

Shri Nanik G Rohera	Chairman
Shri Nitesh Rohera	Managing Director
Shri G. Nagaraju	Director
Shri K M Muddiah	Director

STATUTORY AUDITORS:

M/s. V. Ganesh, Chartered Accountant, Bangalore

BANKERS

Punjab National Bank, Peenya Branch, Bangalore

REGISTERED OFFICE:

69, 3rd Cross, Cubbon pet, Bangalore 560 002

REGISTRARS & SHARE TRANSFER AGENTS:

M/s. Integrated Enterprises Limited (Formerly Alpha Enterprises Pvt Ltd),
30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003

FACTORY:

Plot # 83, Phase I,
SIPCOT Industrial Complex,
HOSUR 635 126
<http://www.venlon.com/investors>

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of PAN ELECTRONICS (INDIA) LIMITED will be held on Wednesday, 25 September 2013 at Vijay nagar Club, Stage 2, 1st main, Vijay nagar, Bangalore 560104 at 3.00 pm to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31 March 2013, the audited Profit & Loss Accounts and the audited Cash Flow statement for the year ended as on that date together with schedules and notes forming part of accounts and reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri K M Muddiah, who retires by rotation and being eligible offers himself for reappointment
3. To re-appoint V Ganesh, Chartered Accountant, Bangalore ICAI # 208181 statutory auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS
FOR PAN ELECTRONICS (INDIA) LIMITED

Place: Bangalore
Date: 14.08.2013

NANIK G ROHERA
CHAIRMAN

NOTES:

1. A member entitled to attend and vote in the above meeting is entitled to appoint one or more proxies to attend and vote on a poll instead of himself and such proxy need not be a Member of the Company. Proxies in order to be effective must be received at the registered office of the Company not less than 48 hours before the Meeting.
2. The Register of Members and the Share Transfer Books in respect of Equity Shares of the Company shall remain closed from 19.09.2013 to 25.09.2013 (both days inclusive)
3. Shareholders who hold shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address or updation thereof to the Company's RTA. Shareholders, whose shareholding is in electronic format, are requested to direct change of address notifications, registration of e-mail address and updation of bank account details to their respective depository participants.
4. Information regarding particulars of the directors to be appointed and the directors seeking re-appointment requiring disclosure in terms of the listing agreement and the explanatory statement pursuant to Section 173 of the Companies Act, 1956, are annexed hereto. The directorships held by the directors considered for the purpose of disclosure do not include the directorships held in foreign companies, private limited companies and companies under Section 25 of the Companies Act, 1956 but include private limited companies which are considered as public limited companies in terms of Section 3(1)(iv)(c) of the Companies Act, 1956. The committee chairmanships/memberships considered for the purposes of disclosure are those prescribed under clause 49(I)(C) of the listing agreement(s) viz. Audit Committee and Shareholders/ Investor Grievance Committee of Indian public limited companies.
5. Corporate members are requested to send a duly certified copy of the board of directors' resolution/ power of attorney authorising their representative to attend and vote at the annual general meeting
6. Statutory registers and documents referred to in the notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of annual general meeting, and will also be available for inspection at the meeting. Members seeking clarification on accounts are requested to write to the Registered Office at 69 Cubbon pet, 3rd Cross, Bangalore 560 002 at an early date to enable the Management to keep the information ready.
7. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the Meeting and hand it over at the entrance hall.
8. Members are requested to bring their copy of the Annual Report with them to the Annual General Meeting.
9. The Company is concerned about the environment and believes in preserving natural resources. Recently, as part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (MCA), Government of India, through its circular nos. 17/2011 and 18/2011, dated 21 and 29 April 2011 respectively has allowed companies to send official documents to their shareholders electronically.

DIRECTORS REPORT

Your Directors present their Thirtieth Annual Report together with the Audited Annual Accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS:

Rs.in lakhs

	2012-13	2011-12
Profit / (Loss) before Depreciation	(14.70)	(107.03)
Less: Depreciation	43.53	43.13
Profit/(Loss) before Tax	(58.23)	(150.16)
Provision for Tax	-	-
Profit/(Loss) brought forward	(2701.52)	(2552.02)
Disposable Profits / (Loss)	(37.83)	(149.50)
Deficit carried forward	(2739.35)	(2701.52)

PERFORMANCE:

Your Company has achieved product turnover of Rs 4.13 lakhs (previous year 9.42 lakhs) including Job Work of NIL (previous year 4.62 lakhs) during the year. However there is a loss due to depreciation and under utilization of capacity.

DIVIDEND

In view of the losses incurred during the period, your Directors do not recommend any dividend on Equity Shares for the period under review.

DIRECTORS

In accordance with the provisions of Companies Act 1956 and Articles of Association of the Company, Shri K M Mudaiah retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment.

The particulars of the Retiring director are as follows:

Name: K M Mudaiah. Qualification: B. Com, Legal

Experience and Expertise: Expertise in legal matters and handling law & order. Experience of over 25 years in this field.

Shareholding in the company: NIL Other Directorships / Chairmanship in PLC: NIL

SECRETARIAL COMPLIANCE REPORT

The Company has obtained and attached herewith the Compliance Certificate dated 14 August 2013 from Shri S. Viswanathan, Practicing Company Secretary, as per the provisions of Section 383A of Companies Act, 1956 and amendments thereof. Secretarial compliance is available for inspection at the Registered Office of the Company

AUDITORS

Mr. V. Ganesh, Chartered Accountant, ICAI # 208181, retires at the ensuing Annual General Meeting and is eligible for reappointment as statutory auditors of the company as per provisions of the Companies Act 1956. He does not hold peer review board certificate. The Company is trying to locate

a Chartered Accountant holding such a Certificate. You are requested to re-appoint the auditor and authorize the Board of Directors to fix his remuneration in consultation with him.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the Public during the year under review, under the provisions of the companies Act, 1956 and the rules framed there under.

LISTING

Your Company confirms the payment of Listing Fees to Stock Exchange and continues to be listed at Bombay Stock Exchange Limited, Mumbai

COST ACCOUNTING RECORD RULES 2011

Your Company is required to obtain Cost Accounting Record maintenance Compliance Certificate from a Practising Cost Accountant. Necessary action is being taken in this regard.

CORPORATE GOVERNANCE

The Company has complied with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges. A separate section on Corporate Governance, along with a certificate from Mr. S Viswanathan, Company Secretary in whole time practice, for the compliance is annexed and forms part of this report.

WHOLLY OWNED SUBSIDIARY COMPANIES

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies.

Venlon Metallising Private Limited and Venlon Metacoat Private Limited continue to be Wholly Owned Subsidiary Companies as at 31 March 2013

SECTION 212 STATEMENTS:

Statement pursuant to Section 212 of the Companies Act 1956, relating to holding Company interest in Subsidiary Companies:

	VENLON Metallising Pvt Ltd	VENLON Metacoat Pvt Ltd
1. Financial year of the subsidiary ending on	31 st March 2012	
2. a) Number of shares held by the holding company, including holding through nominee	396,845	300,000
B) Extent of interest on the above date	100%	100%
1. Net aggregate amount of the subsidiary company's profit / (Loss) so far it concerns members of the holding company	(61,291)	(17,028)
(Rs. in lacs) Capital	39,684,500	30,000,000
Reserves and surplus	(332,161,521)	(102,831,426)
Total assets	22,050,866	10,072,076
Total Liabilities	314,527,887	82,903,501
Investment	120,785	235,490
Turn over (including other income)		8,400
Profit / Loss before tax	(5,000)	(17,028)
Provision for taxation including FBT and deferred tax		
Profit / Loss after tax	(5,000)	(17,028)

INDUSTRIAL RELATIONS

During the year the relationship with the employees remained cordial and the Board wishes to place on record its appreciation for the unstinted support and contribution by them at all levels.

DIRECTORS RESPONSIBILITY STATEMENT

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the period.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the

Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

4. The Directors have prepared the annual accounts on a going concern basis.

AUDITORS REMARKS

Regarding non-obtainment of confirmations, the Board does not foresee any material impact on the accounts of the Company upon reconciliations.

Regarding observation in respect of non- provision of penal interest and liquidated charges by Financial Institutions and guarantee of Rs.770 lakhs of IDBI, the Board wishes to inform that dues of Venlon Metallising Pvt Ltd with IDBI/ SASF have been settled and paid. Hence no such provisions are necessary.

Regarding non – creation of provision of doubtful advances, in respect of wholly owned subsidiary viz Venlon Metallising Pvt Ltd and Venlon Metacoat Pvt Ltd, the Companies have stopped operations for the time being and a package has been planned to clear the debts of the company by sale of assets and other means. Therefore the Board is of the opinion that no such provisions are required to be made in the books of accounts.

The tax impact of net deferred tax asset has not been recognized in the books based on the applications of principle of prudence as required by AS 22 by the Institute of Chartered Accountants of India.

SHARE TRANSFERS

In compliance of SEBI Regulations of a Common Agency for Share Transfer work in terms of both physical and electronic connectivity, the Company has appointed a common Registrar and Share Transfer Agent for physical transfer and dematerialised as per particulars given below:

Integrated Enterprises Limited (formerly Alpha Systems Private Limited),
30 Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore 560 003

OTHER INFORMATION

There are no employees covered by Section 217(2) A of the Companies Act 1956. Information required by the Companies (Amendment) Act, 1988 is given in notes forming part of accounts.

ACKNOWLEDGEMENT

The Directors place on record their sincere gratitude to IDBI/ SASF, SIPCOT, Bank of India, Punjab National Bank and various departments of State and Central Governments, Vendors and Trade suppliers. Your Directors also thank the valued customers of the Company for their continued patronage. Your Directors take this opportunity to express their appreciation to the Executives, Officers, Staff and Workers at all levels for their service. The Directors gratefully acknowledge the support extended by the shareholders.

For and On behalf of the Board of Directors

Place: Bangalore
Date: 18 May 2013

Nanik G Rohera
Chairman

ANNEXURE TO DIRECTORS REPORT:

PARTICULARS AS PER COMPANIES RULES 1988 (Disclosure of particulars in the Report of the Board of Directors in terms of Notification 1029 of 31.12.1988 issued by the Dept. of Company Affairs)

A	CONSERVATION OF ENERGY	The Company continues to pursue its efforts to conserve the energy resources with its focus on reducing fuel and electrical energy costs.
B	TECHNOLOGY ABSORPTION	Furnished below
C	Foreign Exchange earnings & out go	The information on Foreign Exchange Earnings and outgo is furnished in the Notes to the accounts.
I	RESEARCH & DEVELOPMENT	
1.	Specific area in which R & D carried out by the Company	The Company has an on-going R&D Department to improve the quality of metallization, etc. and enhance productivity
2	Benefits derived as a result of the above R & D	Company has produced superior quality metallised film for various applications
3	Future plan of action	The Company would like to pursue its R & D efforts with an objective to enhancing the quality & value of the process and products
4	Expenditure on R & D	Nil

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1	Efforts, in brief, made towards absorption, adaptation and innovation	NIL
2	Benefit derived as a result of the above results	NIL
3	Information on Imported Technology	NIL

BY ORDER OF THE BOARD OF DIRECTORS

PLACE: Bangalore
DATE: 18.05.2013

NANIK G ROHERA
CHAIRMAN

Report on Corporate Governance as on 31st March 2013

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Sl No	Particulars			Remarks	
1	Brief statement on Company's philosophy on code of governance			The Company follows a system of sound human values, creditability in matters of commercial transactions and fair view and approach in all operations	
2	Board of Directors				
	a	Composition and Category of Directors i.e break up of Directors in to the following			
	i	Executive		1 Member	
	ii	Non-Executive		1 Member	
	iii	Independent non-executive		2 Members	
	iv	Nominee Director		NIL	
	v	Institutional Director - in which capacity - Lender or Shareholder		NIL	
		Whether: Non-executive directors -minimum 50% of total Directors		Yes	
		Number of independent Directors		Two	
		If Chairman is executive - 1/2 of the board		Not applicable	
		If Chairman is non-executive - 1/3 of the board		Yes, the company complies with the Provision	
	b	Disclose whether Chairman is Executive / Non Executive		Chairman is Non-Executive	
	c	Attendance of each director at the time of Directors meeting and last AGM			
Name	Category	Last AGM / Attended 26.09.2012	Num of Board Meetings Attended	Num of other Directorship In Public Co.s	Num of other Committee Membership
Nanik Rohera	Chairman Non-Independent	Present	Five	Nil	One
Nitesh Rohera	Managing Director, Non-Independent	Present	Five	Nil	One
G Nagaraju	Non-Executive Independent	Present	Five	Nil	Two
K M Muddaiah	Non-Executive Independent	Present	Five	Nil	Two
Note: None of the directors hold directorship in more than 15 public limited companies, membership in committees of Board in more than 10 companies and chairmanship of committee of Board of more than 5 committees					
	Whether gap between any two consecutive Board Meetings is not greater than 4 months			There is no gap of more than four months between any two consecutive meetings	
	Minimum four meetings in a year are held			Yes	
	Particulars of Directors retiring by rotation and being re-appointed have been disclosed in the Director's report. Percentage of share holding of Mr Nitesh Rohera, Managing Director is 4.1%. Mr G Nagaraju & Mr K M Muddaiah, Independent Directors, do not hold any shares in the company				
3	AUDIT COMMITTEE				
	The Board constituted Audit Committee. The terms of the reference of the Audit Committee are as under: To hold periodic discussions with Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit & observation of the Auditors. To review compliance with internal control systems. To review the quarterly, half yearly and annual financial results of the Company before submission to the Board To make recommendations to the Board on any matter relating to financial management of the Company,				

		including audit report Recommending statutory auditors of the company Others (as covered in Clause 49 (II) (D) of the listing agreement)	
	i	Composition, name of members and Chairperson	Two Independent Directors 1. Shri G. Nagaraju Chairman 2. Shri K M Muddaiah Member All the Directors have financial accounting knowledge and are non executive and independent
	ii	Number of meetings and attendance during the year	FOUR on 14.5.12, 14.8.12, 22.10.12 & 21.1.13 Shri G Nagaraju - 4 Meetings Present Shri K M Muddaiah - 4 Meetings Present
	iii	Brief description of terms of reference: Scrutiny of process of financial reporting and disclosure of information, Appointment of Auditors and their remuneration and other expenses for services; Review of quarter & annual financial statements before submission to the Board regarding changes in accounting policies, qualification in audit report and adjustments arising out of audit, compliance of accounting standards, stock exchange, legal and financial statements.	
4		Remuneration Committee: As the Company is sustaining loss, the Chairman & Managing Director draw no remuneration.	
	i	Brief description of terms of reference	To decide & fix the Remunerations of Directors, Senior managers, etc and submit necessary approvals to the Board
	ii	Composition, name of members and Chairperson	Shri K M Muddaiah – Chairman Shri G. Nagaraju – Member
	iii	Attendance during the year	No meeting
	iv	Remuneration policy	The Company adheres to provisions of Schedule XIII of the Companies Act, 1956, while fixing the remuneration package to its Managers, including MD. The compensation to Non-Executive Directors is as decided by the Remuneration Committee and ratified by the Board / General Body.
SI No		Particulars	Yes / No
	v	Details of remuneration to all Directors as per the format listing out the following:	
		Salary	Nil
		Benefits	Nil
		Bonus	Nil
		Stock Options	Nil
		Pension	Nil
		Others	Nil
		Break up of fixed components and performance linked incentives	NA
		With performance criteria	NA
		Service Contract - Notice period, severance fees	NA
		Stock options details (if any)	NA
		Whether issued at discount	NA
		Period over which it is accrued and is exercisable	NA
5		Transfer, Grievance, Remat, etc for Share holders Committee	
	i	Brief Description of terms of reference	To verify & approve share transfers received, to attend to grievances of share holders, to approve demat & remat of shares received. Other related matters
	ii	Composition, names of members & Chairperson	Shri Nanik Rohera – Chairman Shri Nitesh Rohera – Member
	iii	Meeting Dates	Four - 18.8.12, 24.9.12, 1.10.12, 5.1.13
6		General Body Meetings	
	i	Location, date & time where last 3 AGMs were held Vijay Nagar Club, Vijay Nagar, Bangalore Vijay Nagar Club, Vijay Nagar, Bangalore Vijay Nagar Club, Vijay Nagar, Bangalore	26 Sep 12, 3.00 pm 07 Sep 11, 3.00 pm 15 Sep 10, 3.30 pm
	ii	Whether any Special Resolutions were passed during these meetings	Yes, in 2012
	iii	Whether special resolutions were put through postal ballot last year, details of voting pattern	Yes
	iv	Persons who conducted the postal ballot exercise	S Viswanathan, Co Sec
	v	Procedure for postal ballot	Section 192A complied
7		Disclosures	
	i	Disclosures on materially significant related party transactions i.e. transaction of the company of material nature, with its promoters, directors or management, their subsidiaries or relatives etc that may have potential conflict with the interest of the company at large	Disclosed in Accounts
	ii	Details of non compliance by the Company, penalties, strictures imposed on the company by the Stock Exchange or SEBI or any authority on any matter related to capital markets during the last 3 years	Nil
8		Means of Communication	
	i	Half yearly report sent to each shareholders residence	No
	ii	In which newspapers quarterly results were normally published	
	iii	Any Website where results or official news are displayed	http://www.venlon.com/investors
	iv	The presentation made to institutional investors or to the analysts	Nil
	v	Whether Management Discussion & Analysis is part of Annual Report	Yes
9		General Shareholder information	
	i	AGM Date, time and venue	25 September 2013 @ 3.00 pm at Vijay nagar Club, Bangalore

	ii	Financial year ending	31st March 2013
	iii	Book Closure	19.9.2013 to 25.9.2013
	iv	Dividend payment date	Dividend not declared
	v	Listing on Stock Exchange	BSE
	vi	Stock Code	517397
	vii	Market price data – High/low during each month of the financial year	
		Month	High (Rs.) Low (Rs.)
		April 2012 May 2012 June 2012 July 2012 August 2012 September 2012 October 2012 November 2012 December 2012 January 2013 February 2013 March 2013	No trading in other months 6.10 6.10
	viii	Share Transfer System	Share transfer in physical form can be lodged with the Share Transfer Agents. The transfer is normally processed within the stipulated time from the date of receipt if the documents are complete in all respects. The Share Transfer Committee of the Board approves the transfers. Insider trading norms are adhered to and reported to the Stock exchanges upon information from the concerned.
	ix	Dematerialisation of shares and liquidity	Shares in physical form can be dematerialized and dealt on NSDL.
	x	Outstanding GDR/ ADR/ Warrants or any convertible instruments, conversion date and impact on equity	Nil
	xi	Plant location	83 SIPCOT Complex, Hosur, TN, India
	xiv	Address for correspondence	69, 3 rd Cross, Cubbon pet Bangalore 560 002
10	i	Compliance Certificate from Auditors of the Company	YES
	ii	Any Qualification in Auditor's Report	YES
11	SHAREHOLDING PATTERN as on 31 MARCH 2013		
	Category	Num of shares held	Percentage of share holding
A	PROMOTER'S HOLDING		
1	Promoters - Indian Individuals	19,02,720	47.57
	Foreign		-
	Non Residential Individuals		-
	Bodies Corporate		
B	PUBLIC SHARE HOLDING		
	Institutional investors		
	Mutual funds & UTI		
	Banks, Financial institutions	3200	0.08
	Foreign Institutional Investors		
C	OTHERS		
	Private Corporate Bodies	47,100	1.18
	Individuals share holders holding nominal capital upto Rs. 1,00,000/-	844,180	21.10
	Individuals share holders holding nominal capital excess of Rs. 1,00,000/-	1,161,300	29.03
	NRI's / OCBs	41,500	1.04
	Any other (please specify)	-	-
	GRAND TOTAL	40,00,000	100.00
12	Distribution of Shareholding		
	Num of share holders	% of total	Shareholding of nominal value of Rs.10/-
			Num of shares
			Amount Rs.
			% of total