1+2)	50,000	50,000	8,95,581	8,95,581
	Total Managerial Remuneration	50,000	50,000	-	
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

ANNEXURE - A TO THE DIRECTOR'S REPORT

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD:

Sl. no	Particulars of Remuneration			
		Company Secretary	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained I section 17(1) of the Income-tax Act, 1961	284,249	-	284,249
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 7(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	1,455,437	1,455,437
	Total (A)	284,249	1,455,437	1,739,686

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

ANNEXURE - A TO THE DIRECTOR'S REPORT

OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019

For and on behalf of the Board
Pulz Electronics Limited

ANIRVAN PARTHA GHOSE
Managing Director
DIN: 00188496

Registered Office:
46 Satish Mukherjee Road
Kolkata West Bengal 700026 India
CIN: L32109WB2005PLC104357
E-mail: accounts@pulz.co.in
Website: www.pulz.biz

Place: Mumbai
Dated: July 24, 2019

ANNEXURE - B TO THE DIRECTOR'S REPORT

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2019

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

To,
The Members,
PULZ ELECTRONICS LIMITED
Regd. Office: 46 SATISH MUKHERJEE ROAD KOLKATA WB 700026 IN.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pulz Electronics Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, the company was listed on 14th November, 2017 on National stock Exchange (SME Platform) and I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

- (I) The Companies Act, 2013 (*'the Act'*) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not Applicable to the Company during the Audit Period*);

ANNEXURE - B TO THE DIRECTOR'S REPORT

(v) 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the Audit Period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period);

(vi) No other laws were specifically applicable during the audit period.

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

(a) Secretarial Standards issued by The Institute of Company Secretaries of India;

(b) The Listing Agreements entered into by the Company with National Stock Exchange Limited along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

ANNEXURE - B TO THE DIRECTOR'S REPORT

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the resolutions were passed with consent of majority Directors and minutes were prepared accordingly.

I further report that:

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

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

ANNEXURE - B TO THE DIRECTOR'S REPORT

**To
The Members
PULZ ELECTRONICS LIMITED**

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on 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.

**For: M/s. N.S GUPTA & ASSOCIATES
COMPANY SECRETARIES**

**Neha Y. Saraf
Proprietor
M. No. F-9343
C. P. No. : 11093**

**Place: Mumbai
Dated: July 30th, 2019**

ANNEXURE - C TO THE DIRECTOR'S REPORT

Management Discussion And Analysis Report

Overview

India's media and entertainment industry reached ` 1.7 Trillion in CY 2018, a growth of over 13% from CY 2017. It employs more than four million people, emerging as a key driver of India's economic growth. The filmed entertainment sector grew by over 12% in CY 2018 and is further expected to grow from ` 175 Billion in CY 2018 to ` 236 Billion by FY 2023 – a CAGR of 10.6% as per FICCI-EY March 2019 report on the back of India's insatiable demand for content in entertainment. With the advent of technology and growing desire of audiences for versatile and relevant content, the film exhibition segment is expected to show robust growth.

The Indian entertainment industry is brimming with stories, and produces most number of films in a year. But India stands "as one of the most highly under-penetrated markets among major countries with 8 screens per million

But this may change in future.

"The rise in disposable income, data penetration, more awareness for films and more people seeking entertainment are significant factors contributing to the growth of films in tier-2 and tier-3 markets

"Single screen theatres (are) giving way to multiplexes due to inherent challenges in sustainability. Multiplexes will get evolved to megaplexes with 10 screens and above showcasing the best of global formats under one roof offering maximum number of shows and content options for a consumer to choose from

Emerging Trends

India is surging. By being the fourth-largest economy in terms of purchasing power parity and India's increasing per capita income, growing middle class and working population are generating huge domestic demand for goods and services — especially in leisure and entertainment. The Indian film industry is the largest in the world. With more than 1,000 films produced every year in more than 20 languages and 3.3 billion tickets sold annually, India also has the highest number of theatre admissions.

With favourable demographics and a rise in disposable incomes, the propensity to spend on leisure and entertainment is growing faster than the economy itself. The growth of multiplex giants has been enticed by economic liberalization and the huge volume of demand for leisure and entertainment, especially in Tier-II and Tier – III cities. However, in recent years, with near double-digit annual growth and a fast-growing middle class, there has been a renewed overall surge in multiplex giants in the country by them.

Multiplexes however, continue to gain prominence across major Indian cities with companies lining up investments to accelerate multiplex penetration in smaller towns. The number of multiplex screens is

ANNEXURE - C TO THE DIRECTOR'S REPORT

expected to double in the next five years. Digital prints cost 80 percent less than conventional film prints, allowing producers to reach five times the number of screens at the same cost. This has significantly improved realization, as 60 percent of box-office collections are now earned within the first week of a movie's release. Digital cinema allows companies to control exactly where movies are showing and how many times they are shown. It also expands the reach of releases, from large cities to remote towns and villages across India.

Today, multiplex chains are emerging from the current phase of innovation in the live events space by engaging audiences through live communications and experiential events thereby intending to shift audience from 5 inch screens to the real magic of 70mm silver screens. The emergence of catering to select audiences especially multiplexes offering a niche service has become a growing trend which will only expand in the years to come by. Already we've seen luxury class theatre experiences to private viewings where movie watchers can book screens for a more intimate screening with close friends and family when they want to avoid the maddening crowd.

In a nutshell, India's growing demand and high volume of content consumption hold significant potential for theatre business across India. It is headed at democratizing the way audiences watch movies or look forward to original content, thereby providing massive returns not only on big ticket properties and brands, but also for the independent or less mainstream activities.

Company Performance

During the year under review, the company earned a total revenue of Rs. 247, 983, 437/-, a growth of 33.81 % over the previous year.

Profit after tax clocked growth of 51.25 % year on year, from Rs. 16,298,656/- in the previous financial year to Rs. 24, 652,712/- during the current year.

Cautionary Statement

Certain Statements in the Management Discussion and Analysis describing the company's objectives, projections, estimates and expectation or predictions may be forward looking statements within the meaning of applicable laws and regulations. It cannot be guaranteed that these assumptions and expectations are accurate or will be realized. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets, changes in the Government Regulations, tax laws and other statutes and incidental factors.

ANNEXURE - D TO THE DIRECTOR'S REPORT

FORM NO. AOC -2

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

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

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

SR. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	R&S (India) Electronics Private Limited (Same management Company)
2	Duration of the contracts/arrangements/transaction	3
3	Duration of the contracts/arrangements/transaction	At will
4	Salient terms of the contracts or arrangements or transaction including the value, if any	0
5	Justification for entering into such contracts or arrangements or transactions'	0
6	Date of approval by the Board	24/04/2018
7	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	0

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

Particulars	Details
Name (s) of the related party & nature of relationship	There were no contracts or arrangements or transactions entered into during the year ended March 31, 2019 which were not at arm's length basis
Nature of contracts/arrangements/transaction	
Duration of the contracts/arrangements/transaction	
Salient terms of the contracts or arrangements or transaction including the value, if any	
Date of approval by the Board	
Amount paid as advances, if any	

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

**To the Members of
Pulz Electronics Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Pulz Electronics Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our Auditor’s Report thereon.

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

INDEPENDENT AUDITORS' REPORT

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to Report that fact. We have nothing to Report in this regard.

Responsibility of Management and Those Charge with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financials position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our opinion.

INDEPENDENT AUDITORS' REPORT

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, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Further to our comments in "Annexure A", as required by Section 143(3) of the Act, we Report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

INDEPENDENT AUDITORS' REPORT

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial control over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company has not entered into any long term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.
- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KNP AND ASSOCIATES
Chartered Accountants
Firm Regn. No. 142448W

CA Nisha Unadkat
Partner
Mem.No. 145206

Place: Mumbai
Dated: May 30, 2019

INDEPENDENT AUDITORS' REPORT

Annexure “A” to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

(i)

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b) As explained to us, the fixed assets have been physically verified by the management in accordance with the phased programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as included in Note 11 on Fixed Assets to the financial statements, are held in the name of the Company.

(ii) As explained to us, the inventories were physically verified during the period by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, Clause 3 (iii) (a), (b) and (c) of the Order are not applicable and hence not commented upon.

(iv) According to the information and explanations given to us, the Company has not granted any loans, made investment or provided guarantee. Hence, reporting under Clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits from the public. Accordingly, Clause 3(v) of the Order is not applicable.

(vi) The Cost records prescribed under Section 148(1) of the Act is not applicable to the Company and hence Clause 3(vi) of the Order is not applicable.

INDEPENDENT AUDITORS' REPORT

(vii)(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, Custom duty, Excise duty, value added tax, cess and other statutory dues as applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they become payable.

(b) There were no dues which have not been deposited in respect of Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax on account of any dispute.

(viii) In our opinion and according to information and explanation given to us, the Company has not defaulted in repayment of its loans and borrowings to financial institutions, bank, government or dues to debentures holders.

(ix) In our opinion and according to information and explanation given to us, the Company has not taken any Term Loan, hence Clause 3(ix) of the order for utilisation of Term Loan for the purpose for which they were raised is not applicable. The Company has not raised any money by way of initial Public Offer or further public offer during the year

(x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officer/employees has been noticed or reported during the period nor have we been informed about any such case by the Management.

(xi) In our opinion and according to information and explanations given to us, the Company has paid/provided remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.

As the Company is not Nidhi Company, the reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

INDEPENDENT AUDITORS' REPORT

(xiv) During the period the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the period the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For KNP AND ASSOCIATES
Chartered Accountants
Firm Regn. No. 142448W

CA Nisha Unadkat
Partner
Mem.No. 145206

Place: Mumbai
Dated: May 30, 2019

INDEPENDENT AUDITORS' REPORT

Annexure “B” to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Pulz Electronics Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Dated: May 30, 2019

For KNP AND ASSOCIATES
Chartered Accountants
Firm Regn. No. 142448W

CA Nisha Unadkat
Partner
Mem.No. 145206

BALANCE SHEET

As at 31st March, 2019

PULZ ELECTRONICS LIMITED (Formerly known as Pulz Electronics Private Limited)			
BALANCE SHEET AS AT 31st MARCH, 2019			
PARTICULARS	Note No.	AS AT March 31,2019 In Rupees	AS AT March 31,2018 In Rupees
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	2,72,60,000	2,72,60,000
(b) Reserves and surplus	3	8,73,00,338	6,26,47,626
		11,45,60,338	8,99,07,626
2 Non-current liabilities			
(a) Long-term borrowings	4	2,39,659	4,69,587
(b) Deferred tax liabilities (net)	5	17,30,893	6,53,363
(c) Other long-term liabilities	6	2,32,25,978	2,18,20,661
		2,51,96,530	2,29,43,611
3 Current liabilities			
(a) Short-term borrowings	7	-	1,87,87,400
(b) Trade payables	8		
(i) Due to Micro & Small enterprises		2,31,285	-
(ii) Others		1,58,85,838	1,61,54,211
(c) Other current liabilities	9	4,06,66,804	2,46,96,074
(d) Short-term provisions	10	1,00,56,526	77,29,313
		6,68,40,453	6,73,66,998
TOTAL		20,65,97,321	18,02,18,235
B ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipments	11		
(i) Tangible assets		3,78,07,893	2,90,49,900
(ii) Intangible assets		23,63,845	5,45,278
(ii) Capital work-in-progress		37,32,284	38,13,473
		4,39,04,022	3,34,08,651
(b) Non-current investments	12	1,24,980	1,24,980
(c) Other non-current assets	13	1,03,65,175	71,00,641
2 Current assets			
(a) Inventories	14	10,56,41,960	7,24,62,957
(b) Trade receivables	15	1,25,80,632	1,07,18,115
(c) Cash and cash equivalents	16	1,73,47,780	3,35,60,424
(d) Short-term loans and advances	17	1,66,32,772	2,28,42,467
		15,22,03,144	13,95,83,963
TOTAL		20,65,97,321	18,02,18,235
Significant Accounting Policies	1		
Notes on Financial Statements	2-41		

As per our report of even date attached

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

For and on behalf of the Board of Directors

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

STATEMENT OF PROFIT & LOSS

For the year ended 31st March, 2019

PULZ ELECTRONICS LIMITED (Formerly known as Pulz Electronics Private Limited)			
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019			
PARTICULARS	NOTE NO.	For the Year ended	For the year ended
		March 31,2019	March 31,2018
		₹ In Rupees	₹ In Rupees
Revenue From Operations			
Revenue From Operations	18	23,99,77,140	18,03,38,102
Other Income	19	80,06,297	49,75,608
I Total Revenue		24,79,83,437	18,53,13,710
Expenses:			
Cost Of Goods Sold	20	8,01,78,127	5,86,64,443
Purchase of Stock in Trade	21	2,86,55,911	4,23,72,479
Changes In Inventories	22	(32,27,350)	(1,92,92,341)
Manufacturing Expenses	23	1,45,60,421	1,28,89,464
Employee Benefit Expense	24	2,18,57,254	1,81,89,175
Finance Costs	25	21,15,827	24,72,675
Depreciation And Amortization Expense	26	41,49,641	22,36,458
Other Expenses	27	6,39,39,890	4,42,81,910
II Total Expenses		21,22,29,721	1,68,14,263
III Profit Before Exceptional And Extraordinary Items And Tax (I - II)		3,57,53,716	16,84,99,447
IV Profit Before Tax (II-III)		3,57,53,716	16,84,99,447
Tax Expense			
V Current Tax		95,50,000	72,75,000
VI Earlier Years Tax		4,73,474	(750)
VII Deferred Tax		10,77,530	73,459
VIII Excess / Short Provision (IT) For Earlier Years		-	-
IX Profit (Loss) For The Period (IV-V-VI-VII)		2,46,52,712	16,12,98,656
Earning Per Equity Share			
Basic & Diluted		9.04	5.98
Diluted			
Significant Accounting Policies	1		
Notes on Financial Statement	2-41		

As per our report of even date attached

For and on behalf of the Board of Directors

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

CASH FLOW STATEMENT

For the year ended 31st March, 2019

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)
Cash flow statement for the year ended 31st March 2019.

31st March, 2019 31st March, 2018
Amt in Rs. Amt in Rs.

Cash flow from operating activities

Profit/(loss) before tax	35,753,716	23,499,447
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	4,149,641	2,236,458
Finance Cost	1,773,801	1,516,817
Operating profit/(loss) before working capital changes	41,677,158	27,252,722
Movements in working capital:		
Increase/(decrease) in other Long Term liabilities	1,405,317	2,332,945
Increase/(decrease) in short term borrowings	(18,787,400)	4,446,208
Increase/(decrease) in trade payables	(37,088)	2,646,121
Increase/(decrease) in other current liabilities	15,970,730	5,219,804
Increase/(decrease) in short term provision	2,327,213	(1,058,262)
Decrease/(increase) in Non-current Investment	-	(99,980)
Decrease/(increase) in Other Non-current Assets	(3,264,534)	(6,419,449)
Decrease/(increase) in Inventories	(33,179,003)	(27,869,830)
Decrease/(increase) in trade receivables	(1,862,517)	20,384,726
Decrease/(increase) in short-term loans and advances	6,209,695	(13,497,735)
Cash generated from Operations	10,459,571	13,337,270
Direct taxes paid	(10,023,474)	(7,274,250)
Net Cash from Operating Activities (A)	436,097	6,063,020
Cash flows from investing activities		
Sale/(Purchase) of Fixed Assets	(14,645,012)	(6,620,894)
Net cash flow from/(used in) investing activities (B)	(14,645,012)	(6,620,894)
Cash flow from financing activities		
Acceptance / (Repayment) of Loan	(229,928)	(311,730)
Finance Cost	(1,773,801)	(1,516,817)
Issue of Equity Shares	-	7,260,000
Share premium	-	28,057,177
Net cash flow from/(used in) financing activities (C)	(2,003,729)	33,488,630
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(16,212,644)	32,930,756
Cash and cash equivalents at the beginning of the year	33,560,424	629,668
Cash and cash equivalents at the end of the year	17,347,780	33,560,424

As per our report of even date attached

For and on behalf of the Board of Directors

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

NOTES TO FINANCIAL STATEMENTS

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013 as applicable.

The accounts have been prepared on a going concern basis under historical cost convention. Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company

2. PROPERTY, PLANT AND EQUIPMENTS

Fixed Assets are recorded at cost of acquisition inclusive of all relevant levies and other incidental expenses. They are stated at historical cost.

Depreciation on fixed assets is being provided on Straight Line Method as per the useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets acquired/installed

Depreciation on fixed assets sold, discarded or demolished during the year is being provided at their respective rate up to the month in which such assets are sold, discarded or demolished.

3. INVESTMENTS

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

4. INVENTORIES

Inventories are valued at lower of cost (FIFO) basis or net realizable value.

i) Raw materials, Packing materials and consumables are valued at cost using First-in-First Out method. The cost of Raw materials and consumables includes cost of purchases after adjusting for GST, direct expenses and other cost incurred in bringing the inventories to their present location and condition.

ii) Work in Progress goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Work in Progress goods are valued at raw materials cost as calculated above plus weighted average cost of production including appropriate proportion of cost of conversion to the extent of process, which is estimated and certified by the management.

iii) Finished goods are valued at lower of cost or net realisable value. Finished goods are valued based on weighted average cost of production, including appropriate proportion of cost of conversion.

NOTES TO FINANCIAL STATEMENTS

5.FOREIGN CURRENCY TRANSACTIONS.

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign Currency denominated assets and liabilities at the balance sheet date is translated at the exchange rate prevailing on the date of balance sheet.

6.REVENUE FROM OPERATIONS

I) Sales are exclusive of GST and are stated net of discounts and commission. Sale of products is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Returns against sales and price difference are recognized as and when ascertained and are netted from the amount of sales for the year. Rebates, discounts and commission are accounted for to the extent that these are due and/or reasonably ascertainable.

II) Service Income is recognized

7.EMPLOYEE BENEFITS

Company's contribution to recognized provident fund is defined contribution plan and is charged to the Profit and Loss Account on accrual basis. There are no other obligations than the contribution payable to the fund.

Contribution to gratuity fund is defined benefit obligation and is provided for on basis of an actuarial valuation on projected accrued benefit method made at the end of each financial year.

Employees are allowed to accumulate only seven days of earned leave .Any leaves above seven days shall be encashed at every 31stDecember of the year.

8.EARNINGS PER SHARE

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

9.ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Provision for current tax is made, based on the tax payable under the Income-tax Act, 1961. Deferred tax assets and liabilities from timing differences between taxable income and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date

NOTES TO FINANCIAL STATEMENTS

PULZ ELECTRONICS LIMITED (Formerly known as Pulz Electronics Private Limited) NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019			
NOTE No.	PARTICULARS	AS AT March 31,2019 In Rupees	AS AT March 31,2018 In Rupees
2	<u>SHARE CAPITAL</u>		
	Authorised Share Capital	5,00,00,000	5,00,00,000
	5,00,00,000 Equity Shares of Rs.10 each (Previous Year 5,00,00,000 Equity Shares of Rs.10 each)		
	Issued, Subscribed and Paid up		
	2,72,60,000 Equity Shares of Rs.10 each (Previous Year 2,72,60,000 Equity Shares of Rs.10 each)	2,72,60,000	2,72,60,000
	TOTAL	2,72,60,000	2,72,60,000

- i) Out of the above, 15,00,000 Shares were allotted as bonus shares in the year 2016-2017.
ii) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	AS AT 2019		AS AT 2018	
	No. of Shares held	%	No. of Shares held	%
Ramakrishnan M.K	12,99,988	47.6885%	12,99,988	47.6885%
Anirvan Ghose	6,99,992	25.6784%	6,99,992	25.6784%
Relatives of Directors	20	0.0007%	20	0.0007%
Public	7,26,000	26.6324%	7,26,000	26.6324%

- iii) All the Equity Shares are having one vote per share
- | | | | | |
|-------|-----------|------|-----------|------|
| Total | 27,26,000 | 100% | 27,26,000 | 100% |
|-------|-----------|------|-----------|------|
- iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares

Equity Shares at the beginning of the year	27,26,000	20,00,000
Add : Fresh Issue of shares	-	7,26,000
Equity shares at the end of the year	27,26,000	27,26,000

3 RESERVES AND SURPLUS

(a) Surplus/(Deficit) in Statement of Profit & Loss

Opening Balance	3,45,90,449	1,82,91,793
Add: profit/Loss during the year	2,46,52,712	1,62,98,656
Add: Share Premium	2,80,57,177	2,80,57,177
Closing Balance	8,73,00,338	6,26,47,626

4 LONG TERM BORROWINGS

Term Loans (Secured)		
- From Others		
- 1. Vehicle Loan from ICICI Bank Ltd.	2,39,659	4,69,587
TOTAL	2,39,659	4,69,587

1. Vehicle Loan from ICICI Bank Ltd.- secured by way of Hypothecation of Motor Car acquired under the loan
Maturity Profile of Secured Term Loan are set out as below

Term Loan -from ICICI Bank Ltd.	Maturity Profile			
	1 year	2 years	3 years	Beyond 3 years
	3,01,875	2,39,659	-	-

NOTES TO FINANCIAL STATEMENTS

5	Deferred Tax Liabilities (Net) (Refer Note No.35)	1,730,893	653,363
	TOTAL	1,730,893	653,363
6	<u>OTHER LONG TERM LIABILITIES</u>		
	-Trade Payables (Other than MSME) (Refer Note No. 32)	20,382,754	19,492,754
	- Gratuity (Refer Note No. 31)	2,843,224	2,327,907
	TOTAL	23,225,978	21,820,661
7	<u>SHORT TERM BORROWINGS</u>		
	Loans & Advances		
	<u>Secured</u>		
	1. From Banks		
	-Cash Credit - Yes Bank	-	18,787,400
	(secured by exclusive charge on current asset & Movable Fixed Asset of company and equitable mortgage of Factory Building)		
	TOTAL	-	18,787,400
8	<u>TRADE PAYABLES</u>		
	For Supplies / Services		
	a) Due to Micro & Small enterprises	231,285	-
	b) Others	15,885,838	16,154,211
	TOTAL	16,117,123	16,154,211
9	<u>OTHER CURRENT LIABILITIES</u>		
	- Current maturities of Long Term Borrowings(Refer Note No.4)	301,875	415,800
	- Advance Received from Customers	36,840,478	21,182,929
	- Other Liabilities	3,524,451	3,097,345
	(Includes Statutory Dues of Rs.1,062,247 (Previous Year Rs.1,036,345)		
	TOTAL	40,666,804	24,696,074
10	<u>SHORT TERM PROVISIONS</u>		
	For Leave Encashment (Refer Note No. 31)	353,882	393,595
	For Gratuity (Refer Note No.31)	152,644	60,718
	For Income Tax	9,550,000	7,275,000
	TOTAL	10,056,526	7,729,313

NOTES TO FINANCIAL STATEMENTS

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)

Note 11

PROPERTY, PLANT & EQUIPMENTS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				Net Block		
	As At 1st April, 2018	Additions during year	Deductions during year	As At 31st March, 2019	As At 1st April, 2018	For the year	Deductions / Adjustments	Deductions on account of sale of asset	Up to 31st March, 2019	As At 31st March, 2019	As At 31st March, 2018
Tangible Assets											
Land at Palghar	6,300,206	-	-	63,00,206	-	-	-	-	-	63,00,206	63,00,206
Office Premises at Palghar	928,900	-	-	9,28,900	103,804	13,493	-	-	117,297	811,603	825,96
Factory Building	11,788,852	30,000	-	1,18,18,852	1,631,913	373,707	-	-	2,005,620	9,813,232	10,156,939
Factory Shed	2,438,798	500,294	-	2,939,092	381,745	89,035	-	-	470,780	2,468,312	2,057,053
Plant and Machinery	3,145,352	7,646,542	-	10,791,894	1,090,235	1,054,448	-	-	2,144,683	8,647,211	2,055,117
Electrical Installation	1,481,932	-	-	1,481,932	450,291	95,352	-	-	545,643	936,289	1,031,641
Lift at Palghar	566,500	-	-	5,66,500	152,439	36,064	-	-	188,503	377,997	414,061
Paint Booth at Palghar	325,500	-	-	3,25,500	84,849	20,664	-	-	105,513	219,987	240,651
Computer Systems	2,035,693	410,804	-	2,446,497	895,068	526,935	-	-	1,422,003	1,024,494	1,140,625
Software	1,372,865	1,432,475	-	2,805,340	318,110	395,258	-	-	713,368	2,091,972	1,054,755
Motor Car	3,327,538	395,126	310,188	3,412,476	1,465,132	529,294	-	175,723	1,818,703	1,593,773	1,862,406
Motor Cycle	63,000	-	-	63,000	23,317	5,985	-	-	29,302	33,698	39,683
Furniture and Fixtures	983,698	962,669	-	1,946,367	469,748	139,728	-	-	609,476	1,336,891	513,950
Office Equipments	985,902	139,973	-	1,125,875	654,880	132,349	-	-	787,229	338,646	331,022
Tools and Equipments	1,323,077	1,092,411	-	2,415,488	296,382	305,524	-	-	601,906	1,813,582	1,026,695
Total A	37,067,813	12,610,294	310,188	49,367,919	8,017,913	3,717,836	-	175,723	11,560,026	37,807,893	29,049,900
Intangible Assets											
Technical Know-How	696,029	2,250,372	-	2,946,401	150,751	431,805	-	-	582,556	2,363,845	545,278
Total B	696,029	2,250,372	-	2,946,401	150,751	431,805	-	-	582,556	2,363,845	545,278
Capital Work-in-Progress											
Capital WIP	3,813,473	3,090,089	3,171,278	3,732,284	-	-	-	-	-	3,732,284	3,813,473
Total C	3,813,473	3,090,089	3,171,278	3,732,284	-	-	-	-	-	3,732,284	3,813,473
Grand Total (A+B+C)	41,577,315	17,950,755	3,481,466	56,046,604	8,168,664	4,149,641	-	175,723	12,142,582	43,904,022	33,408,651
Previous Year	34,956,421	6,620,894	-	41,577,315	5,932,206	2,236,458	-	-	8,168,664	33,408,651	29,024,215

NOTES TO FINANCIAL STATEMENTS

PULZ ELECTRONICS LIMITED (Formerly known as Pulz Electronics Private Limited)			
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019			
NOTE No.	PARTICULARS	AS AT 31st MARCH, 2019 `In Rupees	AS AT 31st MARCH, 2018 `In Rupees
12	<u>NON CURRENT INVESTMENTS</u>		
	Unquoted		
	Investments in Equity in SVC Co-operative Bank Ltd. (1000 Equity shares of Rs. 25/- each fully paid)	25,000	25,000
	Investments in Equity in Subsidiary - R&S Electronics System India Pvt. Ltd (9998 Equity shares of Rs. 10/- each fully paid)	99,980	99,980
	TOTAL	1,24,980	1,24,980
13	<u>OTHER NON CURRENT ASSETS</u>		
	Security deposits (Unsecured, considered good)	8,63,322	5,39,842
	Advance Tax net of provisions	95,01,853	65,60,799
	TOTAL	1,03,65,175	71,00,641
14	<u>INVENTORIES</u>		
	Raw-Materials	75,721,813	4,57,70,160
	Finished Goods	1,68,06,370	1,48,89,043
	Traded Goods	1,31,13,777	1,18,03,754
	TOTAL	105,641,960	7,24,62,957
15	<u>TRADE RECIVABLES (UNSECURED, CONSIDERED GOOD)</u>		
	(a) Over six months from the due date	27,77,160	17,51,372
	(b) Others considered good	98,03,472	89,66,743
	TOTAL	1,25,80,632	1,07,18,115
16	<u>CASH AND CASH EQUIVALENTS</u>		
	Cash On Hand	49,520	23,134
	<u>Balance With Bank</u>		
	In Current Account	88,32,997	68,26,873
	In Fixed Deposit Account	84,65,263	2,67,10,417
	TOTAL	1,73,47,780	3,35,60,424
17	<u>SHORT TERM LOANS & ADVANCES</u>		
	(a) Prepaid expenses	1,83,945	4,09,076
		1,83,945	4,09,076
	(b) Others		
	i) Advance given to Trade Creditors	46,45,632	1,00,50,880
	ii) Balance with Government Authorities	11,59,068	44,61,078
	iii) Advance Given to Employees	71,195	52,740
	iv) Advance Recoverable in cash or in kind	1,05,72,932	78,68,693
	TOTAL	1,64,48,827	2,24,33,391
	TOTAL	1,66,32,772	2,28,42,467

NOTES TO FINANCIAL STATEMENTS

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)

NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31,2019

NOTE NO.	PARTICULARS	For the year ended March 31,2019 `In Rupees	For the year ended March 31,2018 `In Rupees
18	<u>Revenue From Operations</u>		
a	Sale Of Products		
	Manufacturing	19,12,44,979	14,27,93,848
	Less:Excise Duty	-	30,25,623
		19,12,44,979	13,97,68,225
	Trading	3,77,56,630	3,15,36,639
b	Sale Of Services	1,09,75,531	90,33,238
	Net Revenue From Operations	23,99,77,140	18,03,38,102
19	<u>Other Income:</u>		
	Dividend Income	3,000	3,000
	Duty Drawback	1,63,774	3,09,060
	Bank Interest received on Fixed Deposits - PMC	15,08,465	-
	<u>Other Non - Operating Income</u>		
	Freight & Forwarding (Local) - Income	50,18,276	26,81,235
	Octroi Charges (Sales)	-	99,111
	Amounts Written Back	86,869	90,204
	Misc.Income	12,25,913	17,92,998
		80,06,297	49,75,608
20	<u>Cost Of Materials Consumed:</u>		
	Purchases Raw-Materials	11,01,29,780	6,72,41,932
	Add: Opening Balance Of Stock	4,57,70,160	3,71,92,671
	Less: Closing Balance Of Stock	7,57,21,813	4,57,70,160
	Consumption Of Materials	8,01,78,127	5,86,64,443
21	<u>Purchases Of Traded Goods/Stock In Trade</u>	2,86,55,911	4,23,72,479
		2,86,55,911	4,23,72,479
22	<u>Changes In Inventories:</u>		
a	<u>Finished Goods</u>		

NOTES TO FINANCIAL STATEMENTS

	At The Beginning Of The Year	1,48,89,043	49,56,173
	At The End Of The Year	1,68,06,370	1,48,89,043
		(19,17,327)	(99,32,870)
b	<u>Stock-In-Trade</u>		
	At The Beginning Of The Year	1,18,03,754	24,44,283
	At The End Of The Year	1,31,13,777	1,18,03,754
		(13,10,023)	(93,59,471)
	TOTAL	(3,227,350)	(1,92,92,341)
23	<u>Manufacturing Expenses:</u>		
	Salary and Wages	1,17,78,110	1,06,48,981
	Labour Charges	4,75,024	89,111
	Rent-Factory	7,20,000	7,20,000
	Packing Charges (Local)	77,937	75,127
	Freight and Forwarding	3,43,998	3,61,332
	Electricity Expenses	11,65,352	9,94,913
		1,45,60,421	1,28,89,464
24	<u>Employee Benefit Expense:</u>		
	Salaries & Wages	1,61,45,953	1,31,18,463
	Bonus	14,44,761	13,61,854
	Employer's Contribution to P.F.	6,44,648	7,69,820
	Employer's Contribution to E.S.I.C.	2,51,563	1,87,934
	Employer's Contribution to MLWF	3,648	3,216
	Leave Encashment	8,46,027	8,10,763
	Ex- Gratia	-	14,167
	Notice Pay - Staff	31,426	6,580
	Staff Welfare	17,58,934	13,19,347
	Rent Allowance	53,520	53,590
	Gratuity for Staff	6,76,774	5,43,441
		2,18,57,254	1,81,89,175

NOTES TO FINANCIAL STATEMENTS

25	<u>Financial Costs:</u>		
a	<u>Interest Expense</u>		
	Interest on Car Loan	71,947	104,070
	Interest on Bank OD & Loan	1,701,854	1,412,747
		1,773,801	1,516,817
b	<u>Other Borrowing Costs</u>		
	Bank Charges	342,026	955,858
		342,026	955,858
	TOTAL	2,115,827	2,472,675
26	<u>Depreciation And Amortization Expense:</u>		
	Depreciation	4,149,641	2,236,458
		4,149,641	2,236,458

NOTES TO FINANCIAL STATEMENTS

27 Other Expenses:

a Administrative Expense

Conveyance	427,618	280,508
Donation	10,000	-
Exchange Rate Difference	40,302	(1,121,632)
Freight Outward (Local)	5,671,335	2,868,946
Freight & Cartage (Export)	342,008	399,101
Insurance	770,632	619,303
Installation Charges	525,015	248,750
Postage & Courier Charges	167,107	131,919
Telephone Expenses	278,139	293,876
Loading /Unloading	380,618	52,423
License Fees	150,936	63,022
Office Expenses	370,825	218,995
Printing and Stationary	426,897	554,257
Professional Charges	11,773,741	11,947,646
Loss on Sale of Motor Car	24,465	-
Remuneration to Auditors-Audit Fees	42,500	42,500
Remuneration to Auditors-Tax Audit Fees	20,000	20,000
Remuneration to Directors	6,250,668	4,555,380
Director's Sitting Fees	100,000	100,000
Rates and Taxes	20,605	20,410
Rent -Office	1,155,000	1,096,000
Repair and Maintenance of Motor Car	395,054	427,869
Repair and Maintenance - General	1,812,994	1,684,558
Repair and Maintenance -Computers	39,972	24,593
Security Expenses	652,888	698,514
Misc Expenses	61,328	459,841
	31,910,647	25,686,779

b Selling & Distribution Expense

Advertisement Expenses	6,987,256	2,090,371
Business Promotion	1,827,359	1,830,909
Commission- Domestic	13,877,946	6,212,210
Commission- Foreign	1,191,989	1,150,915
Hotel and Accommodation	1,226,717	767,856
Transport Charges	14,751	32,496
Traveling Expenses- Domestic	3,029,548	2,531,230
Traveling Expenses- Foreign	3,873,677	3,979,144
	32,029,243	18,595,131

TOTAL **63,939,890** **44,281,910**

NOTES TO FINANCIAL STATEMENTS

28. The Company has entered in to cancellable leasing arrangement for its factory/ office premises and warehouse. The lease rental amounting to Rs. 18,75,000/- (Previous year Rs. 18,16,000/-) has been included in the statement of Profit & Loss under the following heads

Description	Note No.	For the year ended March 31,2019	For the year ended March 31,2018
Manufacturing Expenses	Note No. 23	7,20,000	7,20,000
Other Expenses	Note No. 27	11,55,000	10,96,000
Total		18,75,000	18,16,000

29. Dues to Micro & Small Enterprises:

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	231,285	-
The amounts of payments made to micro and small suppliers beyond the appointed day during each accounting year.	69,575	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authorities.

30 . Earnings per share:

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below:

	For the year ended March 31,2019	For the year ended March 31,2018
Profit/(Loss) after Tax	24,652,712	16,298,656
Weighted no. of equity shares	27,26,000	2,726,000
Earnings per share	9.04	5.98

NOTES TO FINANCIAL STATEMENTS

31. The particulars as required under the Accounting Standard-AS 15 of Employees Benefits are as under:

i. As Defined Contribution plan:

	For the year ended March 31,2019	For the year ended March 31,2018
Contribution to Employees Provident Fund	1,421,015	1,462,072

ii. As Defined Benefit Plan

Following are the principle Actuarial Assumptions used for determining defined benefit obligation towards gratuity as of the Balance Sheet Dates

	For the year ended March 31,2019	For the year ended March 31,2018
Retirement Age	60 years	60 years
Future Salary Rise	6.00 %	6.00 %
Rate of Discount	7.85 %	7.85 %
Method Used for Measuring Liabilities	Projected Unit Credit Method	Projected Unit Credit Method

Current and Non-Current Liability:

	For the year ended March 31,2019	For the year ended March 31,2018
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	INR 152,644	INR 60,718
Non-Current Liability	INR 2,843,224	INR 2,327,907

As per the Actuarial Valuation Report of Gratuity Liability, based on the above assumptions, gratuity liability as on March 31, 2019 works out to INR 2,995,868/-. The same has been provided in the books of accounts.

The company does not allow accumulation of leave s and the employees are allowed to encash maximum 12 days of the balance leave on December 31 every year .By considering the materiality level of the accumulation of leave balance, the company has not obtained the actuarial valuation as on March 31, 2019 and has provided for the liability of the accumulated leave of INR 353,882. /- in the books of accounts

32. Sundry Debtor and Creditors Balances are subject to confirmation, adjustments if any, will be made in the accounts on receipt of such confirmation.

33. The Company is listed on the SME platform of the National Stock Exchange of India Limited and the provisions of the IND AS as per rule 4 of the Companies (Indian Accounting Standards) Rules, 2015, Reconciliation of Profit and Loss and Reconciliation of Equity does not apply to the company and hence not reported.

NOTES TO FINANCIAL STATEMENTS

34. a) Primary segment reporting (by business segments)

The company is in the business of developing and manufacturing high quality Audio Systems and the company's business falls within a single business segment of Audio Systems. Therefore disclosures under Accounting Standard 17- Segment Reporting are not reported separately.

b) Secondary segment reporting (by geographical segments)

Secondary segmental reporting is identified on the basis of the geographical location of the customers. The Company has identified India , South East Asian Countries and rest of the world as the geographical segments for secondary segmental reporting.

Geographical sales are segregated based on the location. All assets other than trade receivables and advances to suppliers are located in India. Similarly all capital expenditure is incurred towards fixed assets located in India.

Particulars:	India		South East Asian Countries		Rest of the World		Total	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Segment sales during the year	232585433	141754401	8909076	38634837	6488928	4924472	247983437	185313710
Segment assets as at the Balance Sheet date	146084389	129592526	3162878	4506418	2955877	5485019	152203144	139583963
Addition to fixed assets during the year (including capital work – in progress)	6620894	1029774	-	-	-	-	6620894	1029774

NOTES TO FINANCIAL STATEMENTS

35. Deferred tax is on account of following: (Amount in Rupees)

		As at March 31,2019	As at March 31,2018
a)	Deferred Tax Liabilities Difference between depreciation on block of assets	1,888,779	1,049,553
b)	Gross deferred tax liabilities	1,888,779	1,049,553
c)	Deferred Tax Assets Provision for Gratuity Provision for Leave Encashment	(168,935) 11,048	280,638 115,552
d)	Gross deferred tax assets	(157,887)	396,190
e)	Net Deferred Tax	1,730,892	653,363

36. Value of Imported and indigenous raw materials, stores and spares consumed:

Description	Current Year		Previous Year	
	%	Value in INR	%	Value in INR
i)Raw Materials				
-Imported	44.83	35,943,854	47.76	28,018,138
-Indigenous	55.17	44,234,273	52.24	30,646,305
		80,178,127		58,664,443

37. CIF Value of Import of Raw Material INR 69,737,302/- (Previous year INR. 69,074,711 /-).

38. Expenditure in foreign currency:

Description	For the year ended March 31,2019	For the year ended March 31,2018
Professional Charges	3,174,277	2,925,070
Travelling Expenses	3,716,077	3,979,144
Commission	1,191,989	1,150,915
Exhibition Expenses	717,424	1,005,652

39. Earnings in Foreign Currency INR20,595,570 /- (Previous year INR 45,966,546./-)

NOTES TO FINANCIAL STATEMENTS

40. Related party Disclosers as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

I) Related Parties and Relationship.

(a) Company and Firm in which Directors and their relatives are Directors or Partners.

- i) Linear Electronics Private Limited.
- ii) R&S Electronics
- iii) R&S (India) Electronics Private Limited
- iv) R&S Electronics Systems India Private Limited

(b) Directors of the Company.

- I) Mr. Ramakrishnan M.K.
- ii) Mr. Anirvan Ghose
- iii) Mrs. Rumeeta Ghose

(c) Key Management Personnel:

- I) Mr. Ramakrishnan M.K.
- ii) Mr. Anirvan Ghose.

I ii) Mihir Doshi

(d) Relatives of the Director/s

- I) Dr. Parthasarthy Ghose
- ii) Kalyani Ghose
- iii) Bhavya Ramakrishnan

B) Transactions with Related Parties during the period

(Amount in Rupees)

NOTES TO FINANCIAL STATEMENTS

	For the year ended March 31,2019	For the year ended March 31,2018
Company and Firm in which Directors and their relatives are Directors or Partners:		
-R&S Electronics.		
i) Rent paid.	1,000,000	1,000,000
-R&S (India) Electronics Private Limited.		
i) Purchases.	2,261,342	3,910,607
ii) Sales (inclusive of tax)	845,460	6,939,864
iii) Rent Paid	720,000	720,000
iv) Services Sales	338,000	1,262,464
- R&S Electronics Systems India Private Limited		
i) Advance recoverable	32,000	-
Remuneration to Director		
- Ramakrishnan M.K	3,701,933	3,524,545
- Anirvan Ghose	2,010,747	1,455,393
- Rumeeta Ghose	895,581	-
Repair & Maintenance - General		
- Kalyani Ghose	184,548	-
Professional Charges		
- Bhavya Ramakrishnan	142,256	135,444
- Mihir Doshi	1,455,437	1,348,979
Relatives of the Director/s		
- Dr.Parthasarthy Ghose	1,44,000	96,000
Balance Outstanding as at the end of the year.		
Payable	20,382,754	19,492,754
Receivable	1,531,294	2,554,729

41. Previous Year's figures have been regrouped/reclassified to conform to the current year's presentation, wherever necessary

For KNP Associates
Chartered Accountants
Firm Reg. No. :0145448W

Nisha G. Unadkat
Partner
Membership No. 145206

Mumbai
May 30,2019

For Pulz Electronics Limited

Ramakrishnan M.K. Chairman & Director
Anirvan Ghose Managing Director

Mihir Doshi Chief Financial Officer
Kanika Kaushik Company Secretary

Mumbai
May 30,2019

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

**To the Members of
Pulz Electronics Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Pulz Electronics Limited (“the Company”), which comprise the consolidated Balance Sheet as at 31st March, 2019, the consolidated Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019 and its profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our Auditor’s Report thereon.

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

INDEPENDENT AUDITORS' REPORT

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to Report that fact. We have nothing to Report in this regard.

Responsibility of Management and Those Charge with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financials position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India including the other accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

INDEPENDENT AUDITORS' REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT

- 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statement, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

INDEPENDENT AUDITORS' REPORT

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial control over financial reporting.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company has not entered into any long term contracts including derivative contracts for which there were any material foreseeable losses, as required under the applicable law or Indian Accounting Standards.

iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For KNP AND ASSOCIATES
Chartered Accountants
Firm Regn. No. 142448W

CA Nisha Unadkat
Partner
Mem.No. 145206

Place: Mumbai
Dated: May 30, 2019

INDEPENDENT AUDITORS' REPORT

Annexure “A” to the Independent Auditor's Report

(Referred to in Paragraph 2(f) under the heading of "Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Pulz Electronics Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

INDEPENDENT AUDITORS' REPORT

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

INDEPENDENT AUDITORS' REPORT

Opinion

In our opinion, to the best of information and explanations given to us, the Company has, in all materials respects, an adequate internal financial controls system over financial reporting and such financial controls over financial reporting are operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KNP AND ASSOCIATES
Chartered Accountants
Firm Regn. No. 142448W

Place: Mumbai
Dated: May 30, 2019

CA Nisha Unadkat
Partner
Mem.No. 145206

BALANCE SHEET

As at 31st March, 2019

PULZ ELECTRONICS LIMITED				
(Formerly known as Pulz Electronics Private Limited)				
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2019				
PARTICULARS	Note	AS AT	AS AT	
	No.	March 31, 2019	March 31, 2018	
		In Rupees	In Rupees	
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	2,72,60,000	2,72,60,000	
(b) Reserves and surplus	3	8,72,05,085	6,25,91,822	
		11,44,65,085	8,98,51,822	
2 Non-current liabilities				
(a) Long-term borrowings	4	2,39,659	4,69,587	
(b) Deferred tax liabilities (net)	5	17,30,893	6,53,363	
(c) Other long-term liabilities	6	2,32,25,978	2,18,20,661	
		2,51,96,530	2,29,43,611	
3 Current liabilities				
(a) Short-term borrowings	7	-	1,87,87,400	
(b) Trade payables	8			
(i) Due to Micro & Small enterprises		2,31,285	-	
(ii) Others		1,58,88,338	1,61,54,211	
(c) Other current liabilities	9	4,06,70,004	2,46,96,074	
(d) Short-term provisions	10	1,00,56,526	77,29,313	
		6,68,46,153	6,73,66,998	
TOTAL		20,65,07,768	18,01,62,431	
B ASSETS				
1 Non-current assets				
(a) Property, Plant & Equipments	11			
(i) Tangible assets		3,78,07,893	2,90,49,900	
(ii) Intangible assets		23,63,845	5,45,278	
(ii) Capital work-in-progress		37,32,284	38,13,473	
		4,39,04,022	3,34,08,651	
(b) Non-current investments	12	25,000	25,000	
(c) Other non-current assets	13	1,03,65,175	71,00,641	
2 Current assets				
(a) Inventories	14	10,56,41,960	7,24,62,957	
(b) Trade receivables	15	1,25,80,632	1,07,18,115	
(c) Cash and cash equivalents	16	1,73,90,207	3,36,04,600	
(d) Short-term loans and advances	17	1,66,00,772	2,28,42,467	
		15,22,13,571	13,96,28,139	
TOTAL		20,65,07,768	18,01,62,431	
Significant Accounting Policies	1			
Notes on Financial Statements	2-41			

As per our report of even date attached

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

For and on behalf of the Board of Directors

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

STATEMENT OF PROFIT & LOSS

For the year ended 31st March, 2019

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	NOTE NO.	For the Year ended	For the year ended
		March 31,2019	March 31,2018
		'In Rupees	'In Rupees
Revenue From Operations			
Revenue From Operations	18	23,99,77,140	18,03,38,102
Other Income	19	80,06,297	49,75,608
I Total Revenue		24,79,83,437	18,53,13,710
Expenses:			
Cost Of Goods Sold	20	8,01,78,127	5,86,64,443
Purchase of Stock in Trade	21	2,86,55,911	4,23,72,479
Changes In Inventories	22	(32,27,350)	(1,92,92,341)
Manufacturing Expenses	23	1,45,60,421	1,28,89,464
Employee Benefit Expense	24	2,18,57,254	1,81,89,175
Finance Costs	25	21,16,576	24,73,716
Depreciation And Amortization Expense	26	41,49,641	22,36,458
Other Expenses	27	6,39,78,590	4,43,36,673
II Total Expenses		21,22,69,170	16,18,70,067
III Profit Before Exceptional And Extraordinary Items And Tax (I - II)		3,57,14,267	2,34,43,643
IV Profit Before Tax (II-III)		3,57,14,267	2,34,43,643
Tax Expense			
V Current Tax		95,50,000	72,75,000
VI Earlier Years Tax		4,73,474	(750)
VII Deferred Tax		10,77,530	73,459
VIII Excess / Short Provision (IT) For Earlier Years		-	-
IX Profit (Loss) For The Period (IV-V-VI-VII)		2,46,13,263	1,62,42,852
Earning Per Equity Share			
Basic & Diluted		9.03	5.96
Diluted			
Significant Accounting Policies	1		
Notes on Financial Statement	2-41		

As per our report of even date attached

For and on behalf of the Board of Directors

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

CASH FLOW STATEMENT

For the year ended 31st March, 2019

PULZ ELECTRONICS LIMITED

(Formerly known as Pulz Electronics Private Limited)

Consolidated Cash flow statement for the year ended 31st March 2019.

	31st March, 2019	31st March, 2018
	Amt in Rs.	Amt in Rs.
Cash flow from operating activities		
Profit/(loss) before tax	3,57,14,267	2,34,43,643
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation	41,49,641	22,36,458
Finance Cost	17,73,801	15,16,817
Operating profit/(loss) before working capital changes	4,16,37,709	2,71,96,918
Movements in working capital:		
Increase/(decrease) in other Long Term liabilities	14,05,317	23,32,945
Increase/(decrease) in short term borrowings	(1,87,87,400)	44,46,208
Increase/(decrease) in trade payables	(34,588)	26,46,121
Increase/(decrease) in other current liabilities	1,59,73,930	52,19,804
Increase/(decrease) in short term provision	23,27,213	(10,58,262)
Decrease/(increase) in Non-current Investment	-	-
Decrease/(increase) in Other Non-current Assets	(32,64,534)	(64,19,449)
Decrease/(increase) in Inventories	(3,31,79,003)	(2,78,69,830)
Decrease/(increase) in trade receivables	(18,62,517)	2,03,84,726
Decrease/(increase) in short-term loans and advances	62,41,695	(1,34,97,735)
Cash generated from Operations	1,04,57,822	1,33,81,446
Direct taxes paid	(1,00,23,474)	(72,74,250)
Net Cash from Operating Activities (A)	4,34,348	61,07,196
Cash flows from investing activities		
Sale/(Purchase) of Fixed Assets	(1,46,45,012)	(66,20,894)
Net cash flow from/(used in) investing activities (B)	(1,46,45,012)	(66,20,894)
Cash flow from financing activities		
Acceptance / (Repayment) of Loan	(2,29,928)	(3,11,730)
Finance Cost	(17,73,801)	(15,16,817)
Issue of Equity Shares	-	72,60,000
Share premium	-	2,80,57,177
Net cash flow from/(used in) financing activities (C)	(20,03,729)	3,34,88,630
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,62,14,393)	3,29,74,932
Cash and cash equivalents at the beginning of the year	3,36,04,600	6,29,668
Cash and cash equivalents at the end of the year	1,73,90,207	3,36,04,600

As per our report of even date attached

For and on behalf of the Board of Directors

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India under the historical cost convention on accrual basis and in accordance with Accounting Standards prescribed under section 133 of the companies Act, 2013.

The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year. In the opinion of the Management, based on the analysis of the significant transactions at joint ventures, no material adjustments are required to be made to comply with group accounting policies / Indian GAAP.

Subsidiary/Joint Venture

Name of the Companies	Percentage of shareholding
-----------------------	----------------------------

R & S Electronics Systems India Pvt. Ltd.	99.98%
---	--------

a) Principles of consolidation

1. The Financial statements of the company and its Subsidiary Company is combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after eliminating material intragroup balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS21) "Consolidated Financial Statements".

2. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and appropriate adjustments are made to the financial statements of the Subsidiary when they are used in preparing the consolidated financial statements that are presented in the same manner as the Company's separate financial statements.

3. Being the first year of incorporation of Peerless Speakers Private Limited, the consolidation for financial statement for the previous year is not applicable.

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provision of the Companies Act, 2013 as applicable.

The accounts have been prepared on a going concern basis under historical cost convention. Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles followed by the Company

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

2. PROPERTY, PLANT & EQUIPMENTS

Fixed Assets are recorded at cost of acquisition inclusive of all relevant levies and other incidental expenses. They are stated at historical cost.

Depreciation on fixed assets is being provided on Straight Line Method as per the useful life prescribed in Schedule II of the Companies Act, 2013. Depreciation in respect of addition to fixed assets is provided on pro-rata basis from month to month in which such assets acquired/installed

Depreciation on fixed assets sold, discarded or demolished during the year is being provided at their respective rate up to the month in which such assets are sold, discarded or demolished.

3. INVESTMENTS

Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognize the diminution.

4. INVENTORIES

Inventories are valued at lower of cost (FIFO) basis or net realizable value.

i) Raw materials, Packing materials and consumables are valued at cost using First -in-First Out method. The cost of Raw materials and consumables includes cost of purchases after adjusting for GST, direct expenses and other cost incurred in bringing the inventories to their present location and condition.

ii) Work in Progress goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Work in Progress goods are valued at raw materials cost as calculated above plus weighted average cost of production including appropriate proportion of cost of conversion to the extent of process, which is estimated and certified by the management.

iii) Finished goods are valued at lower of cost or net realisable value. Finished goods are valued based on weighted average cost of production, including appropriate proportion of cost of conversion.

5. FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Foreign Currency denominated assets and liabilities at the balance sheet date is translated at the exchange rate prevailing on the date of balance sheet.

6. REVENUE FROM OPERATIONS

i) Sales are exclusive of GST and are stated net of discounts and commission. Sale of products is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Returns against sales and price difference are recognized as and when ascertained and are netted from the amount of sales for the year. Rebates, discounts and commission are accounted for to the extent that these are due and/or reasonably ascertainable.

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

7. EMPLOYEE BENEFITS

Company's contribution to recognized provident fund is defined contribution plan and is charged to the Profit and Loss Account on accrual basis. There are no other obligations than the contribution payable to the fund. Contribution to gratuity fund is defined benefit obligation and is provided for on basis of an actuarial valuation on projected accrued benefit method made at the end of each financial year.

Employees are allowed to accumulate only seven days of earned leave .Any leaves above seven days shall be encashed at every 31st December of the year.

8. EARNINGS PER SHARE

Basic earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the net profit after tax attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, if any.

9. ACCOUNTING FOR TAXES ON INCOME

Tax expense comprises of current and deferred tax. Provision for current tax is made, based on the tax payable under the Income-tax Act, 1961. Deferred tax assets and liabilities from timing differences between taxable income and accounting income is accounted for using the tax rates and the tax laws enacted or substantially enacted as on the balance sheet date.

10. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company recognizes as provisions, the liabilities being present obligation arising out of past events, the settlement of which is expected to result in an outflow of resources which can be measure only by using a substantial degree of estimation.

Contingent liabilities are disclosed by way of notes to the financial statements after careful evaluation by the management of the facts and the legal aspects of the matter involved.

Contingent assets are neither recognized nor disclosed

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

PULZ ELECTRONICS LIMITED (Formerly known as Pulz Electronics Private Limited)			
CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019			
NOTE No.	PARTICULARS	AS AT	AS AT
		March 31, 2019 In Rupees	March 31, 2018 In Rupees
2	<u>SHARE CAPITAL</u>		
	Authorised Share Capital	5,00,00,000	5,00,00,000
	5,000,000 Equity Shares of Rs.10 each (Previous Year 5,000,000 Equity Shares of Rs.10 each)		
	Issued, Subscribed and Paid up		
	2,726,000 Equity Shares of Rs.10 each (Previous Year 2,726,000 Equity Shares of Rs.10 each)	2,72,60,000	2,72,60,000
	TOTAL	2,72,60,000	2,72,60,000

i) Out of the above, 15,00,000 Shares were allotted as bonus shares in the year 2016-2017.

ii) Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	AS AT 2019		AS AT 2018	
	No. of Shares held	%	No. of Shares held	%
Ramakrishnan M.K	12,99,988	47.6885%	12,99,988	47.6885%
Anirvan Ghose	6,99,992	25.6784%	6,99,992	25.6784%
Relatives of Directors	20	0.0007%	20	0.0007%
Public	7,26,000	26.6324%	7,26,000	26.6324%

iii) All the Equity Shares are having one vote per share

Total	27,26,000	100%	27,26,000	100%
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iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares

Equity Shares at the beginning of the year	27,26,000	20,00,000
Add : Fresh Issue of shares	-	7,26,000
Equity shares at the end of the year	27,26,000	27,26,000

3 RESERVES AND SURPLUS

(a) Surplus/(Deficit) in Statement of Profit & Loss

Opening Balance	3,45,34,645	1,82,91,793
Add: profit/Loss during the year	2,46,13,263	1,62,42,852
Add: Share Premium	2,80,57,177	2,80,57,177
Closing Balance	8,72,05,085	6,25,91,822

4 LONG TERM BORROWINGS

Term Loans (Secured)		
- From Others		
- 1. Vehicle Loan from ICICI Bank Ltd.	2,39,659	4,69,587
TOTAL	2,39,659	4,69,587

1. Vehicle Loan from ICICI Bank Ltd.- secured by way of Hypothecation of Motor Car acquired under the loan

Maturity Profile of Secured Term Loan are set out as below

Term Loan -from ICICI Bank Ltd.	Maturity Profile			
	1 year	2 years	3 years	Beyond 3 years
	3,01,875	2,39,659	-	-

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

5	Deferred Tax Liabilities (Net) (Refer Note No.35)	17,30,893	6,53,363
	TOTAL	17,30,893	6,53,363
6 <u>OTHER LONG TERM LIABILITIES</u>			
	-Trade Payables (Other than MSME) (Refer Note No.32)	2,03,82,754	1,94,92,754
	- Gratuity (Refer Note No. 31)	28,43,224	23,27,907
	TOTAL	2,32,25,978	2,18,20,661
7 <u>SHORT TERM BORROWINGS</u>			
	Loans & Advances		
	Secured		
	1. From Banks		
	-Cash Credit - Yes Bank	-	1,87,87,400
	(secured by exclusive charge on current asset & Movable Fixed Asset of company and equitable mortgage of Factory Building)		
	TOTAL	-	1,87,87,400
8 <u>TRADE PAYABLES</u>			
	For Supplies / Services		
	a) Due to Micro & Small enterprises	2,31,285	-
	b) Others	1,58,88,338	1,61,54,211
	TOTAL	1,61,19,623	1,61,54,211
9 <u>OTHER CURRENT LIABILITIES</u>			
	- Current maturities of Long Term Borrowings(Refer Note No.4)	3,01,875	4,15,800
	- Advance Received from Customers	3,68,40,478	2,11,82,929
	- Other Liabilities	35,27,651	30,97,345
	(Includes Statutory Dues of Rs.1,062,247 (Previous Year Rs.1,036,345)		
	TOTAL	4,06,70,004	2,46,96,074
10 <u>SHORT TERM PROVISIONS</u>			
	For Leave Encashment (Refer Note No.31)	3,53,882	3,93,595
	For Gratuity (Refer Note No.31)	1,52,644	60,718
	For Income Tax	95,50,000	72,75,000
	TOTAL	1,00,56,526	77,29,313

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)

Note 11

CONSOLIDATED PROPERTY, PLANT & EQUIPMENTS

DESCRIPTION	GROSS BLOCK				DEPRECIATION				Net Block		
	As At 1st April, 2018	Additions during year	Deductions during year	As At 31st March, 2019	As At 1st April, 2018	For the year	Deductions / Adjustments	Deductions on account of sale of asset	Up to 31st March, 2019	As At 31st March, 2019	As At 31st March, 2018
Tangible Assets											
Land at Palghar	6,300,206	-	-	63,00,206	-	-	-	-	-	63,00,206	63,00,206
Office Premises at Palghar	928,900	-	-	9,28,900	103,804	13,493	-	-	177,297	811,603	825,096
Factory Building	11,788,852	30,000	-	11,818,852	1,631,913	373,707	-	-	2,005,620	9,813,232	10,156,939
Factory Shed	2,438,798	500,294	-	2,939,092	381,745	89,035	-	-	470,780	2,468,312	2,057,053
Plant and Machinery	3,145,352	7,646,542	-	10,791,894	1,090,235	1,054,448	-	-	2,144,683	8,647,211	2,055,117
Electrical Installation	1,481,932	-	-	1,481,932	450,291	95,352	-	-	545,643	936,289	1,031,641
Lift at Palghar	566,500	-	-	5,66,500	152,439	36,064	-	-	188,503	377,997	414,061
Paint Booth at Palghar	325,500	-	-	3,25,500	84,849	20,664	-	-	105,513	219,987	240,651
Computer Systems	2,035,693	410,804	-	2,446,497	895,068	525,935	-	-	1,422,003	1,024,494	1,140,625
Software	1,372,865	1,432,475	-	2,805,340	318,110	395,258	-	-	713,368	2,091,972	1,054,755
Motor Car	3,327,538	395,126	310,188	3,412,476	1,465,132	529,294	-	175,723	1,818,703	1,593,773	1,862,406
Motor Cycle	63,000	-	-	63,000	23,317	5,985	-	-	29,302	33,698	39,683
Furniture and Fixtures	983,698	962,669	-	1,946,367	469,748	139,728	-	-	609,476	1,336,891	513,950
Office Equipments	985,902	139,973	-	1,125,875	654,880	132,349	-	-	787,229	338,646	331,022
Tools and Equipments	1,323,077	1,092,411	-	2,415,488	296,382	305,524	-	-	601,906	1,813,582	1,026,695
Total A	37,067,813	12,610,294	310,188	49,367,919	8,017,913	3,717,836	-	175,723	11,560,026	37,807,893	29,049,900
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-
Technical Know-How	696,029	2,250,372	-	2,946,401	150,751	431,805	-	-	582,556	2,363,845	545,278
Total B	696,029	2,250,372	-	2,946,401	150,751	431,805	-	-	582,556	2,363,845	545,278
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	-	-
Capital WIP	3,813,473	3,090,089	3,171,278	3,732,284	-	-	-	-	-	3,732,284	3,813,473
Total C	3,813,473	3,090,089	3,171,278	3,732,284	-	-	-	-	-	3,732,284	3,813,473
Grand Total (A+B+C)	41,577,315	17,950,755	3,481,466	56,046,604	8,168,664	4,149,641	-	175,723	12,142,582	43,904,022	33,408,651
Previous Year	34,956,421	6,620,894	-	41,577,315	5,932,206	2,236,458	-	-	8,168,664	33,408,651	29,024,215

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

PULZ ELECTRONICS LIMITED

(Formerly known as Pulz Electronics Private Limited)

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

NOTE No.	PARTICULARS	AS AT 31st MARCH, 2019 `In Rupees	AS AT 31st MARCH, 2018 `In Rupees
12	<u>NON CURRENT INVESTMENTS</u>		
	Unquoted		
	Investments in Equity in SVC Co-operative Bank Ltd. (1000 Equity shares of Rs. 25/- each fully paid)	25,000	25,000
	TOTAL	25,000	25,000
13	<u>OTHER NON CURRENT ASSETS</u>		
	Security deposits (Unsecured, considered good)	8,63,322	5,39,842
	Advance Tax net of provisions	95,01,853	65,60,799
	TOTAL	1,03,65,175	71,00,641
14	<u>INVENTORIES</u>		
	Raw-Materials	7,57,21,813	4,57,70,160
	Finished Goods	1,68,06,370	1,48,89,043
	Work-in-progress	-	-
	Traded Goods	1,31,13,777	1,18,03,754
	TOTAL	10,56,41,960	7,24,62,957
15	<u>TRADE RECIVABLES (UNSECURED, CONSIDERED GOOD)</u>		
	(a) Over six months from the due date	27,77,160	17,51,372
	(b) Others considered good	98,03,472	89,66,743
	TOTAL	1,25,80,632	1,07,18,115
16	<u>CASH AND CASH EQUIVALENTS</u>		
	Cash On Hand	49,520	23,134
	<u>Balance With Bank</u>		
	In Current Account	88,75,424	68,71,049
	In Fixed Deposit Account	84,65,263	2,67,10,417
	TOTAL	1,73,90,207	3,36,04,600
17	<u>SHORT TERM LOANS & ADVANCES</u>		
	<u>(a) Prepaid expenses</u>	1,83,945	4,09,076
		1,83,945	4,09,076
	<u>(b) Others</u>		
	i} Advance given to Trade Creditors	46,45,632	1,00,50,880
	ii) Balance with Government Authorities	11,59,068	44,61,078
	iii) Advance Given to Employees	71,195	52,740
	iv) Advance Recoverable in cash or in kind	1,05,40,932	78,68,693
		1,64,16,827	2,24,33,391
	TOTAL	1,66,00,772	2,28,42,467

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

PULZ ELECTRONICS LIMITED
(Formerly known as Pulz Electronics Private Limited)

CONSOLIDATED NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

NOTE NO.	PARTICULARS	For the year ended March 31, 2019 `In Rupees	For the year ended March 31, 2018 `In Rupees
18	<u>Revenue From Operations</u>		
a	Sale Of Products		
	Manufacturing	19,12,44,979	14,27,93,848
	Less: Excise Duty	-	30,25,623
		19,12,44,979	13,97,68,225
	Trading	3,77,56,630	3,15,36,639
b	Sale Of Services	1,09,75,531	90,33,238
	Net Revenue From Operations	23,99,77,140	18,03,38,102
19	<u>Other Income:</u>		
	Dividend Income	3,000	3,000
	Duty Drawback	1,63,774	3,09,060
	Bank Interest received on Fixed Deposits - PMC	15,08,465	-
	<u>Other Non - Operating Income</u>		
	Freight & Forwarding (Local) - Income	50,18,276	26,81,235
	Octroi Charges (Sales)	-	99,111
	Amounts Written Back	86,869	90,204
	Misc. Income	12,25,913	17,92,998
		80,06,297	49,75,608
20	<u>Cost Of Materials Consumed:</u>		
	Purchases Raw-Materials	11,01,29,780	6,72,41,932
	Add: Opening Balance Of Stock	4,57,70,160	3,71,92,671
	Less: Closing Balance Of Stock	7,57,21,813	4,57,70,160
	Consumption Of Materials	8,01,78,127	5,86,64,443
21	<u>Purchases Of Traded Goods/Stock In Trade</u>	2,86,55,911	4,23,72,479
		2,86,55,911	4,23,72,479
22	<u>Changes In Inventories:</u>		
a	<u>Finished Goods</u>		
	At The Beginning Of The Year	1,48,89,043	49,56,173
	At The End Of The Year	1,68,06,370	1,48,89,043
		(19,17,327)	(99,32,870)
b	<u>Work-in-progress</u>		
	At The End Of The Year	-	-
c	<u>Stock-In-Trade</u>		
	At The Beginning Of The Year	1,18,03,754	24,44,283
	At The End Of The Year	1,31,13,777	1,18,03,754
		(13,10,023)	(93,59,471)
	TOTAL	(32,27,350)	(1,92,92,341)
23	<u>Manufacturing Expenses:</u>		
	Salary and Wages	1,17,78,110	1,06,48,981
	Labour Charges	4,75,024	89,111
	Rent-Factory	7,20,000	7,20,000
	Packing Charges (Local)	77,937	75,127
	Freight and Forwarding	3,43,998	3,61,332
	Electricity Expenses	11,65,352	9,94,913
		14,560,421	12,889,464

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

24	<u>Employee Benefit Expense:</u>		
	Salaries & Wages	1,61,45,953	1,31,18,463
	Bonus	14,44,761	13,61,854
	Employer's Contribution to P.F.	6,44,648	7,69,820
	Employer's Contribution to E.S.I.C.	2,51,563	1,87,934
	Employer's Contribution to MLWF	3,648	3,216
	Leave Encashment	8,46,027	8,10,763
	Ex- Gratia	-	14,167
	Notice Pay - Staff	31,426	6,580
	Staff Welfare	17,58,934	13,19,347
	Rent Allowance	53,520	53,590
	Gratuity for Staff	6,76,774	5,43,441
		2,18,57,254	1,81,89,175
25	<u>Financial Costs:</u>		
a	<u>Interest Expense</u>		
	Interest on Car Loan	71,947	1,04,070
	Interest on Bank OD & Loan	17,01,854	14,12,747
		17,73,801	15,16,817
b	<u>Other Borrowing Costs</u>		
	Bank Charges	3,42,775	9,56,899
		3,42,775	9,56,899
	TOTAL	21,16,576	24,73,716
26	<u>Depreciation And Amortization Expense:</u>		
	Depreciation	41,49,641	22,36,458
		41,49,641	22,36,458
27	<u>Other Expenses:</u>		
a	<u>Administrative Expense</u>		
	Conveyance	4,27,618	2,80,508
	Donation	10,000	-
	Exchange Rate Difference	40,302	(11,21,632)
	Freight Outward (Local)	56,71,335	28,68,946
	Freight & Cartage (Export)	3,42,008	3,99,101
	Insurance	7,70,632	6,19,303
	Installation Charges	5,25,015	2,48,750
	Postage & Courier Charges	1,67,107	1,31,919
	Telephone Expenses	2,78,139	2,93,876
	Loading /Unloading	3,80,618	52,423
	License Fees	1,50,936	63,022
	Office Expenses	3,74,025	2,49,558
	Printing and Stationary	4,26,897	5,54,257
	Professional Charges	1,18,06,741	1,19,71,846
	Loss on Sale of Motor Car	24,465	-
	Remuneration to Auditors-Audit Fees	45,000	42,500
	Remuneration to Auditors-Tax Audit Fees	20,000	20,000
	Remuneration to Directors	62,50,668	45,55,380
	Director's Sitting Fees	1,00,000	1,00,000
	Rates and Taxes	20,605	20,410
	Rent -Office	11,55,000	10,96,000
	Repair and Maintenance of Motor Car	3,95,054	4,27,869
	Repair and Maintenance - General	18,12,994	16,84,558
	Repair and Maintenance -Computers	39,972	24,593
	Security Expenses	6,52,888	6,98,514
	Misc Expenses	61,328	4,59,841
		3,19,49,347	2,57,41,542

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

b Selling & Distribution Expense

Advertisement Expenses	69,87,256	20,90,371
Business Promotion	18,27,359	18,30,909
Commission- Domestic	1,38,77,946	62,12,210
Commission- Foreign	11,91,989	11,50,915
Hotel and Accomodation	12,26,717	7,67,856
Transport Charges	14,751	32,496
Traveling Expenses- Domestic	30,29,548	25,31,230
Traveling Expenses- Foreign	38,73,677	39,79,144
	3,20,29,243	1,85,95,131
TOTAL	6,39,78,590	4,43,36,673

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

28. The Company has entered in to cancellable leasing arrangement for its factory/ office premises and warehouse. The lease rental amounting to Rs. 18,75,000/- (Previous year Rs. 18,16,000/-) has been included in the statement of Profit & Loss under the following heads

Description	Note No.	For the year ended March 31,2019	For the year ended March 31,2018
Manufacturing Expenses	Note No. 23	7,20,000	7,20,000
Other Expenses	Note No. 27	11,55,000	10,96,000
Total		18,75,000	18,16,000

29. Dues to Micro & Small Enterprises:

Particulars	For the year ended March 31,2019	For the year ended March 31,2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	231,285	-
The amounts of payments made to micro and small suppliers beyond the appointed day during each accounting year.	69,575	-

On the basis of information and records available with the company, the above disclosures are made in respect of amounts due to the micro and small enterprises, who have registered with the relevant competent authorities.

30. Earnings per share:

The calculations of earnings per share (basic and diluted) are based on the earnings and number of shares as computed below:

	For the year ended March 31,2019	For the year ended March 31,2018
Profit/(Loss) after Tax	24,652,712	16,298,656
Weighted no. of equity shares	27,26,000	2,726,000
Earnings per share	9.04	5.98

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

31. The particulars as required under the Accounting Standard-AS 15 of Employees Benefits are as under:

i. As Defined Contribution plan:

	For the year ended March 31,2019	For the year ended March 31,2018
Contribution to Employees Provident Fund	1,421,015	1,462,072

ii. As Defined Benefit Plan

Following are the principle Actuarial Assumptions used for determining defined benefit obligation towards gratuity as of the Balance Sheet Dates.

	For the year ended March 31,2019	For the year ended March 31,2018
Retirement Age	60 years	60 years
Future Salary Rise	6.00 %	6.00 %
Rate of Discount	7.85 %	7.85 %
Method Used for Measuring Liabilities	Projected Unit Credit Method	Projected Unit Credit Method

Current and Non-Current Liability:

	For the year ended March 31,2019	For the year ended March 31,2018
Funding Status	Unfunded	Unfunded
Fund Balance	N.A	N.A
Current Liability	INR 152,644	INR 60,718
Non-Current Liability	INR 2,843,224	INR 2,327,907

As per the Actuarial Valuation Report of Gratuity Liability, based on the above assumptions, gratuity liability as on March 31, 2019 works out to INR 2,995,868/-. The same has been provided in the books of accounts.

The company does not allow accumulation of leave s and the employees are allowed to encash maximum 12 days of the balance leave on December 31 every year .By considering the materiality level of the accumulation of leave balance, the company has not obtained the actuarial valuation as on March 31, 2019 and has provided for the liability of the accumulated leave of INR 353,882. /- in the books of accounts

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

32. Sundry Debtor and Creditors Balances are subject to confirmation, adjustments if any, will be made in the accounts on receipt of such confirmation.

33. The Company is listed on the SME platform of the National Stock Exchange of India Limited and the provisions of the IND AS as per rule 4 of the Companies (Indian Accounting Standards) Rules, 2015, Reconciliation of Profit and Loss and Reconciliation of Equity does not apply to the company and hence not reported.

34. a) Primary segment reporting (by business segments)

The company is in the business of developing and manufacturing high quality Audio Systems and the company's business falls within a single business segment of Audio Systems. Therefore disclosures under Accounting Standard 17- Segment Reporting are not reported separately.

b) Secondary segment reporting (by geographical segments)

Secondary segmental reporting is identified on the basis of the geographical location of the customers. The Company has identified India , South East Asian Countries and rest of the world.as the geographical segments for secondary segmental reporting.

Geographical sales are segregated based on the location. All assets other than trade receivables and advances to suppliers are located in India. Similarly all capital expenditure is incurred towards fixed assets located in India.

Particulars	India		South East Asian Countries		Rest of the World		Total	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 Mar 2018
Segment sales during the year	232585433	141754401	8909076	38634837	6488928	4924472	247983437	185313710
Segment assets as at the Balance Sheet date	146084389	129592526	3162878	4506418	2955877	5485019	152203144	139583963
Addition to fixed assets during the year (including capital work – in –progress)	6620894	1029774	-	-	-	-	6620894	1029774

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

35. Deferred tax is on account of following: (Amount in Rupees)

		As at March 31,2019	As at March 31,2018
a)	Deferred Tax Liabilities Difference between depreciation on block of assets	1,888,779	1,049,553
b)	Gross deferred tax liabilities	1,888,779	1,049,553
c)	Deferred Tax Assets Provision for Gratuity Provision for Leave Encashment	(168,935) 11,048	280,638 115,552
d)	Gross deferred tax assets	(157,887)	396,190
e)	Net Deferred Tax	1,730,892	653,363

36. Value of Imported and indigenous raw materials, stores and spares consumed:

Description	Current Year		Previous Year	
	%	Value in INR	%	Value in INR
i)Raw Materials				
-Imported	44.83	35,943,854	47.76	28,018,138
-Indigenous	55.17	44,234,273	52.24	30,646,305
		80,178,127		58,664,443

37. CIF Value of Import of Raw Material INR 69,737,302/- (Previous year INR. 69,074,711 /-).

38. Expenditure in foreign currency:

Description	For the year ended March 31,2019	For the year ended March 31,2018
Professional Charges	3,174,277	2,925,070
Travelling Expenses	3,716,077	3,979,144
Commission	1,191,989	1,150,915
Exhibition Expenses	717,424	1,005,652

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

39. Earnings in Foreign Currency INR20,595,570 /- (Previous year INR 45,966,546./-)

40. Related party Disclosers as required by AS 18 of the Institute of Chartered Accountants of India is as follows:

I) Related Parties and Relationship.

(a) Company and Firm in which Directors and their relatives are Directors or Partners.

- i) Linear Electronics Private Limited.
- ii) R&S Electronics
- iii) R&S (India) Electronics Private Limited
- iv) R&S Electronics Systems India Private Limited

(b) Directors of the Company.

- I) Mr. Ramakrishnan M.K.
- ii) Mr. Anirvan Ghose
- iii) Mrs. Rumeeta Ghose

(c) Key Management Personnel:

- I) Mr. Ramakrishnan M.K.
- ii) Mr. Anirvan Ghose.
- iii) Mihir Doshi

(d) Relatives of the Director/s

- I) Dr. Parthasarthy Ghose
- ii) Kalyani Ghose
- iii) Bhavya Ramakrishnan

NOTES TO FINANCIAL STATEMENTS-CONSOLIDATED

B) Transactions with Related Parties during the period (Amount in Rupees)

	For the year ended March 31,2019	For the year ended March 31,2018
Company and Firm in which Directors and their relatives are Directors or Partners:		
-R&S Electronics.		
i) Rent paid.	1,000,000	1,000,000
-R&S (India) Electronics Private Limited.		
i) Purchases.	2,261,342	3,910,607
ii)Sales(inclusive of tax)	845,460	6,939,864
iii)Rent Paid	720,000	720,000
iv)Services Sales	338,000	1,262,464
- R&S Electronics Systems India Private Limited		
i) Advance recoverable	32,000	-
Remuneration to Director		
- Ramakrishnan M.K	3,701,933	3,524,545
- Anirvan Ghose	2,010,747	1,455,393
- Rumeeta Ghose	895,581	-
Repair & Maintenance - General		
- Kalyani Ghose	184,548	-
Professional Charges		
- Bhavya Ramakrishnan	142,256	135,444
- Mihir Doshi	1,455,437	1,348,979
Relatives of the Director/s		
- Dr.Parthasarthy Ghose	1,44,000	96,000
Balance Outstanding as at the end of the year.		
Payable	20,382,754	19,492,754
Receivable	1,531,294	2,554,729

41. Previous Year's figures have been regrouped/reclassified to conform to the current year's presentation, wherever necessary

As per our report of even date attached

For KNP & Associates
Chartered Accountants
Firm Reg. No.: 0145448W

Nisha G. Unadkat
Partner
Membership No.145206

Place: Mumbai
Date: May 30,2019

For and on behalf of the Board of Directors

Ramakrishnan M.K.
Chairman & Director

Mihir Doshi
Chief Financial Officer

Place: Mumbai
Date: May 30,2019

Anirvan Ghose
Managing Director

Kanika Kaushik
Company Secretary

AGM NOTICE

Notice is hereby given that the 14th Annual General Meeting (AGM) will be held on Saturday, September 14, 2019 at the Registered Office of the Company at 46 SATISH MUKHERJEE ROAD KOLKATA WEST BENGAL 700026 INDIA at 11.00 a.m., to transact the following business:

ORDINARY BUSINESS:-

1. To consider and adopt:

- The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 together with the reports of the Board of Directors and Auditors thereon; and
- The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and Auditor's report thereon.

2. To declare final Dividend of Rs. 0.50/- (5%) per Equity Shares for the Financial Year 2018-2019.

SPECIAL BUSINESS:-

3. Increase in Authorized Share Capital

To Consider and if thought fit, to pass with or without modifications the following resolution as Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of section 13, 61, 64 and other applicable provisions of the Companies Act 2013 (the Act), Rules made thereunder, (including statutory modifications or re-enactment thereof), enabling provisions of the Memorandum and Articles of Association of Pulz Electronics Limited (the Company), and other law, notifications and regulations as may be applicable, the Authorised Share Capital of the Company be and is hereby increased from, ` 5,00,00,000 (Rupees Five Crores) divided into 50,00,000 Equity Shares of face value of ` Rs. 10 each, to ` Rs. 11,00,00,000/- (Rupees Eleven Crores) divided into 1,10,00,000 (One Crores Ten Lakh) Equity Shares of face value of ` Rs. 10 each.

RESOLVED FURTHER THAT pursuant to section 13 and applicable provisions of the Act and other applicable law, consequent to the aforesaid alteration, the existing Clause V of the Memorandum of Association of the Company relating to Authorised Share Capital be and is hereby altered by substituting the following as new Clause V in its place;
The Authorised Share Capital of the Company shall be Rs.11,00,00,000/- (Rupees ELEVEN

AGM NOTICE

CRORE) divided into 1,10,00,000 (ONE CRORE TEN LAKH) Equity Shares of Rs. 10/- (Rupees TEN) each with power to increase and reduce the capital of the company and to divide the shares in the capital for the time being into different classes and to attach thereto respectively such preferential or special rights or privileges or conditions as may be determined by or in accordance with the regulations of the company.”

RESOLVED FURTHER THAT the Board of Directors of the Company (in this Resolution and explanatory statement referred to as the "Board" which term shall be deemed to include any committee thereof), be and is hereby authorized to do all such acts, deeds and actions as it may, in its absolute discretion, consider necessary, expedient or incidental for giving effect to this Resolution and to settle questions, remove any difficulty or doubt that may arise from time to time and to take such actions or give such directions and determine further terms as may be necessary or desirable and to obtain any approvals which may be necessary or desirable, as they may think fit."

4. Issue of Bonus Shares

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED THAT in pursuance of Section 63 of the Companies Act, 2013 read with The Companies (Share Capital and Debenture) Rules, 2014 and on the recommendation of the Board, the approval of the members be and is hereby accorded to the Company to capitalize a sum of Rs. 2,72,60,000/- out of Rs. 8,73,00,338/- standing to the credit of Free Reserves and to apply this sum of Rs. 2,72,60,000/- for paying in full at par 27,26,000 equity shares of Rs. 10/- each in the capital of the company to be allotted and distributed as fully paid bonus shares to the holders of equity shares of Rs. 10/- each in the Company, whose names appear in the Register of Members of the Company on Record date, in the ratio of 1:1 i.e., 1 shares of Rs. 10/- for every one equity share held and that such new equity Shares so issued shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes pari-passu with the existing equity shares of the Company and that the equity shares so allotted during the financial year shall be entitled to dividend, if any, proportionately in the year of the allotment of these shares.

AGM NOTICE

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorize to take all steps to implement the above resolutions, finalize and take all actions in connections with the bonus issue and allotment of shares to the members and others where applicable".

5. To Appoint Ms. Sneh Sandeep Velani (DIN: 08380641) as an Independent Director

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made there under read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Sneh Sandeep Velani (DIN: 08380641), who was appointed as an Independent Director of the Company by the Board of Directors at its meeting held on 24th July, 2019 and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director of the company and who has submitted the declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 24th July, 2019 and whose office shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For Pulz Electronics Limited

Anirvan Partha Ghose
Managing Directors

Registered Office:-
46 Satish mukherjee Road
kolkata West Bengal – 700026
CIN: L32109WB2005PLC104357
E-mail: accounts@pulz.co.in
Website: www.pulz.biz
Place: Mumbai
Dated: July 24, 2019

AGM NOTICE

NOTES

a) A member entitled to attend and vote at the Annual General Meeting (AGM or the Meeting) is entitled to appoint a proxy to attend and vote on a poll/ballot instead of him/herself and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting, either in person or through post. A Proxy form is appended with the attendance slip.

b) Members may refer proxy related provisions given in para 6 of the SS2 - secretarial standard on general meeting issued by the ICSI and approved by Central Government.

c) Pursuant to provisions of Section 105 of the Companies Act, 2013, a person, can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the company. Member holding more than ten percent of the total share capital of the company may appoint single person as proxy who shall not act as proxy for any other person or shareholder. The instrument appointing proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

d) The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

e) Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.

f) The Company has notified closure of register of members and transfer books from September 06, 2019 to September 14, 2019 (both days inclusive).

g) As per the provisions of the Companies Act, 2013, facility for making nomination is available to the shareholders in respect of the Shares held by them. Nomination Forms can be obtained from the registrar and share transfer agents of the Company.

h) Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents and those who hold shares in dematerialized form are requested to notify to their Depository participants their change in address.

l) As a measure of economy, copies of Annual Report will not be distributed at the Annual General

AGM NOTICE

Meeting. Members are, therefore, requested to bring their respective copy of the Annual Report to the Meeting and affix their signature at the place provided on the attendance slip annexed to the Proxy form and hand over the slip at the entrance to the place of the Meeting.

j) Members holding shares in physical form are requested to notify immediately changes, if any, in their address or bank mandates to the Company/Registrar & Share Transfer Agents ("RTA") quoting their Folio Number and Bank Account Details along with self-attested documentary proofs. Members holding shares in the Dematerialized (electronic) Form may update such details with their respective Depository Participants.

k) Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting.

l) Members desirous of seeking any information relating to the accounts and operations of the Company are requested to address their queries to the Company Secretary and Compliance Officer of the Company at least 7 (Seven) days in advance of the meeting to enable the Company to provide the required information at the meeting.

m) Members are requested to bring in their original photo ID (like PAN Card, Aadhar Card, Voter Identity Card, etc. having photo identity) while attending the AGM.

o) Members who hold shares in dematerialized form are requested to bring their client ID and DP ID for easier identification of attendance at the meeting. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.

p) The Notice of the AGM along with the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

q) To support the 'Green Initiative', the Members holding shares in physical form & who have not registered their e-mail addresses are requested to register the same with the Company's registrar and share transfer agents M/s. Bigshare Services Pvt. Ltd.

r) In compliance with the provisions of Section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

AGM NOTICE

s) Pursuant to the SEBI Circular dated June 08, 2018, restricting Physical Share Transfers w.e.f. December 05, 2018 and BSE vide its circular dated July 05, 2018.

VOTING INSTRUCTIONS

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, September 07, 2019, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9.00 a.m. on Wednesday, September 11, 2019, and will end at 5.00 p.m. on Friday, September 13, 2019. The facility for voting through Polling paper shall also be made available at the Meeting to the Members attending the AGM who have not already cast their votes by remote e-voting prior to the Annual General Meeting. The Company has appointed M/s. N S Gupta & Associates, Practicing Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE AS UNDER:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholders' section.

AGM NOTICE

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

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i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

a) Click on **”Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

8. Now, you will have to click on “Login” button.

9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.

3. Select “EVEN” of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

AGM NOTICE

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.nsgupta@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password”** or **“Physical User Reset Password”** option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

- i. The e-voting period commences on Wednesday September 11, 2019 (09.00 am) and end on Friday, September 13, 2019 (05.00 pm). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on Saturday, September 07, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

AGM NOTICE

ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on September 07, 2019.

iii. The members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again through Polling paper.

iv. A member can opt for only one mode of voting i.e., either through remote e-voting or by Poll. If a member casts votes by more than one mode, then voting done through e-voting shall prevail and voting through Polling paper shall not be considered.

v. M/s. N S Gupta & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the voting process including remote e-voting process in a fair and transparent manner.

vi. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

vii. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pulz.biz and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the 14th AGM of the Company on September 16, 2019 and communicated to the NSE Limited, where the shares of the Company are listed.

Members seeking any information with regard to accounts are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready.

Proxies, in order to be effective, forms must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.

AGM NOTICE

EXPLANATORY STATEMENT

Item No. 3 & 4: Increase in Authorized Share Capital and Issue of Bonus Shares

The equity shares of the Company are listed and traded on the National Stock Exchange of India Limited at SME Platform. Considering, inter-alia the financial parameters, and the position of reserves of the Company, the Board at its meeting held on 24 July 2019, subject to consent of the members of the Company, recommended issue of bonus equity shares to the holders of equity shares of the Company in the ratio of 1:1 (i.e. 1 bonus fully paid-up equity share of ` Rs. 10 each for every one existing fully paid-up equity share of ` Rs. 10 each held), by capitalising a sum not exceeding ` 2,72,60,000 or appropriate sum as may be necessary, out of capital redemption reserve, securities premium account and/or retained earnings including general reserve and/or any other permitted reserves/surplus of the Company, as may be considered appropriate.

A record date for the purpose of Bonus Shares is being fixed and disclosed to the Stock Exchange. Bonus Shares will be allotted to those members whose names appear on the Company's Register of Members on the Record Date and; in respect of the shares held in dematerialised mode, to members whose names and details are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

The Current Authorized Capital of the Company is Rs. 5,00,00,000/- (Rupees Five Crore) consisting of 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each and the paid up share capital of the Company is Rs. 2,72,60,000/- (Rupees Two Crore Seventy Two lakh and Sixty Thousand) consisting of 27,26,000 (Twenty Seven Lakh & Twenty Six Thousand) Equity Shares of Rs 10./- (Rupees Ten) each. The Company proposes to increase its authorized share capital to Rs. 11,00,00,000 /- (Rupees Eleven Crore) to facilitate any fund raising in future via further issue of equity shares of the company.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company.

Pursuant to Section 13 and 61 the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Directors recommend the Resolution set out in the Notice for the approval of the Members.

AGM NOTICE

Members may kindly note that the Bonus Shares proposed to be issued, subject to approval of Members will not be eligible for dividend in respect of financial year ending 31 March 2019, since the dividend is being proposed at the Annual General Meeting on the existing Equity shares of the Company, and the Record date for the purpose of issue of Bonus shares needs to be kept post AGM, as per statutory requirement.

Directors, Key Managerial Personnel of the Company and their relatives are not in any way, concerned or interested in the resolution, except to the extent of shares and/or stock options in the company that may be held by them or their relatives or any entity in which they may be deemed to be concerned or interested.

Item No. 5

The Board of Directors appointed Ms. Sneh Sandeep Velani (DIN: 08380641) as an Independent Director of the Company with effect from 24th July, 2019 who in terms of the provisions of Section 161(1) of the Act, shall hold office upto the date of this Annual General Meeting and is eligible for the appointment as an Independent Director. Also, pursuant to the provisions of Section 150(2) read with Section 152 (2) of the Act, the appointment of Independent Director shall be approved by the members of the Company in general meeting.

The Company has received a notice in writing from a member under Section 160 of the Act proposing the candidature for Ms. Sneh Sandeep Velani as an Independent Director of the company who has given a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with a declaration under Section 164(2) of the Companies Act, 2013 read with the rules made there under, confirming she is not disqualified to be reappointed as a Director of the Company.

In the opinion of the Board, Ms. Sneh Sandeep Velani fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Details of Ms. Sneh Sandeep Velani, are provided in the "Annexure-A" to the Notice.

Details are provided in the "Annexure-A" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends the Ordinary Resolution as set out at item no. 5 in the Notice for approval by the members.

AGM NOTICE

Annexure A

Details of Directors seeking re-appointment/appointment at 14th Annual General Meeting (AGM) pursuant to Regulation 36(3) of SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by the ICSI.

Name of the Director	SNEH SANDEEP VELANI
Date of Birth Age	21/08/1992 26 Years
Date of Appointment	24th July, 2019
Relationship with the Directors and Key Managerial Personnel	Nil
Expertise in specific Functional Area	Merchant Banking and NBFC Compliance
Qualification	Company Secretary from Institute of Company Secretaries of India
Board Membership of other Listed Companies as on 31st March, 2019	Jet Freight Logistics Ltd.
Chairman/Member of the Committee of the Board of Directors as on 31st March, 2019	Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee & CSR Committee
Number of shares held in Company as on 31st March, 2019	Nil

PULZ ELECTRONICS LIMITED

CIN: L32109WB2005PLC104357

Registered Office: 46, Satish Mukherjee Road, Kolkata – 700 026, West Bengal

Website: www.pulz.biz, E-mail: accounts@pulz.co.in, Phone: 022 2673 2593

ATTENDANCE SLIP

14TH ANNUAL GENERAL MEETING OF PULZ ELECTRONICS LIMITED

Name of Member(S) :	
Registered Address :	
Folio No./DP ID/Client ID :	No. Of shares held: _____

I/We certify that I/We am/are the registered Member(s)/proxy for the registered Member(s) of the Company. I/We hereby record my/our presence at the Fourteenth Annual General Meeting of the Company to be held on September 14, 2019 at 11.00 a.m. at Registered Office of the Company situated at 46, Satish Mukherjee Road, Kolkata 700 026, West Bengal.

.....
Member's/Proxy's Signature

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

**FORM NO. MGT-11
PROXY FORM**

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

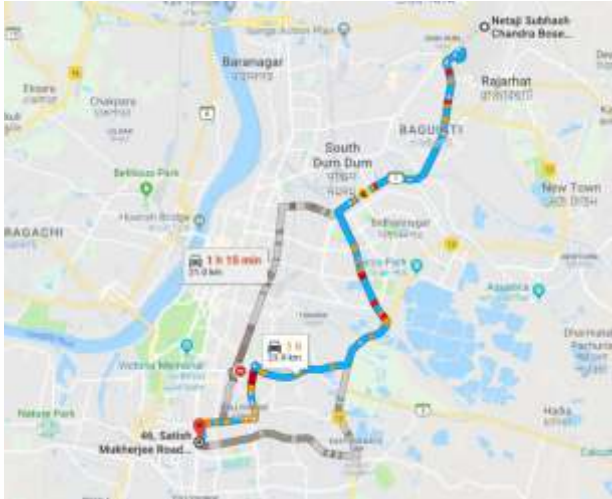
CIN :	
Name of the Company :	
Registered Office :	
Name of the Member(s) :	
Registered address :	
Email Id :	
Folio No/DP ID/Client ID :	

I/We, _____ being the Member(s) of _____ shares of the above named Company, hereby appoint.

- | | | |
|-----------|-------|------------------|
| 1. Name : | | Email Id: |
| Address : | | Signature: |
| 2. Name : | | Email Id: |
| Address : | | Signature: |
| 3. Name : | | Email Id: |
| Address : | | Signature: |

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the company to be held on September 14, 2019 at 46, Satish Mukherjee Road, Kolkata 700 026, West Bengal, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

ROUTE MAP TO THE AGM VENUE



Sr. No.	Description of Resolution	FOR	AGAINST
	ORDINARY BUSINESS		
1.	To consider and adopt: a) The Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2019 together with the reports of the Board of Directors and Auditors thereon; and b) The Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019 and Auditor's report thereon		
2.	To declare final Dividend of Rs. 0.50/- (5%) per Equity Shares for the Financial Year 2018-2019.		
	SPECIAL BUSINESS		
3.	Increase in Authorized Share Capital		
4.	Issue of Bonus Shares		
5.	To Appoint Ms. Sneha Sandeep Velani (DIN: 08380641) as an Independent Director		

Signed this ____ day of ____ 2019

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to Notice of the 14th Annual General Meeting.
- 3*. It is optional to put 'x' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of Member(s) in above box before submission.

OUR PROMINENT INSTALLATIONS

AD CINEMAS, GORAKHPUR



**CARNIVAL CINEMAS, MALL OF TRAVANCORE,
THIRUVANANTHAPURAM, INDIA**



OUR PROMINENT INSTALLATIONS

FUN CINEMAS, SHILPI SQUARE, BHARUCH



HOPPIPOLA, SECTOR5, KOLKATA



OUR PROMINENT INSTALLATIONS

ISHA FOUNDATION - ADIYOGI, COIMBATORE



JAIMINI STUDIOS, MUMBAI



OUR PROMINENT INSTALLATIONS

MIRAJ MAXIMUM, GURUGRAM



EPISODE ONE, KOLKATA



OUR PROMINENT INSTALLATIONS

TRANSOL GYM, MUMBAI





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