



PENTAGON RUBBER LIMITED
(Formerly Known as Pentagon Rubber Private Limited)

CIN: U25192PB2004PLC054282

19th ANNUAL REPORT FOR THE FINANCIAL YEAR 2022-23

ABOUT THE COMPANY

Pentagon Rubber Limited is a family run MSME corporation under the KK Rubber Group which was established in 1969 for manufacturing Rubber Belting in New Delhi. With 50 years of experience in manufacturing & exporting of Conveyor & Transmission Rubber Belting, In 2004 factory at Barotiwala, Himachal Pradesh under the TAX FREE policy was set up and later in 2010 company expanded and setup second factory at Dera Bassi, Punjab. In 2017 company consolidated both units in Dera Bassi, Punjab which is today counted among the leading manufacturers of Conveyor Rubber Belting in India. The Company mainly cater to Government Tender Business, Exports Markets across 30 countries and Multinational/National Corporations of India.

The factory is set up in Industrial town of Dera Bassi, Punjab, 25 Kms from City Beautiful Chandigarh. It has installed one of the longest Conveyor Belting Press in India with 21mtr production capacity in single stroke. It is capable of producing the best conveyor rubber belting upto 3150KN/m due to advanced precision systems. It has installed production capacity of over 300 km of Conveyor Rubber Belt per year. The entire heavy duty mixing line is of Kobe/Japan & London/United Kingdom with mixing capacity of 6000 TPA. The building infrastructure is by Indian subsidiary of Kirby Building Systems to facilitate hindrance-free movement of belts in the factory.



BOARD OF DIRECTORS OF OUR COMPANY

NAME	DESIGNATION	ADDRESS	DIN
Mr. Ashish Jain	Chairman cum Managing Director	45, Sector-7, Panchkula, Haryana-134109, India	00738412
Mr. Anil Jain	Whole-Time Director	Olive 701, Salcon the Verandas, Golf Course Road, Sector-54, Gurgaon, Haryana- 122011, India	00247981
Mr. Saurabh Jain	Whole-Time Director	409, Sector-7, Panchkula, Haryana-134109, India	00761460
Mr. Lalit Jain	Non-Executive Director	Villa-105, Laburnum Sushant Lok, Block-A, Sector-28, Gurgaon, Haryana-122001	00249128
Mr. Manish Verma	Independent Director	322, Lane 9 G, Behind Kisan Bhawan, Sector - 35A, Chandigarh - 160022	08034159
Mrs. Preet Kamal Kaur Bhatia	Independent Director	152, Golden Avenue, Near Har Krishan Public School, Amritsar-143001, Punjab, India.	07070977

CORPORATE INFORMATION

CIN: U25192PB2004PLC054282

NAME	DESIGNATION	ADDRESS
Mrs. Shubhi Kishore	Company Secretary and Compliance Officer	House No. 45A, Pine Homes Dhakauli, Zirakpur -140603.
M/S. S Jain & Co. Chartered Accountant	Statutory Auditors	Red Cross Bhawan, Mall Road, Ludhiana - 141001, Punjab, India
Link Intime India Private Limited	Registrar and Share Transfer Agents	C-101, 1 Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India
HDFC Bank Limited	Bankers to the Company	HDFC Bank Limited
AXIS Bank Limited	Bankers to the Company	SCO 343-344, Sector 35 B, Chandigarh-160022, India

Our Products

General Purpose Belts

Conveyor Belts and Systems have been helping to ensure the prosperity and growth of the manufacturing industry globally since decades. These belts are meant to carry and convey material from point A to point B.

The design of general purpose conveyor belts enables application in all areas of material handling. Due to the carcass construction and quality of cover, these belts are noted for their reliability and long life in all industrial applications, either for general purposes or handling of sharp edged and extremely abrasive materials. They are reinforced with superior quality of Nylon and/or Polyester fabric. Our General Purpose Rubber Belt Conveyors are designed from a special combination of natural & synthetic materials, selected textile fabrics and polymers.



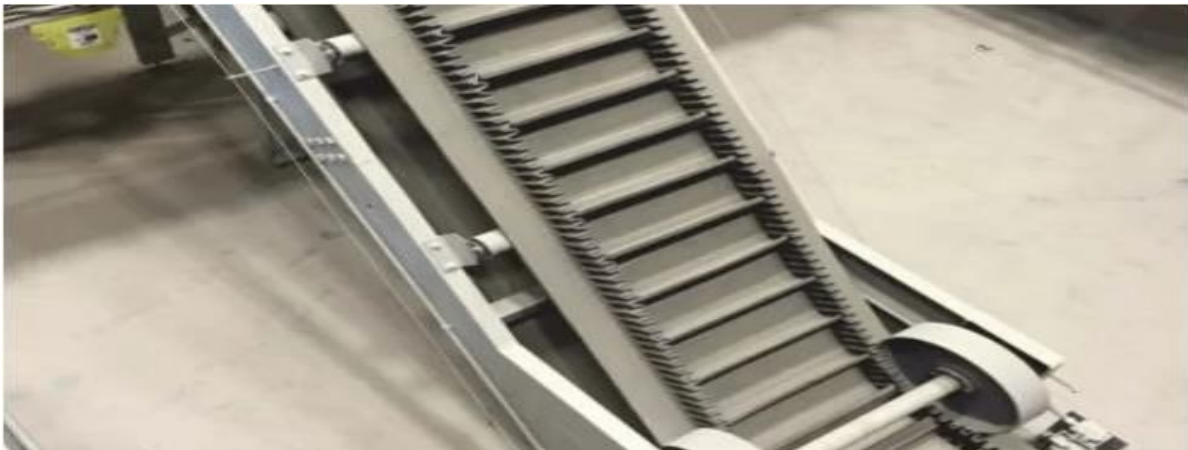
Super Abrasion Resistant

Super Abrasion Resistant are meant to exhibit superior cover protection to highly abrasive materials being conveyed. These belts are extensively used in mining and mining related industries, including steel, non ferrous metal plants, cement plants, thermal power plants, quarrying and aggregate processing and several other industrial applications.



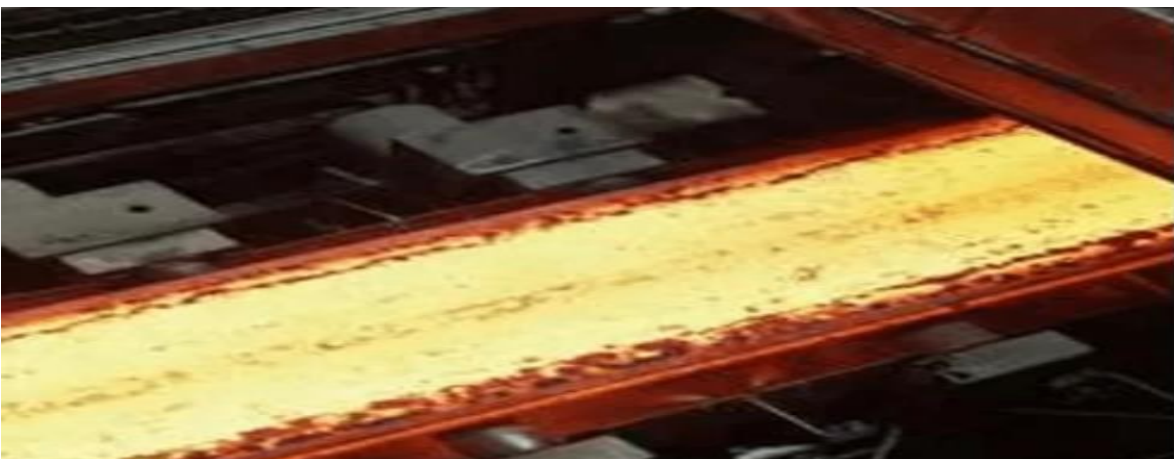
Elevator Belts

Elevator conveyor belts are designed for application in all areas of the belted-type elevators. Due to their carcass construction, they are known as an “endurance runner” and have proven to be reliable conveyor belts with a long service life. Elevator conveyor belts are the best solution from the technical and cost-efficiency point of view. They are smaller in width and have additional plies and are used upside down to support the weight of buckets which are bolted to the surface of these belts. Specifications of these belts generally depends upon the weight of buckets to be bolted on these belts. Very common use of these belts is in the Rice Industry where rice is delivered from point to point & even conveying the final product to Silos where it is stored.



Fire Resistant

Fire Resistant Conveyor Belts for surface applications are used for conveying coal in places such as thermal power plants and open cast coal mines for safety reasons. They don't allow fire to spread for long distances during material transportation in the mining process since they are made up of self-extinguishing covers. We follow various Indian & International Standards to manufacture the Fire Resistant Belts



Chevron Conveyors

Conveyor belts with a smooth carrying surface are useful for conveying of packed and unpacked material up to the angle of inclination 22° as an upper limit. Chevron belts are the right belts to meet your requirements when higher angles of inclination are required. For this purpose, our experts have developed high-performance and high-quality Chevron and High-Chevron conveyor belts.

They are noted for long service life and flexibility due to homogeneous Chevron profiles, which are vulcanised together with a base belt.





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E: sales@pentagonrubber.com
W: www.pentagonrubber.com

REGD. OFFICE & WORKS
Gulabgarh Road, Vill. Behra
Dera Bassi, Distt. S.A.S. Nagar,
Punjab-140507 (INDIA)
T: +91 9816610646/48
E: works@pentagonrubber.com

PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS PENTAGON RUBBER PRIVATE LIMITED)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th **Annual General Meeting** of the members of **PENTAGON RUBBER LIMITED (Formerly Known as Pentagon Rubber Private Limited)** shall be held through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') as under:

Date of Meeting	:	25th September 2023
Day	:	Monday
Time	:	01:00 PM
Venue	:	GULABGARH ROAD, VILLAGE BEHRA DIST. S.A.S. NAGAR DERABASSI MOHALI PB 140507 (At the Registered Office of the Company)
Event No.	:	230460

to transact the following business as: -

ORDINARY BUSINESS

1. **To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and the Auditors thereon.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted."

2. **To re-appoint Mr. Lalit Jain (DIN: 00249128), who retires by rotation and being eligible, offers himself for re-appointment as Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Lalit Jain (DIN: 00249128), who retires by rotation at this AGM and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director (designated as Director) of the Company, liable to retire by rotation.”

**By order of the board
For PENTAGON RUBBER LIMITED
(Formerly Known as Pentagon Rubber Private Limited)**

SD/-

**ASHISH JAIN
MANAGING DIRECTOR
DIN: - 00738412
ADD: H NO.45, SECTOR 7,
PANCHKULA HARYANA 134109**

Date: 01.09.2023

Place: Derabassi

NOTES:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 10/2022 dated December 28, 2022. The forthcoming Annual General Meeting will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and December 28, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

4. SEBI Circulars and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 19th AGM of your Company is being convened and conducted through VC.

5. The Company has facilitated the members to participate in the 19th AGM through VC facility provided by Link Intime India Private Limited. The instructions for participation by members are given in the subsequent paragraphs. Participation in AGM through VC shall be allowed on a first-come-first-served basis.

6. As per MCA Circulars, members attending the 19th AGM through VC will be reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013.

7. For exercising the votes by the members by electronic means, the Company has provided the facility of remote e-voting as well as e-voting during the AGM. The procedure for using the remote e-voting facility as well as e-voting during the AGM is given in the subsequent paragraphs.

8. Members joining the AGM through VC shall be permitted to exercise their right to vote using the e-voting facility at the AGM, provided they have not cast their votes using remote e-voting facility. The members who have already cast their votes prior to AGM using the remote e-voting facility may also join the AGM through VC but shall not be entitled to cast their votes again at the AGM.

9. As per the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of the Company. Since 19th AGM is being held through VC as per MCA Circulars and SEBI Circulars, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the 19th AGM and hence the Proxy Form and Attendance Slip are not annexed to this notice. Similarly, as this AGM is being held through VC, the route map is not annexed to this notice.

10. Corporate members may authorize their representatives for casting the votes using remote e-voting facility or for participation and voting in the AGM using VC. Institutional Investors are encouraged to attend and vote at the AGM through VC.

11. In line with MCA Circulars and SEBI Circulars, the Annual Report for the financial year 2022-23 along with Notice of 19th AGM of the Company inter-alia indicating the process and manner of e-voting are being sent only by electronic mode to those members whose email IDs are registered with the Company/Depository Participant(s) for communication. Members may note that the aforesaid documents may also be downloaded from the Company's website www.pentagonrubber.com and the website of National Stock Exchange of India Limited. In line with MCA Circulars, the Company has enabled a process for the limited purpose of receiving the AGM Notice and Annual Report (including remote e-voting instructions) electronically.

12. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained as per the Companies Act, 2013 will be available for electronic inspection by the members during the AGM. All the documents referred to in the Notice will also be available for electronic inspection by the members without any fee from the date of circulation of this notice up to the date of AGM i.e., September 25, 2023. Members seeking to inspect such documents may send an email to compliance@pentagonrubber.com.

13. The Register of Members and the Share Transfer books of the Company will remain closed from September 19, 2023 to September 25, 2023. (Both days inclusive)

VOTING THROUGH ELECTRONIC MEANS

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 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 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 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 AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available 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 AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of 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 Link Intime India Private Limited 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 Link Intime India Private Limited.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.pentagonrubber.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com respectively.

7. 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 Friday, September 22, 2023 at 09:00 A.M. and ends on Sunday, September 24, 2023 at 05:00 P.M. The remote e-voting module shall be disabled 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., Monday, 18 September, 2023 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 cutoff date, being Monday, 18 September, 2023.

How do I vote electronically using e-Voting system?

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL
 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 name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 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.jsp>
 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The 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.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.

2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have

not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

► Click “confirm” (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk 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.co.in or call at : 022 - 4886 7000 and 022 - 2499 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 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

ANNEXURE TO NOTICE

Details of Directors whose re-appointment is proposed at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of Director	Mr. Lalit Jain
Director Identification Number (DIN)	00249128
Date of Birth	16/01/1964
Date of first Appointment	April 26, 2004.
Qualification	Diploma of Associateship in Polymer Science and Technology (Rubber)
Relationships between directors inter-se	Cousin Nephew of Mr. Ashish jain, the Managing Director of the Company.
Expertise in specific functional Areas	Mr. Lalit Jain have vast experience of around 27 years in the Rubber Industry.
List of other Public Companies in which Directorship	No Private Companies: K K Apparels Private Limited
Chairmanship*/ Membership of the Committees of Board (includes only Audit Committee and Stakeholders Relationship Committee) of other Indian Public Companies	Member of Nomination & Remuneration Committee
Attendance at the Board Meeting in the Financial Year 2022-2023	Meetings Conducted during the year: 16 Meetings attended during the year: 16
Details of remuneration	No
No. of Shares held in the Company as on 17th August 2023.	17,07,075 Equity Shares

Board's Report

Dear Members,

Your Directors have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the Financial Year ended 31st March 2023 ("the period").

FINANCIAL RESULTS:

Management Discussion and Analysis of Financial Conditions and State of Company Affairs.

The Company's financial performance during the period is as under:

(In Thousands)

Particulars	Year ended 31 st March 2023 (INR)	Year ended 31 st March 2022 (INR)
Turnover	431789	350265
Other Income	422	894
Total Expenses	386745	320944
Profit/(Loss) Before Tax	45466	30215
Current Tax	13346	-
Deferred Tax	1150	(351)
MAT Tax	-	5646
MAT Credit Entitlement	-	(4810)
Profit/(Loss) For The Year	30970	29730

1. FINANCIAL PERFORMANCE:

Your Company's directors are pleased to inform you that, company has earned a profit of Rs. 30970 thousand as compared to previous year's profit Rs. 29,730 thousand. Company has managed to increase the turnover from Rs. 350265 thousand to Rs. 431789 thousand. This jump in profits is due to growing sales and better performance of the company.

2. LEGAL AND REGULATORY:

Compliance with laws and regulations is an essential part of your Company's business operations. We are subject to laws and regulations in diverse areas as product safety, product claims, competition, employee health and safety, the environment, corporate governance, listing and

disclosure, employment and taxes. Frequent changes in legal and regulatory regime and introduction of newer regulations with multiple authorities regulating same areas lead to complexity in compliance. We closely monitor and review our practices to ensure that we remain compliant with relevant laws and legal obligations.

3. DIVIDEND:

Considering future growth projects of the company, the board has decided not to declare any dividend to the shareholders for the financial year 2022-23.

4. SHARE CAPITAL:

The Authorised Share Capital was increased from Rs. 4,00,00,000 to Rs. 8,00,00,000 during the year under review.

The issued share capital of the company as on 31st March, 2023 was Rs, 5,40,00,000/- (Rupees Five Crore Forty lakhs only).

During the year under review, we have issued 14,00,000 (Fourteen Lakhs only) bonus shares at a face value of Rs. 10 each.

5. MATERIAL CHANGES:

Our Company was incorporated under the class of Private Company on 26th April, 2004 under Companies Act 1956. Acknowledging the growth opportunities and in need of raising finance for the same, the company on 15th December, 2022 has passed special resolution approving conversion from private company to public company and on 28th December 2022 has successfully converted the status from Private Company to Public Company.

Further company planned to expand its capital base, so on 07th January, 2023, the Board of Directors proposed to issue and list the shares of the Company on National Stock Exchange Limited (NSE)- SME Platform. On 11th January, 2023, the members of the company had passed a resolution and agreed with Board of Directors to list the securities. The company then commenced with issue process and took necessary steps like appointing lead merchant banker, share transfer agent, market maker etc. All the material contracts, material documents along with final prospectus copy has been filed with the Registrar of Companies, Chandigarh vide E- form GNL-2. On 07th July 2023 successfully got listed on the SME platform of National Stock Exchange Limited (NSE)- NSE Emerge.

The company had made a fresh issue up to 23,10,000 Equity shares which were oversubscribed by nearly 100 times.

The Company expresses immense gratitude to all parties to issue for making this an affluent issue.

6. TRANSFER TO GENERAL RESERVE:

As permitted under the provisions of the Companies Act, 2013 (the Act), the Board does not propose to transfer any amount to general reserve.

7. PUBLIC DEPOSITS:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

8. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your directors confirm that Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

10. HOLDING, SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

As on 31st March 2023, the Company does not have any Holding, Subsidiary, Associate or Joint Ventures.

11. RELATED PARTY TRANSACTION:

There are no contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS.

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

13. BOARD MEETINGS:

The Board has met 16 times during the financial year 2022-23.

S.No.	Dates	Number of Directors Present
1.	11 th April, 2022	4
2.	30 th May, 2022	4
3.	30 th May, 2022	4
4.	08 th August, 2022	4
5.	05 th September, 2022	4
6.	15 th October, 2022	4

7.	20 th October, 2022	4
8.	22 th November, 2022	4
9.	23 rd November, 2022	4
10.	24 th November, 2022	4
11.	24 th November, 2022	4
12.	29 th December, 2022	4
13.	7 th January, 2023	4
14.	16 th January, 2023	4
15.	3 rd March, 2023	4
16.	17 th March, 2023	4

14. EXTRACT OF ANNUAL RETURN:

In accordance with section 134(3)(a) of the Act, the annual return as referred in section 92(3) of the Act, for the financial year under review shall be placed on the website of the Company at www.pentagonrubber.com.

15. DEMATERIALIZATION OF SHARES:

Company's shares are in dematerialization form with National Security Depository Limited (NSDL).

16. DETAILS OF FRAUD REPORTED BY AUDITORS:

During the year under Review, No details of fraud reported by auditors of the company under Section 143(12) of the Companies Act, 2013.

17. ADEQUACY OF INTERNAL CONTROLS SYSTEM AND THEIR COMPLIANCE:

During the year, the Company has reviewed its Internal Financial Control systems and has continually contributed to the establishment of a more robust and effective internal financial control framework. The control criteria ensure the orderly and efficient conduct of the Company's

business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has an adequate Internal Financial Controls system that is operating effectively as of 31st March 2023.

There were no instances of fraud which necessitated reporting of material misstatements to the Company's operations.

There has been no communication from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

18. STATUTORY AUDITORS AND THEIR REPORT

M/s. S Jain & Co., Chartered Accountants (FRN: 0088469) as the Statutory Auditor of the Company to hold office for period of 5 (Five) years from the conclusion of the Annual General Meeting of the Company held in the year 2019 till the conclusion of the Annual General Meeting of the Company to be held in the year 2024.

Further, the notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. They do not contain any qualification, reservation, disclaimer or adverse remarks.

19. SECRETARIAL AUDIT:

Secretarial Audit for the financial year 2022-23 is not applicable.

However due to virtue of listing, provisions of Section 204 of Companies Act, 2013 read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 becomes applicable for the financial year 2023-24.

20. RESERVATION AND QUALIFICATION ON AUDITOR'S REPORT:

The Auditors' Report on the financial statements of the Company for the financial year ended 31st March 2023 does not contain any qualifications, reservations, adverse remarks or disclaimers. The Auditor's Report is enclosed with the financial statements forming part of the Annual Report.

Secretarial audit was not applicable for the financial year 2022-23.

21. RISK MANAGEMENT:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are considered while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them. The Company has formulated a policy for Risk management with the following objectives:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop a “risk” culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions.
- Identify, access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

22. APPLICATION MADE UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:

The Company has not initiated any proceedings under Insolvency Bankruptcy Code 2016 during the financial year 2022-2023.

23. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

Company has zero tolerance for sexual harassment at work place and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to provide protection to employees at work place and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

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

A. Conservation of Energy:

As the company is engaged in service sector, the energy consumption is minimal, however our Company is aware of its responsibilities and has at every available opportunity, used and implemented such measures so as to enable energy conservation. The company is constantly thriving to migrate towards renewable source of energy.

B. Technology Absorption:

The Company continues to use the latest information technology for improving the productivity. Absorption of qualitative technology helps to reduce operation costs. The Company’s operation does not require any significant import of technology so far.

B. Foreign Exchange Earnings & Out go: (in lakhs)

Total Foreign Exchange Earnings in 2022-23	Total Foreign Exchange outflow 2022-23	Total Foreign Exchange Earnings in 2021-22	Total Foreign Exchange outflow 2021-22
100.79	1135.80	150.02	511.43

25. DIRECTOR'S RESPONSIBILITY STATEMENT

As required under provisions of Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the of the company at the end of the financial year and of the Profit/loss of the Company for that period;
- iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors had prepared the annual accounts on a 'going concern basis';
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. BOARD EVALUATION

The Company is led by a diverse, experienced and competent Board. The performance evaluation of the individual members of the Board (including the Chairman) for financial year 2022-23, was carried out internally. This was based on a structured questionnaire which cover various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Member's strengths and contribution, execution and performance of specific duties, obligations and governance and feedback from each Director.

27. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSON:

The Directors and Key Managerial Personnel of the Company as on date are:

Name	Designation	Address	Date of Appointment
Mr. Ashish Jain	Chairman cum Managing Director	45, Sector-7, Panchkula, Haryana-134109, India	26/04/2004
Mr. Anil Jain	Whole-Time Director	Olive 701, Salcon the Verandas, Golf Course Road, Sector-54, Gurgaon, Haryana-122011, India	26/04/2004

Mr. Saurabh Jain	Whole-Time Director	409, Sector-7, Panchkula, Haryana-134109, India	26/04/2004
Mr. Lalit Jain	Non-Executive Director	Villa-105, Laburnum Sushant Lok, Block-A, Sector-28, Gurgaon, Haryana-122001	26/04/2004
Mr. Manish Verma	Independent Director	322, Lane 9 G, Behind Kisan Bhawan, Sector - 35A, Chandigarh - 160022	11/01/2023
Mrs. Preet Kamal Kaur Bhatia	Independent Director	152, Golden Avenue, Near Har Krishan Public School, Amritsar-143001, Punjab, India.	11/01/2023
Ms. Shubhi Kishore	Company Secretary	Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi Mohali, Punjab-140507, India	16/01/2023
Mr. Varun Jain	Chief Financial Officer	Gulabgarh Road, Village Behra Dist. S.A.S. Nagar, Derabassi Mohali, Punjab-140507, India	16/01/2023

The designation of Mr. Lalit Jain was changed to Non-executive Director of the company with effect from 07th January, 2023.

The designation of Mr. Ashish Jain was changed to Managing Director and that of Mr. Saurabh Jain and Mr. Anil Jain, was changed to Whole time directors with effect from 11th January, 2023.

Further, Mr. Varun Jain was appointed as **Chief Financial Officer and CS Shubhi Kishore (Membership No. 63032)** was appointed as Company Secretary of the Company with effect from 16th January, 2023.

Mr. Manish Verma and Mrs. Preet Kamal Kaur were appointed as the Independent Directors of the company on 11th January, 2023.

28. FORMATION OF COMMITTEE:

For the financial year 2022-23, your company was not required to form committee, but due to virtue of listing on the stock exchange, company in accordance with Section 177 and Section 178

of Companies Act, 2013 read along with Regulation 18, 19 and 20 of SEBI LODR Regulations 2015 has constituted the following committee:

S.NO.	Name of the Committee	Chairperson	Member 1	Member 2
1.	Audit Committee	Manish Verma	Ashish Jain	Preet Kamal Kaur Bhatia
2.	Nomination & Remuneration Committee	Manish Verma	Preet Kamal Kaur Bhatia	Lalit Jain
3.	Stakeholders Relationship Committee	Lalit Jain	Ashish Jain	Manish Verma

29. DECLARATION BY INDEPENDENT DIRECTORS:

As on March 31, 2023, the following Directors on your Board were Independent:

1. Mr. Manish Verma - Independent Director
2. Mrs. Preet Kamal Kaur Bhatia – Independent Director

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all Independent Directors, of the Company pursuant to Section 149(6) of the Companies Act, 2013, as may amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The certificates of Independence received from all the Independent Directors have been duly noted by the Board.

30. REMUNERATION POLICY:

On virtue of getting listed on the stock exchange on 7th July, 2023, the Company has formed Nomination and Remuneration Committee. The details are annexed as Annexure-1.

31. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During reporting period, the Company has not exceeded the threshold limit mentioned under Section 135 of the Companies Act, 2013.

Hence, the Company was not required to make any expenditure towards Corporate Social Responsibility.

32. VIGIL MECHANISM:

The Company has a whistle blower mechanism wherein the employees can approach the Management of the Company (Audit Committee in case where the concern involves the Senior

Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct. The Whistle Blower Policy requires every employee to promptly report to the Management any actual or possible violation of these Codes or an event an employee becomes aware of, that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy.

33. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS:

The guiding principle of the Code of Corporate Governance is 'harmony' i.e., balancing the need for transparency with need to protect the interest of the Company, balancing the need for empowerment at all levels with the need for accountability. The Company believes in the highest standards of good and ethical corporate governance practices. Good governance practices stem from the culture and mindset of the organization. It is therefore not merely about enacting policies regulations and procedures but also about establishing an environment of trust and confidence among various shareholders. The Company's philosophy on the Code of Governance is that the Company should follow contemporary corporate practices and the guiding principle of the Code of Governance of the Company is Harmony i.e.:

- (a) Balancing need for transparency with the need to protect the interests of the Company;
- (b) Balancing the need for empowerment at all levels with the need for accountability;
- (c) Interaction with all stakeholders including shareholders, employees, lenders and regulatory authorities.

34. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the support by the employees of the Company at all levels. Your directors also wish to place on record their appreciation for the valuable co-operation and support received from the shareholders.

The Directors look forward to their continued support in future.

**ON BEHALF OF THE BOARD OF DIRECTORS
PENTAGON RUBBER LIMITED
(Formerly known as PENTAGON RUBBER PRIVATE LIMITED)**

**SD/-
ASHISH JAIN
MANAGING DIRECTOR
DIN: 00738412
ADD: H NO.45, SECTOR 7,
PANCHKULA HARYANA 134109**

**SD/-
SAURABH JAIN
WHOLETIME DIRECTOR
DIN: 00761460
ADD: #409, SECTOR -7, PANCHKULA
HARYANA 134109**

**Place: Derabassi
Date: 01.09.2023**

Annexure-1

Nomination and Remuneration Policy

Regulatory Framework

I. Section 178 of the Companies Act, 2013

- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- The Nomination and Remuneration Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy as aforesaid shall ensure that:
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - (b) relationship of remuneration to performance is clear and meet appropriate performance benchmarks; and
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

II. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Schedule II Part D of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that role of Nomination and Remuneration Committee shall, inter alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. uses the services of an external agencies, if required;
- b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
- c. considers the time commitments of the candidates.

- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Such other functions/duties as may be entrusted by the Board from time to time. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Functions of Nomination and Remuneration Committee:

The NRC shall, inter-alia, perform the following functions:

- Identify persons who are qualified to become Directors in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
- Determine the criteria for selection, attributes and broad parameters for appointment of KMPs, evaluation and measurement of performance of KMPs and to recommend appointments of KMPs to the Board.
- Determine the criteria for selection, compensation structure, evaluation and measurement of performance of Senior Management Personnel.
- Ensure that the Board comprises of a balanced combination of Executive Directors and Non-Executive Directors and also the Independent Directors;
- Devise framework to ensure that Directors are inducted through suitable familiarization process covering their roles, responsibility and liability;

ON BEHALF OF THE BOARD OF DIRECTORS

PENTAGON RUBBER LIMITED

(Formerly known as PENTAGON RUBBER PRIVATE LIMITED)

SD/-

ASHISH JAIN

MANAGING DIRECTOR

DIN: 00738412

**ADD: H NO.45, SECTOR 7,
PANCHKULA HARYANA 134109**

SD/-

SAURABH JAIN

WHOLETIME DIRECTOR

DIN: 00761460

**ADD: #409, SECTOR -7, PANCHKULA
HARYANA 134109**

Place: Derabassi

Date: 01.09.2023

Independent Auditor's Report

To
The Members
M/S PENTAGON RUBBER LIMITED
(Formerly known as Pentagon Rubber Private Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Pentagon Rubber Limited (Formerly known as Pentagon Rubber Private Limited), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall

presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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 31 March 2023 and its profit & cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its Financial position.
 - (ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There were no amount which required to be transferred by the company to the Investor Education and Protection Fund.

For S. Jain & Co.

Chartered Accountants

Sd/-

(Sanjeev Jain)

(Partner)

(Membership No.: 088469)

Firm Registration No.: 009593N

UDIN: **23088469BGRUWR6164**

Place: Ludhiana

Date: 01.09.2023

ANNEXURE - A TO THE AUDITOR'S REPORT

[Referred in Paragraph (1) under the heading "Report on Other Legal and Regulatory Requirement" of our Report of even date to the members of M/s Pentagon Rubber Limited (Formerly known as Pentagon Rubber Private Limited), On the accounts of the company for the year ended 31st March, 2023]:

On the basis of such checks as we considered appropriate and according to the information & explanations given to us during the course of our audit, we report that:

1. In respect of fixed assets
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Plant, Property & Equipment on the basis of available information.
 - (b) The company is maintaining proper records showing full particulars of intangible assets.
 - (c) As per explained to us, all the fixed assets have been physically verified by the management in a phased periodic manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - (e) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (f) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
2. The inventories have been physically verified during the year by the management. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.

The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
3. According to information & explanations given to us, the company had not granted any loans, secured & unsecured to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.
4. In our opinion, and according to information and explanation given to us, the company had not granted any loans or provided any guarantees or securities or made any investments under section 185/186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order is not applicable.
5. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under to the extent notified.
6. As informed to us, the central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of activities carried on by the company.

7. In respect of statutory dues

- a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales Tax, Service tax, Customs duty, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authorities.
 - b) According to the records of the company and according to the information and explanations given to us, there is no liability on account of disputed statutory dues on company.
8. No transactions which is not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, and banks. The Company is not declared willful defaulter by any bank or financial institution or other lender and loans were applied for the purpose for which the loans were obtained. The funds raised on short term basis have not been published for long term purposes.
10. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The company did not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
11. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT 4 as presented under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. No whistle blower complaints received.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, this paragraph of the Order is not applicable.
13. 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 Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The company is not required to have an internal audit system commensurate with the size and nature of its business.
15. 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, this paragraph of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.
17. The company has not incurred cash losses in the financial year 2022-23 and in the immediately preceding financial year.
18. There has not been any resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying

the financial

statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exist on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. The company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act or to a special account in compliance with the provision of sub-section (6) of section 135 the said Act.
21. The company is not included in the consolidated financial statements as it has no subsidiary or holding company.

For S. Jain & Co.

Chartered Accountants

Sd/-

(Sanjeev Jain)

(Partner)

(Membership No.: 088469)

Firm Registration No.: 009593N

UDIN: **23088469BGRUWR6164**

Place: Ludhiana

Date: 01.09.2023

ANNEXURE - B TO AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of M/s Pentagon Rubber Limited (Formerly known as Pentagon Rubber Private Limited), as of 31 March 2023 in conjunction with our audit of the 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, 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 S. Jain & Co.

Chartered Accountants

Sd/-

(Sanjeev Jain)

(Partner)

(Membership No.: 088469)

Firm Registration No.: 009593N

UDIN: **23088469BGRUWR6164**

Place: Ludhiana

Date: 01.09.2023

M/s PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS M/s PENTAGON RUBBER PRIVATE LIMITED)
CIN:U25192PB2004PTC054282
BALANCE SHEET AS AT MARCH 31, 2023

(Figures in Lakhs)			
PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
I. EQUITY AND LIABILITIES			
-1 Shareholder's Funds			
(a) Share Capital	I	540.00	400.00
(b) Reserve and Surplus	II	323.75	141.20
(c) Share Application Money Pending Allotment		0.00	0.00
-2 Non-Current Liabilities			
(a) Long Term Borrowings	III	806.96	978.45
(b) Other Long Term Liabilities			
(c) Long Term Provisions	IV	7.16	10.00
(d) Deferred Tax Liabilities		0.00	0.00
-3 Current Liabilities			
(a) Short Term Borrowings	V	868.14	780.16
(b) Trade Payables	VI		
(A) total outstanding dues of MSME		81.96	69.42
(B) total outstanding dues of Creditors other than MSME		285.68	183.16
(c) Other Current Liabilities	VII	250.67	175.11
(d) Short term Provisions	VIII	80.72	53.94
TOTAL >>		3245.05	2791.44
II. ASSETS			
-1 Non Current Assets			
(a) Plant Property equipment and Intangible Assets			
(i) Plant Property equipment	IX	201.03	208.20
(ii) Intangible Assets			
(iii) Capital Work in Progress			
(iv) Intangible Assets under Development			
(b) Non-Current Investments			
(c) Deferred Tax Assets	X	20.46	31.95
(d) Other Non-Current Assets	XI	78.47	61.11
-2 Current Assets			
(a) Inventories	XII	1386.40	1153.01
(b) Trade Receivables	XIII	1343.04	941.26
(c) Cash & Cash Equivalents	XIV	82.68	74.13
(d) Short Term Loans & Advances	XV	114.86	317.62
(e) Other Current Assets	XVI	18.12	4.15
TOTAL >>		3245.05	2791.44

The accompanying notes are integral part of the Financial Statements

Place : Ludhiana	AUDITOR'S REPORT	The Notes referred to above form an integral part of the Balance Sheet For & on behalf of the Board For Pentagon Rubber Ltd.	
	This is the Balance Sheet referred to in our report of even date For S.Jain & Co. Chartered Accountants		
Date: 01.09.2023	SD/-	SD/-	SD/-
	(Sanjeev Jain) Partner M.No.088469 FRN No. 009593N UDIN- 23088469BGRUWR6164	(Ashish Jain) Managing Director DIN:00738412	(Saurabh Jain) Whole Time Director DIN:00761460
		SD/-	SD/-
		(Varun Jain) Chief Financial Officer	(Shubhi Kishore) Company Secretary

M/s PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS M/s PENTAGON RUBBER PRIVATE LIMITED)
CIN:U25192PB2004PTC054282
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Figures in Lakhs)			
PARTICULARS	NOTE NO.	AS ON 31.03.2023	AS ON 31.03.2022
I. Revenue From Operations	XVII	4317.89	3502.65
II. Other Income	XVIII	4.22	8.94
III. Total Income (I+II)		4322.11	3511.59
IV. Expenses			
- Cost of Material Consumed	XIX	3136.75	2552.24
- Changes in inventories of finished goods, work in progress & stock in trade	XX	25.32	24.41
- Employees Benefits Expenses	XXI	215.07	180.44
- Finance Costs	XXII	80.60	73.88
- Depreciation and Amortization Exp.		27.66	49.26
- Other Expenses	XXIII	382.06	329.21
Total Expenses		3867.46	3209.44
V. Profit Before Exceptional and Extraordinary Items and tax		454.66	302.15
VI. Exceptional Items			
VII. Profit before Extraordinary items		454.66	302.15
VIII. Profit Before Tax		454.66	302.15
IX. Tax Expense :			
(1) Current Tax		132.73	0.00
(2) Deferred Tax		11.50	-3.51
(3) MAT Tax		0.00	56.46
(4) MAT Credit Entitlement		0.00	-48.10
X. Profit/(Loss) for the period from continuing operations		310.43	297.30
XI. Prior Period Items		0.00	0.00
XII. Profit/(Loss) for the period		310.43	297.30
XIII. Earning per Equity Share	XXIV		
(1) Basic		5.75	5.51
(2) Diluted		5.75	5.51

The accompanying notes are integral part of the Financial Statements

Place : Ludhiana	AUDITOR'S REPORT This is the Profit & Loss referred to in our report of even date For S.Jain & Co. Chartered Accountants	The Notes referred to above form an integral part of the Statement of Profit & Loss For & on behalf of the Board For Pentagon Rubber Ltd.	
		SD/-	SD/-
Date: 01.09.2023	SD/- (Sanjeev Jain) Partner M.No.088469 UDIN- 23088469BGRUWR6164	SD/- (Ashish Jain) Managing Director DIN:00738412	SD/- (Saurabh Jain) Whole Time Director DIN:00761460
		SD/- (Varun Jain) Chief Financial Officer	SD/- (Shubhi Kishore) Company Secretary

M/s PENTAGON RUBBER LIMITED

(Figures in Lakhs)

PARTICULARS		AS AT 31.03.2023	AS AT 31.03.2022
I	<u>SHARE CAPITAL</u>		
	AUTHORISED		
	8000000/- (4000000/-) Equity of Rs.10/- each	800.00	400.00
	a) ISSUED SUBSCRIBED & PAID UP		
	Opening Balance of Shares (4000000 (P.Y 4000000) shares issued, subscribed and paid up of Rs.10/- each fully paid)	400.00	400.00
	Bonus Shares issued on 24.11.2022 (1400000 -(P.Y Nil) shares issued in the ratio of 7:20)	140.00	0.00
	Closing Balance of Shares (5400000/- (P.Y 4000000/-) shares issued, subscribed and paid up of Rs.10/- each fully paid)	540.00	400.00
	Note: The Company has raised its Equity Share Capital from 400,00,00 Equity Shares to 540,00,00 by way of Bonus issue in the ratio of 7:20 of 14,00,000 Equity shares of Face Value of Rs. 10 Each on November 24 , 2022		
	b) Terms/right attached to equity Shars		
	The company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company,the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.The equity shareholder is entitled for dividend as and when approved in the annual general meeting of the company.		
	c) Shareholders holding more than 5%		
	Following is the share holding pattern of share holders holding more than 5% of total shares as on reporting date:-		
	Lalit Kumar Jain s/o Sh. Kasturi Lal Jain (1707075 (P.Y 264500) shares @ Rs.10/- per share)	170.71	26.45
	Ashish Jain s/o Sh.Subhash Jain (900450 (P.Y 221500) shares @ Rs.10/- per share)	90.05	22.15
	Saurabh Jain s/o Sh. Tarsem Kumar Jain (1583550 (P.Y 272000) shares @ Rs.10/- per share)	158.36	79.30
	Kasturi Lal Jain HUF (Nil (P.Y 257500) shares @ Rs.10/- per share)	0.00	25.75
	Anil Jain s/o Sh.KK Jain (751275 (P.Y 157500) shares @ Rs.10/- per share)	75.13	0.00
	Kasturi Lal Jain s/o Sh. Khazanchi Lal Jain (Nil (P.Y 389500) shares @ Rs.10/- per share)	0.00	38.95
	Ekta Jain w/o Sh. Sumeesh Jain (Nil (P.Y 209000) shares @ Rs.10/- per share)	0.00	20.90
	TOTAL >>	494.24	213.50

Notes: Number of Shares are also converted into Lacks.

d) Shares held by Promoters

Current Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Lalit Jain	17.07	31.61%	36.06%
2	Saurabh Ja	15.84	29.33%	19.76%
3	Anil Jain	7.51	13.91%	14.84%
4	Ashish Jain	9.00	16.68%	16.97%
TOTAL		49.42	91.53%	87.65%

Note: During the period ended 31.03.2022, shares of Deceased & other shareholders have been duly transferred.

Previous Reporting Period				
Sr No.	Promotor's Name	No of shares	% of total shares	% Change during the year
1	Lalit Jain	2.65	6.61%	-
2	Saurabh Ja	7.93	19.83%	-
3	Anil Jain	1.58	3.94%	-
4	Ashish Jain	2.22	5.54%	-
TOTAL		14.37	35.91%	-

Notes: Number of Shares are also converted into Lacks.

M/s PENTAGON RUBBER LIMITED

PARTICULARS		AS AT 31.03.2023	AS AT 31.03.2022
II	<u>RESERVE & SURPLUS</u>		
	General Reserve		
	Profit & (Loss) Account Opening Balance	141.20	-155.74
	Add/Less: Other Adjustments	12.12	-0.35
	Less: Bonus shares Issued	140.00	0.00
	Add/(Less) Profit/(Loss) for the period	310.43	297.30
	Profit & (Loss) Account Closing Balance	323.75	141.20
III	<u>LONG TERM BORROWINGS</u>		
	(a) Secured Borrowings		
	Toyota Financial Corporation - Car Loan	-	3.78
	(Secured against hypth. Of Vehicle)		
	(EMI of Rs. 49,677.00 in 60 months starting from 20.12.2017)		
	Less: Current Maturities of Long Term Debt	-	3.78
		-	-
	(B) Secured Borrowings		
	Toyota Financial Corporation - Crysta	0.00	3.75
	(Secured against hypth. Of Vehicle)	0.00	0.00
	(EMI of Rs. 30,700.00 in 60 months starting from 20.05.2018)		
	Less: Current Maturities of Long Term Debt	0.25	3.50
		-0.25	0.25
	(C) Secured Borrowings		
	ICICI Bank-Alturas Car Loan	0.00	10.70
	(Secured against hypth. Of Vehicle)		
	(EMI of Rs. 51,287.00 in 60 months starting from 15.03.2019)		
	Less: Current Maturities of Long Term Debt	5.37	5.33
		-5.37	5.37
	(D) Secured Borrowings		
	HDFC Car loan - CRV Honda	8.71	12.91
	(EMI of Rs. 42,919.00 in 60 months starting from 05.02.2020)		
	(Secured against hypth. Of Vehicle)		
	Less: Current Maturities of Long Term Debt	4.58	4.20
		4.13	8.71
	(E) Secured Borrowings		
	HDFC Car loan - Swift	1.69	2.59
	(EMI of Rs. 9,134.00 in 60 months starting from 05.12.2019)		
	(Secured against hypth. Of Vehicle)		
	Less: Current Maturities of Long Term Debt	0.98	0.90
		0.71	1.69
	(F) Secured Borrowings		
	HDFC ECLGS-8219491	41.83	41.83
	(EMI of Rs. 2,94,455.00 in 48 months starting from 07.07.2021)	33.12	0.00
	Less: Current Maturities of Long Term Debt	8.71	41.83
	(G) Unsecured Borrowings		
	From Directors	244.80	229.05
	From Relatives	548.61	691.55
	TOTAL >>	806.96	978.45
	The above borrowings are due for repayment for more than 12 months from the reporting date		
IV	<u>LONG TERM PROVISIONS</u>		
	Provision for Gratuity	7.16	10.00
	Total	7.16	10.00

M/s PENTAGON RUBBER LIMITED

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
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V SHORT TERM BORROWINGS

(a) Secured Borrowings

HDFC Bank Ltd - CC-3878 (Secured against stocks & Book Debts of the Company)	463.72	332.58
Axis Bank O/D -483241 (Secured against Residential Property of Directors of the Company)	254.13	290.58
HDFC ECLGS-8219491 (EMI of Rs. 2,94,455.00 in 48 months starting from 07.07.2021)	33.12	30.50
HDFC -9347	0.42	0.00
National small Industries Corporation Limited -10.5%	105.56	108.78
Current Maturities of Long Term Borrowings	11.18	17.72

TOTAL >>

868.14

780.16

The above borrowings are due for repayment for less than 12 months from the reporting date. Further the Company does not have any unconditional right to defer settlement of liability of atleast twelve months from the reporting date.

VI TRADE PAYABLES

Trade Payables

367.65

252.57

Current Reporting Period

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	81.96	0.00	0.00	0.00	81.96
Others	276.83	0.00	0.00	8.85	285.68
Dispute dues-MSME	0.00	0.00	0.00	0.00	0.00
Dispute dues	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	358.79	0.00	0.00	8.85	367.65

Previous Reporting Period

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	69.42	0.00	0.00	0.00	69.42
Others	161.81	10.09	1.91	9.35	183.16
Dispute dues-MSME	0.00	0.00	0.00	0.00	0.00
Dispute dues	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	161.81	10.09	1.91	9.35	252.57

The crediors are Trade Payables which are expected to be payable in normal operating cycle of the Company.

VII OTHER CURRENT LIABILITIES

Advances from Customers	38.08	48.05
Other Payables	162.40	74.53
Other Creditors	50.19	52.54

TOTAL >>

250.67

175.11

The above liabilities are payable/adjustable within next 12 months and the Company does not have any unconditional right to defer settlement of liability of atleast twelve months from the reporting date.

VIII SHORT TERM PROVISIONS

Provision for Gratuity	0.61	0.00
Provision for Tax	80.11	53.94
	80.72	53.94

M/s PENTAGON RUBBER LIMITED

PARTICULARS		AS AT 31.03.2023	AS AT 31.03.2022		
X	<u>DEFERRED TAX ASSETS</u>				
	Balance	20.46	31.95		
	The timing difference of Depreciation, unabsorbed depreciation, brought forward losses and Gratuity have been recognised.				
XI	<u>OTHER NON CURRENT ASSETS</u>				
	Securities	78.47	61.11		
	Securities are expected not to be realised within twelve months from the reporting date.				
XII	<u>INVENTORIES</u>				
	Raw Material	1381.01	1149.29		
	Consumables, Stores & Scrap	5.39	3.72		
	TOTAL >>	1386.40	1153.01		
XIII	<u>TRADE RECEIVABLES</u>				
	i) Outstanding for a period exceeding six months from the date they are due for payment	370.86	439.49		
	ii) Other Debts-Less than 6 months	972.17	501.77		
		1343.04	941.26		
Current Reporting Period					
Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months-1 year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivables- Considered Goods	972.17	70.09	76.20	0.86	141.93
Undisputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	73.31
Disputed Trade Receivables- Considered Goods	0.00	0.00	0.00	0.00	8.47
Disputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	0.00
Total	972.17	70.09	76.20	0.86	223.71
Previous Reporting Period					
Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months-1 year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivables- Considered Goods	501.77	115.59	62.52	11.13	146.33
Undisputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	82.88
Disputed Trade Receivables- Considered Goods	0.00	0.00	0.00	15.99	5.04
Disputed Trade Receivables- Considered Doubtful	0.00	0.00	0.00	0.00	0.00
Total	501.77	115.59	62.52	27.13	234.25
The above receivables are expected to be realized in normal operating cycle of the Company.					
XIV	<u>CASH & CASH EQUIVALENTS</u>				
	Cash on Hand	25.69	14.35		
	Bank Balances	56.99	59.79		
	TOTAL >>	82.68	74.13		
XV	<u>SHORT TERM LOANS & ADVANCES</u>				
	Advances Recoverable in cash or in kind or for value to be received	114.86	317.62		
	Loans& Advances				
	TOTAL >>	114.86	317.62		
The above Loans & Advances are expected to be realised within twelve months from the reporting date.					
XVI	<u>OTHER CURRENT ASSETS</u>				
	Prepaid Insurance	2.02	0.44		
	Prepaid Expenses	16.10	3.71		
	TOTAL >>	18.12	4.15		

M/s PENTAGON RUBBER LIMITED

PARTICULARS		AS AT 31.03.2023	AS AT 31.03.2022
XVII	<u>REVENUE FROM OPERATIONS</u>		
	Domestic Sales	4217.10	3352.63
	Export Sales	100.80	150.02
	Net Revenue (Net)	4317.89	3502.65
	Detail of goods Sold		
	Fabric	0.49	1.43
	Rubber Scrap	3.20	0.68
	Rubber Belting	2961.26	2581.89
	Rubber Chemicals	1352.94	918.65
		4317.89	3502.65
XVIII	<u>OTHER INCOME</u>		
	Export Incentive	1.30	5.98
	Interest Income	2.92	0.00
	Foreign Exchange Fluctuation	0.00	2.62
	Inspection Charges	0.00	0.33
	TOTAL >>	4.22	8.94
XIX	<u>COST OF MATERIAL CONSUMED</u>		
	Opening Stock of Raw Material	1149.29	942.85
	Add : Purchases during the year	3368.47	2758.68
	Less : Closing Stock of Raw Material	1381.01	1149.29
	Cost of Raw Material Consumed	3136.75	2552.24
XX	<u>CHANGES IN INVENTORY OF FINISHED GOODS, WIP & STOCK IN TRADE</u>		
	Opening Stock		
	- WIP	-	-
	- Consumable, Stores & Scraps	3.72	10.29
	Purchases - Consumables	26.98	17.84
	Less Closing Stock		
	- WIP		
	- Consumable, Stores & Scraps	5.39	3.72
	(Increase)/Decrease in Stock	25.32	24.41

M/s PENTAGON RUBBER LIMITED

PARTICULARS		AS AT 31.03.2023	AS AT 31.03.2022
XXI	<u>EMPLOYEES BENEFITS EXPENSES</u>		
	Salary & Wages	191.76	163.70
	Contribution to Provident & Other Funds	23.31	16.73
	TOTAL >>	215.07	180.44
XXII	<u>FINANCE COSTS</u>		
	Bank Charges	9.24	7.68
	Bank Interest	71.36	66.20
	TOTAL >>	80.60	73.88
XXIII	<u>OTHER EXPENSES</u>		
	Auditors Remuneration		
	As Auditor	0.22	0.22
	As Tax Auditor	0.08	0.08
	Advertisement	0.00	0.07
	Accountancy Charges	0.30	0.30
	Computer Expenses	1.16	0.68
	Commission	14.95	9.50
	Electricity Expenses	1.92	4.92
	Fees & Taxes	9.56	3.32
	Foreign Exchange Fluctuation	0.88	0.00
	Inspection Charges	3.95	0.00
	Insurance	5.49	5.38
	Medical Exps	0.27	2.00
	Loss on sale of Scrips	0.00	0.07
	Sanitation Exps	0.26	0.00
	Postage Exp.	1.12	0.68
	Printing & Stationery	0.57	1.02
	Office Exps	0.26	0.23
	Rebate & Discount	0.39	28.77
	Late Delivery Charges	0.00	4.05
	Rent	3.97	3.97
	Legal & Professional Charges	3.37	3.22
	Subscriptions	0.08	0.00
	Telephone Exp.	0.57	1.31
	Tender Fees	4.79	1.56
	Tour & Travelling	38.40	23.50
	Vehicle Running & Maint.	3.20	2.74
	Manufacturing Expenses		
	Electricity/Generator Exp.	47.20	38.74
	Freight & Cartage	66.65	39.52
	Machinery Repair	26.02	16.53
	Packing Material	39.54	19.25
	Selling Expenses		
	Export Shipment Expenses	3.85	6.96
	Freight & Cartage Outward	103.05	110.62
	TOTAL >>	382.06	329.21
XXIV	<u>EARNING PER SHARE</u>		
	Basic		
	Net profit / (loss) for the year from continuing operations	310.43	297.30
	Weighted average number of equity shares	54.00	54.00
	Earnings per share from continuing operations - Basic	5.75	5.51
	Diluted		
	Net profit / (loss) for the year from continuing operations	310.43	297.30
	Weighted average number of equity shares	54.00	54.00
	Earnings per share from continuing operations - Basic	5.75	5.51

M/s PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS M/s PENTAGON RUBBER PRIVATE LIMITED)
CIN:U25192PB2004PTC054282
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(Figures in Lakhs)

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
I. CASH FLOW FROM OPEARTING ACTIVITIES		
Net Profit before Taxation and Extraordinary Items	454.66	302.15
Adjustments for:		
Depreciation	27.66	49.26
Prior Period Adjustment	12.12	-0.35
Interest Expense	80.60	73.88
Operating Profit before Working Capital Changes	575.03	424.94
Adjustments for changes in Working Capital:		
(Increase)/Decrease in Inventories	-233.39	-199.87
(Increase)/Decrease in Trade Receivables	-401.78	119.29
(Increase)/Decrease in Short Term Loans and Advances	202.76	-113.95
(Increase)/Decrease in other Current Assets	-13.97	0.21
(Increase)/Decrease in Other Non Current Assets	-17.36	-25.70
Increase/(Decrease) in Trade Payables	115.07	-204.05
Increase/(Decrease) in Short Term Provisions	26.78	53.94
Increase/(Decrease) in Other Current Liabilities	75.56	-62.52
Cash Generated from operations	328.71	-7.70
Income Taxes Paid	132.73	8.36
A. Net Cash flow from/(used in) Operating Activities	195.98	-16.06
II. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-10.31	-1.06
Other Adjustment in Fixed Assets	-10.17	-
B. Net Cash Flow From/(used in) Investing Activities	-20.48	-1.06
III CASH FLOWS FROM FINANCING ACTIVITIES		
Net Proceeds from/ (Repayments) of Long Term borrowing	-171.49	1.28
Net Proceeds/ (Repayments) of Short Term Borrowings	87.98	107.91
Increase/(Decrease) in Other Non-Current Liabilities	0.00	0.00
Increase/(Decrease) in Long Term Provisions	-2.84	10.00
Interest Paid	-80.60	-73.88
C. Net Cash flow from/(used In) Financing Activities	-166.95	45.30
Net Decrease in Cash and Cash Equivalents (A+B+C)	8.54	28.19
Cash and Cash Equivalents at the beginning of the year	74.13	45.95
Cash and Cash Equivalents at the end of the year	82.68	74.13

AUDITORS REPORT

This is the Cash Flow Statement referred to in our report of even date

Place : Ludhiana

For S.Jain & Co.

Chartered Accountants

Date: 01.09.2023

SD/-

(Sanjeev Jain)

Partner

M.No.088469

UDIN- 23088469BGRUWR6164

The Notes referred to above form an integral part of the Cash Flow A/c For & on behalf of the Board
For Pentagon Rubber Ltd.

SD/-

(Ashish Jain)

Whole Time Director

DIN:00738412

SD/-

(Varun Jain)

Chief Financial Officer

SD/-

(Saurabh Jain)

Director

DIN:00761460

SD/-

(Shubhi Kishore)

Company Secretary

IX FIXED ASSETS

M/s PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS M/s PENTAGON RUBBER PRIVATE LIMITED)

NOTE - IX
(Figures in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 31.03.2022	ADDITION DURING THE YEAR	SALES/ OTHER ADJUSTMENT	TOTAL COST AS ON 31.03.2023	DEP. UP TO 31.03.2022	DEP. FOR THE PERIOD	SALES/ OTHER ADJUSTMENT	TOTAL AS ON 31.03.2023	W.D.V. AS ON 31.03.2023	W.D.V. AS ON 31.03.2022
Land	84.33	0.00	0.00	84.33	0.00		0.00	0.00	84.33	84.33
Vehicles	164.74		0.00	164.74	114.30	15.61		129.91	34.83	50.43
Compressor	0.52	1.81		2.34	0.49	0.03		0.52	1.81	0.03
Tubewell	2.28			2.28	1.81	0.08		1.89	0.39	0.47
Furniture & Fixture	17.59	0.19		17.78	9.15	2.04		11.20	6.58	8.43
Building	4.54			4.54	1.90	0.25		2.15	2.39	2.64
Plant & Machinery	493.40	8.31		501.71	447.68	6.85	10.17	444.36	57.35	45.72
Electrical Installation	20.54			20.54	19.15	0.18		19.33	1.21	1.39
Generator Set	24.00			24.00	10.46	2.30		12.76	11.24	13.54
Fire Extinguisher	0.63			0.63	0.58	0.01		0.59	0.05	0.05
Computer	6.10			6.10	5.42	0.18		5.60	0.50	0.68
Office Equipment	2.36			2.36	2.02	0.11		2.12	0.24	0.35
Weighing Scale	0.50			0.50	0.37	0.02		0.38	0.11	0.13
TOTAL >>	821.54	10.31	0.00	831.85	613.33	27.66	10.17	630.82	201.03	208.20
Previous Year	820.48	1.06	0.00	821.54	564.07	49.26		613.33	208.20	256.40

NOTE NO: XV SIGNIFICANT ACCOUNTING POLICIES.

A. COMPANY INFORMATION

Pentagon Rubber Limited is a family run SME corporation established in year 2004 for manufacturing Conveyor Rubber Belting. With 50 years of experience in manufacturing & exporting of Conveyor & Transmission Rubber Belting, our company is counted among the leading manufacturers of Conveyor Rubber Belting in India. The Company mainly cater to Government Tender Business, Exports Markets across 30 countries and Multinational/National Corporations of India.

The factory is set up in Industrial town of Dera Bassi, Punjab, 25 Kms from City Beautiful Chandigarh. It has installed one of the longest Conveyor Belting Press in India with 21mtr production capacity in single stroke. It is capable of producing the best conveyor rubber belting upto 3150KN/m due to advanced precision systems. It has installed production capacity of over 300 km of Conveyor Rubber Belt per year. The entire heavy duty mixing line is of Kobe/Japan & London/United Kingdom with mixing capacity of 6000 TPA. The building infrastructure is by Indian subsidiary of Kirby Building Systems to facilitate hindrance-free movement of belts in the factory.

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

Basis for preparation of financial statements

The financial statement are prepared under the historical cost convention on the "Accrual Concept" and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

3. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition/construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book

value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection/ installation are stated in the Balance Sheet as "Capital Work in Progress."

4. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

5. Depreciation

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be.

6. Investments

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversal of such reductions are recharged or credited to the Statement of Profit & Loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

7. Inventories

Inventories consist of Stock in Trade are valued at Cost or Net Realizable Value, whichever is lower.

8. Revenue Recognition

The revenue in respect of sale of goods and services is recognized when :

- a) All significant risks and rewards of ownership is transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership ; and
- b) No significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.
- c) The revenue in respect of export benefits is recognized on post export basis at the rate at which the entitlement accrues.

9. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

10. Employee Benefits

Short – term employee benefits are recognized as an expense at the undiscounted

amount in the profit & loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits:

- (i) **Leave Encashment:** Provision is made for value of unutilised leave due to employees at the end of the year. However as on reporting date no unutilised leave was payable to any employee.
- (ii) **Provident Fund:** The Company's contribution to Provident Fund is deposited in accordance with The Employees Provident Fund and Miscellaneous Provisions Act, 1952 & is charged to P & L Account.
- (iii) **Gratuity:** Recognised on the basis of Actuary Valuation Report.

11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

12. Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & Loss Account.

13. Provision, Contingent Liabilities and Contingent Assets

Provisions are recognized for liability that can be measured by using a substantial degree of estimation if –

- a) there is a present obligation arising as a result of past event.
- b) it is probable that an outflow of resources embodying economic benefits is expected to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

Contingent liability is disclosed in the case of :

- a) a present obligation that arises from past-events
when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
a reliable estimate of the amount of the obligation cannot be made.
- b) a possible obligation that arises from past events and existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the enterprises.

B. NOTES ON ACCOUNTS

1. Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
2. In the opinion of the Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans & advances in ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

3. Segment Reporting

The company is primarily engaged in manufacturing & exporting of Conveyor & Transmission Rubber Belting. Segment Reporting is not applicable on the company as it has no multiple Business or Geographical Segments.

4. Post Employment Benefits:

5.

I. ASSUMPTIONS	For the Period Ended on March 31st, 2023
Discount Rate	7.50%
Expected Rate of Salary Increase	5.00%
Mortality Rate	IALM2012-14
Retirement	60 Years
II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS	For the Period Ended on March 31st, 2023
Defined Benefit Obligation at beginning of the year	5.50
Current Service Cost	0.40
Interest cost	2.68
Actuarial(Gains)/Losses on Obligations-Due to Change in Financial Assumptions	(0.82)
Defined Benefit Obligation as at end of the year.	7.76
III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:	For the Period Ended on March 31st, 2023
Net liability as at beginning of the year	5.50
Net expense recognized in the Statement of Profit and Loss	2.26
Net liability as at end of the year	7.76
IV. EXPENSE RECOGNIZED:	For the Period Ended on March 31st, 2023
Current Service Cost	0.40
Interest Cost	2.68
Actuarial(Gains)/Losses on Obligations-Due to Change in Financial Assumptions	(0.82)
Expense charged to the Statement of Profit and Loss	2.26

V.BALANCE SHEETRECONCILIATION:	For the Period Ended on March 31st, 2023
Opening net liability	5.50
Expense as above	2.26
Provision Related to Previous Year booked as Prior Period Items	-
Return on Plan Assets	-
Benefits Paid	-
Net liability/(asset) recognized in the balance sheet.	7.76

6. Provisions,ContingentLiabilitiesandContingentAssets (AS29)

Contingent liabilities as March 31st 2023 were Rs.226.12 Lacks against Bank Guarantee.

7. Previous to FY 2022-23, Gratuity was booked in Books of accounts on adhoc basis. However from FY 2022-23, actuarial valuation of gratuity is done and Provision of Rs.2.23 Lakhs is reversed on the basis of report of actuary.
8. Previous to FY 2022-23, DTA/DTL was not created on Gratuity. However from FY 2022-23, Gratuity is being considered for DTA/DTL creation.
9. Other adjustments in Reserves have amount of Rs.10.17 Lakhs which is adjustment against Plant & Machinery for FY 2021-22.
10. IPO Expenses are Booked as Prepaid & will be booked as expense over 5 years from FY 2023-24 onwards as IPO was came in July 2023.
11. Balance of Maharashtra State Power was for Rs.19.54 Lakhs will be written off over 5 years from FY 2022-23 and onwards.
12. No Capital Work In Progress and No Intangible Assets Under Development.
13. 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 the rules made thereunder.
14. The company has not any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
15. No charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
16. Title deeds of all immovable Property are held in name of the Company and No Revaluation of Plant, Property & Equipment is done by Company in FY 2022-23.
17. No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

18. The company has borrowings from banks or financial institutions on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. Borrowing From Banks and Financial Institutions are utilised for the purpose for which it was taken.
19. Company has not been declared wilful defaulter by any Bank, Financial Institution or any Lender.
20. The company has no such income which is not recorded in Books of Accounts but that has been surrendered or disclosed under Income Tax Act, 1961.
21. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 (Corporate Restructuring) of the Companies Act, 2013.
22. The Company has raised its Equity Share Capital from 400,00,00 Equity Shares to 540,00,00 by way of Bonus issue in the ratio of 7:20 of 14,00,000 Equity shares of Face Value of Rs. 10 Each on November 24, 2022. Therefore, in Financial statements, EPS For FY 2021-22 has been calculated considering 54,00,000 shares.
23. CIF value of Import for the FY 2022-23 amounts to 1135.80 Lakhs.
24. Earnings in Foreign Currency for FY 2022-23 amounts to Rs. 100.79 Lakhs.
25. Figures for the previous year have been recast/regrouped wherever necessary.
26. Balances whether debit or credit are subject to verification/confirmation.
27. Rounding off of Figures are in Lacks thereof.

28. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, are as follows:

Name of Related Party	Nature of Relationship	Nature of Payment	Amount (in Lakhs)
Anil Kumar Jain	Director	Director Remuneration	9.00
Ashish Jain	Director	Director Remuneration	24.00
Saurabh Jain	Director	Director Remuneration	12.00
Anil Kumar Jain	Director	Acceptance of Loans	27.72
Saurabh Jain	Director	Acceptance of Loans	20.84
Lalit Kumar Jain	Director	Repayment of Loans	37.11
Ashish Jain	Director	Acceptance of Loans	4.29
Kasturi Lal Jain	Relative	Repayment of Loans	7.05

Kamal Prabha Jain	Relative	Acceptance of Loans	50.20
KasturiLal Jain HUF	Relative	Repayment of Loans	43.15
Krishan Kumar Jain	Relative	Repayment of Loans	0.15
Shimla Devi Jain	Relative	Repayment of Loans	0.10
Subhash Chand Jain	Relative	Acceptance of Loans	0.12
T K Jain	Relative	Repayment of Loans	142.82

29. AccountingForTaxesOnIncome(AS22)

DeferredTaxliability/AssetinviewofAccountingStandard –

22:“AccountingforTaxesOnIncome”asattheendoftheyear/periodisreportedasunder.

(In Lakhs)

Particulars		
	31.03.2023	31.03.2022
WDV as per Companies Act, 2013 (A)	116.69	123.87
WDV as per Income tax Act, 1961 (B)	182.46	203.85
Difference in WDV (A-B)	(65.76)	(79.98)
Unabsorbed Depreciation	0.00	(47.83)
Total Timing Difference	(66.92)	(127.81)
Deferred Tax (Asset)/ Liability '©	(18.29)	(31.95)
Gratuity Closing Balance Books (C)	7.76	0.00
Gratuity Closing Balance Income Tax (D)	-	0.00
Difference Gratuity (D-C)	7.76	0.00
Deferred Tax (Asset)/ Liability on Gratuity	(2.16)	0.00
Restated Closing Balance of Deferred Tax (Asset)/ Liability	(20.45)	(31.95)
Deferred Tax (Assets)/ Liability as per Balance sheet of Previous Year	(31.95)	(28.44)
Deferred Tax (Assets)/ Liability charged to Profit & Loss	11.49	(3.51)

1. Trade Payable Ageing

Summary 31.03.2023

Particulars	Outstanding for following periods from due date of payment/Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	81.39	0.00	0.00	0.00	81.39
(ii) Others	276.83	0.00	0.00	8.85	285.68
(iii) Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues–Others	0.00	0.00	0.00	0.00	0.00

31.03.2022

Particulars	Outstanding for following periods from due date of payment/Invoice date				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	69.41	0.00	0.00	0.00	69.41
(ii) Others	161.80	10.09	1.91	9.35	285.68
(iii) Disputed dues-MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues–Others	0.00	0.00	0.00	0.00	0.00

2. Trade Receivable Ageing Summary

31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable –considered good	972.17	70.09	76.20	0.86	141.93	1261.25
(ii) Undisputed Trade Receivable–considered doubtful	0.00	0.00	0.00	0.00	73.31	73.31
(iii) Disputed Trade Receivable–considered good	0.00	0.00	0.00	0.00	8.47	8.47
(iv) Disputed Trade Receivable –considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less Than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivable – considered good	501.77	115.59	62.52	11.13	146.33	837.34
(ii) Undisputed Trade Receivable – considered doubtful	0.00	0.00	0.00	0.00	82.88	82.88
(iii) Disputed Trade Receivable – considered good	0.00	0.00	0.00	15.99	5.04	21.03
(iv) Disputed Trade Receivable – considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00

7. Accounting Ratios:

S.N o.	Particular	March 31, 2023	March 31, 2022	% of Change	Reason for Movement
(a)	Current Ratio	1.88	1.97	4.56%	Reason is not required since movement is not more than 25%.
(b)	Debt-Equity Ratio	1.94	3.24	40.12%	Debt-Equity Ratio has been decreased in all years due to their repayments of Loans.
(c)	Debt Service Coverage Ratio	0.58	0.49	18.36%	Reason is not required since movement is not more than 25%.
(d)	Return on Equity Ratio	52.64	55.83	5.71%	Reason is not required since movement is not more than 25%.
(e)	Inventory turnover ratio (in times)	3.40	3.32	2.24%	Reason is not required since movement is not more than 25%.
(f)	Trade Receivables turnover ratio (in times)	0.39	0.30	30%	Movement is more than 25% as Turnover has increased in FY 2022-23.
(g)	Trade payables turnover ratio (in times)	10.95	7.83	39.8%	Movement is more than 25% as Purchases has increased in FY 2022-23.

(h)	Net capital turnover ratio (in times)	2.58	2.30	12.17%	Reason in not required since movement is not more than 25%.
(i)	Net profit ratio	10.5%	8.64%	22.1%	Reason in not required since movement is not more than 25%.
(j)	Return on Capital employed	31.48	24.24	29.86%	Return on Profitability was increased due to increased turnover and profitability thereon.
(k)	Return on investment.	10.29	11.18	7.96	Reason in not required since movement is not more than 25%.

Particulars	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt-Equity Ratio	Debt	Equity
Debt Service Coverage Ratio	Net operating Income	Total Debt Service
Return on Equity Ratio	Profit After Tax	Shareholder Equity
Inventory turnover ratio(in times)	Revenue from Operations	Average Inventory
Trade Receivables Turnover ratio(in times)	Net Credit Sales	Average Trade Receivables
Trade payables turnover ratio(in times)	Net Credit Purchase	Average Trade Payables
Net capital turnover ratio(in times)	Turnover	Total Shareholder Equity
Net profit ratio	Profit After Tax	Total Sales
Return on Capital employed	Operating Profit	Total Capital Employed
Return on investment.	Profit After Tax	Total Investment

For S. Jain & Co
Chartered Accountants
FRN: 009593N

Sd/-
Sanjeev Jain
Partner
M.No.088469
UDIN:23088469BGRUWR6164
Place:Ludhiana

Date: 01.09.2023

M/s PENTAGON RUBBER LIMITED
(FORMERLY KNOWN AS M/s PENTAGON RUBBER PRIVATE LIMITED)

III (G) UNSECURED LOAN

LIST-A
(Figures in Lakhs)

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
<u>From Directors</u>		
Ashish Jain	64.35	60.05
Lalit Kumar Jain	22.63	59.75
Saurabh Jain	27.34	6.50
Anil Kumar Jain	130.48	102.75
	<u>244.80</u>	<u>229.05</u>
<u>From Relatives</u>		
Amita Jain	61.25	61.25
Anil Kumar Jain (HUF)	6.60	6.60
Ekta Jain	2.30	2.30
Gaurav Jain	33.40	33.40
Kasturi Lal Jain	0.00	7.05
Kamal Prabha Jain	74.15	23.95
Kanav Jain	1.10	1.10
K L Jain (HUF)	0.00	43.15
Kaushal Jain	4.20	4.20
Krishan Kumar Jain	0.00	0.15
Lalit Jain (HUF)	3.35	3.35
Ruchika Jain	3.70	3.70
Sarthak Jain	0.90	0.90
Shimla Devi Jain	0.00	0.10
Simmi Jain	1.65	1.65
Subhash chand jain	21.83	21.70
Subhash chand jain HUF	5.90	5.90
Sumeesh Jain	29.70	29.70
Sumeesh Jain Huf	3.30	3.30
T K Jain	265.43	408.25
T K Jain HUF	3.20	3.20
Tanvi Jain	7.35	7.35
Tushar Jain	15.45	15.45
Vasudha Jain	3.85	3.85
Sub - Total (b)	<u>548.61</u>	<u>691.55</u>
Total (a+b)	<u>793.41</u>	<u>920.60</u>

VI**SUNDRY CREDITORS****LIST-B**

PARTICULARS	AS AT 31.03.2023	- -	AS AT 31.03.2022
Bhagat Rubber and Polymers	3.40		0.00
Crown Rubber Polymers	0.00		5.00
Deep Minerals	2.60		0.00
Dembla Saw Mill	0.00		1.91
Enormous Industrial Trade Pvt Ltd(HSIDC)	0.22		0.00
Full Moon enterprises	0.00		4.97
Globus Rubchem Pvt. Ltd	71.81		0.90
Himachal Petrochemicals	6.95		7.45
K L Trading Corporation	28.40		0.00
Krishna Industries	2.16		2.48
Lube Trade ways	7.36		0.00
M.S. Insulation	1.04		0.00
Madura Industrial Textiles	104.17		113.11
Majestique Carbon LLP	6.51		4.96
Minar Reclamation Pvt Ltd	64.12		64.46
Padam Manufacturing	1.91		1.91
Reliance Industries Limited	0.00		0.12
Sanjay Kumar & Brothers	9.45		6.97
Shree Adinath Alco Chem Pvt. Ltd.	0.00		0.39
Shree Balaji Polymers	0.00		4.51
SRF Ltd	34.61		32.94
Sucha Singh	1.98		0.50
Super Spinners Engg Industries	18.11		0.00
Swan Corp.	2.27		0.00
Universal Textile Industries	0.57		
Total	367.65		252.57

VII CURRENT LIABILITIES**(i) ADVANCE FROM CUSTOMER****LIST-C**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Avishkar Industries Private Limited	1.06	0.00
Cog Tech Gulf Lic	4.60	0.46
Emtex Engineering Pvt Ltd	0.00	0.10
IND SRO Rubber Industries	0.66	0.00
Involute Powergear Pvt Ltd	0.00	1.00
Irish Wateriet Profile Ltd	0.00	1.83
Liberty Steel Services India	0.00	15.59
Maa Industrial House	0.00	1.00
Megha Engineering & Infrastructures Limited	27.18	0.00
Multibandas	0.00	10.13
Sai Warda Power Generation Ltd	2.88	12.35
Shree Laxmi Engg	0.00	0.71
Shri Mahavir Ferro Alloys Pvt Ltd	1.69	0.00
SMK Petro Chemicals India Private Limited	0.00	4.17
Sri Sainath Agencies	0.00	0.20
Vipin Engg Works	0.00	0.51
Total	38.08	48.05

(ii) OTHER PAYABLES**LIST-D**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Bonus Payable	6.97	0.00
Cheques Issued but not presented	79.92	3.81
Director Remuneration Payable	0.00	49.81
EPF Payable	1.65	1.43
ESI Payable	0.42	0.34
Expenses Payable	6.01	1.17
Igst Payable	48.20	6.00
Labour Welfare Fund Payable	0.10	0.19
Professional Tax Payable	0.06	0.00
TDS Payable	2.51	1.31
Wages Payable	16.56	10.45
Total	162.40	74.53

(iii) OTHER CREDITORS**LIST-E**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Associated Road Carrier	8.87	4.70
Attri Legal Services	0.11	0.00
CMA CGM SA	0.00	0.68
Cosco Shipping Line India Pvt Ltd	0.00	0.58
Dynamic Sales Corporation	0.04	0.00
Eastern Safe Roadways Pvt Ltd	4.48	6.94
Embee Road Services Pvt Ltd	0.26	0.00
Goyal Roadways	0.48	0.00
Gurralla Austami Biswas	3.09	0.00
Ideal Services	0.30	0.60
Jai Balaji Crago	1.44	1.10
Jain Mata Translines Co	0.00	2.99
Joy Biswas	3.09	0.00
Kyzen TechnotradePvt Ltd	0.00	0.01
M F T Roadlines Pvt Ltd	0.33	0.00
MRS Shipping LLP	0.00	0.14
Nitco Logistics Pvt Ltd	3.07	2.55
One Line		0.00
Pragati Motors	1.50	1.30
Punjab Himachal Road Service	0.21	
Qingdao Eenor Science and Techno	0.79	0.73
Rudra Transport Co	0.32	0.00
Rudra Transport Co.	0.00	0.57
S P Engineers and Consultants	0.14	0.00
S. Jain & Co.	4.77	0.60
Shiv Nandi Logistics	0.21	0.00
Shree Bajrang Electrical	0.18	0.00
Speed Air Express	0.00	0.02
Sunrise Industries	0.00	0.12
Tax Advisors	0.53	1.11
TCI Freight	3.35	6.75
Teleworld Mobiles Pvt Ltd	0.00	0.03
Tirumala Freight Carrier (Regd)	12.07	20.74
Verma Siyaahi	0.00	0.28
Walsons Services Private Limited	0.58	0.00
Total	50.19	52.54

XI SECURITIES**LIST-F**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Security against performance	37.53	37.11
Security Deposit NSDL	0.45	0.00
Security Deposit CDSL	0.45	0.00
Security Deposit Customs	3.57	0.00
Security Deposit ECL	12.49	0.00
Security Deposit GEM	0.25	0.25
Security Deposit IOCL	0.10	0.10
Security Deposit PSEB	5.82	5.84
Security Deposit SCCL	17.82	17.82
Total	78.47	61.11

XIII SUNDRY DEBTORS**LIST-G**

PARTICULARS	LESS THAN SIX MONTHS	MORE THAN SIX MONTHS	TOTAL 31.03.2023
Andhra Pradesh Power Generation Corporation Limited	364.10	1.74	365.83
Anuj Conveyor Company	4.20	0.00	4.20
Belting & Conveyor Enterprose□	0.00	0.17	0.17
Bharat Coking Coal Limited□	0.00	0.59	0.59
Braithwaite & Co. Limited□	0.00	0.12	0.12
Continental Belting Pvt Ltd□	76.99	0.00	76.99
Eastern Coalfields Ltd□	0.00	20.38	20.38
Ganesh Enterprises□	13.58	0.00	13.58
India Tyre & Rubber Co (India) Ltd□	0.00	57.68	57.68
Indian Farmers Fertiliser Cooperative Limited	25.77	0.03	25.80
Indian Oil Corporation Ltd (Haryana)□	0.00	0.33	0.33
Jayati Tradecom	0.12	0.00	0.12
Jindal Steel & Power Limited	20.06	0.00	20.06
KRM Tyres□	0.00	59.13	59.13
Larsen & Toubro Limited	51.90	0.00	51.90
Maa Kamakhya Machineries	4.48	0.00	4.48
Maharashtra State Power □	0.00	15.63	15.63
Malabar Cements Limited□	0.00	2.33	2.33
Masyc Projects Pvt Ltd□	0.07	0.00	0.07
Milestone Rubber Industries□	0.00	3.39	3.39
Nagal Rubber Company	0.03	0.00	0.03
Rungta Mines Limited□	7.53	0.00	7.53
Rungta Sons Pvt Ltd□	12.81	0.00	12.81
Shreyans Industries Limited□	2.88	0.00	2.88
Singareni Collieries Co Ltd□		33.33	33.33
SMK Petro Chemicals India Private Limited□	126.20	0.00	126.20
South Eastern Coalfields Limited	6.95	0.00	6.95
Sri Lakshmi Durga Industrial Suppliers□	0.00	0.86	0.86
Star Polymer INC DRS□	0.00	141.59	141.59
Telangana State Power Generation Corp Ltd□	0.00	19.29	19.29
The West Bengal Power Development Corporation Ltd	209.93	0.00	209.93
Uranium Corporation of India Limited	40.24	0.80	41.03
Uranium Corporation of India Ltd Jharkhand	0.00	6.15	6.15
Vedanta Limited□	0.00	2.24	2.24
Vishal Engineering Workshop□	0.00	5.08	5.08
Western Coalfields Limited□	2.93	0.00	2.93
Wilson Rubber Industries	1.40	0.00	1.40
	972.17	370.86	1343.04

XIV (B) Bank Balances**LIST-H**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Canara Bank - C/A	0.00	0.14
HDFC Bank - FDR	56.59	58.78
HDFC Bank Ltd - C/A	0.00	0.09
UCO Bank - C/A	0.40	0.78
Total	56.99	59.79

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
C&A Construction	0.00	92.82
C&A Realtors	0.00	25.50
Earnest Money	5.14	4.81
Mat Credit Entitlement (F.Y.2007-08)	0.00	2.93
Mat Credit Entitlement (F.Y.2009-10)	0.00	7.98
Mat Credit Entitlement (F.Y.2010-11)	0.00	17.88
Mat Credit Entitlement (F.Y.2011-12)	0.00	11.88
Mat Credit Entitlement (F.Y.2013-14)	0.00	4.73
Mat Credit Entitlement (F.Y.2019-20)	3.93	8.04
Mat Credit Entitlement (F.Y.2020-21)	9.59	9.59
Mat Credit Entitlement (F.Y.2021-22)	48.10	48.10
AD Interactive	0.35	0.00
Export Incentive Receivable	0.87	0.87
Exxon Mobil	19.44	46.54
GST Receivable	0.05	2.31
IPO Expenses		0.00
IRMRA	0.04	0.04
Keyman Insurance	19.29	9.29
Magna Metal & Mill Stores	0.00	0.02
National Securities Depository Limited NSDL	0.02	0.00
Premier Engineers	7.88	9.00
Saraswati Industries	0.16	0.16
TDS	0.00	0.00
Virdi Construction	0.00	15.11
Total	114.86	317.62

XXI (A) EMPLOYEE BENEFIT EXPENSES**LIST-J**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
Director Remuneration	45.00	45.00
Salary	5.99	3.54
Staff Welfare	3.04	2.01
Wages	137.73	113.15
Total	191.76	163.70

XXI (B) Contribution to Provident & Other Funds**LIST-K**

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
EPF	9.49	8.47
ESI	3.45	3.11
Bonus	10.20	0.00
Gratuity	0.00	5.00
Labour Welfare Fund	0.16	0.16
Total	23.31	16.73