

PIXEL INDUSTRIES LIMITED

Registered Office: B-17, SIDCO First Street, SIDCO Industrial Estate,
MMDA Colony, Arumbakkam, Tamil Nadu-600106

(CIN: U18101TN2014PLC096204)

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 3rd Annual Report and audited financial statements for the year ended 31st March 2017, together with the Auditors' Report thereon.

Financials

The performance of the Company for the financial year ended 31st March, 2017 is summarized below:

(Amount in Rs.)

PARTICULARS	2016 – 2017	2015 – 2016
Revenue from operations	--	--
Other Income	--	--
Profit before Tax	(39,116)	(53,825)
Provision for Tax	0.00	0.00
Profit (Loss) after Tax	(39,116)	(53,825)
Transfer to General Reserve	--	--

COMPANY'S PERFORMANCE

During the year under review, your Company is yet to commence its business activities. The Loss for the year under review is Rs. 39,116/-.

DIVIDEND

The Directors do not recommend any dividend for the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The details of Directors of your Company are as follows:

Mr. Deepak Seth - 00003021
Mr. Pulkit Seth - 00003044
Mrs. Shefali Seth - 01388430

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company, Mrs. Shefali Seth, Director would retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment.

The Board of Directors of your Company met four times during the financial year 2016-17.

CORPORATE SOCIAL RESPONSIBILITY

Provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to your Company for the year ended March 31, 2017 under review.

SUBSIDIARY COMPANIES

There has been no addition or cessation of any Subsidiary / Associates / Joint Venture Company during the year.

AUDITORS' REPORT

The notes to Accounts referred to in the Auditor's Report are self explanatory and therefore do not call for any further explanation.

AUDITORS

In terms of Section 139 of the Companies Act, 2013, M/s S. R. Dinodia & Co. LLP, Chartered Accountants, (Regn. No. 001478N/N500005), New Delhi, were appointed by the Members in its 1st Annual General Meeting held on 30th September, 2015 as Statutory Auditors of the Company for a period of five years. A Resolution for ratification of their appointment as Statutory Auditors is proposed in the Notice calling the 3rd Annual General Meeting.

EXTRACTS OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as *Annexure-I* to this Report.

RELATED PARTY TRANSACTIONS

Particulars of Contracts or Arrangements with Related Parties referred to in Section 188(1) of the Companies Act, 2013 are NIL. Consequently, Form AOC-2 is not applicable.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 are NIL.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees as required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are NIL.

FIXED DEPOSITS

Your Company has not accepted any Fixed Deposits from Public or Shareholders during the year.

RISK MANAGEMENT

The Company is in process of implementing procedures and policies in place for risk management including identifying risk which may threaten the existence/operations of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors state that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures. There are no material departures from the same;
- b) 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 31st March, 2017 and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) are annexed as *Annexure-II* to this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

ACKNOWLEDGEMENT

The Directors of your Company are thankful to Bankers, Business Associates, Customers, Members, Government Bodies & Regulators for the continuous support received from them and place on record their appreciation for the sincere services rendered by the employees at all level.

for and on behalf of the Board
for **PIXEL INDUSTRIES LIMITED**

Sd/-
(SHEFALI SETH)
DIRECTOR
DIN: 01388430

Sd/-
(PULKIT SETH)
DIRECTOR
DIN: 00003044

Place: Gurugram

Date: May 12, 2017

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U18101TN2014PLC096204
2	Registration Date	18-08-2014
3	Name of the Company	Pixel Industries Limited
4	Category/Sub-category of the Company	Public Limited Company / Limited by Shares
5	Address of the Registered office & contact details	B-17, SIDCO First Street, SIDCO Industrial Estate, MMDA Colony, Arumbakkam, Tamil Nadu-600106
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Wearing Apparel	141	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S.No.	Name and address of the Company	CIN/GLN/FCRN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Pearl Global Industries Limited	L74899DL1989PLC036849	Holding Company	100	2(46)

IV. SHARE HOLDING PATTERN	
(Equity share capital breakup as percentage of total equity)	

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	6	6	0.01%	-	6	6	0.01%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	49,994	49,994	99.99%	-	49,994	49,994	99.99%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	50,000	50,000	100.00%	-	50,000	50,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	50,000	50,000	100.00%	-	50,000	50,000	100.00%	0.00%
B. Public									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%

f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
				0.00%				0.00%	
2. Non-Institutions				0.00%				0.00%	
a) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Indian	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	-	50,000	50,000	100.00%	-	50,000	50,000	100.00%	0.00%

(ii) Shareholding of Promoter								
S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s Pearl Global Industries Limited	49,994	99.99%	NIL	49,994	99.99%	NIL	0.00%
2	Mr. Deepak Seth*	1	0.00%	NIL	1	0.00%	NIL	0.00%
3	Mrs. Payel Seth*	1	0.00%	NIL	1	0.00%	NIL	0.00%
4	Mr. Pulkit Seth*	1	0.00%	NIL	1	0.00%	NIL	0.00%
5	Mrs. Shefali Seth*	1	0.00%	NIL	1	0.00%	NIL	0.00%
6	Mr. Sunil Pal Seth*	1	0.00%	NIL	1	0.00%	NIL	0.00%
7	Mrs. Kusum Malik*	1	0.00%	NIL	1	0.00%	NIL	0.00%

* 1 Share held as nominee of the Pearl Global Industries Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change)					
S.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	50000	100.00%	No Change	No Change
	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.	No Change during the year	No Change	No Change	No Change
	At the end of the year	50000	100.00%	No Change	No Change

Note: There is no change during the year

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Not Applicable

S.No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
Not Applicable							

(v) Shareholding of Directors and Key Managerial Personnel:

S.No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Deepakl Seth, Director#						
	At the beginning of the year	-	-	1	0.00%	No Change	No Change
	Changes during the year			No Change			
	At the end of the year	-		1	0.00%	No Change	No Change
2	Mr. Pulkit Seth, Director#						
	At the beginning of the year	-		1	0.00%	No Change	No Change
	Changes during the year			No Change			
	At the end of the year	-		1	0.00%	No Change	No Change
3	Mrs. Shefali Seth, Director#						
	At the beginning of the year	-		1	0.00%	No Change	No Change
	Changes during the year			No Change			
	At the end of the year	-		1	0.00%	No Change	No Change

1 Share held as nominee of the Pearl Global Industries Limited

V. INDEBTEDNESS

In indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs/Lac)
	Name		
	Designation		
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other Directors

S.No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors	Mr. Deepak Seth	Mr. Pulkit Seth	Mrs. Shefali Seth	
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
S.No.	Particulars of Remuneration		Name of Key Managerial Personnel		Total Amount in Rs.
	Name				
	Designation				
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A
B. DIRECTORS					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	NIL	NIL	N.A	N.A
Punishment	Nil	NIL	NIL	N.A	N.A
Compounding	Nil	NIL	NIL	N.A	N.A

Annexure II to the Director's Report

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

(i) Steps taken for conservation of energy:

Since energy consumption is not much, there is not much scope for energy conservation.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company does not consume heavy electricity. Hence, presently Company is not exploring alternate source of energy.

(iii) The Capital investment on energy conservation equipment: NIL

B. TECHNOLOGY ABSORPTION :

(i) Efforts made towards technology absorption:

Not Applicable

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

Not Applicable

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a	Technology Imported	:	Not Applicable
b	Year of Import	:	N.A.
c	Has technology been fully absorbed?		N.A.
d	If not fully absorbed, areas where this has not taken place, and the reasons.		N.A.

(iv) The expenditure incurred on Research & Development: NIL

Foreign Exchange Earnings and outgo: NIL

Independent Auditor's Report

To The Members of Pixel Industries Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of **Pixel Industries Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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-A**.
- (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. On the basis of written representations received from the management of the Company, 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 derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016-Refer note 12 to the financial statements.

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

For S.R. Dinodia & Co. LLP

Chartered Accountants,

Firm Registration Number 001478N/N500005

Sd/-

(Sandeep Dinodia)

Partner

Membership No. 083689

Place of Signature: Gurgaon

Date: May 12, 2017

Annexure 'A' to the Independent Auditors' Report of even date on the standalone financial statement of Pixel Industries Limited

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

We have audited the internal financial controls over financial reporting of **Pixel Industries Limited ("the Company")** as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 March 31, 2017, 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.R. Dinodia & Co. LLP

Chartered Accountants,

Firm Registration Number 001478N/N500005

Sd/-

(Sandeep Dinodia)

Partner

Membership No. 083689

Place of Signature: Gurgaon

Date: May 12, 2017

Annexure 'B' To the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2017; we report that:

- i) The Company does not have any fixed assets; hence provision of paragraph 3(i) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- ii) The Company does not hold any inventory; hence provision of paragraph 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- iii) According to the information and explanation given to us, the Company had not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (iii) (a) to (c) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- iv) According to the information and explanation given to us, the Company has no loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- v) The Company has not accepted any deposits from the public. Accordingly, the provisions of paragraph 3(v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 to the current operations carried out by the Company. Accordingly, the provisions of paragraph 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- vii)
 - a) Since the Company has not carried out any operation during the year, the Company has not provided and accordingly not deposited; the statutory dues including Provident fund, Employees' state insurance, Income tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, cess and any other statutory dues with appropriate authorities. Hence, there were no undisputed outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
 - b) According to the records of the Company examined by us and the information and explanations available with us, there were no dues of Income tax or Sales tax or Service tax or Duty of customs or Duty of excise or Value added tax which have not been deposited on account of any dispute.
- viii) There were no dues payable to banks, financial institutions, debenture holder or government by the Company. Accordingly, the provisions of paragraph 3(viii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- ix) The Company did not raise any money by the way of initial public or further public offer (including debt instruments) during the year. Accordingly, the provisions of paragraph 3(ix) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xii) In our opinion and on the basis of available information and explanation provided to us, the Company has not paid any managerial remuneration to any director. Hence the provisions of paragraph 3(xii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company
- xiii) The Company is not a nidhi company. Hence, the provisions of paragraph 3(xiii) of the Order are not applicable to the Company.
- xiv) During the course of our examination of the books and records of the Company, all transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Further in pursuance of section 177, the Company is not required to form audit committee.
- xv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.
- xvii) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of paragraph 3(xvii) of the Order are not applicable to the Company.

For S.R. Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number 001478N/N500005

Sd/-
(Sandeep Dinodia)
Partner
Membership No. 083689

Place of Signature: Gurgaon
Date: May 12, 2017

Pixel Industries Limited
Balance Sheet as at March 31, 2017

Particulars	Note No.	(Amount In `)	
		As At March 31, 2017	As At March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	5,00,000	5,00,000
Reserves and Surplus	4	(2,73,661)	(2,34,545)
		<u>2,26,340</u>	<u>2,65,456</u>
Current Liabilities			
Trade Payables			
- Total Outstanding dues of micro enterprises & small enterprises	5	-	-
- Total Outstanding dues of creditors other than micro enterprises & small enterprises	5	57,993	22,900
Other Current Liabilities	5	-	-
		<u>57,993</u>	<u>22,900</u>
TOTAL		<u>2,84,333</u>	<u>2,88,356</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	6	2,84,333	2,88,356
		<u>2,84,333</u>	<u>2,88,356</u>
TOTAL		<u>2,84,333</u>	<u>2,88,356</u>
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP.
Chartered Accountants
Firm's Registration Number 001478N/N500005

For & on behalf of Board of Directors of
Pixel Industries Limited

Sd/-
(Sandeep Dinodia)
Partner
Membership No. 083689

Sd/-
(Pulkit Seth)
Director
DIN: 00003044

Sd/-
(Shefali Seth)
Director
DIN: 01388430

Place of Signature: Gurgaon
Date: May 12, 2017

Pixel Industries Limited
Statement of Profit & Loss for the year ended March 31, 2017

Particulars	Note No.	(Amount in `)	
		For the year ended March 31, 2017	For the year ended March 31, 2016
Other Income	7	-	-
Total Income (A)		-	-
Expenses:			
Other expenses	8	39,116	53,825
Total expenses (B)		39,116	53,825
Profit before tax (A-B)		(39,116)	(53,825)
Profit (Loss) for the year		(39,116)	(53,825)
Earnings per equity share:			
Basic	13	(0.78)	(1.08)
Diluted		(0.78)	(1.08)
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of the financial statements

As per our Audit Report of even date attached

For S.R. Dinodia & Co. LLP.
Chartered Accountants
 Firm's Registration Number 001478N/N500005

**For & on behalf of Board of Directors of
 Pixel Industries Limited**

Sd/-
(Sandeep Dinodia)
Partner
 Membership No. 083689

Sd/-
(Pulkit Seth)
Director
 DIN: 00003044

Sd/-
(Shefali Seth)
Director
 DIN: 01388430

Place of Signature: Gurgaon
 Date: May 12, 2017

Pixel Industries Limited
Cash Flow Statement for the year ended on March 31, 2017

(Amount in `)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash flow from Operating Activities :		
Net Profit Before Tax and Exceptional Items	(39,116)	(53,825)
Adjustments for Non cash flow items	-	-
Operating Profit /(loss) before working capital changes	(39,116)	(53,825)
Adjustments for working capital changes :		
Trade Payables & Other liabilities	35,093	(1,57,820)
Cash Generated from operations	(4,023)	(2,11,645)
Direct Taxes (Paid)/ Refunds	-	-
Net Cash Generated / (used) in operating Activities	(4,023)	(2,11,645)
B. Cash flow from Investing Activities:		
(Purchase)/Sale of Fixed Assets	-	-
Cash flow from Investing Activities	-	-
C. Cash flow from Financing Activities		
Net Proceeds from issue of Share Capital	-	-
Net cash Generated /(used) in Financing Activities	-	-
Net Increase in Cash/Cash equivalents(A+B+C)	(4,023)	(2,11,645)
Cash / Cash equivalents at the beginning of the year	2,88,356	5,00,000
Cash / Cash equivalents at the end of the year	2,84,333	2,88,356
Components of Cash and Cash equivalents		
Cash and Cheques on hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	2,84,333	2,88,356
	2,84,333	2,88,356

As per our report of even date attached

For **S.R. Dinodia & Co. LLP.**
Chartered Accountants
Firm's Registration Number 001478N/N500005

For & on behalf of Board of Directors of
Pixel Industries Limited

Sd/-
(Sandeep Dinodia)
Partner
Membership No. 083689

Sd/-
(Pulkit Seth)
Director
DIN: 00003044

Sd/-
(Shefali Seth)
Director
DIN: 01388430

Place of Signature: Gurgaon
Date: May 12, 2017

Pixel Industries Limited

Notes to the financial statements for the year ended on March 31, 2017

Note 1

Corporate Information

Pixel Industries Limited is a company domiciled in India and was incorporated on June 18, 2014 under the provisions of the Companies Act, 2013. The Company is primarily engaged in the business of sourcing, manufacturing, fabrication, import/export, wholesale and retail trade in wearing apparels.

Note 2: Significant Accounting Policies and Basis of Preparation

a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and relevant presentation requirements of the Companies Act, 2013 and are based on the historical cost convention and on an accrual basis of accounting. The Company has complied in all material respects with Accounting Standard notified under section 133 of the Companies Act, 2013 read with Rule 7 of Company (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Uses of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Fixed Assets & Depreciation

Fixed assets to be stated at cost of acquisition less depreciation. Depreciation on fixed assets to be provided in the manner and as per the useful life specified under Schedule II to the Companies Act, 2013. Assets costing less than ₹ 5,000 is to be fully charged in the statement of profit and loss in the year of purchase.

d) Taxes on Income

Tax expense comprises current and deferred tax.

(i) Current tax is amount of tax payable on taxable income for the year as determined in accordance with the provisions of the Income-Tax Act, 1961.

(ii) Deferred tax is recognized on timing differences being the differences between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets are recognized if there is a virtual certainty that there will be sufficient future taxable income available to reverse such losses. Such assets are reviewed by the Management on periodic basis.

e) Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating Diluted Earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

f) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Notes to Account. Contingent assets are neither recognized nor disclosed in the financial statements.

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Pixel Industries Limited

Notes to financial statements for the year ended March 31, 2017

	As At		(Amount in `)	
	March 31, 2017		March 31, 2016	
Note 3 : Share Capital				
Authorised				
500,000 (March 31, 2016: 500,000) Equity Shares of ` 10 each		50,00,000		50,00,000
		<u>50,00,000</u>		<u>50,00,000</u>
Issued, Subscribed & Paid-up Equity				
50,000 (March 31, 2016: 50,000) Equity Shares of ` 10 each fully paid up		5,00,000		5,00,000
Total Issued, Subscribed & Paid-up Capital		<u>5,00,000</u>		<u>5,00,000</u>

a. Share capital reconciliation

	March 31, 2017		March 31, 2016	
	No. of Shares	Amount (in `)	No. of Shares	Amount (in `)
Equity Share Capital				
Balance of Shares at the end of the year	50,000	5,00,000	50,000	5,00,000
	<u>50,000</u>	<u>5,00,000</u>	<u>50,000</u>	<u>5,00,000</u>

b. Terms/rights attached to Equity shares

The company has only one class of equity shares having a par value of ` 10 per share. Each holder of Equity shares 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 distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2017		March 31, 2016	
	No. of Shares	%holding	No. of Shares	%holding
Equity Shares of ` 10 each fully paid up				
Pearl Global Industries Limited (Holding Company)	50,000	100%	50,000	100%

	As At		(Amount in `)	
	March 31, 2017		March 31, 2016	
Note 4 : Reserves and surplus				
Profit & Loss				
Balance at the beginning of the year		(2,34,545)		(1,80,720)
Profit/(Loss) for the year		(39,116)		(53,825)
Balance at the end of the year		<u>(2,73,661)</u>		<u>(2,34,545)</u>
Total Reserves and Surplus		<u>(2,73,661)</u>		<u>(2,34,545)</u>

Note 5 : Trade Payable & Other Current Liabilities

	As At		(Amount in `)	
	March 31, 2017		March 31, 2016	
Trade Payables (Refer Note 'a' below)		57,993		22,900
Other Current Liability (Refer Note 'b' below)		-		-
		<u>57,993</u>		<u>22,900</u>

a) Pursuant to Schedule III to Companies Act, 1956 vide notification number GSR 719 (E) dated November 16, 2007 and further as certified by the Management, there is no amount due to Micro & Small Enterprises as at March 31, 2017, hence it has not been disclosed in the financial statements. Further, no interest during the period have been paid or payable under the terms of MSMED 2006.

	As At		(Amount in `)	
	March 31, 2017		March 31, 2016	
Note 6: Cash and Cash Equivalents				
Balances with Banks:-				
On Current Account		2,84,333		2,88,356
		<u>2,84,333</u>		<u>2,88,356</u>

Pixel Industries Limited

Notes to financial statements for the year ended March 31, 2017

	(Amount in `)	
	For the year ended March 31, 2017	For the year ended March 31, 2016

Note 7 : Other Income

Other Income

	-	-
--	---	---

	(Amount in `)	
	For the year ended March 31, 2017	For the year ended March 31, 2016

Note 8 : Other Expenses

Filing Fee

Printing & Stationary

Payment to Auditors (refer note 'a' below)

Filing Fee	1,023	16,175
Printing & Stationary	3,000	-
Payment to Auditors (refer note 'a' below)	35,093	37,650
	39,116	53,825

Note

(a) Payment to Auditors

As Auditor:

- Audit Fees

in other Capacity:

- Reimbursement of Expenses

- Service Tax

- Audit Fees	20,000	20,000
- Reimbursement of Expenses	12,093	14,750
- Service Tax	3,000	2,900
	35,093	37,650

Note 9: Earnings Per Share (EPS)

Profit/Loss attributable to the equity shareholders

Number/Weighted Average number of equity shares

outstanding at the end of the year

Nominal value of equity shares

Basic/Diluted Earnings per share

	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit/Loss attributable to the equity shareholders	(39,116)	(53,825)
Number/Weighted Average number of equity shares outstanding at the end of the year	50,000	50,000
Nominal value of equity shares	100	100
Basic/Diluted Earnings per share	(0.78)	(1.08)

Note 10 : Disclosure of Related parties/ Related parties transactions :

a) List of Related Parties and relationships

(i)	Holding Company	Pearl Global Industries Limited
(ii)	Key Managerial Personnel	Deepak Seth (Director)
		Pulkit Seth (Relative of KMP)
		Shefall Seth (Director)

b) Transactions during the year with Related Party/ Material Transactions

(Amount in `)

S. No.	Particulars	Holding Company	For the year ended March 31, 2017	For the year ended March 31, 2016
(i)	Issue of Share Capital	Pearl Global Industries Limited	-	
(ii)	Reimbursement of pre-incorporation expenses	Pearl Global Industries Limited	-	
(iii)	Payment Made	Pearl Global Industries Limited	-	1,60,720

c) Amount Outstanding

(Amount in `)

S. No.	Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(i)	Pearl Global Industries Limited	-	-

Pixel Industries Limited

Notes to financial statements for the year ended March 31, 2017

Note 11: Keeping in view of the principle of prudence as per Accounting Standard AS 22 "Accounting for taxes on Income"; Deferred tax assets on losses has not being recognised as there is no reasonable certainty of future taxable income which may be available for its realization.

Note 12:

Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 as provided in the Table below:-

Particulars	SBN	Other Denomination	Total
Closing Cash in Hand as on 08.11.2016	-	-	-
Add: Permitted Receipts	-	-	-
Less: Permitted Payments	-	-	-
Less: Amount Deposited in Banks	-	-	-
Closing Cash in Hand as on 30.12.2016	-	-	-

Note 13: Previous year figures have been regrouped/ rearranged wherever considered necessary.

Note 14: Figures are rounded to the nearest rupee.

For & on behalf of Board of Directors of
Pixel Industries Limited

Place of Signature: Gurgaon
Dated: May 12, 2017

Sd/-
(Pulkit Seth)
Director
DIN: 00003044

Sd/-
(Shefali Seth)
Director
DIN: 01388430