

PACE

PACE E-COMMERCE VENTURES LIMITED

Annual Report 2023-24

Empowering dreams

with a diverse portfolio



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Safe Harbour Statement

We wish to draw your attention to the fact that this document contains forward-looking statements regarding anticipated future events, financial performance, and operational outcomes for PACE E-Commerce Ventures Limited. As is customary with such forward-looking statements, they are based on certain assumptions and are inherently subject to potential risks and uncertainties. It is important to acknowledge that these assumptions, predictions, and other forward-looking statements may not necessarily prove to be precise.

We strongly advise our readers against placing undue reliance on these forward-looking statements, given that a multitude of factors could result in actual future results and events differing significantly from the expressions contained therein. In light of this, it is pertinent to underscore that this document is subject to our disclaimer and should be considered in its entirety alongside the assumptions, qualifications, and risk factors outlined in the Management Discussion and Analysis for FY24.

Empowering dreams with a diverse portfolio

In the ever-evolving world of e-commerce, the ability to adapt and meet the diverse needs of a global audience is not just a competitive advantage, it is a necessity. The digital universe is vast, with endless possibilities, and those who can leverage its potential to empower dreams will shape the future.

At PACE, we understand this and have built our journey around it, evolving from a visionary idea into a leading force that inspires, empowers, and fulfils the aspirations of millions.

From our inception, PACE has been more than just a company. We've been a catalyst for change, setting the pace in an industry that thrives on innovation and adaptability. Our growth has been fuelled by a commitment to diversity in our portfolio, offering a wide range of products and services that cater to the unique needs and desires of our customers. Whether it's through fashion, technology, lifestyle products, kids or home essentials, our offerings are as varied as the people we serve.

But growth for us is not only about numbers; it's about impact. Our purpose is rooted in the belief that every interaction we facilitate, every product we offer, and every service we provide is an opportunity to empower. We lead with purpose, creating pathways that resonate deeply with the heart and soul of everyone we touch - be it our customers, partners, or the broader community. Through our diverse portfolio, we don't just meet needs; we anticipate them, creating value that goes beyond the transaction to enrich lives and empower dreams.

As we look to the future, our vision remains clear - to continue inspiring lifestyles, empowering dreams, and fulfilling aspirations across every demographic we reach. Our diverse portfolio is a tribute to our belief that true empowerment comes from offering choices that reflect the individuality and aspirations of our customers.

At PACE, we are not just part of the e-commerce revolution, we are creating it.



Transforming new opportunities into impactful brands

Within a short span of nine years, PACE E-Commerce Ventures Limited has emerged as a distinguished multi-platform online retailer and print-on-demand manufacturing enterprise. We also offer a unique platform for personalised and distinctive products, where creativity meets customisation. Our approach bridges the gap between consumers, retailers, creators, and artists, presenting a comprehensive range of solutions and products tailored to diverse needs.

Listed on the BSE SME following a successful IPO in 2022, PACE E-Commerce Ventures has created a distinctive position in the Indian e-commerce segment. Our journey, marked by relentless innovation and commitment to quality, has seen us create seven diverse platforms with another one in the pipeline.



Our Journey

Established in 2015 with the launch of Cot & Candy, PACE E-commerce set out with a clear strategy to create brands that are both impactful and meaningful. Over the years, PACE has strategically grown its portfolio, adding Homepost in 2020 to meet the rising demand for stylish home decor, followed by the introduction of Ostilos in 2023, marking a bold entry into the premium fashion market.

Recognising new opportunities, PACE rapidly diversified in 2024 by launching Zwankee, a global fashion platform; Zwankee Global, catering to B2B clothing needs; PACE Print Innovations, offering advanced printing and packaging solutions; and Wishrows, a print-on-demand brand. Each of these brands was introduced with careful planning, aimed at specific market segments with high growth potential.

Today, PACE has firmly established itself across multiple domains, demonstrating a deep understanding of market dynamics and consumer needs. With a resolute commitment to innovation and quality, PACE continues to drive growth and is well-positioned to expand further, strengthening its presence and influence in both existing and emerging domains.

Our Brands | Platforms



Homepost



Ostilos



Zwankee
GLOBAL



ORLAPOP
(in the pipeline)



ABOUT US (CONTD.)



Our Concept

INSPIRING LIFESTYLES | EMPOWERING DREAMS | FULFILLING ASPIRATIONS

PACE E-commerce Ventures Limited is not merely a company; it is a catalyst for transformation, inspiring a community of brands, partners, and individuals to pursue growth, empowerment, and fulfilment. Through our diverse portfolio of B2C and B2B platforms, we don't just operate - we lead with intention, crafting opportunities that deeply resonate with the aspirations and values of all we touch.

Our Core Values

01 →

Collaborative Growth
PACE thrives on the power of partnerships and collaboration, understanding that shared success is built through close cooperation with others. 'Collaborative growth' embodies PACE's dedication to cultivating and nurturing relationships with brands, vendors, and strategic allies. By fostering these partnerships, PACE broadens its market influence, enriches its product offerings, and generates value not just for itself but also for its partners. This approach ensures that growth is sustainable, mutually beneficial, and driven by collective innovation and shared objectives.

02 →

Empowered Vision
PACE is committed to serving as a catalyst for success in the B2B landscape, creating opportunities that empower businesses of all sizes to thrive. 'Empowered vision' reflects PACE's dedication to providing the tools, resources, and support necessary for small and emerging businesses to grow and succeed. By fostering a collaborative environment, PACE positions itself as a trusted partner, enabling businesses to realise their potential through innovative solutions and strategic guidance. This value highlights PACE's role in driving growth and ensuring that its partners' visions come to life through mutual collaboration and shared goals.

03 →

Pioneering Excellence
PACE is dedicated to setting new industry standards through innovation and excellence. 'Pioneering excellence' captures the company's relentless drive to lead with ground-breaking ideas, cutting-edge products, and unmatched quality. PACE strives to be at the forefront of the market, continually pushing boundaries and delivering exceptional results that set an inspiring example for others.

04 →

Agile Adaptability
In a constantly evolving market, PACE values flexibility and swift responsiveness. 'Agile adaptability' represents PACE's ability to adjust strategies, processes, and operations to meet new challenges and capitalise on emerging opportunities. This value highlights PACE's commitment to remaining competitive and resilient in a dynamic business environment, ensuring sustained success.

05

Quality Commitment
Quality commitment' reflects PACE's unwavering dedication to maintaining the highest standards across all aspects of its business. From product development to customer service, the company prioritises excellence and meticulous attention to detail. PACE ensures that its offerings consistently meet or exceed expectations, fostering trust and loyalty among customers, partners, and stakeholders.

Our Pillars

At the heart of PACE lie three foundational pillars - **LIFESTYLE, EMPOWERMENT, AND FULFILMENT**.

These pillars are not just abstract concepts; they are the principles that guide every decision and action within the company. They embody the fundamental beliefs and standards that PACE upholds, informing the company's culture and ethical approach to business.

As strategic drivers, these pillars serve as guiding principles for decision-making and planning. Every brand, product launch, and partnership is carefully aligned with these pillars to ensure consistency, coherence, and impact in the company's growth.

Moreover, these pillars are integral to PACE's brand identity, clearly communicating what the company stands for to consumers, partners, and investors, while shaping the narrative and messaging around each brand within the portfolio.



Lifestyle

Lifestyle represents PACE's commitment to enhancing the quality of life for its customers through innovative, stylish, and functional products. This pillar reflects the company's dedication to creating brands that resonate with modern lifestyles and consumer aspirations. It drives PACE's focus on product development and brand positioning, ensuring that offerings are aligned with current trends and consumer needs, thereby maintaining relevance and desirability in a dynamic market.



Empowerment

Empowerment embodies PACE's belief in fostering growth, confidence, and success for its customers, partners, and the broader community. This pillar highlights the company's role in providing the tools, opportunities, and resources that enable individuals and businesses to thrive. It guides PACE's initiatives in promoting collaboration, partnerships, and innovation, thereby empowering all businesses within its ecosystem to reach their full potential.



Fulfilment

Fulfilment reflects PACE's dedication to delivering tailored experiences that meet the unique needs and desires of its customers. This pillar emphasises the importance of personalisation and customisation in enhancing customer satisfaction and engagement. By focussing on providing products and services that allow customers to express their individuality and preferences, PACE ensures that each interaction with the brand is meaningful and personal. This commitment leads to a deeper connection with the brand, fostering a sense of ownership and satisfaction among customers.

Our Stats

08

ONLINE PLATFORMS

07

ACTIVE PLATFORMS

01

PLATFORM IN PIPELINE

09+

MAJOR PRODUCT CATEGORIES

10+

MULTI-BRAND OUTLET CHAINS THAT SELL OUR PRODUCTS

15+

OWN AND LICENSED BRANDS

100+

DISTRIBUTORS

1,000+

DESIGNS

1,500+

SALES POINTS

400+

PRODUCTS

OUR PLATFORMS

A Collective of Diverse Brands

Every click on our platforms crafts retail opportunities where innovation, diversity, and quality converge.

Whether online or offline, our extensive reach serves as the foundation of our retail revolution. Having 7 active platforms and a network encompassing 1500+ sales points, we are reshaping the retail landscape. With a diverse portfolio of 1000+ designs, 400+ products, and options to customise, we offer an extensive range of SKUs to choose from.

At PACE, our diverse platforms are not merely retail channels; they are the essence of our innovative approach. By integrating online experiences and offline initiatives seamlessly, we provide a comprehensive, customer-centric shopping environment. Our advanced infrastructure and strategic partnerships ensure unparalleled quality and personalisation. These platforms empower us to lead the retail revolution, crafting opportunities and driving growth.



Digital Platforms

Our digital presence flourishes across eight distinctive platforms, each offering a unique shopping experience. Seven platforms are currently operational, with one poised for launch.

- Co & Candy** Status: ACTIVE cotandcandy.com [GO EXPLORE!](#)
- Homepost** Status: ACTIVE homepost.in [GO EXPLORE!](#)
- WISHROWS** Status: ACTIVE wishrows.com [GO EXPLORE!](#)
- ostilos** Status: ACTIVE ostilos.com [GO EXPLORE!](#)
- ZWANKEE** Status: ACTIVE zwankee.com [GO EXPLORE!](#)
- ZWANKEE GLOBAL** Status: ACTIVE zwankeeglobal.com [GO EXPLORE!](#)
- ppi** Status: ACTIVE pacevlt.com/print-innovations/ [GO EXPLORE!](#)
- ORLAPOP** IN THE PIPELINE

Through these platforms, we seamlessly navigate over seven major product categories, catering to a broad spectrum of consumer preferences. Our brand portfolio encompasses more than 15 proprietary and licensed, universally well-known brands, offering a diverse and high-quality selection to our customers.

Physical Presence



Our physical presence is equally formidable, with 10+ multi-brand outlet chains that sell our products providing tangible shopping experiences. These outlets foster direct consumer engagement, supported by a robust network of more than 100 distributors who advocate our vision on regional levels.

Our offline commitment also involves curating products tailored to the distinct needs of various stores. Leveraging both our own designs and those entrusted to us, we bring creations to life by harnessing the expertise of our third-party fulfilment partners.

On-demand Brilliance



Our bespoke infrastructure consists of sustainable and scalable manufacturing processes, fortified by stringent quality control measures. This includes cutting-edge Direct to Garment Printers (DTG), Direct to Fabric Printers (DTF), Flatbed UV Printers, Digital Print Press, and comprehensive Finishing & Supporting Equipments. These facilities enable high-quality production at scale, catering to both individual customers and small businesses. Our superior IT infrastructure ensures we consistently meet our customers' needs with efficiency.

Our third-party fulfilment partners have revolutionised print-on-demand services for fabrics, garments, photo printing, gifting, home décor, and more, using advanced digital printing technology. We bring both our designs and those entrusted to us to life, ensuring excellence in every product.

OUR PLATFORMS (CONTD.)

A Seamless Omni-channel Presence

| Comprehensive Presence | Our Solution | Our Approach |
|---------------------------------------|--|--|
| General trade/ Multi-brand outlets | Offline sales channels | <p>100+ DISTRIBUTORS</p> <p>1,500+ SALES POINTS</p> <p>100+ MULTI-BRAND OUTLET CHAINS</p> |
| E-commerce and hyperlocal | Curated online platforms for B2B and B2C | <p>Owned E-COMMERCE AND HYPERLOCAL WEBSITES</p> <p>5 OPERATIONAL</p> <p>1 IN PIPELINE</p> |
| On-demand platform | Online platform | <p>Reaching out</p> <p>TO DESIGNERS / ARTISTS, END CONSUMERS AND RETAILERS FOR LISTING ON THE PLATFORM</p> |

Cot & Candy



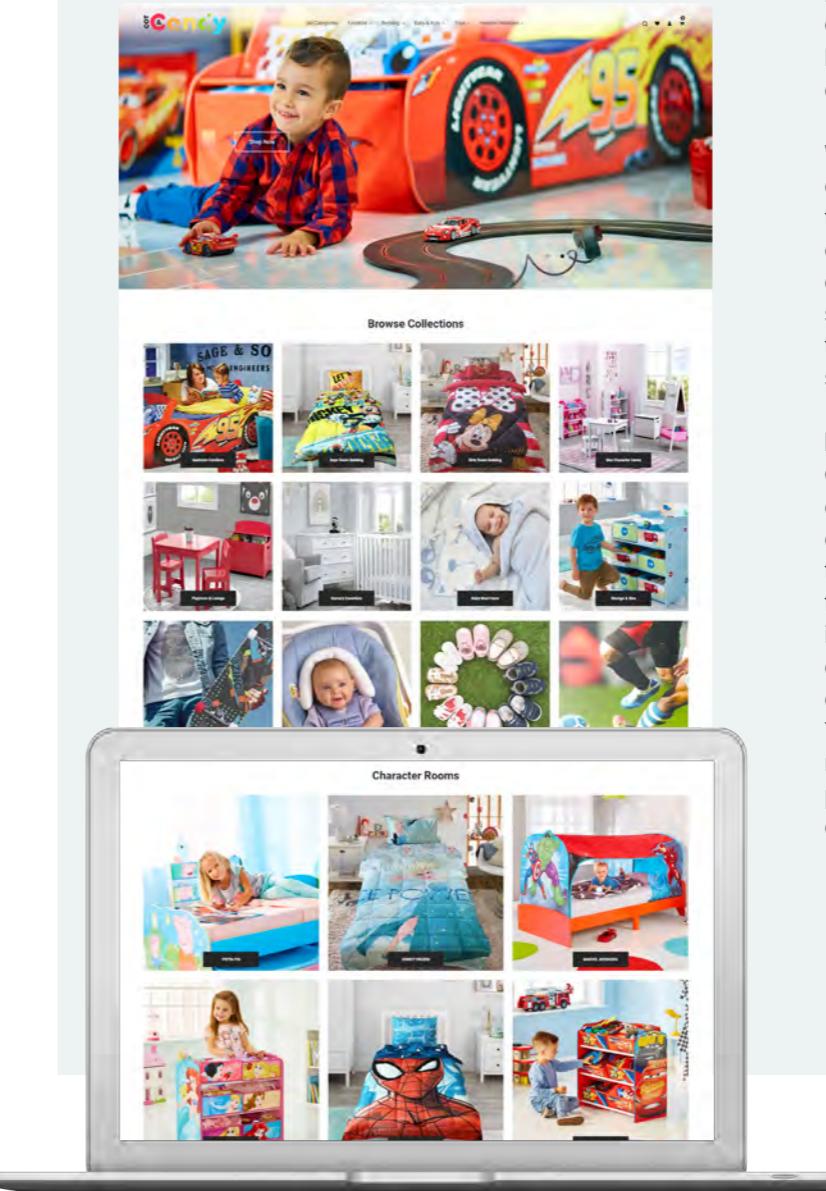
Elevating Children's Lifestyle

A premier destination for children's furniture, bedding, housewares, and essentials, Cot & Candy, established in 2015, has grown from its origins to become a trusted name nationwide. Our platform is dedicated to delivering high-quality products, exclusive designs, and timeless style.

We offer an extensive range of safe, comfortable, and stylish products tailored to meet the evolving needs of children. Our journey is driven by a passion for quality, comfort, and safety, and we are thrilled to transform this passion into a delightful online shopping experience for our customers.

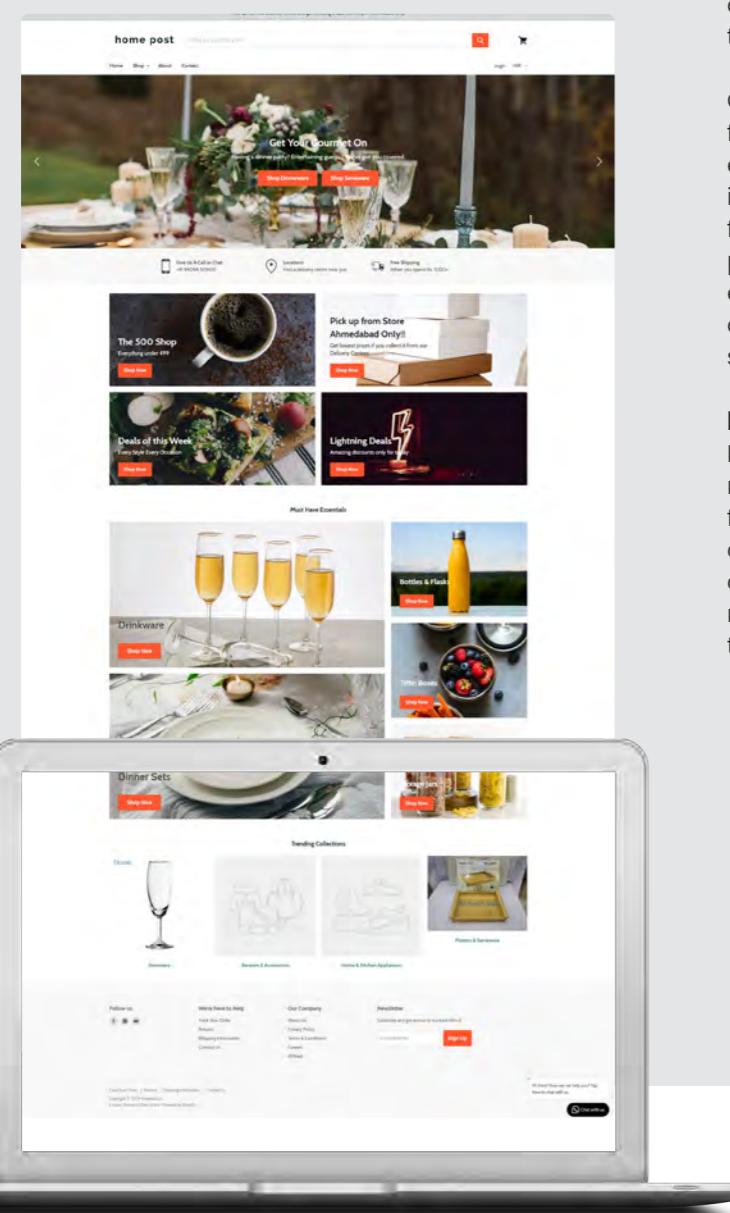
MARKET SEGMENT

Cot and Candy is a one-stop brand for everything in the kids' category, offering a wide range of products from clothing to furniture. It caters to parents looking for high-quality, stylish, and functional items for their children, covering all aspects of a child's lifestyle, including apparel, toys, room decor, and furniture. The brand is designed to meet the needs of both kids and their parents, providing convenience and cohesive design across all product categories.



OUR PLATFORMS (CONTD.)

Homepost



Redefining Home Essentials

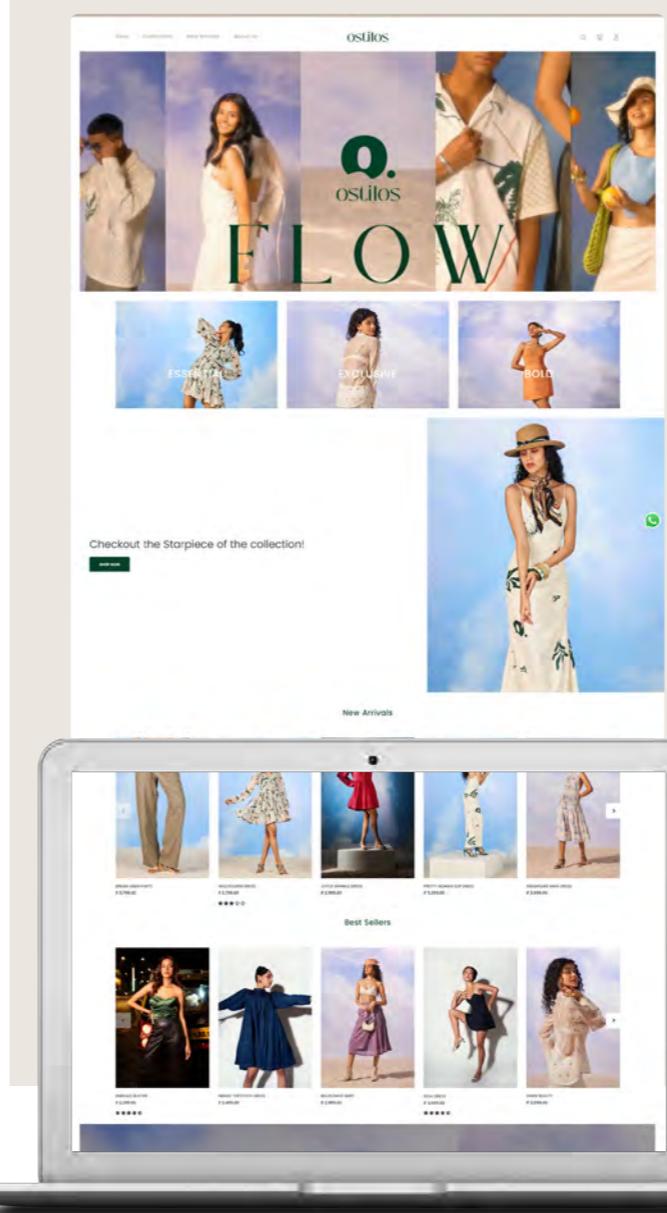
Homepost, founded in 2020, is the number one source for housewares and essentials. We are dedicated to offering top-notch products at attractive prices, with exclusive designs that blend affordability and style.

Our product range includes everything from kitchenware to home decor, ensuring that every aspect of home is catered to with elegance and functionality. We are committed to providing a seamless online shopping experience, helping our customers create beautiful and comfortable living spaces.

MARKET SEGMENT

Homepost serves the home and living market, providing a wide range of furniture and decor items. It caters to customers who seek stylish, functional, and affordable home furnishings, ranging from modern minimalist pieces to cosy, traditional decor.

Ostilos



Crafting Fashion with Integrity

Ostilos, powered by PACE E-Commerce, is a brand where fashion meets individuality. Our platform celebrates the artistry of creation, offering a unique blend of style, fun, and bold spirit. Founded by Simran Lalwani and Shaival Gandhi, Ostilos is committed to sustainable fashion, minimising fabric wastage and ensuring environmental responsibility.

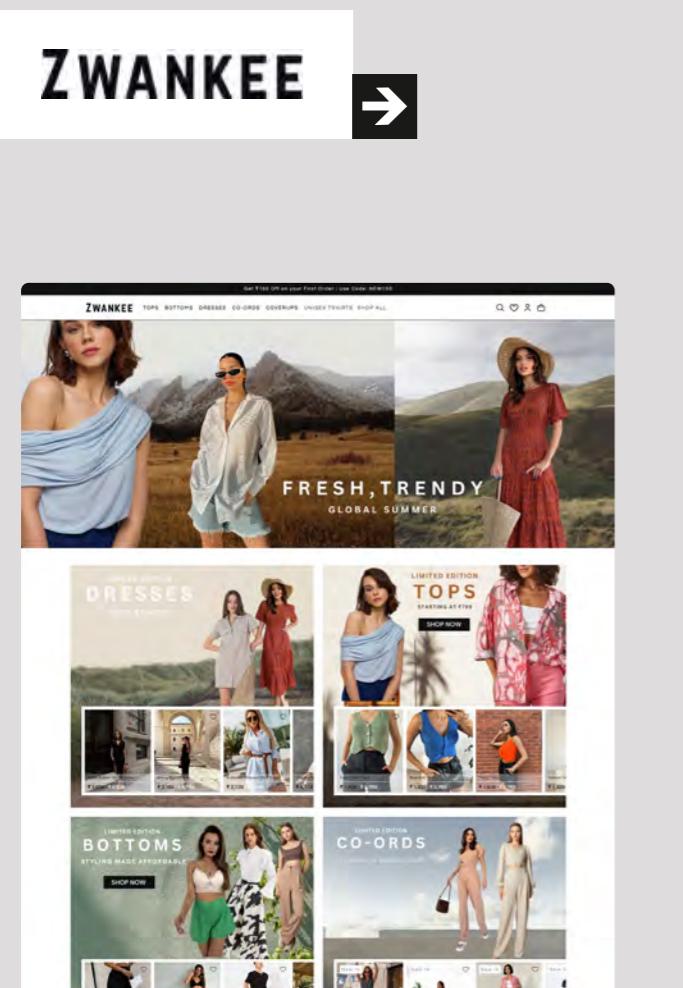
Our artisans infuse creativity and dedication into every piece, making Ostilos a symbol of quality and craftsmanship. We aim to place a piece of Ostilos in every fashion enthusiast's wardrobe, ensuring that our creations are both stylish and environmentally conscious.

MARKET SEGMENT

Ostilos caters to the premium fashion market, targeting fashion enthusiasts and trendsetters who value quality, exclusivity, and statement designs. The brand's offerings range from bold, eye-catching pieces to minimalist, sophisticated apparel, positioning it within the luxury/premium segment.

OUR PLATFORMS (CONTD.)

Zwankee



ZWANKEE ➔

Unleashing Distinctive Lifestyles

Zwankee redefines fashion beyond clothing, embodying individual essence and narrative. As a distinctive brand under PACE E-Commerce Ventures, Zwankee offers a curated selection of apparel and lifestyle products. Our platform caters to personal shoppers and businesses, providing a diverse range of clothing from casual wear to formal attire.

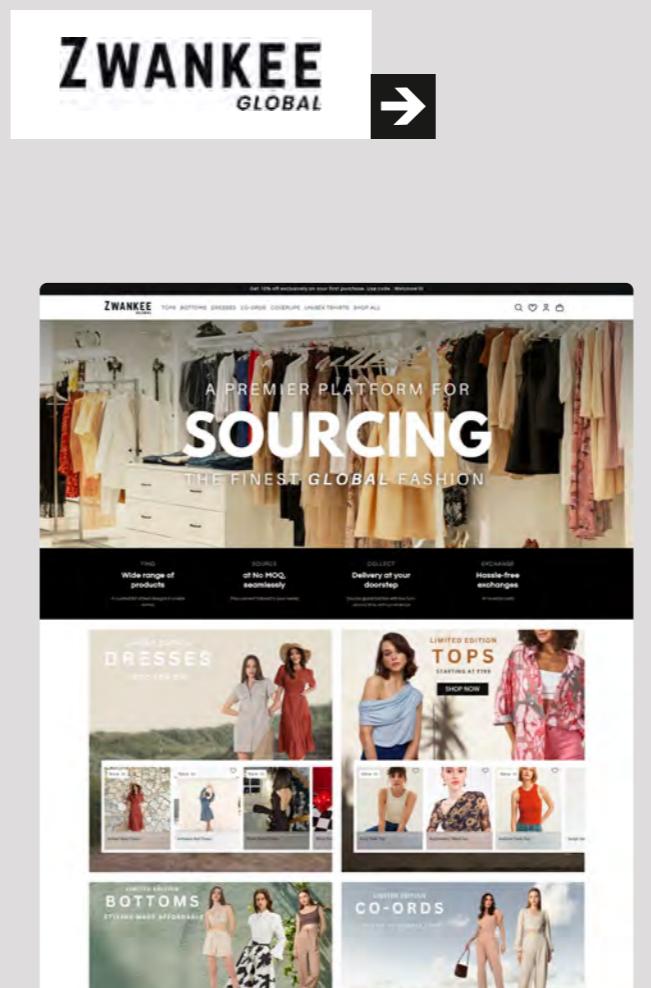
We prioritise quality, sustainability, and craftsmanship, ensuring that each piece reflects our commitment to excellence. Zwankee is the ultimate destination for sourcing and selling, offering bulk orders and bespoke designs to elevate your brand's identity.

MARKET SEGMENT
Zwankee functions as a dynamic global fashion platform, hosting a wide array of international and national brands. It serves as a collaborative hub, allowing other fashion brands to partner with Zwankee to showcase and sell their products. This platform is ideal for brands looking to expand their reach, tap into new markets, and engage with a diverse customer base on a global scale.

ZWANKEE GLOBAL
A B2B fashion wholesale platform connecting businesses with top global brands for bulk buying.

MARKET SEGMENT
Zwankee Global is focussed on the B2B clothing market, offering bulk purchasing options for retailers, brands, and businesses. It provides a diverse range of clothing categories, catering to companies that need large quantities of apparel for resale, promotional purposes, or uniform needs.

Zwankee Global



ZWANKEE GLOBAL ➔

Empowering B2B E-Commerce

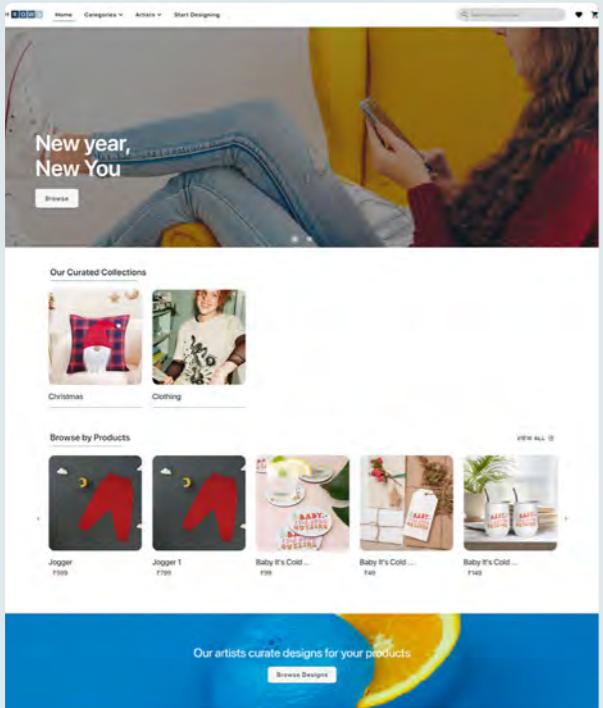
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OUR PLATFORMS (CONTD.)

Wishrows


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Revolutionising Customisation

Wishrows stands as India's leading on-demand platform, unifying a multitude of offerings under one roof. We provide extensive customisation across diverse product categories, empowering both retailers and customers. Our efficient on-demand manufacturing and printing capabilities leverage economies of scale, ensuring cost-efficiency and quality.

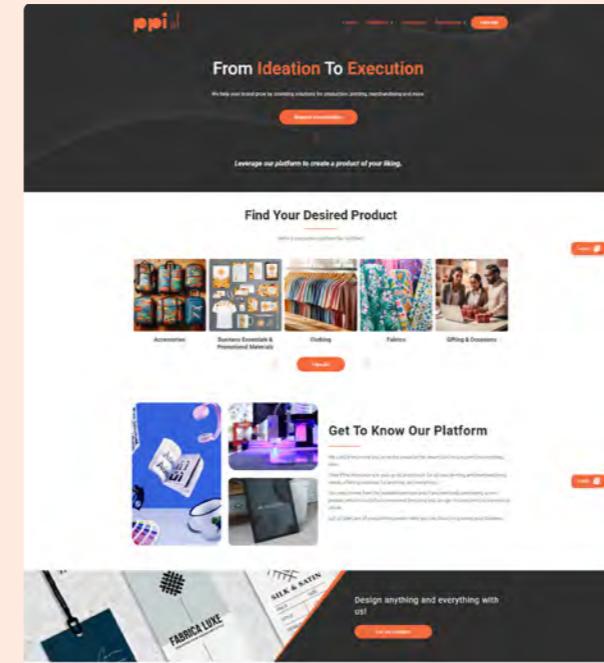
We champion inclusivity by enabling artists, designers, and creators from the unorganised sector to unlock substantial earnings through our innovative marketplace model. Our state-of-the-art digital printing and manufacturing infrastructure supports sustainable and scalable production processes, making high-quality, and personalised products accessible to all.

MARKET SEGMENT
Wishrows operates in the print-on-demand segment, offering customisable products such as clothing, accessories, and home decor. It targets individual consumers, small businesses, and creatives who seek unique, personalised products without the need for large inventory.



PACE Print Innovations

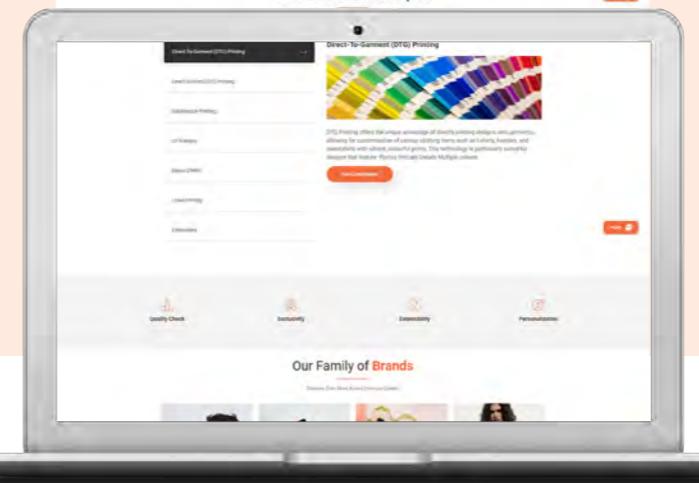

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Pioneering B2B Printing Solutions

A leading B2B printing solutions brand offering cutting-edge technology and services to meet the diverse needs of businesses.

MARKET SEGMENT
PACE Print Innovations targets the B2B market, providing specialised printing and packaging solutions to a wide range of industries, including fashion, retail, and e-commerce. It serves businesses that require high-quality, customised packaging and branding materials to enhance their product presentation.



RANGE OF OFFERINGS

A World of Choices

At PACE E-Commerce Ventures Limited, we take immense efforts in offering an expansive and diverse product ecosystem that caters to a broad spectrum of customer needs. We empower our customers with choice, control, and customisation. By embracing a comprehensive approach to product diversity, revenue generation, and customer benefits, we will continue to lead the way in crafting unique experiences and enabling growth.

Our offerings encompass a wide range of categories, each meticulously curated to elevate the lifestyle of our consumers.

Diverse Product Categories



FASHION AND LIFESTYLE
PACE offers a range of trendy and premium fashion items that cater to modern lifestyles, including clothing and accessories. This category emphasises style, quality, and innovation, providing customers with the latest in fashion trends.



KIDS ESSENTIALS
This category focusses on providing parents with a comprehensive selection of high-quality products for children, including clothing, fashion, toys, furniture, bedding, and other essentials, all designed with safety, comfort, and style in mind.



FURNISHINGS AND HOME DÉCOR

PACE's furniture and home decor category features a wide array of stylish and functional pieces. From tableware and serve ware to kitchenware and essentials, and further to home décor and furnishings, our home essentials range is designed to enhance everyday living.



FABRICS

The Fabrics category offers a diverse selection of materials suited for various uses, from apparel to home furnishings. PACE provides high-quality fabrics in different textures, patterns, and colours to meet the needs of designers, tailors, and home crafters.



OCCASIONS AND GIFT ESSENTIALS

This category includes a curated selection of products perfect for special occasions and gift-giving. From festive decorations to personalised gifts, PACE offers everything needed to make celebrations memorable.



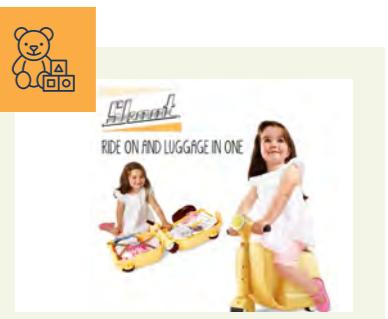
LUGGAGE AND TECH ACCESSORIES

PACE provides a range of durable luggage and innovative tech accessories designed for modern travellers and tech enthusiasts. This category includes travel bags, protective cases, and other essentials that combine functionality with style.



STATIONERY AND CORPORATE ESSENTIALS

PACE offers a comprehensive collection of stationery and corporate essentials, including notebooks, pens, office supplies, and branded corporate gifts. This category caters to businesses and professionals seeking quality and customisation.



SPORTS AND OUTDOOR

This category features a variety of activewear, and outdoor gear designed for fitness enthusiasts and adventure seekers. PACE ensures that customers have access to high-performance products for their sporting and outdoor activities.



BUSINESS ESSENTIALS AND PROMOTIONAL MATERIALS

PACE provides businesses with essential tools and materials for branding and promotion, including customised promotional items, business cards, and branded merchandise, helping companies enhance their visibility and engagement.



SIGNAGE AND BANNERS

This category includes a wide range of signage and banners, ideal for businesses and events. PACE offers customisable solutions that cater to both indoor and outdoor needs, ensuring effective and eye-catching displays.



PACKAGING ESSENTIALS

PACE's packaging essentials category offers advanced packaging solutions tailored to meet the diverse needs of businesses. From sustainable packaging to customised branding materials, this category helps companies present their products professionally and responsibly.

RANGE OF OFFERINGS (CONTD.)

Dynamic Revenue Model

PACE has built a diverse and dynamic revenue model through two primary income streams: B2C through marketplaces and B2B through innovative solutions tailored to small and medium-sized enterprises (SMEs). These revenue streams work in tandem to drive PACE's growth, providing the company with a balanced and scalable approach to revenue generation.



B2C

The B2C segment focusses on PACE's direct-to-consumer (D2C) strategy, where the company offers a wide variety of products through its online and offline marketplaces. This serves as a hub for customers seeking a seamless, engaging shopping experience. PACE's diverse portfolio - ranging from fashion and lifestyle to home decor, kids' essentials, customisation and beyond - caters to a broad audience, driving both customer acquisition and retention.

Revenue from this segment is generated through direct product sales, with the marketplace acting as the primary touch point between PACE and its customers. PACE leverages data-driven strategies to personalise shopping experiences, offering tailored recommendations, promotions, and seamless check-out processes. By utilising advanced e-commerce technologies and maintaining an easy-to-navigate platforms, PACE not only boosts sales but also enhances customer satisfaction and brand loyalty.

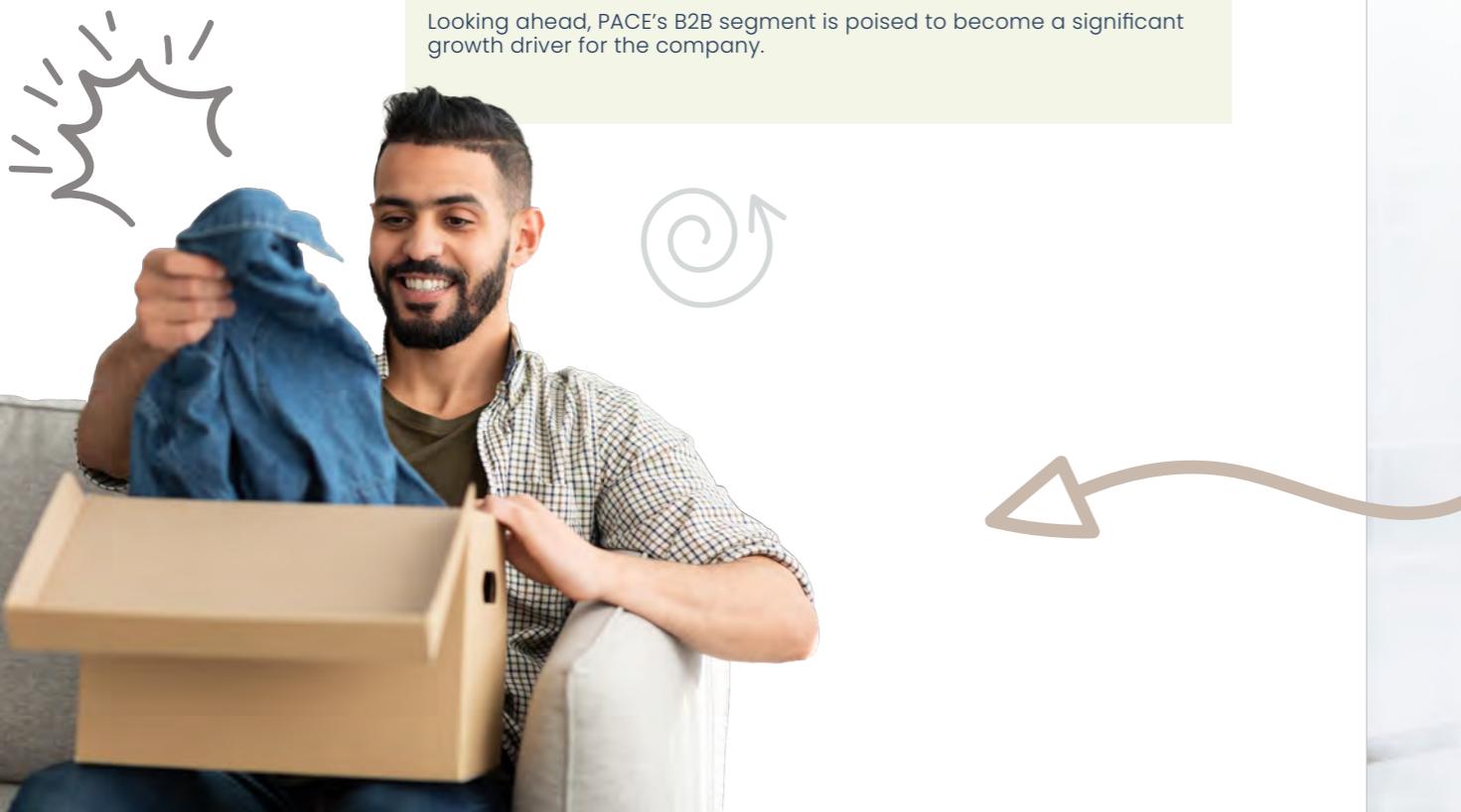


B2B

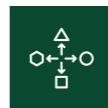
PACE's B2B revenue stream is centred on empowering small and medium-sized enterprises (SMEs) by providing them with essential tools, opportunities, and resources for growth. The company offers a suite of solutions - ranging from design services to product supply and dropshipping - that enable businesses to thrive without the heavy burden of inventory management. This model supports SMEs by allowing them to sell a wide range of products with zero inventory costs, enhancing their operational efficiency and reducing financial risk.

PACE's B2B model generates revenue through the services it provides to SMEs. What sets PACE apart in this segment is its commitment to fostering collaboration and innovation within its ecosystem. PACE not only provides essential resources but also promotes partnerships between businesses, encouraging knowledge sharing and innovation across industries. This collaborative approach helps SMEs reach their full potential, driving mutual growth and strengthening PACE's position as a key enabler of business success.

Looking ahead, PACE's B2B segment is poised to become a significant growth driver for the company.



Benefits of Our Offerings



ENDLESS POSSIBILITIES

Our product range is wide and includes customisation, offering an infinite assortment of designs reinforced by the make-on-demand concept.



ENDEARING MEMORIES

Beyond mere products, we craft memories linked to unique shopping experiences, personalisation, and expressions into every creation.



EFFICIENT COST

Our scalable operations ensure cost efficiency, a benefit that cascades to our cherished consumers.



ENORMOUS EASE

We simplify the ordering and delivery process, ensuring end-to-end ease from the comfort of home.



EFFECTIVE SPEED

Supported by superior technology, logistics, and infrastructure, we ensure a seamless and fast journey from order to doorstep.



EXCEPTIONAL QUALITY

Ensuring quality is our hallmark, a commitment that resonates through every facet of our offerings.



CORE STRENGTHS

Engines of our Growth

Our core strengths are the pillars that support our journey towards success in the ever-evolving retail ecosystem. They guide us towards our vision of inspiring a community of brands, partners, and individuals to embrace a life of growth, empowerment, and fulfilment.

These core strengths collectively position us as a differentiator in the e-commerce industry, committed to innovation, quality, and unique customer experiences. We continue to harness these strengths to drive growth, create value for our stakeholders, and take the retail revolution forward.



02 →

Asset-light Business Model

Embracing an asset-light approach, we minimise fashion risks and inventory costs through our uniquely positioned business model. Quick-turnaround, and on-demand inventory ensures the exclusivity of each product, enhancing customer satisfaction.

01 →

Founder-led Management Team

Our founder-led management team exemplifies industry acumen and a pioneering spirit. With a legacy that dates back to the inception of our business, our capable team drives us towards innovation and market leadership. In-house expertise ensures seamless operations, from fostering user-friendly online portals to offering attractive terms to designers. Our integrated structure empowers us to diversify across different segments, maintaining our competitive edge.



03 →

Superior Infrastructure Capabilities

Our cutting-edge infrastructure is a hallmark of our commitment to quality. From our print-on-demand manufacturing cell dedicated to specific products to automated processes spanning order to dispatch, we ensure excellence at every step. Top-tier printing technologies, combined with rigorous quality control measures, guarantee superior product quality.

04 →

A Unique Marketplace

Our innovative marketplace offerings redefine consumer choices and spark connections through personalisation. Platforms like Wishrows bridge the gap between consumers, designers, and artists, hosting a vast spectrum of customised print-on-demand products across various categories. This extensive assortment of meticulously curated products enhances the shopping experience and sets us apart in the e-commerce landscape.

05 →

Strategic Brand Partnerships

Collaborations with internationally renowned companies, particularly in the kids' domain, have etched a distinctive identity for our offerings. Despite the challenges posed by the Covid-19 pandemic, these partnerships remain a focal point, and we are poised to strengthen these alliances, ensuring continued growth and innovation.

06 →

Deep Consumer and Merchant Insights

Our profound understanding of Indian consumer behaviours and merchant operations allows us to diversify across different segments and fine-tune personalisation, culminating in products that meet the evolving needs of our customers. These insights enable us to anticipate market trends and adapt swiftly, ensuring sustained relevance and customer satisfaction.

07 →

08 →

Easy Global Onboarding

We facilitate smooth entry for designers and artists with comprehensive tech support, from design creation to activation. Our platform serves as a sanctuary for artists worldwide, transforming their artwork into household treasures. We curate, manage, and engage, fostering a unique marketplace for creative designs.

09 →

Comprehensive Platforms

Our all-inclusive platforms offer everything on a single platform while maintaining quality, variety, and affordability. Enhanced customisation means more options in fit, performance, and aesthetic design. Add to it, the flawless convenience from fingertip order to doorstep delivery, and service excellence, the platforms are able to successfully fulfil the needs of young professionals living away from home who seek functional and personalised items to create a homely feeling. The growth is fuelled by internet penetration, smartphone-driven e-commerce, and rising disposable income.

07 →

08 →

B2B Expertise

PACE has cultivated a strong B2B presence, which serves as a foundation of the company's growth. The strength of PACE's B2B operations lies in its ability to empower small and medium-sized enterprises (SMEs) through a combination of innovative solutions, strategic collaborations, and comprehensive support services.



STRATEGIC APPROACH

Innovate.

Engage. Grow.

At PACE, our strategic approach is comprehensive and forward-looking, designed to foster innovation, enhance customer engagement, and drive growth across all segments of our business. We are committed to building on our existing strengths while charting a clear roadmap for the future. As we move forward, we are committed to expanding our brand portfolio, strengthening our B2B and D2C capabilities, and capitalising on the immense potential of the market.

Our focus remains on enhancing customer experiences, and leveraging our unique business model to solve market pain points effectively. By solving them with innovative solutions, we position ourselves not just as a participant in the e-commerce industry but as a differentiator, creating a niche for ourselves.

Our Business Strategy

STRENGTHENING OUR EXISTING PLATFORMS**01**

As we look to the future, our strategic roadmap is centred on expanding our current brand offerings, enhancing our B2B and Direct-to-Consumer (D2C) capabilities, and capitalising on the burgeoning market potential.

We recognise that the growth of our current brands is essential to sustaining our momentum. Each brand in our portfolio has been meticulously developed to meet specific market needs, and our focus will be on scaling these brands to reach broader audiences while maintaining their distinct identities and values.

NURTURING OUR COMMUNITY**03**

Our strategic approach involves nurturing our community of designers, consumers and merchants, with the aim of becoming India's premier online platform for products across multiple categories.

With an already substantial user base, we envision expanding to fill gaps in product and service penetration. By strengthening engagement and retention, we continuously enhance their experiences, enriching our community.

HARNESSING A UNIQUE ECOSYSTEM**02**

We have launched many e-commerce portals specialising in various merchandises. The response from customers and merchants has been exhilarating. We collaborated with third-party manufacturers for product fulfilment.

However, as we have established our own advanced print-on-demand manufacturing facility, streamlining design and production under one roof, it enhances our ability to deliver high-quality, personalised products efficiently.

CULTIVATING THE B2B SPACE**04**

Our B2B strategy is a cornerstone of our future growth plans. By providing small and medium-sized enterprises (SMEs) with the tools, opportunities, and resources they need to succeed, we create an ecosystem that fosters collaboration, innovation, and mutual growth.

We see significant opportunities by providing innovative solutions to SMEs. By offering products, dropshipping, and design services with zero inventory requirements, we empower businesses to thrive without the financial burden of traditional inventory management.

Our Business Strategy (Contd.)

LEVERAGING POD FOR B2B**05**

Our print-on-demand (POD) services further enhance this offering, allowing businesses to create and offer a wide range of customised products efficiently without the need for large upfront investments in inventory, thus meeting the increasing demand for personalisation in the market. The POD model is poised to drive significant revenue growth by enabling this.

This approach not only supports our business clients but also aligns with broader market trends, where customisation and fast turnaround times are increasingly important. As more businesses recognise the value of our B2B solutions, we expect this segment to become a major contributor to our overall growth, offering significant scalability and market penetration opportunities.

SOLVING MARKET PAIN POINTS**06**

Our strategic approach is deeply rooted in understanding and addressing the pain points of the market. We recognise that today's consumers and businesses are looking for solutions that are not only innovative but also practical and cost-effective. Whether through our B2B offerings that eliminate the need for inventory management or our D2C initiatives that provide personalised shopping experiences, we are focussed on solving these challenges in a way that adds real value to our customers.

The potential of the market is vast, and our offerings are designed to meet this potential head-on. By continuously refining our solutions and staying attuned to market trends, we ensure that PACE remains capable of adapting to changing demands and driving sustained growth.

EXPANDING MARKET REACH**07**

In the Direct-to-Consumer (D2C) segment, we are focussed on strengthening our online marketplace and enhancing the customer journey. Our D2C strategy revolves around providing personalised products and experiences that resonate with modern consumers.

By refining our online platforms, engaging artists and designers, and expanding our product range, we aim to capture a larger share of the e-commerce market. Our commitment to leveraging data-driven insights and targeted marketing strategies ensures that we can reach and engage our audience effectively, driving both sales and brand loyalty.

Our Outreach Strategy

ACTIVATING AND ENGAGING ARTISTS**01**

Our strategy is rooted in activating and engaging artists, vital for cultivating a library of unique content that resonates with our audience's creative sensibilities.

REFINING ACQUISITIONS AND TRANSACTIONS**02**

We continually optimise user acquisition and transaction processes to enhance overall user value and enrich the customer journey.

BUILDING LOYALTY AND BRAND**03**

We strive to craft compelling experiences by focussing on customer preferences, which helps us build a loyal customer base and a strong brand.

EXPANDING RANGE AND CAPACITY**04**

Augmenting our product range sourced from third-party fulfilment networks strengthens user acquisition and customer allegiance.

OFFLINE MARKETING CHANNELS**05**

- Personalised catalogues and direct mails to engage potential customers
- Temporary retail spaces to showcase our products and engage with customers
- Exhibiting at trade shows to network and demonstrate our offerings

ONLINE MARKETING CHANNELS**06**

- Using visuals that help customers see themselves in our products
- Crafting videos that make our brand stand out
- Being active in groups and communities to foster connections
- Encouraging customers to share their experiences
- Boosting sales through targeted email campaigns
- Collaborating with micro-influencers to amplify our reach

Leading with with Insights and Integrity



Mr. Shaival Gandhi
MANAGING DIRECTOR & CHIEF
FINANCIAL OFFICER

Mr. Shaival Gandhi is the visionary at the helm of our Company. He holds a master's degree in International Securities, Investment & Banking from the University of Reading, UK, and a B.Sc. in Information Technology. With over five years in strategic roles at prestigious investment banks like Markit and Deutsche Bank in London, Shaival combines deep expertise in finance and technology.

An accomplished entrepreneur, he has led ventures across Investment Banking, Food & Beverages, and Real Estate. His passion for consumer products and the e-commerce industry, particularly print-on-demand products, is enriched by invaluable hands-on experience.



Mr. Harshal Gala
NON-EXECUTIVE DIRECTOR

With an M.Com. Degree from the University of Mumbai, Mr. Harshal Gala began his career in the family food retailing business, excelling in marketing and customer relations. In 2014, he expanded into Pune, partnering with Naila Motors, a retailer specialising in Superbike Merchandise. Demonstrating his entrepreneurial spirit, Harshal launched his own Superbike Merchandise and spares business, achieving significant success.

He continues to revolutionise the Superbike retail sector in India. As a visionary member of our Board, his unique insights and exceptional leadership will undoubtedly propel us to new heights of success.



Mr. Mihir Sojitra
INDEPENDENT DIRECTOR

An associate member of the Institute of Company Secretaries of India, Mr. Mihir Sojitra brings six years of experience in Corporate Law, Intellectual Property Rights, Import and Export, Finance, and Funding.

His expertise extends to the NBFC sector, providing invaluable insights into legal, accounting, and operational aspects. Mihir has collaborated with various companies to ensure seamless compliance and operational efficiency.



Mrs. Hiral Vaghasiya
INDEPENDENT DIRECTOR

Mrs. Hiral Rasikbhai Vaghasiya, an associate member of the Institute of Chartered Accountants of India, possesses a strong foundation in Accounting, Finance, Audit, Taxation, and GST.

With six years of experience, she adeptly navigates the complexities of the financial domain, ensuring meticulous adherence to compliance standards and fostering financial integrity within the Company.



Going from Strength to Strength

Our performance in FY24 has laid a strong foundation for future growth, and the potential ahead is infinite. With a clear strategy focussed on innovation, collaboration, capacity building, and sustainability, PACE is well-positioned to continue its upward curve, delivering value to our stakeholders and shaping the future of the e-commerce industry.

Below are the highlights of PACE's achievements and progress in key areas while detailing the company's forward-looking strategies to capitalise on emerging market opportunities and maintain its competitive edge.

Unleashing Innovation in Product Development

PERFORMANCE

PACE has demonstrated exceptional expertise in product development, as evidenced by the successful launch of multiple collections under the Ostilos brand. Each collection not only met the market's expectations but also reinforced PACE's reputation for innovation and quality in the premium fashion sector. The brand's ability to consistently introduce new and appealing products highlights PACE's deep understanding of fashion trends and consumer preferences.

POTENTIAL

Looking forward, PACE plans to further broaden its product lines by tapping into the rapidly expanding global fashion market, which is projected to reach \$1.7 trillion by 2025. By focussing on sustainability and integrating cutting-edge innovations, PACE aims to establish its brands as frontrunners in emerging trends. This approach is designed to cater to an increasingly conscious consumer base that values both style and sustainability, positioning PACE's brands as leaders in the online global fashion industry.

Strategic Collaborations and Expanding Networks

PERFORMANCE

Through its brand Zwankee, PACE has successfully forged significant collaborations with numerous global brands. These strategic partnerships have not only expanded Zwankee's network but also enhanced the diversity and exclusivity of its offerings. By bringing a wide array of international products to its platform, Zwankee has strengthened its market position and appeal to a global audience.

POTENTIAL

With the global B2B e-commerce market expected to surpass \$20.9 trillion by 2027, PACE is well-positioned to capitalise on this growth. The company plans to expand its collaborations with international brands, further enriching Zwankee's platform with exclusive offerings. This strategy will drive market penetration and increase PACE's influence in the global e-commerce landscape, ensuring sustained growth and diversification.

Focussing on Building Capabilities

PERFORMANCE

Over the past year, PACE has significantly bolstered its internal capabilities by expanding key departments such as Marketing, Design, Production, and Finance. This growth in human resources has fortified the company's overall operational strength, enabling it to better meet the demands of a rapidly changing market.

POTENTIAL

As PACE continues to scale, building a robust and dynamic team across all departments will remain a priority. With the global fashion industry expected to grow at a CAGR of 9.6% by 2027, the company's ability to attract and retain top talent will be crucial. Expanding the talent pool will drive innovation, maintain high standards, and ensure operational excellence, ultimately supporting PACE's ambitious growth objectives.

Enhancing Production Capacity

PERFORMANCE

To support the expansion of its brands, PACE has significantly increased its production capacity by acquiring new equipment and machinery. This investment has enabled the company to scale its operations, ensuring that it can meet the growing demand for its products without compromising on quality or efficiency.

POTENTIAL

As global demand for apparel is projected to grow by 5.3% annually, PACE plans to further enhance its production capacity by integrating automation and advanced technologies. These advancements will allow the company to respond more swiftly to market changes and efficiently scale production, ensuring that PACE remains competitive and able to capitalise on new opportunities in the marketplace.

Leveraging Marketing to Drive Growth

PERFORMANCE

PACE has effectively captured diverse market segments by leveraging all available online channels, from social media to e-commerce platforms. This multi-channel approach has successfully broadened the company's reach, significantly boosting brand visibility and driving customer engagement across various demographics.

POTENTIAL

With digital advertising expected to grow to \$645 billion by 2024, PACE is poised to take full advantage of this trend by utilising data-driven marketing strategies. By targeting a broader audience through emerging digital platforms, the company plans to maximise its return on investment, tap into new markets, and further enhance brand visibility on a global scale.

Strengthening Infrastructure for Scalability

PERFORMANCE

PACE has made substantial strides in expanding its infrastructure, including the establishment of new sampling and manufacturing units. These developments have not only improved operational efficiency but have also increased the company's scalability, positioning PACE to meet future growth demands.

POTENTIAL

With the smart manufacturing market projected to reach \$506.33 billion by 2027, PACE is committed to investing in state-of-the-art facilities and integrating advanced technologies. By doing so, the company ensures that its infrastructure remains robust, scalable, and capable of supporting continued growth in a competitive global market.

Sourcing for Sustainable Success

PERFORMANCE

PACE has formed strategic partnerships with a diverse range of small vendors, ensuring a reliable and efficient sourcing network. This approach has allowed the company to secure high-quality materials and services, supporting its commitment to delivering exceptional products.

POTENTIAL

As global demand for ethical and sustainable sourcing continues to rise, with the sustainable fashion market expected to grow by 9.1% annually, PACE is poised to strengthen its supply chain. By diversifying vendor partnerships and exploring more sustainable options, the company will ensure long-term reliability and cost-efficiency, aligning its operations with consumer expectations and industry standards.

Corporate Information

BOARD OF DIRECTORS

| | |
|---------------------------------|------------------------------------|
| Mr. Shaival Dharmendra Gandhi | Managing Director |
| Mr. Harshal Chandrakant Gala | Non-Executive Director |
| Ms. Hiral Rasikbhai Vaghasiya | Non-Executive Independent Director |
| Mr. Mihirkumar Atulbhai Sojitra | Non-Executive Independent Director |

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nikita Pediwal

CHIEF FINANCIAL OFFICER

Mr. Shaival Dharmendra Gandhi

STATUTORY AUDITOR

M/s. Bharat Parikh & Associates,
Chartered Accountants

SECRETARIAL AUDITOR

Mr. Dipesh Anupkumar Mistry,
Practicing Company Secretary

BANKERS

HDFC Bank Limited

REGISTERED OFFICE

Anugrah Bunglow, Street 4, Pallod Farms II,
Shambhu Vihar Society, Nankude Vasti,
Aundh, Pune, Maharashtra-411045, India.

CORPORATE OFFICE

423, Block-C, 1/1, Sumel-11, Indian Textile Plaza,
Shahibaug, Ahmedabad, Gujarat-380004, India.

EMAIL FOR INVESTOR GRIEVANCE

compliance@pacesports.in

REGISTRAR AND TRANSFER AGENT (RTA)

Bigshare Services Private Limited

LISTING OF SHARE

| | |
|----------------|-----------------------|
| Stock Exchange | BSE LIMITED |
| Scrip Code | 543637 |
| Scrip Name | PACE |
| ISIN | INE0N1L01018 |
| CIN | U51909PN2015PLC156068 |

Notice

NOTICE IS HEREBY GIVEN THAT THE 09TH ANNUAL GENERAL MEETING OF THE PACE E-COMMERCE VENTURES LIMITED (FORMERLY KNOWN AS PACE E-COMMERCE VENTURES PRIVATE LIMITED) (PREVIOUSLY KNOWN AS PACE SPORTS AND ENTERTAINMENT PRIVATE LIMITED) will be held on 27th September, 2024 at 03:00 P.M. (IST), through Video Conferencing/Other Audio Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

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

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of **Mr. Harshal Chandrakant Gala (DIN: 09539871)**, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Alteration in Main Object Clause of the Memorandum of Association of the Company:

To consider and if thought fit to pass, with or without modification (s) the following Resolution as **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members by way of Special Resolution be an is hereby accorded to append the following **sub-clause 7 and sub-clause 8 after sub-clause 6 of Clause 3 (A) of the Memorandum of Association of the Company**:

- A. The existing Main Objects of Clause 3(A) be altered by appending **sub- clause 7 and sub- clause 8 after sub-clause 6 of Clause 3(A)**:
- 3 (A) 7. **"To carry on the business of online buyers, sellers, marketers, traders, importers, exporters, merchants, brokers, distributors, Web-Technologies, Internet and E-commerce including to design, develop, maintain, operate, own, establish, install, host, provide,**

create, facilitate, supply, license, Internet portals, Internet networks, Media Portals, Internet solutions, Internet gateways, Internet service providers, Web-site designing, Web based and Web enabled services and applications, Ecommerce solutions, platforms, technologies and E-business solutions, IT server farms and hosting business, digital service provider business, IT software development business, providing payment interface, multimedia software development business and any other business activity in the areas of telecommunications and information technology to provide and to provide Tech-enabled solutions to deliver these services and to engage in all businesses as may be related or ancillary to the aforesaid business areas in India or outside India.

- 3 (A) 8. **To carry on the business of establish, provide, perform consultancy services and solutions in the field of information technology, system engineering, related technical and commercial consultancy service, import and export of know-how in the field of computers and provide software services infrastructure for customers, as also to take the business of development of software products and render Information technology enabled services such as networking services related thereto including software implementation and support so as to cater to the needs of customers and to export the software products and services out of India.**

"RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry

of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

For & on Behalf of,
Pace E-Commerce Ventures Limited
(Formerly known as Pace E-Commerce Ventures Private Limited)
(Previously known as Pace Sports and Entertainment Private Limited)

Date: 04/09/2024
Place: Ahmedabad
Registered Office: Anugrah Bunglow,
Street 4, Pallod Farms II,
Shambhu Vihar Society,
Nankude Vesti,
Aundh, Pune-411045,
Maharashtra-411045, India

Shaival Dharmendra Gandhi
Managing Director
DIN: 02883899

Notes

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed Pursuant to General Circulars No.14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-Voting.
3. The Members can join the EGM/AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://pacevtltd.com/>. The Notice can also be accessed from the website of the Stock Exchange i.e., BSE Limited at www.bseindia.com, and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on 24th September, 2024 at 09:00 A.M. and ends on 26th September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. 20/09/2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20/09/2024.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of Shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/ideasDirectReg.jsp3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| Type of Shareholders | Login Method |
|--|--|
| | <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> |
| Individual Shareholders holding securities in demat mode with CDSL | <p>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdsindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where thee-voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdsindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdsindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 'Shareholder/Member' section.
 3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 Your User ID is:
(NSDL or CDSL) or Physical**

- | | | |
|----|---|---|
| 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 130982 then user ID is 130982001** |
5. Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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'?
 - (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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
- 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 etc.
 - 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 csdamistry@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "**Upload Board Resolution/Authority Letter**" displayed under "**e-Voting**" tab in their login.
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.: 022 - 4886 7000 or send a request to Prajakta Pawle at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to compliance@pacesports.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@pacesports.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-Voting.

THE INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@pacesports.in. The same will be replied by the Company suitably.

6. Members who would like to express their views/ask questions as a Speaker at the AGM may preregister themselves by sending a request from their registered email ID mentioning their names, DPID and Client ID/folio number, PAN and mobile number to compliance@pacesports.in between 10th September, 2024 (9:00 a.m. IST) to 14th September, 2024 (5:00 p.m. IST). Only those Members who have pre-registered themselves as Speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Other Instructions:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote evoting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.cotandcandy.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company's hall simultaneously forward the results to and BSE Limited, where the shares of the Company are listed.

For & on Behalf of,
Pace E-Commerce Ventures Limited
(Formerly known as Pace E-Commerce Ventures Private Limited)
(Previously known as Pace Sports and Entertainment Private Limited)

Date: 04/09/2024
Place: Ahmedabad
Registered Office: Anugrah Bunglow,
Street 4, Pallod Farms II,
Shambhu Vihar Society, Nankude Vasti,
Aundh, Pune-411045,
Maharashtra - 411045, India

Shaival Dharmendra Gandhi
Managing Director
DIN: 02883899

Explanatory Statement

As required by Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 03 of the accompanying Notice dated 04th September, 2024.

ITEM NO. 03:

Your Board has to consider from time to time proposals for diversification into areas which would be profitable for the Company as part of diversification plans. For this purpose, the object clause of the Company, which is presently restricted in scope, requires to be comprehensive so as to cover a wide range of activities to enable your Company to consider embarking upon new projects and activities.

The alteration is Object Clause of the Memorandum of Association as set out in the Resolution is to facilitate diversification. This will enable the Company to enlarge the area of operations and carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the Company.

The Main Object clause of Memorandum of Association of the Company is being altered and replaced by appending clause **sub-clause 7 and sub-clause 8 after sub-clause 6 of Clause 3(A) of the Memorandum of Association of the Company**.

The Board at its meeting held on 04th September, 2024 has approved alteration of MOA of the Company and the Board now seek Members' approval for the same.

The draft Copy of the Memorandum of Association of the Company is available for inspection at the registered office of the Company on any working day during Business Hours till the date of AGM. The Amendment shall be effective upon the registration of the resolution with the Registrar of the Companies. The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 03 of the Notice for approval of the Members.

For & on Behalf of,
Pace E-Commerce Ventures Limited
(Formerly known as Pace E-Commerce Ventures Private Limited)
(Previously known as Pace Sports and Entertainment Private Limited)

Date: 04/09/2024
Place: Ahmedabad
Registered Office: Anugrah Bunglow,
Street 4, Pallod Farms II,
Shambhu Vihar Society, Nankude Vasti,
Aundh, Pune-411045,
Maharashtra - 411045, India

Shaival Dharmendra Gandhi
Managing Director
DIN: 02883899

Details of the Directors Seeking Appointment/Re-Appointment at 09th Annual General Meeting

(In pursuance of Regulation 36(3) of the Listing Regulations and Secretarial Standard – 2 on General Meetings)

| Name of the Director and DIN | Harshal Chandrakant Gala (DIN: 09539871) |
|---|---|
| Date of Birth (Age) | 19/12/1986 |
| Date of first appointment on the Board | 25/06/2022 |
| Designation/Category of Directorship | Non-independent, Non-Executive Director |
| Qualifications | Masters of Commerce from University of Mumbai |
| Brief profile and expertise in specific functional areas | Mr. Harshal Chandrakant Gala has an extensive expertise in business development and marketing. His vision aligns with the Company's objectives and his skills have helped the Company towards consistent growth and innovation. |
| Terms and Conditions of appointment/ re-appointment | Re-appointment in terms of Section 152(6) of the Companies Act, 2013. |
| Inter se relationship with other Directors, Manager and other Key Managerial Personnel of the Company | None |
| Name of listed entities from which the person has resigned in the past three years | None |
| Directorships held in other companies (excluding foreign companies) | None |
| Committee position held in other companies (excluding foreign companies) | Member - Audit Committee Member - Nomination and Remuneration Committee Chairman - Stakeholder Relationship Committee |
| Details of remuneration last drawn | None |
| Details of remuneration sought to be paid | None |
| No. of meetings of the Board attended during the year | 4 Board Meetings |
| No. of shares held in the Company either by self or as a beneficial owner | None |

Director's Report

To the Members,

The Directors are pleased to present to you the **09th Annual Report** on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2024.

1. FINANCIAL RESULTS:

Financial Results of Pace E-Commerce Ventures Limited (Formerly known as Pace E-Commerce Ventures Private Limited) (Previously known as Pace Sports and Entertainment Private Limited) for the year ended as on March 31, 2024 is as given below:

| PARTICULARS | FY24 | FY23 |
|---|-----------------|-----------------|
| Revenue from Operations | 4,281.41 | 2,837.16 |
| Other Income | 116.81 | 3.18 |
| Total Revenue | 4,398.22 | 2,840.34 |
| Less: Total Expenses except interest and depreciation | 3,963.82 | 2,716.20 |
| Profit/(Loss) Before Interest and Depreciation | 434.40 | 124.14 |
| (-) Interest | 65.61 | 46.04 |
| (-) Depreciation | 40.16 | 2.06 |
| Net Profit/(Loss) before exceptional items | 328.63 | 76.04 |
| (+) Exceptional Items | -- | -- |
| Net Profit Before prior period item & Tax | 328.63 | 76.04 |
| (+) Prior Period Items | -- | -- |
| (-) Tax expense | 89.35 | 13.78 |
| Net Profit/(Loss) for the year After Tax | 239.28 | 62.26 |
| Total Comprehensive Income for period | -- | -- |
| Earnings Per Share | | |
| - Basic | 1.06 | 0.28 |
| - Diluted | 1.06 | 0.28 |

2. FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS:

Your Company's revenue from operations (Net) for the year under review was ₹ 4,281.41 Lakhs in FY24, compared to ₹ 2,837.16 Lakhs in FY23, registering a rise in revenue by 50.90%. The percentage of Profit before tax (PBT) to Total Revenue (Net) increased to 7.47% in FY24 from 2.68% in FY 23. Profit after Tax increased from ₹ 62.26 Lakhs in FY23 to ₹ 239.28 Lakhs in FY24.

3. DIVIDEND:

The Board of Directors of your Company has not recommended any dividend for the financial year ended on March 31, 2024 as profit of the Company used for the growth of the Company.

4. TRANSFER TO RESERVES:

The Company has transferred amount of ₹ 239.28 Lakhs standing in Profit & Loss account of the Company under the head Reserves and Surplus for FY24.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since, there were no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2015 do not apply.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

• Re-appointment/appointment of Directors:

In accordance with the requirements of the Act and the Company's Articles of Association, Mr. Harshal Chandrakant Gala retires by rotation and is eligible for re-appointment. Members' approval is being sought at the ensuing AGM for his re-appointment.

• Cessation of Directors:

None of the Directors has ceased to be the Director of the Company during the period under review. The Board of Directors of the Company is duly constituted.

• Independent Directors:

In terms of Section 149 of the Companies Act, 2013 Ms. Hiral Rasikbhai Vaghasiya and Mr. Mihirkumar Atulbhai Sojitra are the Independent Directors of the Company.

Pursuant to Section 149(7) of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under

Section 149(6) of the Companies Act, 2013 and have submitted their respective declarations as required under Section 149(7) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

• Key Managerial Personnel:

In terms of Section 203 of the Act, following are the KMP of the Company as on March 31, 2024:

- » Mr. Shaival Dharmendra Gnadhi, Managing Director & Chief Financial Officer
- » Ms. Nikita Pediwal, Company Secretary & Compliance Officer

7. BOARD AND COMMITTEES OF BOARD:

The Company has convened 4 Board Meetings were held during the year under review of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company and the Act.

Board Meetings held during the Year:

| Date of the Board Meeting | Total strength of the Board | No. of Directors present |
|---------------------------|-----------------------------|--------------------------|
| 27/05/2023 | 4 | 4 |
| 05/09/2023 | 4 | 4 |
| 08/11/2023 | 4 | 4 |
| 01/03/2024 | 4 | 4 |

Attendance of Directors at the Board Meeting and Annual General Meeting:

| Name of Director | Category of Director | Attendance | |
|-----------------------------|------------------------|------------|----------|
| | | Board | Last AGM |
| Shaival Dharmendra Gandhi | Managing Director | 4 | Yes |
| Hiral Rasikbhai Vaghasiya | Independent Director | 4 | Yes |
| Harshal Chandrakant Gala | Non-Executive Director | 4 | Yes |
| Mihirkumar Atulbhai Sojitra | Independent Director | 4 | Yes |

Committees of the Board:

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

The following statutory Committees constituted by the Board function as per their respective roles and defined scope:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders Relation Committee

Audit Committee:

Constitution & Composition of Audit Committee:

Pursuant to the provisions of Section 177(8) of the Companies Act, 2013, the Board hereby disclose the composition of the Audit Committee and details of the meetings attended by the members of the Audit Committee are given below:

| Name | Designation | Status in Committee | No of Meetings held during the year | |
|-----------------------------|------------------------------------|----------------------------|--|-----------------|
| | | | Held | Attended |
| Mihirkumar Atulbhai Sojitra | Non-Executive Independent Director | Chairman | 4 | 4 |
| Harshal Chandrakant Gala | Non-Executive Director | Member | 4 | 4 |
| Hiral Rasikbhai Vaghasiya | Non-Executive Independent Director | Member | 4 | 4 |

Stakeholder Relationship Committee:

Constitution and Composition of Stakeholder Relationship Committee:

The Company has constituted the "Stakeholders Relationship Committee" and details of Meetings attended by the Directors are given below:

| Name | Designation | Status in Committee | No of Meetings held during the year | |
|-----------------------------|------------------------------------|----------------------------|--|-----------------|
| | | | Held | Attended |
| Harshal Chandrakant Gala | Non-Executive Director | Chairman | 1 | 1 |
| Mihirkumar Atulbhai Sojitra | Non-Executive Independent Director | Member | 1 | 1 |
| Shaival Dharmendra Gandhi | Managing Director | Member | 1 | 1 |

Nomination & Remuneration Committee:

Constitution and Composition of Remuneration Committee

The Company has constituted the Remuneration Committee as per the provisions of the Section 178 of the Companies Act, 2013 with the following members:

The Composition and details of Meetings attended by the Directors are given below:

| Name | Designation | Status in Committee | No of Meetings held during the year | |
|-----------------------------|------------------------------------|----------------------------|--|-----------------|
| | | | Held | Attended |
| Mihirkumar Atulbhai Sojitra | Non-Executive Independent Director | Chairman | 1 | 1 |
| Hiral Rasikbhai Vaghasiya | Non-Executive Independent Director | Member | 1 | 1 |
| Harshal Chandrakant Gala | Non-Executive Director | Member | 1 | 1 |

Independent Directors' Meeting:

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the board as a whole was evaluated, taking into account the views of directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was discussed.

One meeting (1) of Independent Director was held on **01/03/2024** during the year under review.

8. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS BOARD EVALUATION:

The Annual Evaluation process of the Board of Directors, Individual Directors and Committees was conducted in accordance with the provision of the Act and the Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The evaluation process endorsed the Board's confidence in the management and working of the Company and flexibility and cohesiveness amongst the Board Members.

9. POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES AND REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES:

In terms of the provisions of Section 178(3) of the Companies Act, 2013, the NRC is responsible for qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, KMP and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is provided in **Annexure-I** to this Report and Remuneration Policy for Directors, KMP and other employees of the Company, which is reproduced in **Annexure-II** to this Report.

Familiarisation Programme:

All Board Members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. The Company has put on induction and familiarisation Programme for all its Directors including Independent Directors.

10. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

1. In preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable Accounting Standards have been followed along with proper explanation to material departures;
2. The Directors 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 loss of the Company, for that period;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the Annual Accounts on a going concern basis;
5. Board of Directors are also responsible for overseeing Company's financial reporting process;
6. The Directors have devised proper system to ensure compliance with the provisions of all the applicable laws and that such system were adequate and operating effectively.

11. AUDITORS AND AUDITOR'S REPORT:

Statutory Auditor & Statutory Auditor's Report:

At the 08th Annual General Meeting of the Company held on September 29, 2023, the Members appointed **M/s. BHARAT PARIKH & ASSOCIATES (FRN: 101241W)** as the Statutory Auditor of the Company for a period of 5 years commencing from the conclusion of the 08th AGM till the conclusion of 13th AGM to be held in the year 2028.

Qualification of Statutory Auditor:

- (i) In the audit of the current period, money raised by public offer of equity shares by the Company during the year were prima facie, applied by the Company for the proposes for which the money were raised, other than temporary deployment pending allocations of fund is parked which does not comply with the SEBI ICDR Regulation.

- (ii) The aforesaid Standalone Financial Statements comply with the AS specified under Section 133 of the Act, read with rule 7 of the companies (Accounts) rules, 2014, except accounting standards on employees' retirement benefits as detailed in Note 2(J) of financials.

Management Reply:

- (i) This is only a temporary deployment of funds which the Company will clear in this Financial Year.
- (ii) The Company will comply with the accounting standard on employees' retirement benefits in near future to ensure the compliance with the accounting standards.

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act.

The Auditor of the Company has not reported any Frauds under Section 143(12) i.e. frauds those reportable to the Central Government with respect to the Books of Accounts and Vouchers of the Company in his Audit Report or Audit Committee.

Cost Auditor & Cost Auditor's Report:

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

Secretarial Auditor and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed Mr. Dipesh Anupkumar Mistry, Practising Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year 2023-24.

The Report of Secretarial Auditor is enclosed to this report as **Annexure IV**. With the reference to the remarks and observation of Secretarial Auditor, the following explanations have been submitted by Board of Directors.

Qualification of Secretarial Auditor:

In the audit of the current period, money raised by public offer of equity shares by the Company during the year were prima facie, applied by the Company for the proposes for which the money were raised, other than temporary deployment pending allocations of fund is parked which does not comply with the SEBI ICDR Regulation.

Management Reply:

This is only a temporary deployment of funds which the Company will clear in this Financial Year. The Report of Secretarial Auditor is enclosed to this report as **Annexure IV**.

Internal Auditor:

Pursuant to the provision of Section 138 of the Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Board had appointed M/s Ashish N. Parikh & Co, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2023-24. Internal Audit Report was self-explanatory and need no comments.

12. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Your Company believes that the affairs of the Company are conducted in fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Pursuant to Section 177(9) of the Companies Act, 2013 the Company has established Vigil Mechanism system and framed Whistle Blower Policy. Whistle Blower Policy is disclosed on the website of the Company at <https://pacevltd.com>.

13. PARTICULARS OF EMPLOYEES AND REMUNERATION:

Details Pertaining to Remuneration as Required under Section 197(12) Of the Companies Act, 2013 Read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-III**.

14. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and analysis Report as Required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the companies' current working and future outlook of as per **Annexure-V**.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Pursuant to Section 186 of the Companies Act, 2013 and Schedule V of Listing Regulations, disclosure on particulars pertaining to Loans, Guarantees and Investments are provided as part of financial statements in Note No. 10, 11 & 15.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188:

Related party transactions entered during the financial year under review are disclosed in Note 31 of the audited financial statements of the Company for FY-24. These transactions entered were at an arm's length basis and in the ordinary course of business.

There were no materially significant related party transactions with the Company's promoters, directors, management or their relatives, which could have had a potential conflict with the interests of the Company.

Form AOC-2, containing the note on the aforesaid related party transactions are given elsewhere in this report and the same forms part of this report.

17. MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements related and the date of this report.

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

Considering the nature of business of our Company, the particulars with respect to conservation of energy and technology absorption required as per Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

Operations of the Company do not involve any kind of Special technology and there was no expenditure on research and development during this financial year. However your Company continues to upgrade its technology (Computer Technology and Telecom infrastructure) in ensuring it is connected with its clients across the globe.

There were no foreign exchange earnings and outgo during the year under review.

19. RISK MANAGEMENT POLICY:

The Board of Directors has taken steps to ensure the risk factor of the business and also considered best possible way to dealt into, if any.

20. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

21. SUBSIDIARIES/Joint VENTURES/ASSOCIATES:

The Company does not have any Subsidiary, Joint Venture or Associate Company and thus disclosure in Form AOC-1 (Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures), does not form part of this Report.

22. DEPOSITS FROM PUBLIC:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the March 31, 2024.

23. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There has been no significant or material order passed by any regulatory authority impacting the going concern status and Company's operations during the financial year.

24. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year no proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

25. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

There is no difference between the amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions.

26. SHARE CAPITAL:

During the year under review there was no change in the Authorized, Issued and Subscribed Paid-up Share Capital of the Company. The paid-up share capital of the Company as on **March 31, 2024** is 2253.351 Lakhs divided into 2,25,33,510 equity shares of ₹ 10/- each.

27. CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to members of the Board and all employees in the course of day to day business operations of the Company. The Code has been placed on the Company's website <https://pacevtltd.com>. The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

28. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

29. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. The Company's internal control system is commensurate with its size, scale and complexities of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

30. A STATEMENT THAT THE COMPANY HAS COMPLIED WITH PROVISIONS RELATING TO THE CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has complied with provisions relating to the constitution of internal complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

31. CORPORATE GOVERNANCE:

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, Report on Corporate Governance is not applicable on the Company as the Company is listed on SME Platforms of BSE.

32. ACKNOWLEDGEMENTS:

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the bankers, the various Government Agencies, Suppliers, Customers, Investors and all others for their wholehearted support during the year and looking forward to their continued support in years ahead. Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

**For and on behalf of
Pace E-Commerce Ventures Limited
(Formerly known as Pace E-Commerce Ventures Private Limited)
(Previously known as Pace sports and Entertainment Private Limited)**

**Date: 04/09/2024
Place: Ahmedabad**

**Mr. Shaival Dharmendra Gandhi
Chairman & Managing Director
DIN: 02883899**

Form 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 Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

| Sr. No. | Particulars | Details |
|---------|--|---------|
| 1. | Name(s) of the related party and nature of relationship | NA |
| 2. | Nature of contracts/arrangements/transaction | NA |
| 3. | Duration of the contracts/arrangements/transactions | NA |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any | NA |
| 5. | Justification for entering into such contracts or arrangements or transactions | NA |
| 6. | Date(s) of approval by the Board | NA |
| 7. | Amount paid as advances, if any | NA |
| 8. | Date on which (a) the special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013 | NA |

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

| Name of the Related Party | Nature of Relationship | Nature of transactions | Duration of Contract | Salient Terms | Date of Approval of Board | Amount paid as advances, as on March 31, 2024 if any: |
|-------------------------------------|---|--|----------------------|---------------|---------------------------|---|
| Wigglewink Ventures Private Limited | Concerns in which directors or their relatives are interested | Sale and Purchase of Goods | On-going | - | 27/05/2023 | NIL |
| Fairplay HUB | Concerns in which directors or their relatives are interested | Sale and Purchase of Goods Loans taken, Loans given | On-going | - | 27/05/2023 | NIL |

Annexure-I

POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

(Ref.: Board's Report, Section 9)

1. OBJECTIVE:

The Policy on Board diversity ("the Policy") sets out the Company's approach to ensuring adequate diversity in its Board of Directors ("the Board") and is devised in consultation with the Nomination and Remuneration Committee ("the Committee") of the Board.

Building the Board of diverse and inclusive culture is integral to success of Pace E-Commerce Ventures Limited ("the Company"). The Board considers that its diversity, including gender diversity, is a vital asset to the business.

2. SCOPE:

This Policy applies to the Board of Directors of the Company.

3. POLICY STATEMENT:

The Company recognizes and embraces the benefit of having a diverse Board of Directors and witnesses increasing diversity at Board level as an essential element in maintaining competitive advantage in the business in which it operates. The Company believes that a truly diverse Board will leverage difference in thoughts, perspective, knowledge, skills, regional and industrial experience, cultural and geographical background, age, race and gender which will ensure that the Company retains its competitive advantage. This difference will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

The Board of Directors shall consist of one woman director. The Board shall have an optimum combination of executive, Non-Executive and Independent Directors in accordance with the requirements of the Articles of Association of the Company, the Companies Act, 2013 and the Listing Agreement.

All the Board appointments will be considered on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefit of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, culture and educational background, ethnicity, professional experience, skill and knowledge. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the board.

4. MONITORING AND REPORTING:

The Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions.

The Committee shall be further responsible for:

- Formally assessing the appropriate mix of diversity, skills, experience and expertise required on the Board and assessing the extent to which the required skills are present on the board;
- Making recommendations to the Board in relation to the Board succession, including the succession of the Chairman, to maintain and appropriate mix of diversity, skills, experience and expertise on the Board; and
- Reviewing and reporting to the Board in relation to Board diversity.

5. REVIEW OF POLICY:

The Committee shall review the policy from time to time, to ensure the effectiveness of the Policy. The Committee shall discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

Annexure-II

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES (Ref.: Board's Report, Section 9)

INTRODUCTION:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated.

OBJECTIVE AND PURPOSE OF THE POLICY:

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee.

In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee.

DEFINITIONS:

- Board means Board of Directors of the Company.
- Directors means Directors of the Company.

- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- Company means Pace E-commerce Ventures Limited.
- Independent Director means a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP) means:
 - (i) Executive Chairman and/or Managing Director;
 - (ii) Whole-Time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary/Compliance Officer;
 - (v) Such other officer as may be prescribed under the applicable statutory provisions/regulations.
- Senior Management means personnel of the Company occupying the position of Chief Executive Officer (CEO), if any, of any unit/division or Vice President, if any, of any unit/division of the Company.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

APPLICABILITY:

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

GENERAL:

This Policy is divided in three parts:

1. Part – A covers the matters to be dealt with and recommended by the Committee to the Board;
2. Part – B covers the appointment and nomination; and
3. Part – C covers remuneration and perquisites etc.

Part – A

MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

Part – B

POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

APPOINTMENT CRITERIA AND QUALIFICATIONS:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

TERM/TENURE:

1. Managing Director/Whole-Time Director:

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

2. Independent Director:

- An Independent Director shall hold office for a term up to five years consecutive years on the Board of the Company and will

be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

EVALUATION:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

REMOVAL:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

RETIREMENT:

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

Part – C

POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

GENERAL:

1. The remuneration/compensation/commission etc. to the Whole-Time Director, KMP and Senior Management Personnel will be determined by the Committee based on the performance, experience and expertise and will be recommended to the Board for its approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-Time Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.
3. Increments to the existing remuneration/compensation structure, based on the performance may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-Time Director.
4. Where any insurance is taken by the Company on behalf of its Whole-Time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration. Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:

1. Fixed Pay:

The Whole-Time Director/KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved

by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-Time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

If any Whole-Time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government. Remuneration to Non-Executive/Independent Director:

a) Remuneration/Commission:

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

b) Sitting Fees:

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed ₹ One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Annexure-III

DISCLOSURE OF MANAGERIAL REMUNERATION

(Ref.: Board's Report, Section 13)

DISCLOSURES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 ARE AS UNDER:

- a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY24:

| Name | Ratio of remuneration to median remuneration | % Increase in Remuneration |
|---|--|----------------------------|
| Shaival Dharmendra Gandhi, Managing Director and CFO (KMP) | 1:1.17 | -- |

- b) The percentage increase in the median remuneration of employees in the financial year:

There is 65.36% change in the median remuneration of employees during the financial year 2023-24 as compared to previous financial year 2022-23. As on March 31, 2024, there were a total of 15 employees on the payroll of the Company.

- c) The number of permanent employees on the rolls of the Company as at March 31, 2024: 15

- d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is increase of average 200% of salary among the employees due to appointment of experienced trained staff for the further growth of the Company. Further, there is change in the average salaries of the employees due to increase in the number of employees on the payroll of the Company.

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

It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

Annexure-IV

SECRETARIAL AUDIT REPORT (Ref: Board's Report, Section 11)

Form No. Mr-3

Secretarial Audit Report

For the financial year ended 31.03.2024

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

To,
The Members,

Pace E-Commerce Ventures Limited

Anugrah Bunglow, Street4, Pallod Farms II,
Shambhu Vihar Society, Nankude Vasti,
Aundh, Pune-411045, Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pace E-Commerce Ventures Limited (**"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.

AUDITOR'S RESPONSIBILITY:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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, I hereby report that in my opinion, the Company has, during the audit period from April 01, 2023 to March 31, 2024 ("the 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 March 31, 2024, 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;
- (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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not Applicable to the Company during the audit period**)
 - 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**)
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015;
 - j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) There are no laws that are specifically applicable to the Company based on their sector/industry.

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015; as per applicability.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except money raised by public offer of equity shares by the Company during the year were prima facie, applied by the Company for the proposes for which the money were raised, other than temporary deployment pending allocations of fund is parked which does not comply with the SEBI ICDR Regulation.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried through majority while the dissenting directors/members' views are captured and recorded as per Company policy. However, there were no dissenting directors/members' views noticed in the minutes of general meeting/board minutes for the reporting period.

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.

Sd/-
Dipesh A. Mistry
Practicing Company Secretary
M.No. ACS 34755
COP No. 15787
Peer Review No.: 1298/2021
UDIN: A034755F000947832

Place: Surat
Date: 10/08/2024

Note: This report is to be read with Annexure A which forms an integral part of this report."

'ANNEXURE A'

To,
The Members,
Pace E-Commerce Ventures Limited
Anugrah Bunglow, Street 4, Pallod Farms II,
Shambhu Vihar Society, Nankude Vasti,
Aundh, Pune-411045, Maharashtra, India.

Our report of even date is to read along with this letter.

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

Sd/-
Dipesh A. Mistry
Practicing Company Secretary
M.No. ACS 34755
COP No. 15787
Peer Review No.:1298/2021
UDIN:A034755F000947832

Place: Surat
Date: 10/08/2024

Annexure-V

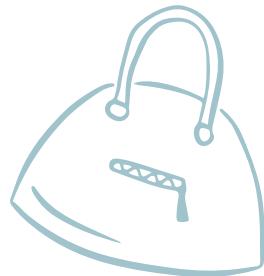
Management Discussion

and

Analysis

(Ref: Board's Report, Section 14)





Economic Overview

GLOBAL ECONOMY

Global growth is expected to maintain a rate of 3.2% in 2024 and slightly increase to 3.3% in 2025. However, recent fluctuations in economic activity have slightly reduced the output gaps across various economies as cyclical factors diminish, bringing activity closer to its potential. Persistent inflation in the services sector is hindering disinflation efforts, complicating the normalisation of monetary policy. This scenario has heightened the risk of prolonged elevated interest rates amidst rising trade tensions and increased policy uncertainty. To navigate these challenges and sustain growth, it is crucial to implement a carefully sequenced policy mix that ensures price stability and replenishes diminished buffers.

Global economic activity and trade strengthened at the start of the year, driven by robust exports from Asia, particularly in the technology sector. The first quarter saw stronger-than-expected growth in many countries, although Japan and the United States experienced notable downturns. In the United States, after a period of strong performance, growth slowed more sharply than anticipated due to declining consumption and a negative net trade contribution. Japan's economic contraction was primarily due to temporary supply disruptions from a major automobile plant shutdown in the first quarter. Conversely, Europe showed signs of economic recovery, led by an uptick in services activity. In China, a surge in domestic consumption propelled growth in the first quarter, supported by a temporary rise in exports reconnecting with last year's increase in global demand. These developments have somewhat narrowed the output disparities across economies, as cyclical influences diminish and activities align more closely with their potential.

Source: International Monetary Fund

INDIAN ECONOMY

The Indian economy is estimated to have grown by 8.2% in real terms in FY24, reflecting its strong position and resilience despite geopolitical challenges. This growth consolidates the post-Covid recovery, with fiscal and monetary policymakers ensuring both economic and financial stability. However, continuous adaptation is essential for sustaining high growth, particularly in light of the complexities in reaching global agreements on trade, investment, and climate.

This robust growth in FY24 follows significant growth rates of 9.7% and 7.0% in the previous two fiscal years. The headline inflation rate remains largely controlled, though some specific food items have seen elevated prices. The trade deficit was reduced in FY24 compared to FY23, and the current account deficit stands at around 0.7% of GDP, with a surplus recorded in the last quarter of the financial year. Foreign exchange reserves remain ample.

Public investment has played a critical role in sustaining capital formation over the past several years, while the private sector has overcome balance sheet constraints and began investing significantly in FY22. The private sector must now continue this investment momentum to drive economic growth. Encouragingly, national income data shows that non-financial private-sector capital formation expanded vigorously in FY22 and FY23 after a decline in FY21. Investment in machinery and equipment, which declined in FY20 and FY21, rebounded strongly. Early corporate sector data for FY24 suggests continued expansion in private sector capital formation, albeit at a slower rate.

Source: Govt. of India

Industry Overview

INDIAN E-COMMERCE INDUSTRY

India's e-commerce sector continues to thrive, with daily online transactions propelling revenue to an estimated ₹4,416.68 billion by the end of 2024. This remarkable growth is driven by increasing smartphone adoption, rising affluence, and affordable data prices. India's internet penetration, the second-largest globally, stands at over 880 million users as of March 2023, while telecom subscribers exceed 1,172 million, according to TRAI.

India's e-commerce revenue is expected to grow at an annual rate of 11.45%, reaching ₹7,591.94 billion by 2029. The Unified Payments Interface (UPI) facilitated transactions worth ₹125.94 trillion in 2022, with a user base surpassing 800 million. By 2029, the number of e-commerce users is projected to hit 501.6 million, with user penetration increasing from 22.1% in 2024 to 34.0% in 2029, and an average revenue per user (ARPU) expected to reach ₹14,121.

The Government e-Marketplace (GeM) recorded its highest Gross Merchandise Value (GMV) of \$2011 billion in FY 2022-23, with a cumulative GMV surpassing ₹4.5 trillion by July 2023. The e-commerce sector has penetrated all pin codes across India, with 60% of online orders originating from tier-2 cities and smaller towns. These regions contribute to three out of every five orders on leading e-retail platforms, reflecting a significant shift in consumer behaviour.

Electronics and apparel dominate the e-commerce market, accounting for nearly 70% of transaction value. Emerging categories include ed-tech, hyperlocal services, and food-tech. By 2025, millennials are expected to drive one-third of global social media shopping expenditure, followed by Gen Z at 29% and Gen X at 28%. Despite lower engagement from baby boomers, their presence on social media remains strong, with 82% having at least one account and 78% registered on Facebook.

Instagram and Facebook play pivotal roles in social commerce. Approximately 34% of Instagram users made purchases through the platform in 2023, while Facebook hosts over 250 million shops, showcasing its extensive reach. Despite concerns about payment security, social commerce continues to grow, driven by features tailored for businesses.

Mobile commerce is set to surpass \$3 trillion globally by 2027, with smartphones accounting for over 60% of e-commerce transactions. In India, 35% of consumers prefer online shopping for festive supplies, with significant activity during October, November, and December due to festivals like Diwali and Christmas. This period sees increased shopping activity and attractive deals from sellers.

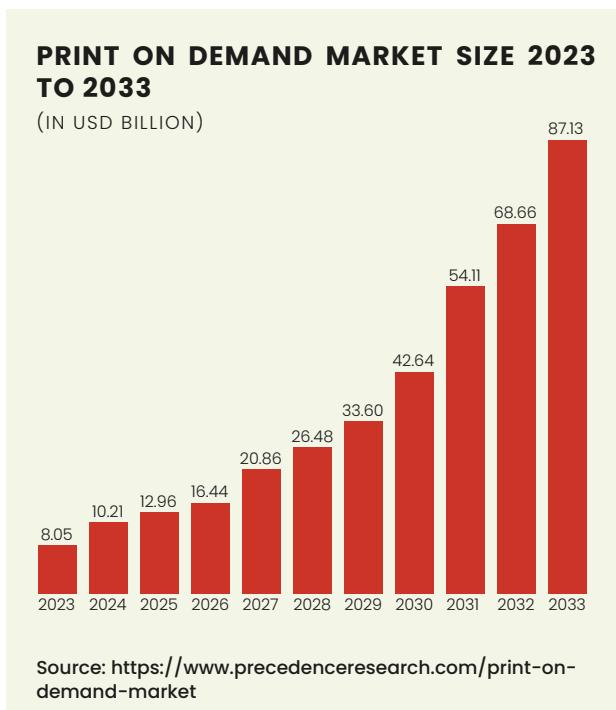
India's e-commerce sector is on a robust growth trajectory, supported by technological advancements, changing consumer preferences, and strategic market initiatives. The future looks promising, with continued expansion and innovation in the digital retail space.

Source: Forbes

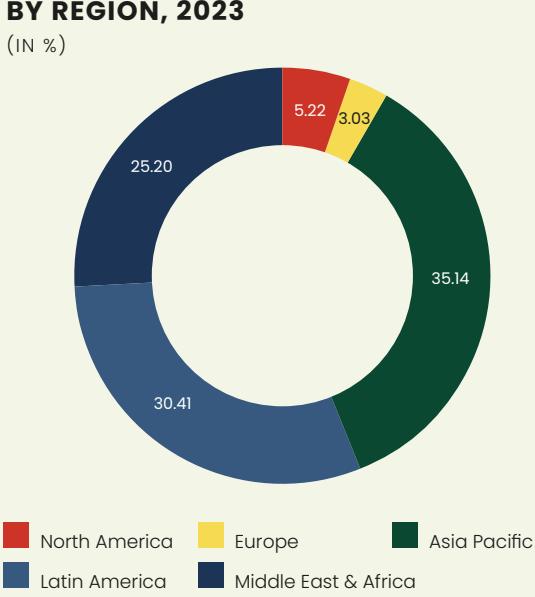


GLOBAL PRINT ON DEMAND INDUSTRY

The global print-on-demand market was valued at \$8.05 billion in 2023, grew to \$10.21 billion in 2024, and is projected to reach approximately \$87.13 billion by 2033, expanding at a CAGR of 26.9% from 2024 to 2033.



PRINT ON DEMAND MARKET SHARE, BY REGION, 2023



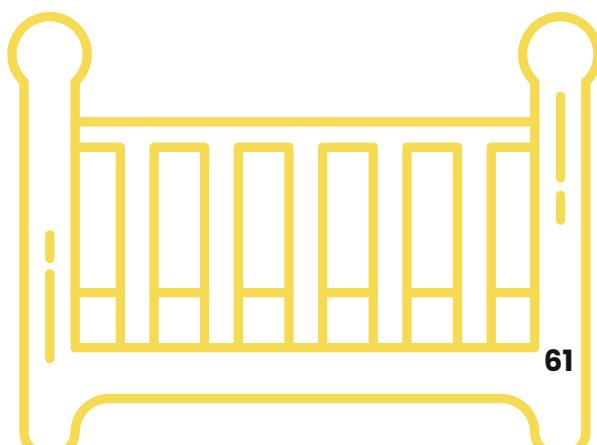
North America is set to lead the global market with a projected revenue share of 35.14% in 2023. Meanwhile, the Asia Pacific region is expected to experience the fastest growth, with a CAGR of 28% between 2024 and 2033.

In terms of platforms, the software segment commanded the largest revenue share in 2023. Looking forward, the service segment is anticipated to grow at the highest CAGR of 28.7% from 2024 to 2033.

Within the software category, the integrated segment held the maximum revenue share in 2023. In the product category, the apparel segment generated the highest revenue share for the year. Additionally, the home decor segment is projected to expand significantly, with a CAGR of 28% from 2024 to 2033.

In 2023, North America dominated the market and is expected to maintain its leading position throughout the forecast period. This growth is driven by robust technological infrastructure, stable currencies, and the availability of factories for print-on-demand goods. Notably, some of the largest print-on-demand companies, such as Printful, Inc., Printify, Inc., and Zazzle Inc., are headquartered in this region. Additionally, several non-North American companies, including Australia's Redbubble Ltd. and Norway's Gelato, have established distribution facilities in North America, further supporting market expansion.

Over the forecast period, the Asia Pacific region is expected to exhibit the highest CAGR of 28%. This growth is attributed to the presence of major market players, increasing smartphone usage, and rising internet penetration, which has led to a substantial number of online shoppers. Additionally, the regional market is set to expand due to technological advancements and the presence of numerous large textile factories, further bolstering development.



PRINT ON DEMAND MARKET GROWTH

FACTORS

Print-on-demand (POD) serves as a comprehensive framework for efficiently managing and optimising printing machinery and processes. This system significantly reduces printing costs by enabling customers to monitor, oversee, and control their entire printer fleet from a single application interface. Print management software streamlines the printing, shipping, and dispatch processes, making them swift and efficient. It can manage desktop printers, scanners, and copiers through one control system and is available in both autonomous and integrated forms within regulated print centres.

The demand for print-on-demand services is driven by several factors, including rising discretionary income, increased internet usage, higher smartphone adoption, and a growing preference for fashion apparel and unique products. The expansion of e-commerce also significantly contributes to the market's growth. The COVID-19 pandemic further accelerated this trend as lockdown restrictions led to a surge in online shopping, boosting sales of print-on-demand products.

During the pandemic, items such as personalised face masks and home products saw a notable increase in demand due to more people working remotely and spending time at home. This shift in

consumer behaviour is expected to sustain rapid growth in the print-on-demand market.

Print-on-demand platforms offer customers the ability to obtain printing solutions for unique designs. Various designers and entrepreneurs can either link their existing online shops or create new ones through these platforms. The service providers then print the orders and handle the end-to-end delivery process, ensuring a seamless customer experience.

Despite its growth, the market faces constraints due to a lack of transparency and control for artists and producers. Not all artists have access to the client base or control over the product quality, which can lead to customer dissatisfaction and a search for alternative options. However, the rapid automation and expansion of e-commerce remain significant market drivers.

The increasing demand for personalised and customised products, especially in the publishing industry, is a major growth driver for the print-on-demand market. Technological advancements in printing, such as digital printing and 3D printing, are expected to fuel innovation and expansion in the market, further enhancing its potential.

Source: Precedence Research

INDIAN PRINT ON DEMAND INDUSTRY

The Indian POD market has experienced significant growth in recent years and is anticipated to grow at a CAGR of 27.8% from 2024 to 2031.



The Indian Print on Demand (POD) sector is rapidly expanding, offering lucrative opportunities for businesses. The personalised products industry was valued at approximately \$1.7 billion in 2020, with the Indian POD market expected to reach several billion dollars in the coming years. India's e-commerce sector revenue is estimated ₹4,416.68 billion by the end of 2024, providing POD enterprises with a robust platform to access a vast customer base.

The POD market's expansion is driven by India's increasing disposable income, with 540 million people expected to join the middle class by 2025. Additionally, India's internet penetration has been steadily rising, with over 880 million users as of March 2023, as per Forbes, making it the second-largest online market globally. The simplicity of starting a POD business, along with the availability of printing equipment and e-commerce platforms, has spurred entrepreneurship and the rise of small businesses in India. Advancements in digital printing technology have further enabled companies to meet the growing demand for customised items.

India's enormous consumer base, burgeoning e-commerce usage, rising disposable income, and technological advancements create significant market potential for the POD industry. Businesses can capitalise on the demand for personalised goods and carve out a successful niche in this thriving sector. With over 1.4 billion inhabitants, India's diverse demographic offers a vast market for specialised products. The growing discretionary income among middle-class and urban populations increases their propensity to spend on unique, personalised items, such as custom clothing, accessories, home decor, and promotional products.

Despite its growth, the POD sector faces challenges related to logistics, transportation, storage, and internet access. India's vast geography complicates the development of efficient transportation networks, leading to delays and increased shipping costs. Limited storage space and inadequate warehousing infrastructure hinder scaling operations and timely order fulfilment. Variations in internet availability, especially in remote areas, disrupt workflows and impact productivity. The Indian government is actively working on infrastructure development projects to address these issues and enhance the POD market's growth environment.

The rise of e-commerce in India has significantly benefited the POD market. E-commerce platforms enable POD firms to reach a wider audience and showcase their products effectively. Increased smartphone usage and internet connectivity facilitate easy browsing and purchasing of customised products online. E-commerce growth has also allowed for targeted digital marketing and advertising, connecting POD businesses with consumer segments interested in personalised items. Integrating with e-commerce platforms like Flipkart, Amazon, Shopify, and WooCommerce streamlines operations, enhances customer experience, and boosts sales. Overall, the synergy between e-commerce and POD has created new opportunities for growth and customer engagement in India's dynamic market.

Source: Straits Research

Company Overview

Founded in 2015, PACE E-Commerce Ventures Limited has swiftly emerged as a notable player in the online retail and print-on-demand manufacturing sectors. Our unique strength lies in offering platforms that champion niche e-commerce, personalisation, and uniqueness, thereby redefining the standards of customisation and creative expression. Our innovative approach is transforming the fundamentals of this industry, creating an exceptional online marketplace that seamlessly links consumers, retailers, creators, and artists, offering a diverse array of solutions and products.

As pioneers of India's outstanding on-demand platform, we consolidate a wide range of offerings within a single, centralised space. By leveraging our on-demand manufacturing and printing capabilities, we achieve efficiency through economies of scale. Our commitment to personalisation allows retailers and customers to customise products across various categories. We are dedicated to inclusivity, providing a platform that empowers artists, designers, and creators in the unorganised sector, enabling them to unlock substantial earnings through our innovative marketplace model.

FY24 FINANCIAL PERFORMANCE

Your Company's revenue from operations (Net) for the year under review was ₹4,281.41 lacs in FY24, compared to ₹2,837.16 lacs in FY23, registering a rise in revenue by 50.90%. The percentage of Profit before

tax (PBT) to Total Revenue (Net) increased to 7.47% in FY24 from 2.68% in FY 23. Profit after Tax increased from ₹62.26 Lakhs in FY23 to ₹239.28 Lakhs in FY24.

| PARTICULARS (₹ IN LACS) | FY24 | FY23 |
|---|-----------------|-----------------|
| Revenue from Operations | 4,281.41 | 2,837.16 |
| Other Income | 116.81 | 3.18 |
| Total Revenue | 4,398.22 | 2,840.34 |
| Less: Total Expenses except interest and depreciation | 3,963.82 | 2716.20 |
| Profit/(Loss) Before Interest and Depreciation | 434.40 | 124.14 |
| (-)Interest | 65.61 | 46.04 |
| (-)Depreciation | 40.16 | 2.06 |
| Net Profit/(Loss) before exceptional items | 328.63 | 76.04 |
| (+)Exceptional Items | -- | -- |
| Net Profit Before prior period item & Tax | 328.63 | 76.04 |
| (+)Prior Period Items | -- | -- |
| (-)Tax expense | 89.35 | 13.78 |
| Net Profit/(Loss) for the year After Tax | 239.28 | 62.26 |
| Total Comprehensive Income for period | -- | -- |
| Earnings Per Share | | |
| - Basic | 1.06 | 0.28 |
| - Diluted | 1.06 | 0.28 |

KEY FINANCIAL RATIOS

| PARTICULARS (₹ IN LACS) | FY24 | FY23 | % of Variance | Remarks for variance more than 25% |
|--|-------|-------|---------------|--|
| Current Ratio (In times) | 2.47 | 6.23 | -60.33 | Current Ratios stabilised, still can meet current obligations. |
| Debt Service Coverage Ratio (In times) | 5.05 | 4.43 | 14.15 | N.A |
| Inventory Turnover Ratio (In times) | 4.57 | 18.24 | -74.93 | Company having inventory to accommodate future market demand. |
| Trade Payable Turnover Ratio (In times) | 10.53 | 51.44 | -79.53 | This indicate that the company has plenty of cash available to pay off its short-term debt in a timely manner. |
| Net Profit Ratio (In %) | 5.44 | 2.19 | 148.20 | This indicate that company is more efficient at converting sales into actual profit. |
| Debt-Equity Ratio (In %) | 5.33 | 3.87 | 37.88 | A Higher Debt- Equity ratio indicates a levered firm, which is quite preferable for a Company that has a stable cash flow generation & a highly levered firm uses debt to fund their growth strategy and it implies greater financial risk however leverage is an important tool that the company uses to grow by sustainable uses debt. |
| Return on Equity ratio (In %) | 3.28 | 0.85 | 284.34 | This indicates that a higher portions of the assets are financed using shareholders equity rather than borrowing money. |
| Trade Receivable Turnover Ratio (In times) | 39.59 | 3.35 | 1,080.57 | This indicates that higher portions of customers making their payments quickly. |
| Net Capital Turnover Ratio (In times) | 1.57 | 1.52 | 3.40 | N.A. |
| Return on Capital Employed Ratio (In %) | 5.49 | 1.88 | 192.45 | This indicates that company company is efficient to use of capital. |
| Return on Investment (In %) | N.A. | N.A. | N.A. | N.A. |

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

We firmly believe that our employees are our greatest asset, and cultivating a supportive work environment is crucial to our success. Our human resources policies are crafted to attract, develop, and retain top-tier talent. We are committed to equal opportunity and diversity, ensuring that our workforce mirrors the vibrant and diverse communities we serve. We uphold fair employment practices, fostering an inclusive workplace where employees can thrive and contribute their unique perspectives.

To support the overall well-being of our team, we offer various initiatives that cater to physical, mental, and emotional health, promoting a holistic sense of wellness. Additionally, we provide continuous learning and development opportunities, empowering our employees to enhance their skills and keep pace with the dynamic demands of the industry. We maintain open communication channels between management and employees, upholding transparency, fairness, and mutual respect. Our goal is to create an environment where collaboration and cooperation flourish, ensuring that the interests of all stakeholders are considered.

We understand that a harmonious and engaged workforce is essential for sustained growth. Through robust human resources practices and a commitment to positive industrial relations, we are building a team that propels our vision forward and makes PACE E-Commerce Ventures Limited a preferred workplace in the industry. As of 31st March 2024, we had 16 employees on board.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

At PACE E-Commerce Ventures Limited, we prioritise the establishment and maintenance of a robust internal monitoring and control system. This system is meticulously crafted to ensure operational efficiency, safeguard company assets, and authorise financial transactions.

We have implemented a comprehensive 'Budgetary Control' system that continuously monitors actual performance against financial plans. This proactive approach ensures strict adherence to financial targets. Our organisational structure, along with a well-defined authority matrix and internal regulations, collectively enhance the overall efficiency of our internal control system.

Our internal auditors play a pivotal role in assessing the adequacy and effectiveness of our internal control measures. Their evaluations ensure strict compliance with accounting principles and statutory requirements. The outcomes of these internal audit reports undergo thorough review by senior management and the Audit Committee of the Board. Based on their recommendations, appropriate compliance measures are implemented to reinforce our internal control framework.

This diligent approach ensures the accuracy of financial and other records, guaranteeing the preparation of reliable financial statements and precise asset records. By maintaining such a robust internal control system, we uphold the highest standards of financial integrity and accountability at PACE E-Commerce Ventures Limited.



SWOT ANALYSIS

Strengths

- **Diverse portfolio of brands:** Understanding of market needs have led us to create an assortment of platforms that fulfils various needs, inspire better lifestyle, and create more opportunities
- **Adaptable and agile business model:** Our business model is highly flexible and responsive, enabling us to swiftly adapt to market changes and consumer demands
- **Minimised inventory risk and capital requirements:** By leveraging a print-on-demand model, we effectively reduce inventory risks and capital expenditure

Opportunities

- **Growing B2C and B2B e-commerce:** The scope of growth in global e-commerce market whether in B2B or B2C is huge led by the proliferation of internet and mobile penetration
- **Rising demand among young professionals:** There is an increasing trend among young professionals, to buy online and to invest in personalised items that reflect their individual style and preferences
- **Technological advancements in printing:** Such as digital printing and 3D printing, are expected to fuel innovation and expansion in the market, further enhancing its potential

Weaknesses

- **Intensely competitive e-commerce market:** The e-commerce sector is highly competitive, posing significant challenges to maintaining market share
- **Dependence on outsourced value chain functions:** Relying on external vendors for various value chain functions can lead to dependencies that may affect operational efficiency
- **Limited usability of personalised products:** The appeal of personalised products may be restricted to niche markets, limiting their overall usability

Threats

- **Macroeconomic risks:** Geopolitical events and broader industry dynamics pose risks to market stability
- **Operational risks:** Constantly evolving consumer tastes and preferences present ongoing operational challenges
- **Technological and cyber risks:** Issues related to data security, privacy, and potential cyber breaches represent significant threats to our digital infrastructure and customer trust

CAUTIONARY STATEMENT

During our discussion about our business, it is crucial to highlight that some statements in this communication contain forward-looking information, which carries inherent risks and uncertainties. Actual results, performances, or achievements may significantly differ from those expressed or implied in these statements. Factors such as changes in government regulations and tax structures, policies of online payment gateways, brand collaborations and agreements, and economic developments in India as well as globally, can contribute to such differences.

We stress that we are not obligated to publicly update or revise these forward-looking statements, regardless of any new information, future events, or additional factors that may arise. Therefore, readers should not place undue reliance on these forward-looking statements, as they reflect the perspectives of PACE solely as of their respective dates.

CEO/CFO certification under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Shaival Dharmendra Gandhi, Managing Director and Chief Financial Officer of Pace E-Commerce Ventures Limited (Formerly known as Pace E-Commerce Ventures Private Limited) (Previously known as Pace Sports And Entertainment Private Limited), to the best of our knowledge and belief, certify that:

- A. I have reviewed financial statements and the cash flow statement of Pace E-Commerce Ventures Limited (Formerly known as Pace E-Commerce Ventures Private Limited) (Previously known as Pace Sports And Entertainment Private Limited) for the year ended March 31, 2024 and to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. We have indicated to the auditors and the Audit committee:
 - (1) That there are no significant changes in internal control over financial reporting during the year;
 - (2) That there are no significant changes in accounting policies during the year;
 - (3) That there are no instances of significant fraud of which we have become aware.

**For and on behalf of
Pace E-Commerce Ventures Limited
(Formerly known as Pace E-Commerce Ventures Private Limited)
(Previously known as Pace sports and Entertainment Private Limited)**

Date: 04/09/2024
Place: Ahmedabad
**Registered Office: Anugrah Bungalow, Street 4,
Pallod Farms II, Shambhus Vihar Society,
Nankude Vasti, Aundh, Pune,
Maharashtra - 411045, India.**

Mr. Shaival Dharmendra Gandhi
Chairman & Managing Director
DIN: 02883899

Independent Auditor's Report

To

The Members of

M/s. Pace E-Commerce Ventures Limited

Report on the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of **Pace E-Commerce Ventures Limited (CIN: U51909PN2015PLC156068)**, which comprises the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss, the Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of 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 Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit & loss statement and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provision of the Companies Act, 2013 and Rules made there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements. In our opinion and to the best of our knowledge, information and according to the explanations given to us, subject to the confirmation of Debtors, creditors, Loans and advance, noncompliance of various Government Guidelines, the aforesaid Standalone Financial Statements which comprise of the Balance Sheet, the statement of profit and loss and cash flow statement give the information required by the Act

in the manner so required, give a true & fair view in the conformity with the accounting principles generally accepted in India:

KEY AUDIT MATTERS

- a. Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, money raised by public offer of equity shares by the Company during the year were *prima facie*, applied by the Company for the proposes for which the money were raised, other than temporary deployment pending allocations of fund is parked which does not comply with the SEBI ICDR Regulation, we does not have observed any key audit matters required to be reported separately.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENT

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Standalone Financial Statements.

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

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

OTHER MATTER

Reporting on comparatives in case of first Ind AS financial statements

The comparative financial information of the Company for the year ended 31st March, 2024 and the related transition date opening balance sheet as at 1st April, 2023 included in these financial statements, have been prepared after adjusting previously issued the financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued financial statements were audited by the auditor whose report for the year ended 31st March, 2023 dated 27th May 2023 expressed an unmodified opinion on those financial statements. Adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure Ass", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit, 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 purposes of our audit. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the AS specified under Section 133 of the Act, read with rule 7 of the companies (Accounts) rules, 2014, except accounting standards on employees' retirement benefits as detailed in Note 3(K) of financials;
 - (e) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) In our opinion, the Company has, in all material respects, no adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2024, 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; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act; and

- (f) 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) Rule 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:

- I) The Company has disclosed the impact of pending litigation on its financial position in its Standalone Financial Statements.
- II) The Company did not have any long-term contracts including derivative contracts for which they were any material foreseeable losses under the applicable law or accounting standards.
- III) There has been no delay in transferring amounts if applicable, required to be transferred, to the Investor Education and Protection Fund by the Company.
- IV) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any

other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented, that, to the best of its knowledge and belief, other than as disclose in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year in contravention of the provisions of Section 123 of the Companies Act, 2013.

- vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. [Additionally, the audit trail has been preserved by the Company as per the statutory requirement for record retention.]

For Bharat Parikh & Associates

Chartered Accountants
Firm Registration No. 101241W

CA Bharat Parikh

Sr. Managing Partner
Membership No.038204
Place: Vadodara
Date: 18.05.2024
UDIN: 24038204BJZYJA9478

Annexure – A

To the Independent Auditor's Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the Standalone Financial Statements of the Company for the year ended March 31, 2024, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (b) A major portion of the assets has been physically verified by the management in accordance with a phased program of verification adopted by the Company. In our opinion, the frequency of verification is reasonable. To the best of our knowledge, no material discrepancies have been noticed on such verification.
- (c) We have inspected the original title deeds of the Company disclosed in the Standalone Financial Statement of the Company and held as Property, Plant and Equipment or as investment property or as PPE retired from active use and held for disposal which are in the custody of the Company. We have obtained third party confirmation in respect of title deeds of immovable properties of the Company which are in the custody of third parties such as mortgagees. Based on our audit procedures and the information and explanation received by us, we report that all title deeds of immovable properties of the Company disclosed in the Standalone Financial Statement of the Company and held as property, plant and equipment or as investment property or as PPE retired from active use and held for disposal are held in the name of the Company. However, we express no opinion on the title of the Company to these properties.
- (d) As informed to us the Company has not revalued its PPE, (including Right of use assets or intangible assets during the year).
- (e) According to the information and explanations given to us, no proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

(ii) (a) In our opinion and according to information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals with appropriate coverage and procedures of such verification by the management and no material discrepancies were noticed on physical verification of inventory.

(b) According to the information and explanations given to us and records examined by us, the Company has not been sanctioned working capital limits in excess of five crore rupees. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) In our opinion and according to the information provided to us the Company has made investments and provided guarantees and granted unsecured loans or advances in the nature of loans as specified below:

| Nature | Director's & Relatives | Concern in which Director or Relatives are interested |
|------------------------------|------------------------|---|
| Loan Given | 2,20,13,413.00 | 5,08,86,154.00 |
| Balance o/s as on 31/03/2024 | Nil | 2,89,91,827.00 |

(b) In our opinion and according to the information and explanations given to us, the terms and conditions of all loan provided are prejudicial to the interest of the Company.

(c) In our opinion and according to the information and explanations given to us, the schedule of repayment of principal and payment of interest has not been stipulated and the repayments or receipts are regular.

(d) In our opinion and according to the information and explanations given to us, the amount is not overdue, on the above loan, hence this clause is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Company Act 2013.

- (v) In our opinion and as explained to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.
- (vi) To the best of our knowledge and explanation given to us, the provisions of maintenance of cost records under sub-section (i) of Section 148 of the Act are not applicable to the Company for the Financial Year 2023-24 accordingly closed. (vi) of order is not applicable.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been generally regular deposited during the year by the Company with the appropriated. As explained to us, the Company did not have any dues on account of duty of excise.
- (b) According to the information and explanations given to us, there is no undisputed amounts payable for a period of more than six months from the date they became payable.
- (c) The disputed statutory dues, which have not been deposited with the appropriate authorities are as under:

| Name of Statute | Nature of Dues | Forum where the Dispute Pending | Period to which amount relates | Total Amount (₹ In Lakhs) |
|------------------------|-----------------------|--|---------------------------------------|----------------------------------|
| NIL | NIL | NIL | NIL | NIL |

- (viii) The Company does not have any transactions not recorded in the books and surrendered or disclosed in income-tax assessment. Hence, clause (viii) is not applicable.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government, or dues to debentures holder.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on our audit procedures, we report that Company does have term loan from Ergo Capital Ltd and made regular repayments and term loan were applied for the purpose for which loan was obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds has taken from other entities by Company to meet obligations of subsidiaries, associates or JVs.
- (f) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no loan raised by co. On pledge of securities in subsidiaries, associates or JVs.
- (x) (a) 1. The Company had completed initial public issue (IPO) during the last year by raising initial public offer of 64,59,600 equity shares of face value of ₹ 10/- each for cash at a price of ₹ 103 per equity share including a share premium of ₹ 93 per equity share, the Company had proposed to deploy these net proceeds towards meeting incremental working capital requirements. The equity share of the Company is listed on BSE-SME Platform on 20th October 2022.

- The Utilization of IPO proceeds was as follows.

(Amount In Lakhs)

| Objects as stated in the offer document | Projected Utilization in the offer document | Actual Utilization of Funds till March 31, 2023 | Actual Utilization of Funds during the year 23-24 | Balanced amount to be utilized |
|--|--|--|--|---------------------------------------|
| Acquisition of Plant & Machinery | 973.60 | 34.56 | 408.45 | 530.59 |
| Long-Term Working Capital Requirement | 2086.00 | 560.51 | 129.48 | 1396.01 |
| General Corporate purposes | 1000.20 | 471.40 | 528.80 | - |
| Issue related Expenses | 60.00 | 45.55 | - | 14.45 |
| Total | 4119.80 | 1112.02 | 1066.72 | 1941.06 |

Money raised by public offer of equity shares by the Company during the last year were prima facie, applied by the Company for the proposes for which the money were raised, other than temporary deployment pending allocations of fund is parked for the future and kept reserved for Capital Expenses which does not comply with the SEBI ICDR Regulation.

- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xi) (a) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during our audit.
- (b) During the year no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle-blower complaint during the year.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company in terms of Section 406 of the Companies Act, 2013. Accordingly, Clause (xii) of the order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of The Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- (xiv) The Company is covered by Section 138 of the Companies Act, 2013, related to appointment of internal auditor of the Company. Ashish N Parikh & Co. is the internal auditor of the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause (xv) of the Order is not applicable.
- (xvi) (a) According to the information and explanations given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

- (d) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not incurred any cash losses in the financial year.
- (xviii) There has not been any resignation of the statutory auditor during the year.
- (xix) In our opinion and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and managements plans, there is no material uncertainty exists as on the date of audit report that the Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations provided by the management, the Company has not transferred the amount remaining unspent in respect of the other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub sub-section (5) of the Section 135 of the Act, has not elapsed till the date of our report.

For **Bharat Parikh & Associates**
Chartered Accountants
Firm Registration No. 101241W

CA Bharat Parikh
Sr. Managing Partner
Membership No.038204
Place: Vadodara
Date: 18.05.2024
UDIN: 24038204BJZYJA9478

Annexure - B

To the Independent Auditor's Report

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 **Pace E-Commerce Ventures Limited**.

("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was

established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 **Bharat Parikh & Associates**
Chartered Accountants
Firm Registration No. 101241W

CA Bharat Parikh
Sr. Managing Partner
Membership No.038204
Place: Vadodara
Date: 18.05.2024
UDIN: 24038204BJZYJA9478

Balance Sheet

As at 31st March, 2024

(Amount In Lacs)

| Particulars | Note No. | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|----------|----------------------|----------------------|----------------------|
| ASSETS | | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 1 | 380.29 | 20.75 | 5.12 |
| Capital work-in-progress | | | | |
| Investment property | | | | |
| Goodwill | | | | |
| Other Intangible assets | 2 | 2,250.00 | 2,250.00 | 2,250.00 |
| Intangible asset under development | | 25.62 | 16.87 | |
| Biological Assets other than bearer plant | | | | |
| Financial assets | | | | |
| (i) Investment | | - | - | - |
| (ii) Trade receivables | | - | - | - |
| (iii) Loans | | | | |
| (iv) Other assets | 3 | 3,012.74 | 3,088.09 | 248.76 |
| Deferred tax assets (net) | 25 | - | 0.40 | 0.48 |
| Other non-current assets | 4 | 749.81 | 518.21 | 70.00 |
| TOTAL NON-CURRENT ASSETS | | 6,418.46 | 5,894.32 | 2,574.37 |
| CURRENT ASSETS | | | | |
| Inventories | 5 | 935.97 | 155.51 | 191.77 |
| Financial assets | | | | |
| (i) Investment | | | | |
| (ii) Trade receivables | 6 | 108.16 | 846.14 | 281.10 |
| (iii) Cash and cash equivalents | 7 | 35.46 | 63.65 | 13.88 |
| (iv) Bank balances other than cash and cash equivalents | | | | |
| (v) Loans | 8 | 40.55 | 159.84 | 180.62 |
| (vi) Other financial assets | | | | |
| Current Tax Asset (Net) | | | | |
| Other current assets | 9 | 818.42 | 382.39 | |
| TOTAL CURRENT ASSETS | | 1,938.56 | 1,607.53 | 667.37 |
| TOTAL ASSETS | | 8,357.02 | 7,501.85 | 3,241.74 |
| EQUITY AND LIABILITIES | | | | |
| EQUITY | | | | |
| Equity share capital | 10 | 2,253.35 | 2,253.35 | 1,831.90 |
| Other equity | 11 | 5,038.62 | 4,799.35 | 817.57 |
| TOTAL EQUITY | | 7,291.97 | 7,052.70 | 2,649.47 |
| NON-CURRENT LIABILITIES | | | | |
| Financial Liabilities | | | | |
| (i) Borrowings | 12 | 279.49 | 191.24 | 313.71 |
| (a) Lease liabilities | | | | |
| (ii) Trade payable | | - | - | - |
| (A) total outstanding dues of micro enterprises and small enterprise; and | | - | - | - |
| (B) total outstanding dues of creditors other than micro enterprise and small enterprise. | | - | - | - |
| (iii) Other financial liabilities (other than those specified in item (b), to be specified) | | - | - | - |
| Provisions | | | - | - |
| Deferred tax liabilities (net) | 25 | 1.63 | - | - |
| Other non-current liabilities | | | - | - |
| TOTAL NON-CURRENT LIABILITIES | | 281.11 | 191.24 | 313.71 |
| CURRENT LIABILITIES | | | | |
| Financial liabilities | | | | |
| (i) Borrowings | 13 | 173.37 | 151.25 | 48.77 |
| (a) Lease liabilities | | | | |
| (ii) Trade payable | | | | |
| (A) total outstanding dues of micro enterprises and small enterprise; and | | | | |
| (B) total outstanding dues of creditors other than micro enterprise and small enterprise. | 14 | 430.51 | 49.66 | 194.37 |
| (iii) Other financial liabilities (other than those specified in item (b), to be specified) | | | | |
| Other current liabilities | 15 | 78.24 | 34.75 | 13.34 |
| Provisions | 16 | 101.82 | 22.25 | 22.07 |
| Current Tax Liabilities (Net) | | | | |
| TOTAL CURRENT LIABILITIES | | 783.94 | 257.92 | 278.56 |
| TOTAL LIABILITIES | | 1,065.05 | 449.16 | 592.27 |
| TOTAL EQUITY AND LIABILITIES | | 8,357.02 | 7,501.85 | 3,241.74 |

Accounting Policies & Notes on Accounts
As per our Report on Even date attached

For Bharat Parikh & Associates
Chartered Accountants
FRN: 101241W
Peer Review Certificate No: 014390

For and Behalf of Board of Directors of
Pace E-Commerce Ventures Limited
(Formerly Known as Pace Sports & Entertainment Private Limited)
CIN: U51909PN2015PTC156068

CA Bharat Parikh
Sr. Managing Partner
Membership No : 038204
UDIN: 24038204BJZYJA9478
Place: Ahmedabad
Date: 18.05.2024

CS Nikita Pediwal
Company Secretary
Date: 18.05.2024
Place: Ahmedabad

Shaival D Gandhi
Managing Director
DIN: 02883899
Date: 18.05.2024
Place: Ahmedabad

Harshal Gala
Director
DIN: 09539871
Date: 18.05.2024
Place: Ahmedabad

Statement of Profit and Loss

For the period ended 31st March, 2024

(Amount In Lacs)

| Particulars | Note No. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|----------|------------------------------|------------------------------|
| Revenue: | | | |
| Revenue from operation | 17 | 4,281.41 | 2,837.16 |
| Other Income | 18 | 116.81 | 3.18 |
| Total Income | | 4,398.22 | 2,840.34 |
| Expenses: | | | |
| Cost of Material Consumed | | | |
| Purchase of stock-in-trade | 19 | 4,532.77 | 2,554.81 |
| Changes in inventories of finished goods | 20 | -780.46 | 36.27 |
| Employee benefits expense | 21 | 82.53 | 19.83 |
| Depreciation, amortisation and impairment expenses | 1 | 40.16 | 2.06 |
| Finance costs | 22 | 71.36 | 56.24 |
| Other expenses | 23 | 123.23 | 95.09 |
| Total expenses | | 4,069.59 | 2,764.30 |
| Profit/(Loss) before exceptional items and tax | | 328.63 | 76.04 |
| Exceptional Items | | | |
| Profit/(Loss) before tax | | 328.63 | 76.04 |
| Tax expense: | | | |
| Current tax | | 87.32 | 13.71 |
| Deferred tax charge/(credit) | | 2.03 | 0.08 |
| Profit for the period | | 239.27 | 62.26 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Income tax benefit/(charge) relating to Items that will not be reclassified to profit or loss | | | |
| Items that will be reclassified to profit or loss | | | |
| Income tax (charge)/benefit relating to Items that will be reclassified to profit or loss | | | |
| Total other comprehensive (loss)/income for the period/year (net of tax) | | | |
| Total comprehensive income | | 239.27 | 62.26 |
| Earnings per equity share [Equity shares of face value of INR 10 each] | | | |
| Basic and diluted (adjusted) | | 1.06 | 0.28 |

Accounting Policies & Notes on Accounts
As per our Report on Even date attached

For **Bharat Parikh & Associates**
Chartered Accountants
FRN: 101241W
Peer Review Certificate No: 014390

For and Behalf of Board of Directors of
Pace E-Commerce Ventures Limited
(Formerly Known as Pace Sports & Entertainment Private Limited)
CIN: U51909PN2015PTC156068

CA Bharat Parikh
Sr. Managing Partner
Membership No : 038204
UDIN: 24038204BJZYJA9478
Place: Ahmedabad
Date: 18.05.2024

CS Nikita Pediwal
Company Secretary
Date: 18.05.2024
Place: Ahmedabad

Shaival D Gandhi
Managing Director
DIN: 02883899
Date: 18.05.2024
Place: Ahmedabad

Harshal Gala
Director
DIN: 09539871
Date: 18.05.2024
Place: Ahmedabad

Statement of Cash Flow

For the year ended 31st March, 2024

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before tax | 328.63 | 76.04 |
| Adjustments for: | | |
| Depreciation & amortization | 40.16 | 2.06 |
| Loss on Sale of Fixed Assets | | |
| Transfer to General Reserve | | |
| Profit on Sale of Fixed Assets | | |
| Interest received | -116.81 | |
| Dividend Received | | |
| Interest expense Bank charges | 65.61 | 46.04 |
| Operating Profit before working capital changes | 317.59 | 124.15 |
| Adjustments for: | | |
| (Increase)/Decrease in Loans and Advances | -316.74 | -361.61 |
| (Increase)/Decrease in Trade receivables | 737.98 | -565.04 |
| (Increase)/Decrease in Inventories | -780.46 | 36.27 |
| (Increase)/Decrease in Non-Current investment | 75.34 | -3,086.79 |
| (Increase)/Decrease in Long Term Advances | -231.60 | -200.74 |
| Increase/(Decrease) in Trade Payables | 380.85 | -144.71 |
| Increase/(Decrease) in Other Liabilities | 43.48 | 21.24 |
| Increase/(Decrease) in short-term borrowings | 22.12 | 52.21 |
| Increase/(Decrease) in short-term provisions | 79.58 | 0.35 |
| Cash generated from Operations | 328.13 | -4,124.69 |
| Less: Direct Taxes Paid | 87.32 | 13.71 |
| Add: Excess provision written back | | |
| Cash Flow before extraordinary items | | |
| Net Cash from Operating Activities (A) | 240.81 | -4,138.40 |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchases of fixed assets | -408.45 | -34.56 |
| Proceeds from sale of fixed assets | | |
| Investment | | |
| Interest Received | | |
| Dividend Received | | |
| long-term loans and advances | | |
| Net Cash used in investing activities (B) | -408.45 | -34.56 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Issue of Share Capital | | 421.45 |
| Increase in Share Premium | | 3,919.52 |
| Repayment of Borrowings/Loan | 12.09 | -219.31 |
| Receipt of Borrowings/Loan | 76.15 | 147.11 |
| Tax on dividend | | |
| Dividend | | |
| Interest Paid | -65.61 | -46.04 |
| Interest Received | 116.81 | |
| Net cash used Financing Activities (C) | 139.44 | 4,222.73 |
| Net increase in cash and cash equivalents (A+B+C) | -28.20 | 49.77 |
| Cash and cash equivalents at the beginning of the year | 63.65 | 13.88 |
| Cash and cash equivalents at the end of the year | 35.46 | 63.65 |

Notes:

- (i) The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS 7 on Cash Flow Statements notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

As per our Report on Even date attached

For **Bharat Parikh & Associates**
Chartered Accountants
FRN: I0124IW
Peer Review Certificate No: 014390

CA Bharat Parikh
Sr. Managing Partner
Membership No : 038204
UDIN: 24038204BJZYJA9478
Place: Ahmedabad
Date: 18.05.2024

For and Behalf of Board of Directors of
Pace E-Commerce Ventures Limited
(Formerly Known as Pace Sports & Entertainment Private Limited)
CIN: U51909PN2015PTC156068

CS Nikita Pediwal
Company Secretary
Date: 18.05.2024
Place: Ahmedabad

Shaival D Gandhi
Managing Director
DIN: 02883899
Date: 18.05.2024
Place: Ahmedabad

Harshal Gala
Director
DIN: 09539871
Date: 18.05.2024
Place: Ahmedabad

Statement of Changes in Equity

EQUITY SHARE CAPITAL

(Amount In Lacs)

| Balance as at April 1, 2023 | Changes in equity share capital due to prior period errors | Restated balance as at April 1, 2023 | Changes in equity share capital during the year | Balance as at March 31, 2024 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 2,253.35 | - | 2,253.35 | - | 2,253.35 |

(Amount In Lacs)

| Balance as at April 1, 2022 | Changes in equity share capital due to prior period errors | Restated balance as at April 1, 2022 | Changes in equity share capital during the year | Balance as at March 31, 2023 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 1,831.90 | - | 1,831.90 | 421.45 | 2,253.35 |

OTHER EQUITY

(Amount In Lacs)

| Particulars | Reserves and Surplus | | | Total Equity |
|--|----------------------|--------------------------|-------------------|---------------|
| | Capital Reserve | Security Premium Reserve | Retained Earnings | |
| Current reporting period | | | | |
| Balance as at 01st April, 2023 | | | 4,669.52 | 129.82 |
| Changes in accounting policy or prior period errors | | | | |
| Restated balance as at 1 st April, 2023 | | | | 129.82 |
| Profit/(Loss) for the year as per statement of Profit & Loss | | | | 239.27 |
| Share Premium | | | | |
| Remeasurement of post employment benefit obligation (net of tax) | | | | |
| Balance as at 31st March, 2024 | | | 4,669.52 | 369.10 |
| Previous reporting period | | | | |
| Balance as at 1st April, 2022 | | | 750.00 | 67.57 |
| Changes in accounting policy or prior period errors | | | | |
| Restated balance as at 1st April, 2022 | | | 67.57 | 67.57 |
| Profit/(Loss) for the year as per statement of Profit & Loss | | | | 62.26 |
| Share Premium | | | 3,919.52 | 3,919.52 |
| Remeasurement of post employment benefit obligation (net of tax) | | | | |
| Balance as at 31st March, 2023 | | | 4,669.52 | 129.82 |
| | | | | |

For Bharat Parikh & Associates
Chartered Accountants
FRN: 101241W
Peer Review Certificate No: 014390

For and Behalf of Board of Directors of
Pace E-Commerce Ventures Limited
(Formerly Known as Pace Sports & Entertainment Private Limited)
CIN: U51909PN2015PTC156068

CA Bharat Parikh
Sr. Managing Partner
Membership No : 038204
UDIN: 24038204BJZYJA9478
Place: Ahmedabad
Date: 18.05.2024

CS Nikita Pediwal
Company Secretary
Date: 18.05.2024
Place: Ahmedabad

Shaival D Gandhi
Managing Director
DIN: 02883899
Date: 18.05.2024
Place: Ahmedabad

Harshal Gala
Director
DIN: 09539871
Date: 18.05.2024
Place: Ahmedabad

Notes forming part of the Ind AS Financial Statements

The above Financial Results for the Year ended 31-03-2024 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 18/05/2024.

The Financial Results for the year ended 31-03-2024 have been audited by the statutory auditor of the Company. The Statutory Auditor has given an unmodified opinion.

The Company had completed initial public issue (IPO) by raising initial public offer of 64,59,600 equity shares of face value of ₹ 10/- each for cash at a price of ₹ 103 per equity share including a share premium of ₹ 93 per equity share, the Company had proposed to deploy these net proceeds towards meeting incremental working capital requirements. The equity share of the Company is listed on BSE-SME Platform on 20th October 2022. The Utilization of IPO proceeds till March 31st 2024 is as follows:

| Objects as stated in the offer document | Projected Utilization in the offer document | Actual Utilization of Funds till March 31, 2023 | Actual Utilization of Funds during the year 23-24 | Balance amount to be utilized |
|--|--|--|--|--------------------------------------|
| Acquisition of Plant & Machinery | 973.60 | 34.56 | 408.45 | 530.59 |
| Long-Term Working Capital Requirement | 2086.00 | 560.51 | 129.48 | 1396.01 |
| General Corporate Purposes | 1000.20 | 471.40 | 528.80 | 0.00 |
| Issue related Expenses | 60.00 | 45.55 | 0 | 14.45 |
| Total | 4119.80 | 1112.02 | 1066.72 | 1941.06 |

1. CORPORATE INFORMATION

The Company is domiciled in India, with its registered office situated at Anugrah Bunglow, Street 4, Pallod Farms II, Shambhu Vihar Society, Nankude Vasti, AU, NDH, Pune, Maharashtra, India - 411045. The Company is engaged in the business of sale of all kind of Branded/Customised & personalized products.

2. BASIS OF PREPARATION

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

The financial statements up to the year ended 31st March, 2019 were prepared in accordance with the Accounting Standards notified under Section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian

GAAP") and other relevant provisions of the Act as applicable.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the Indian GAAP which is considered as the 'Previous GAAP' for purposes of Ind AS 101.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv. Composition of Financial Statements

The financial statements are in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity - Statement of Cash Flow
- Notes to Financial Statements

v. Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

3. SIGNIFICANT ACCOUNTING POLICIES

A. Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle - It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

B. Revenue Recognition:

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on the customer terms. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is recognised to the extent that it is highly probable a significant reversal will not occur.

For sale of goods wherein performance obligation is not satisfied, any amount received in advance is recorded as contract liability and recognized as revenue when goods are transferred to customers. Any amount of income accrued but not billed to customers in respect of such contracts is recorded as a contract asset. Such contract assets are transferred to Trade receivables on actual billing to customers.

In case customers have the contractual right to return goods, an estimate is made for goods that will be returned and a liability is recognised for this amount using the best estimate based on accumulated experience.

C. Other Income: Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably.

Other income is comprised primarily of exchange gain/loss on foreign currency transactions is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

D. Property, Plant and Equipment (PPE):

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition including capitalised borrowing

costs, if any, and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting year/period in which they are incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipments and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2021 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Tangible assets, other than lease hold land, are depreciated on a pro-rata basis based on the

straight line method, based on the estimated economic useful lives of the assets is taken as per indicative prescribed year in schedule II of the Companies Act, 2013. Freehold land is not depreciated.

Capital Work-in-Progress:

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

E. Intangible Assets:

Recognition and measurement:

A Company incurred intangible cost when it purchases a license agreement from various parties. This cost is usually capitalized and amortized over a set of period of time.

Intangible assets are non-physical Assets such as patent, license agreement, copyright.

License agreement grant licenses to user known as licensee and this type of license is covered as Intellectual Property Rights (IPR's) of one of the promoters of the Company along with the long business connection in the market in accordance with the generally used techniques in ascertaining the value of the business for such transaction and capitalization of IPR's as per Accounting Standards for future economic benefits of Assets expected to flow to the unit.

License Agreement can be difficult to enforce and protect from piracy or infringement including legal cost for protecting intangible asset which is License agreement.

Intangible Assets must be amortized over their useful life, if possible, sum assets, such as Brand Name have indefinite life and cannot be capitalized or amortized, other intangible assets such as license agreement have useful life determined in the license agreement, item with a defined useful life must be amortized Company has not charge depreciation on Intangible Assets during the Financial Year 2023-2024 and the same has been approved by the Board during the year

De-recognition of Intangible Assets:

Intangible asset is de-recognised on disposal or when no future economic benefits are expected

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

E. Impairment of Non-financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified;

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs;

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

F. Inventories:

Raw material, packing material and finished goods

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and packaging materials are valued at lower of cost and net realisable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, FIFO method is used.

Manufactured finished goods are valued at the lower of cost and net realisable value. Cost of

manufactured finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition.

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

G. Financial Instruments:

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

Financial Assets:

Initial recognition, classification and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt instruments at amortized cost

A debt instrument' is measured at its amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest Rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss.

Debt instruments at FVTOCI

A debt instrument' is classified at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets; and

- b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL;

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL.

However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated certain debt instrument as at FVTPL;

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
- b) Financial assets that are debt instruments and are measured as at FVTOCI;
- c) Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on: Trade receivables and Other receivables

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

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees

or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

H. Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

I. Cash Flows:

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

J. Cash dividend:

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution of dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

K. Employee benefits:

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes:

Contribution towards provident fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan:

Gratuity plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end;

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as

other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

L. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred;

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

M. Income taxes:

The tax expense comprises of current income tax and deferred tax.

Current income tax:

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date;

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements;

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary

differences and the carry forward unused tax losses can be utilised;

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised;

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

N. Provisions and Contingent liabilities and contingent assets:

a) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and an estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement;

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

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

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of

economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

O. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

P. Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

Short-term Lease

Short-term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Company elected to apply short-term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and applied the standard with modified retrospective approach to its leases.

3. RECENT PRONOUNCEMENT

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment – modification relating to adjustment after

vesting date to the fair value of equity instruments granted.

- iii. Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- vi. Ind AS 1 – Presentation of Financial Statements – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

vii. Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.

viii. Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.

ix. Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023.

For Bharat Parikh & Associates

Chartered Accountants

FRN: 101241W

Peer Review Certificate No: 014390

CA Bharat Parikh

Sr. Managing Partner

Membership No : 038204

UDIN: 24038204BJZYJA9478

Place: Ahmedabad

Date: 18.05.2024

For and Behalf of Board of Directors of
Pace E-Commerce Ventures Limited

(Formerly Known as Pace Sports & Entertainment Private Limited)

CIN: U51909PN2015PTC156068

CS Nikita Pediwal

Company Secretary

Date: 18.05.2024

Place: Ahmedabad

Shaival D Gandhi

Managing Director

DIN: 02883899

Date: 18.05.2024

Place: Ahmedabad

Harshal Gala

Director

DIN: 09539871

Date: 18.05.2024

Place: Ahmedabad

Notes to Financial Statements

For the year ended 31st March, 2024

NOTE 1: PROPERTY, PLANT AND EQUIPMENT

(Amount In Lacs)

| Particulars | Plant & Machinery | Furniture and Fixtures | Vehicles | Computer & Accessories |
|-------------------------------------|-------------------|------------------------|-------------|------------------------|
| Gross block at cost | | | | |
| Balance as at April 01, 2022 | 1.76 | 6.55 | 3.34 | 1.67 |
| Additions | 0.34 | - | - | 17.35 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2023 | 2.10 | 6.55 | 3.34 | 19.03 |
| Additions | 317.33 | 50.53 | - | 31.84 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2024 | 319.43 | 57.08 | 3.34 | 50.87 |
| Accumulated depreciation | | | | |
| Balance as at April 01, 2022 | 0.78 | 2.57 | 3.34 | 1.51 |
| Depreciation Charge for the period | 0.45 | 0.96 | - | 0.66 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2023 | 1.23 | 3.53 | 3.34 | 2.17 |
| Depreciation Charge for the period | 23.23 | 0.43 | - | 16.50 |
| Disposals/adjustments | - | - | - | - |
| Balance as at March 31, 2024 | 24.46 | 3.96 | 3.34 | 18.67 |
| Net block | | | | |
| As at March, 31 2024 | 294.97 | 53.12 | - | 32.20 |
| As at March, 31 2023 | 0.87 | 3.03 | - | 16.86 |

NOTE 2: INTANGIBLE ASSETS*

(Amount In Lacs)

| | Intellectual Property Right | Intangible Assets under Development |
|-------------------------------------|-----------------------------|-------------------------------------|
| Balance as at April, 01 2022 | 2,250.00 | - |
| Additions | - | 16.87 |
| Balance as at March, 31 2023 | 2,250.00 | 16.87 |
| Additions | - | 8.75 |
| Balance as at March, 31 2024 | 2,250.00 | 25.62 |

NOTE 3: OTHER ASSETS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|---------------------------------|---------------------------------|
| Statutory Authority and other Deposit | 6.88 | 80.31 |
| NBFC Deposit | 2,005.86 | 1,902.83 |
| Other Deposit | 1,000.00 | 1,104.95 |
| TOTAL | 3,012.74 | 3,088.09 |

NOTE 4: OTHER NON-CURRENT ASSETS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------------------|---------------------------------|
| Balance with Statutory/Govt. Authority (GST) | 62.89 | 23.33 |
| Other Advances | 310.84 | 135.99 |
| Business Development Exp | 376.08 | 358.89 |
| TOTAL | 749.81 | 518.21 |

NOTE 5: INVENTORIES

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--------------------|---------------------------------|---------------------------------|
| Raw materials | | |
| Packing materials | | |
| Finished goods | | |
| - In Stock | 935.97 | 155.51 |
| - Goods in transit | | |
| Stores and spares | | |
| Total | 935.97 | 155.51 |

NOTE: 6 FINANCIAL ASSETS: TRADE RECEIVABLES

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------------------|---------------------------------|
| Trade Receivables Secured considered Good | | |
| Trade Receivable (Unsecured & considererd good) | 108.16 | 846.14 |
| Trade Receivables which have significant increase in credit risk | | |
| Trade Receivables - Credit Impaired | | |
| Total | 108.16 | 846.14 |

#Trade receivables includes receivables from private companies in which director of the Company is a director.

Ageing of trade receivables**As at March 31, 2024**

(Amount In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | |
|----------------------------|---|------------------------------|----------------------|----------------------|
| | less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years |
| Unsecured considererd good | 104.85 | 3.31 | | |
| Total | 104.85 | 3.31 | | |

As at March 31, 2023

(Amount In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | |
|----------------------------|---|------------------------------|----------------------|----------------------|
| | less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years |
| Unsecured considererd good | 637.93 | 202.70 | 5.51 | |
| Total | 637.93 | 202.70 | 5.51 | |

NOTE 7: CASH AND CASH EQUIVALENTS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|---------------------------------|---------------------------------|
| | | |
| Balance with Banks (Current) | | |
| - HDFC Bank_1252 | 12.92 | 55.32 |
| - HDFC Bank_2707 | 0.24 | 0.15 |
| - Central Bank of India | 0.01 | 0.04 |
| - ICICI Bank Escrow | 0.81 | 0.81 |
| - State Bank of India | 5.05 | - |
| Cash on Hand | 16.42 | 7.33 |
| Total | 35.46 | 63.65 |

NOTE 8: FINANCIAL ASSETS: LOANS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|---------------------------------|---------------------------------|
| | | |
| Balance with Statutory/Govt.Authority | 28.31 | 4.75 |
| Advance to Creditors | 4.20 | 152.31 |
| Advance to Staff | 6.15 | 2.79 |
| Prepaid Rent | 1.89 | |
| Total | 40.55 | 159.84 |

NOTE 9: OTHER CURRENT ASSEST

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---------------------|---------------------------------|---------------------------------|
| | | |
| Advance for Capital | 818.42 | 382.39 |
| Total | 818.42 | 382.39 |

NOTE 10: SHARE CAPITAL

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Authorised Share Capital | | |
| 2,40,00,000 Equity Shares of ₹ 10/- each | 2,400.00 | 2,400.00 |
| Total Authorised Share Capital | 2,400.00 | 2,400.00 |
| Issued, Subscribed and fully paid up shares | | |
| 10,000 Equity Shares of ₹ 10/- each | 1.00 | 1.00 |
| 33,08,970 Equity Shares of ₹ 10/- each (Prev. Yr. ₹ 10/- each) | 330.90 | 330.90 |
| 1,50,00,000 equity shares of ₹ 10/- each at a premium of ₹ 5/- per share (Prev. Yr. ₹ 10/- each) | 1,500.00 | 1,500.00 |
| 42,14,540 Equity Shares of ₹ 10/- each | 421.45 | 421.45 |
| Total Issued, Subscribed and fully paid up shares | 2,253.35 | 2,253.35 |

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Equity Shares | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| At the beginning of the period - No of Shares | 225.34 | 183.19 |
| At the beginning of the period - Value of Shares | 2,253.35 | 1,831.90 |
| Issued during the period - No of Shares | - | 42.15 |
| Issued during the period - Value of Shares | - | 421.45 |
| Outstanding at the end of the period - No. of Shares | 225.34 | 225.34 |
| Outstanding at the end of the period - Value of Shares | 2,253.35 | 2,253.35 |

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

c. Details of shareholders holding more than 5% shares in the Company

| Name of shareholders | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|-------------------------|
| 1. Shaival Gandhi | | |
| - Number of shares held | 138.21 | 146.46 |
| - % of holding | 61.34 | 65.00 |
| 2. Parin Gala | | |
| - Number of shares held | 4.83 | 4.86 |
| - % of holding | 2.14 | 2.16 |

c. Details of shareholders holding more than 5% shares in the Company (Contd.)

| Name of shareholders | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|-------------------------|
| 3. Others | | |
| - Number of shares held | 82.29 | 74.02 |
| - % of holding | 36.52 | 32.85 |
| Total | | |
| - Number of shares held | 225.34 | 225.34 |
| - % of holding | 100.00 | 100.00 |

As per records of the Company, including its register of share holders/members and other declaration received from the share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

d. Equity Shares held by the promoters at the end of the year

| Name of Shareholders | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|-------------------------|
| 1. Shaival Gandhi | | |
| - Number of shares held | 138.21 | 146.46 |
| - % of holding | 61.34 | 65.00 |
| 2. Parin Gala | | |
| - Number of shares held | 4.83 | 4.86 |
| - % of holding | 2.14 | 2.16 |
| 3. Others | | |
| - Number of shares held | 82.29 | 74.02 |
| - % of holding | 36.52 | 32.85 |
| Total | | |
| - Number of shares held | 225.34 | 225.34 |
| - % of holding | 100.00 | 100.00 |

NOTE II: OTHER EQUITY

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Securities premium reserve | | |
| Opening Balance | 4,669.52 | 750.00 |
| Add: Security premium on issue of equity shares | | 3,919.52 |
| Less: Decrease due to transaction cost for issued share capital | | |
| Closing balance (A) | 4,669.52 | 4,669.52 |
| General reserve | | |
| Opening Balance | | - |
| Closing balance (B) | - | - |

NOTE 11: OTHER EQUITY (Contd.)

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Retained earnings | | |
| Opening Balance | 129.82 | 67.57 |
| Add: Profit during the period/year | 239.27 | 62.26 |
| Closing balance (c) | 369.10 | 129.82 |
| TOTAL A+B+C | 5,038.62 | 4,799.35 |

NOTE 12: FINANCIAL LIABILITIES: BORROWINGS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Non-Current Borrowings | | |
| Loan from Bank & Financial Institution | 388.88 | 272.78 |
| (Secured and Unsecured) | | |
| Loan From Directors, Family Member, Relatives & Others | 13.75 | 1.66 |
| | 402.63 | 274.44 |
| Less: Current Maturity of Loan from Bank (Refer note 14) | 123.14 | 83.20 |
| TOTAL | 279.49 | 191.24 |

Note: Installments falling due in respect of all the above term loans upto 31.03.2025 have been grouped under "Current maturities of Short-term Borrowings.

NOTE 13: FINANCIAL LIABILITIES: BORROWINGS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| (Secured & Unsecured Loans) | | |
| HDFC Bank OD | 50.22 | 50.27 |
| Current Maturity of Loans | 123.14 | 83.20 |
| Others | - | 17.78 |
| TOTAL | 173.37 | 151.25 |

NOTE 14: TRADE PAYABLE

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises | | |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 430.51 | 49.66 |
| TOTAL | 430.51 | 49.66 |

As per information given to us there were no amount overdue and remaining outstanding to small scale and/or ancillary Industrial suppliers on account of principal and/or interest as at the close of the year. Based on the information available with Company, there are no dues outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2024.

Ageing of trade payable

As at March 31, 2024

(Amount In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | |
|--|---|-----------------------------|----------------------|----------------------|
| | less than 6 months | 6 months - 1year | 1-2 years | 2-3 years |
| Total outstanding dues of creditors-micro enterprises and small enterprises | - | 397.20 | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 10.16 | 23.15 | - |
| TOTAL | - | 407.36 | 23.15 | - |

As at March 31, 2023

(Amount In Lacs)

| Particular | Outstanding for following periods from due date of payment | | | |
|--|---|-----------------------------|----------------------|----------------------|
| | less than 6 months | 6 months - 1year | 1-2 years | 2-3 years |
| Total outstanding dues of creditors-micro enterprises and small enterprises | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | - | 49.66 | - | - |
| TOTAL | - | 49.66 | - | - |

NOTE 15: OTHER CURRENT LIABILITIES

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|---------------------------------|---------------------------------|
| Statutory Dues | 7.58 | 15.77 |
| Advance Received from Customer | 0.50 | - |
| PF and ESIC Payable | 0.27 | 0.18 |
| Creditor for Capital Expenditure | 57.85 | - |
| Payables for expenses | | |
| (i) Total outstanding dues of MSME | - | - |
| (ii) Total outstanding for Tangible assets | - | - |
| (iii) Total outstanding dues of creditors other than MSME | 12.03 | 18.81 |
| TOTAL | 78.24 | 34.75 |

NOTE 16: PROVISION

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Provision for Income Tax | 87.32 | 13.71 |
| Other Provisions | 8.50 | 4.54 |
| Provision for Audit Fee | 6.00 | 4.00 |
| TOTAL | 101.82 | 22.25 |

NOTE 17: REVENUE FROM OPERATIONS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Sale of Products | | |
| Finished Goods (Net of Returns, Rebate & Discounts) | 4,281.41 | 2,491.16 |
| Finshed Goods (Others) | - | 346.00 |
| Total Revenue from operation | 4,281.41 | 2,837.16 |

NOTE 18: OTHER INCOME

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-------------------------|-------------------------|
| Other Income | 2.32 | 0.04 |
| Interest Income | 114.48 | 3.14 |
| Total Other Income | 116.81 | 3.18 |

NOTE 19: PURCHASE OF TRADE GOODS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Purchase of Goods | 4,522.65 | 2,548.62 |
| Direct Expenses | 10.12 | 6.19 |
| Total | 4,532.77 | 2,554.81 |

NOTE 20: CHANGES IN INVENTORIES OF FINISHED GOODS

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Inventories at the end of Year | | |
| Finished Goods | 935.97 | 155.51 |
| Inventories at the beginning of Year | | |
| Finished Goods | 155.51 | 191.77 |
| Changes in Inventory of finished goods | -780.46 | 36.27 |

NOTE 21: EMPLOYEE BENEFIT EXPENSES

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------------------|---------------------------------|
| Salary & Wages Expense | 80.29 | 19.73 |
| PF, ESIC, and other Charges | 0.11 | 0.11 |
| Director Sitting Fees | 2.13 | - |
| Total Employee Benefit Expenses | 82.53 | 19.83 |

Depreciation & amortisation

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|---------------------------------|---------------------------------|
| Depreciation of property, plant and equipments (refer note 4) | 40.16 | 2.06 |
| Total | 40.16 | 2.06 |

NOTE 22: FINANCE COST

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|---------------------------------|---------------------------------|
| Bank Commission & Charges | 0.62 | 0.99 |
| Loan Processing Charges | 5.13 | 9.21 |
| Bank Overdraft Interest | 5.44 | 4.67 |
| Interest on Loan | 60.17 | 41.37 |
| Total Finance Cost | 71.36 | 56.24 |

NOTE 23: OTHER EXPENSES

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|---------------------------------|---------------------------------|
| Selling & Distribution Exp | 20.46 | - |
| Transport Charges | 2.70 | 1.83 |
| Interest on Income Tax | 5.08 | 6.79 |
| Interest on TDS | 1.78 | 0.18 |
| Legal Fees | 2.09 | 0.77 |
| Membership Fees | - | 0.29 |
| Accounting Charges | - | - |
| IPO Exp (Govt. Fees) | 1.49 | 0.37 |
| Consulting Charges | 5.28 | 5.23 |
| Kasar/Vatav | - | 0.53 |
| Electricity Charges | 2.64 | 0.45 |
| Repairs & Maintenance Exps | 0.63 | 1.47 |
| Rent, Rates and Taxes | - | - |

NOTE 23: OTHER EXPENSES (Contd.)

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|---------------------------------|---------------------------------|
| Office Expense | 5.52 | 2.93 |
| Business Development Expense | 20.61 | 18.53 |
| Insurance Expense | 1.06 | 0.09 |
| Marketing, Travelling Expense | - | - |
| Preliminary Expense | 2.63 | 2.63 |
| GST Expenses | 0.72 | - |
| Int Audit Fee & IT Return | 0.43 | - |
| Foreign Exchange Gain/(loss) | - | - |
| Petrol Exps | 0.34 | 0.10 |
| Power & Fuel | - | - |
| Printing, Stationary & Xerox Charges | 0.96 | 0.60 |
| Telephone & Internet Charges | 0.61 | 0.24 |
| Office Rent Exps | 14.22 | 9.32 |
| Advertisement & Discount Charges | 6.39 | 9.34 |
| Royalty | 7.50 | 23.55 |
| Web Development Expense | - | 0.38 |
| Audit Fees (Total) | 6.00 | 6.50 |
| Travelling Expense | 4.85 | 2.97 |
| GST Return Filing Charges | - | - |
| Rounding Off | 0.00 | 0.00 |
| Commission Expense | 9.25 | - |
| Total Other Expenses | 123.23 | 95.09 |

Note 23(a): Auditors Remuneration

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|---------------------------------|---------------------------------|
| Audit fees | 2.00 | 0.50 |
| Total | 2.00 | 0.50 |

NOTE 24: DIRECTORS REMUNERATION

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|------------------------|---------------------------------|---------------------------------|
| Directors Remuneration | 12.00 | 7.50 |
| TOTAL | 12.00 | 7.50 |

NOTE 25: DEFERRED TAX

Major components of deferred tax are:

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Deferred Tax Liability | 1.63 | |
| Depreciation | | |
| Deferred Tax Assets | | 0.40 |
| Disallowance under the Income Tax Act, 1961 | | |
| Deferred Tax Liability/Assets (Net) | 1.63 | 0.40 |

Disclosures in respect of related parties as defined in Accounting Standard 18, with whom transactions have taken place during the year are given below:

Concerns in which directors or their relatives are interested

Fairplay HUB
Skittleball Ventures
Wigglewink Ventures Private Limited

Directors and their relatives:

Shaival Gandhi: Director

Following transactions were carried out with the related parties in the ordinary course of business:

(Amount In Lacs)

| Particular | 31-Mar-24 | | 31-Mar-23 | |
|--|------------------------|---|------------------------|---|
| | Directors' & Relatives | Concerns in which Directors of Relatives are interested | Directors' & Relatives | Concerns in which Directors of Relatives are interested |
| Sales & other Inc. | Nil | 25.91 | Nil | 0.53 |
| Purchase & other Ser. | Nil | 524.53 | Nil | Nil |
| Remuneration & Salary | 12.00 | Nil | Nil | Nil |
| Deposit Received | 232.22 | 314.43 | Nil | Nil |
| Deposit Paid | 220.13 | 508.86 | Nil | Nil |
| Interest Recd | Nil | Nil | Nil | Nil |
| Interest Paid | Nil | Nil | Nil | Nil |
| Rent Income | Nil | Nil | Nil | Nil |
| Maintenance and other Income | Nil | Nil | Nil | Nil |
| Loans and advances | Nil | Nil | Nil | Nil |
| Repayment of loan to directors & relatives | Nil | Nil | Nil | Nil |
| Loan Taken from directors and relatives | Nil | Nil | Nil | Nil |

Note: The particulars given above have been identified on the basis of information available with the Company.

NOTES 26: MICRO & SMALL ENTERPRISES DUES

As per information given to us there were no amount overdue and remaining outstanding to small scale and/or ancillary Industrial suppliers on account of principal and/or interest as at the close of the year. Based on the information available with Company, there are ₹ NIL outstanding to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 for more than 45 days as at March 31, 2024.

(Amount In Lacs)

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|--|---------------------------------|---------------------------------|
| Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. | | |
| Principal | Nil | Nil |
| Interest | Nil | Nil |
| The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | Nil | Nil |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006. | Nil | Nil |
| The amount of interest accrued and remaining unpaid at the end of each accounting year. | Nil | Nil |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006. | Nil | Nil |

NOTE 27: The figures of previous year have been regrouped or rearranged wherever necessary to conform to current year's presentation as per Schedule III (Division II) to the Companies Act 2013.

NOTE 28: NATURE OF BUSINESS

The Company is engaged in the business of sale of all kind of Branded/Customised & personalized products.

NOTE 29: Business Development expenditure written off in 20 years started from the Financial Year 2023-2024 and the same has been approved by the Board during the year and amount charged to Profit and Loss Accounts. In current financial year also we follow the same accounting policies.

NOTE 30: INTANGIBLE ASSETS

Company has not charge depreciation on Intangible Assets during the Financial Year 2023-2024 and the same has been approved by the board during the year.

NOTE 31: Loans and Advances, Unsecured loan and Debtors/Creditors are subject to confirmation.

NOTE 32:

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has a Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the Company has submitted Stock and debtors statement to the bank on monthly basis as also the Quarterly Information Statements.

- The average difference is not material and is less than 1% of amount of stock and debtors, which is on account of valuation, provisions, etc.
- c. The Company has not been declared as a willful defaulter by any lender who has powers to declare a Company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
 - d. The Company has not entered into any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Company Act, 1956.
 - e. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
 - f. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
 - g. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - h. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - i. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTE 33: Figures have been presented in 'Lacs' of rupees with two decimals.

NOTE 34: Loans and Advances, Unsecured loan and Debtors/Creditors are subject to confirmation.

NOTE 35: The financial statements are approved by the audit committee as at its meeting and by the Board of Directors on 18.05.2024.

NOTE 36: RATIO

| Sr. No. | Ratio Name | Ratio 2023-24 | Ratio 2022-23 | % of Variance | Remarks for variance more than 25% |
|---------|---|---------------|---------------|---------------|---|
| 1 | Current Ratio (In times) | 2.47 | 6.23 | -60.33 | Current Ratios stabilised, still can meet current obligations. |
| 2 | Debt Service Coverage Ratio (In times) | 5.05 | 4.43 | 14.15 | N.A |
| 3 | Inventory Turnover Ratio (In times) | 4.57 | 18.24 | -74.93 | Company having inventory to accommodate future market demand. |
| 4 | Trade Payable Turnover Ratio (In times) | 10.53 | 51.44 | -79.53 | This indicate that the Company has plenty of cash available to pay off its short-term debt in a timely manner. |
| 5 | Net Profit Ratio (In %) | 5.44 | 2.19 | 148.20 | This indicate that Company is more efficient at converting sales into actual profit. |
| 6 | Debt-Equity Ratio (In %) | 5.33 | 3.87 | 37.88 | A Higher Debt- Equity ratio indicates a levered firm, which is quite preferable for a Company that has a stable cash flow generation & a highly levered firm uses debt to fund their growth strategy and it implies greater financial risk however leverage is an important tool that the company uses to grow by sustainable uses debt |
| 7 | Return on Equity ratio (In %) | 3.28 | 0.85 | 284.34 | This indicates that a higher portions of the assets are financed using shareholders equity rather than borrowing money. |

NOTE 36: RATIO (Contd.)

| Sr. No. | Ratio Name | Ratio 2023-24 | Ratio 2022-23 | % of Variance | Remarks for variance more than 25% |
|---------|--|---------------|---------------|---------------|---|
| 8 | Trade Receivable Turnover Ratio (In times) | 39.59 | 3.35 | 1080.57 | This indicates that higher portions of customers making their payments quickly. |
| 9 | Net Capital Turnover Ratio (In times) | 1.57 | 1.52 | 3.40 | This indicates that Company is able to generate higher amount of sales. |
| 10 | Return on Capital Employed Ratio (In %) | 5.49 | 1.88 | 192.45 | This indicates that Company Company is efficient to use of capital. |
| 11 | Return on Investment (In %) | N.A. | N.A. | N.A. | |

Note:

1 Return on Investment

$$\frac{(MV(T_1) - MV(T_0) - \text{SUM}[C(t)])}{(MV(T_0) + \text{SUM}[W(t) * C(t)])}$$

Where,

T₁ = End of time period

T₂ = Beginning of time period

T = Specific date falling between T₁ and T₀

MV(T₁) = Market value at T₁

MV(T₀) = Market value at T₀

C(t) = Cash inflow, Cash outflow on specific date

W(T) = Weight of net cash flow

(i.e. either net inflow or outflow) on day 'T', Calculated as [T₁ - T]/T₁

PACE

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