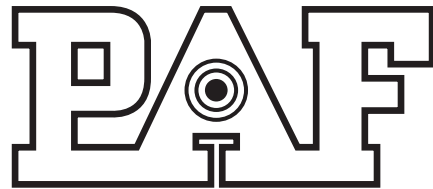


**20<sup>th</sup>**  
**ANNUAL REPORT**  
**2020 / 2021**



***PATELS AIRFLOW LIMITED.***

**Registered Office :**

**61, Phase - I, GIDC Industrial Estate, Vatva, AHMEDABAD - 382 445.**

**Phone No : 079 – 40200800 • E-mail : [paflacct@gmail.com](mailto:paflacct@gmail.com)**

**CIN NO.: U31909GJ2001PLC039998**

# ***PATELS AIRFLOW LIMITED.***

**(CIN: U31909GJ2001PLC039998)**

## **20<sup>th</sup> ANNUAL REPORT 2020 / 2021**

**BOARD OF DIRECTORS** : Shri Popatlal Bhopabhai Patel Chairman & Wholetime Director  
Shri Bhogilal Ishwarlal Patel Managing Director  
Shri Kashiram Khodidas Patel Wholetime Director  
Shri Himanshu Popatlal Patel Executive Director  
Shri Devang Kashiram Patel Executive Director  
Shri Prakash Bhogilal Patel Executive Director  
Shri Kaival Devang Patel Non - Executive Director  
Shri Akash Himanshu Patel Executive Director

**REGISTERED OFFICE** : 61, Phase – I, G I D C Industrial Estate,  
Vatva, Ahmedabad – 382 445, Gujarat.

**WORKS** : 61, Phase – I, G I D C Industrial Estate,  
Vatva, Ahmedabad – 382 445, Gujarat.

**STATUTORY AUDITORS** : ASHESH ALKESH & CO.  
Chartered Accountants  
302, Onyx, Nr. Rajhans Society, IDBI Cross Road,  
Off. C.G. Road, Navrangpura, Ahmedabad – 380009

**BANKERS** : Bank of India  
Vatva Industrial Estate Branch ( Sp. S.S.I. ),  
Vatva, Ahmedabad – 382 445.  
: Kotak Mahindra Bank  
Ground Floor, Shop No. 146, 147, 148 and First Floor,  
Shop No. 159-C, Pushkar II, Plot No. 96/1, Opp. National  
Fifles Factory, Vatva GIDC, Vatva, Ahmedabad - 382 445.

**REGISTRAR &  
TRANSFER AGENT** : M/s. BIGSHARE SERVICES PVT. LTD.,  
A-802, Samudra Complex, Nr. Klassic Gold Hotel,  
Grish Cold Drink, Off C G Road , Navrangpura,  
Ahmedabad - 380009. Gujarat.  
Phone No. -079-40024135, Mob. 7045115448

## **Chairman's Speech to Shareholders**

**Respected Shareholders,**

On my behalf and on behalf of the Board of Directors, I welcome you all to this 20<sup>th</sup> Annual General Meeting of Company.

I feel honoured and privileged once again to present with you the Annual Report for the F.Y. 2020-21. It gives me an opportunity to share my thoughts and the Company's progress during the year as well as the way forward. The financial year 2020-21 also was full of challenges and crucial commitments.

During the toughest times that the world witnessed because of COVID-19 pandemic followed by the worldwide lockdown, your Company stood by all its commitments, as a duty to the nation, and ensured maximum availability of its capacity to provide uninterrupted supply of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes to the consumers. Even during this hard time, our units operated with the optimum levels. We would like to take this opportunity to thank the selfless efforts of our work force handling the production at the plant and our employees handling the administrative work of our company. Without their co-operation and efforts our company would not have achieved this position.

Discarding the global challenges, your company continued to carry on business cautiously which resulted in to turnover of Rs. 40,13,91,674/- and Profit Rs. 1,65,48,419/- during the Financial Year 2020-21.

Success is working together and not a destination, It is with this hope and faith I look forward to your continuous confidence in your Company embarking on the next phase of its growth journey.

**With best wishes,  
Sincerely**

**Popatlal Bhopabhai Patel  
Chairman & Wholetime Director  
(DIN: 00145058)**

## NOTICE

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of the members of **PATELS AIRFLOW LIMITED** will be held on Saturday, 25<sup>th</sup> Day of September, 2021 at 12.00 p.m. at the Registered Office of the company situated at Phase - I, GIDC Industrial Estate, Vatva, Ahmedabad – 382445, Gujarat to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the company for the Financial Year ended on 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Final Dividend on Equity Shares for the financial year 2020-21.
3. To appoint a Director in place of Shri Prakash Bhogilal Patel, Executive Director (DIN: 00176928) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri Devang Kashiram Patel, Executive Director (DIN: 00146420) who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS

5. **To re-appoint Shri Bhogilal Ishwarlal Patel (DIN: 00144617) as a Managing Director of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Bhogilal Ishwarlal Patel (DIN: 00144617) whose age is more than 70 years, as a Managing Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Bhogilal Ishwarlal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Bhogilal Ishwarlal Patel, Managing Director, whether by way of Salary, Commission,



Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Bhogilal Ishwarlal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Managing Director in such manner as may be mutually agreed between the Board and Shri Bhogilal Ishwarlal Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Bhogilal Ishwarlal Patel as a Managing Director of the Company, Shri Bhogilal Ishwarlal Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required

6. **To re-appoint Shri Popatlal Bhopabhai Patel (DIN: 00145058) as a Wholetime Director & Chairman of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Popatlal Bhopabhai Patel (DIN: 00145058) whose age is more than 70 years, as a Whole-time Director & Chairman of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Popatlal Bhopabhai Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Popatlal Bhopabhai Patel, Whole-time Director & Chairman, whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Popatlal Bhopabhai Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Whole-time Director & Chairman in such manner as may be mutually agreed between the Board and Shri Popatlal Bhopabhai Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Popatlal Bhopabhai Patel as a Whole-time Director & Chairman of the Company, Shri Popatlal Bhopabhai Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

7. **To re-appoint Shri Kashiram Khodidas Patel (DIN: 00145192) as a Wholetime Director of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Kashiram Khodidas Patel (DIN: 00145192) whose age is more than 70 years, as a Whole-time Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Kashiram Khodidas Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Kashiram Khodidas Patel, Whole-time Director, whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Kashiram Khodidas Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered

as set out in the agreement including remuneration payable to the said Whole-time Director in such manner as may be mutually agreed between the Board and Shri Kashiram Khodidas Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Kashiram Khodidas Patel as a Whole-time Director of the Company, Shri Kashiram Khodidas Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

8. **To re-appoint Shri Himanshu Popatlal Patel (DIN: 00145270) as an Executive Director (Marketing) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Himanshu Popatlal Patel (DIN: 00145270), as an Executive Director (Marketing) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Himanshu Popatlal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Himanshu Popatlal Patel, Executive Director (Marketing), whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Himanshu Popatlal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Executive Director (Marketing) in such manner as may be mutually agreed between the Board and Shri Himanshu

Popatlal Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Himanshu Popatlal Patel as a Executive Director (Marketing) of the Company, Shri Himanshu Popatlal Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

9. **To re-appoint Shri Devang Kashiram Patel (DIN: 00146420) as an Executive Director (Inspection) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Devang Kashiram Patel (DIN: 00146420), as an Executive Director (Inspection) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Devang Kashiram Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Devang Kashiram Patel, Executive Director (Inspection), whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Devang Kashiram Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Executive Director (Inspection) in such manner as may be mutually agreed between the Board and Shri Devang Kashiram Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Devang Kashiram Patel as a Executive Director (Inspection) of the Company, Shri Devang Kashiram Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

10. **To re-appoint Shri Prakash Bhogilal Patel (DIN: 00176928) as an Executive Director (Production) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded for the re-appointment of Shri Prakash Bhogilal Patel (DIN: 00176928), as an Executive Director (Production) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 and to fix the remuneration payable to him as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Prakash Bhogilal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Prakash Bhogilal Patel, Executive Director (Production), whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Prakash Bhogilal Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Executive Director (Production) in such manner as may be mutually agreed between the Board and Shri Prakash Bhogilal Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Prakash Bhogilal Patel as a Executive Director (Production) of the



Company, Shri Prakash Bhogilal Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

11. **To revise the remuneration of Shri Akash Himanshu Patel (DIN: 08512178) as an Executive Director of the Company and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution :**

**“RESOLVED THAT** pursuant to the provisions of sections 196, 197, 198, 203 read with the Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other approvals as may be necessary in this regard, the approval of the members of the company be and is hereby accorded to revise remuneration payable to Shri Akash Himanshu Patel (DIN: 08512178), as an Executive Director of the Company as per terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with the liberty to the Board of Directors to alter or vary the same as may be agreed to between the Board of Directors and Shri Akash Himanshu Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company may pay the remuneration to Shri Akash Himanshu Patel, Executive Director, whether by way of Salary, Commission, Perquisites and/ or any combination of the same as mutually agreed by the Board and Shri Akash Himanshu Patel.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to vary and/or modify the terms and conditions of the agreement that may be entered as set out in the agreement including remuneration payable to the said Executive Director in such manner as may be mutually agreed between the Board and Shri Akash Himanshu Patel within the limits as prescribed in Schedule V of the Companies Act, 2013, including any amendment, modification, variation or re-enactment thereof.”

**“RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, during the term of office of Shri Akash Himanshu Patel as a Executive Director of the Company, Shri Akash Himanshu Patel shall be paid salary, perquisites and other allowances as set out in agreement and explanatory statement as the minimum remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013 from time to time and subject to the approval of the Central Government, if so required, in accordance with the provisions of the Companies Act, 2013.”

**“RESOLVED FURTHER THAT** any of the present Directors of the company be and are hereby authorized to do all such acts, deeds, matters and sign all such forms, papers and documents to give effect to the aforesaid resolution and to any matter consequential thereto and to sign and submit the certified true copy of the said resolution to any authority as may be required.”

Place : Ahmedabad  
Date: : 24<sup>th</sup> August, 2021

**By the order of Board of Directors  
For, PATELS AIRFLOW LIMITED**

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**POPATLAL BHOPABHAI PATEL**  
Chairman and Wholetime Director  
(DIN : 00145058)

**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable, issued on behalf of the nominating organization.

2. A person can act as proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
3. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 setting out facts concerning the business under Item No. 5 to 11 of the Notice is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Brief Profile of Directors seeking re-appointment at the Annual General Meeting pursuant to Secretarial Standards form integral part of the notice. The Directors have furnished the requisite declarations for their appointment/reappointment.
6. **Book Closure :** The Company has notified of closure of register of members and share transfer books from Saturday, 18<sup>th</sup> September, 2021 to Saturday, 25<sup>th</sup> September, 2021 (both days inclusive) to determine entitlement of the shareholders to receive dividend for the year 2020-21 and for the purpose of annual general meeting.
7. The Board of Directors at its meeting held on 24<sup>th</sup> August, 2021, has recommended a dividend of Rs. 2.50 per Equity Share of the face value of Rs. 10/- each. The dividend, if declared at the Annual General Meeting, will be paid to those members of the Company, whose names appear in the Register of Members or Register of Beneficial Ownership as on record date i.e. Friday, 17<sup>th</sup> September, 2021. The dividend will be payable on or after 28<sup>th</sup> September, 2021. Members are requested to update their bank details with their Depository Participants (DP) to receive the amount of dividend quickly.
8. The dividend, if approved, will be paid by crediting in to the bank account as provided by NSDL and CDSL through ECS / NECS / electronic transfer, of those shareholders holding shares in electronic form/Demat and having registered relevant bank details. In respect to those shareholders holding shares in physical form or in case of ECS / NECS/ electronic payment rejected, dividend will be paid by dividend warrants / demand drafts.



9. Members may opt for the direct credit of dividend / ECS wherein members get the credit of dividend directly in their designated bank account. This ensures direct and immediate credit with no chance of loss of bank instrument in transit. To avail this facility, the members are requested to update with their DP, the active bank account details including 9 digit MICR code and IFSC code, in case the holding is in dematerialized form. In case of shares held in physical form, the said details may be communicated to the Company or RTA, by quoting registered folio number and attaching photocopy of the cheque leaf of the active bank account along with a self-attested copy of the PAN card.
10. Shareholders may please note that in accordance with the provisions of the Income Tax Act, 1961, as amended by and read with the provisions of the Finance Act, 2020, dividend declared and paid by the Company with effect from 1<sup>st</sup> April, 2020, is taxable in the hands of Shareholders and the Company is required to deduct tax at source ("TDS") from dividend paid to the Shareholders at the applicable rates.

**For Resident Shareholders :**

For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961 at rate in force (at present 10%) on the amount of Dividend declared and paid by the Company during Financial Year 2021-22, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered, TDS would be deducted at rate in force (at present 20% plus applicable surcharge and cess) as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2021-22 does not exceed Rs.5,000/- (Rupees Five Thousand Only). Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2021-22.

Separately, in cases where a Shareholder provides Form 15G (applicable to any resident person other than a company or a firm) / Form 15H (applicable to a resident individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

**For Mutual Fund Shareholders :**

For Mutual Fund Shareholders, TDS is exempt under Section 10(23D) of the Income Tax Act, 1961, provided Mutual Funds provide Securities and Exchange Board of India (SEBI) Registration / Central Board of Direct Taxes (CBDT) notification and a self-declaration that their income is exempt under Section 10(23D) of the Income Tax Act, 1961.

**For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI) :**

For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.

**For Other Non-Resident Shareholders :**

For Other Non-Resident Shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income Tax Act, 1961, at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them.

For this purpose, i.e., to avail the Tax Treaty benefits, the Non-Resident Shareholder is required to provide the following:

1. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the Shareholder is resident;
2. Self-declaration in Form 10F;
3. Self-attested copy of the Permanent Account Number (PAN) Card allotted by the Indian Income Tax Authorities;
4. Self-declaration, certifying the following points :
  - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year 2021-22;
  - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  - iv. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
  - v. Shareholder does not have a taxable presence or a permanent establishment in India during the Financial Year 2021-22.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

**For the attention of all Shareholders:**

Shareholders may make an online submission of Form 15G/15H and Form 10F, along with the requisite supporting documents (scanned copies) as mentioned above, as applicable, on the website of Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agent ("Bigshare") at [www.bigshareonline.com](http://www.bigshareonline.com). The Shareholders may also download these forms from Bigshare's website and send: (a) physical copies of the duly filled forms / documents to Bigshare's Registered Office at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,

Makwana Road, Marol, Andheri (East), Mumbai – 400 059, Maharashtra, or (b) scanned copies of the duly filled forms / documents to Bigshare's e-mail ID investor.ahm@bigshareonline.com or tds@bigshareonline.com.

The aforesaid declarations and documents need to be submitted by the Shareholders so as to reach Bigshare **on or before Friday, 17<sup>th</sup> September, 2021 by 11.59 p.m. (IST)**.

It may please be noted that Forms received after the said date and incomplete or incorrect forms shall not be considered and shall not be eligible for non-deduction or lower deduction of tax.

The URL for downloading the aforesaid forms from the website of Bigshare is: <https://www.bigshareonline.com/Resources.aspx>

All the forms are available in under the heading "Forms & Procedures".

On this page the user shall be prompted to select / share the requisite particulars and upload the supporting documents.

By submission of Form 15G / 15H and Form 10F, along with the requisite supporting documents, the Shareholder is deemed to confirm to the Company that:

- a. the Shareholder satisfies the requisite criteria for submission of the same and takes full responsibility for availing the TDS deduction exemption;
- b. the Company or Bigshare will not be held responsible / liable and no claims shall lie against them in this regard;
- c. the online submission of the Form 15G/Form 15H (if made) shall be deemed to have been signed by the Shareholder.

The Company will arrange to email a soft copy of TDS Certificate to the Shareholder at the Shareholder's registered e-mail ID in due course.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from a Shareholder, there would still be an option available with such Shareholder to file the return of income and claim an appropriate refund, if eligible.

All communications/ queries in this respect should be addressed to the RTA, Bigshare Services Private Limited on their e-mail address investor.ahm@bigshareonline.com

Further, Shareholders holding shares in physical mode and who have not registered / updated their email addresses with the Company are requested to update their email addresses with Bigshare. Shareholder holding shares in dematerialized mode are requested to register / update their e-mail addresses with the relevant Depository Participant(s).

11. Pursuant to Sections 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to Investor Education and Protection Fund

("IEPF") established by the Central Government. The Company during the year has transferred a sum of Rs. 1,43,534/- being unclaimed dividend amount for the financial year 2012-13 to the Investor Education and Protection Fund of the Central Government. The shareholders who have not claimed their dividend for the financial year 2013-14 are requested to claim their dividend on or before 26<sup>th</sup> November, 2021, failing which it would be transferred to IEPF after 27<sup>th</sup> November, 2021 and no claim shall lay against the Company for the said amount of unclaimed dividend so transferred. The details of unclaimed dividends are available on the Company's website at [www.patelsairflow.com](http://www.patelsairflow.com).

Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority Rules, 2016 ("IEPF Rules"), all shares on which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred to Demat Account of IEPF. The Company timely sent individual intimation to all such shareholders. All such Shareholders are requested to claim their Unclaimed Dividend expeditiously failing which their shares shall be transferred to Demat Account of IEPF and no claim shall lay against the Company. The Shareholders thereafter need to claim their shares from IEPF Authority by filing E-Form-5 and by following such procedures as prescribed in the IEPF Rules (as may be amended from time to time).

12. Members are requested to bring their attendance slip along with their copy of annual report to the Meeting.
13. Members who hold shares in de-materialization form are requested to bring their depository account number for identification.
14. In case of joint holders attending the Meeting only such joint holder who is higher in the order of names will be entitled to vote.
15. Relevant documents referred to in the accompanying notice are open for inspection by the members at the registered office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of meeting.
16. If members want to change/correct bank account details, they should communicate the same immediately to the concerned Depository Participant. Members are also requested to furnish their MICR code of their bank to their Depository Participant. The Company or its Registrar will not entertain any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form are requested to advise any change of address immediately to the Company/Registrar and Share Transfer Agents, M/s Bigshare Services Pvt. Ltd.
17. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form-SH 13 prescribed by the Government can be obtained from the Share Transfer Agent or may be downloaded from the website of the Ministry of Company Affairs.

18. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Bigshare Services Pvt. Ltd, for consolidation into a single folio.
19. Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
20. Non-Resident Indian Members are requested to inform Bigshare Services Pvt. Ltd, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
21. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Bigshare Services Pvt. Ltd.
22. To support the "Green Initiative in Corporate Governance" taken by the Ministry of Corporate Affairs by allowing paperless compliance and stating that service of notices / documents including Annual Report can be effected by sending the same through electronic mode to the registered e- mail addresses of the shareholders, notices/documents including the Annual Report are now being sent by electronic mode to the shareholders whose e-mail address have been registered with the Company. Members who would like to receive such notices / documents in electronic mode in lieu of physical copy and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses:
  - In respect of electronic shareholding - through their respective Depository Participants;
  - In respect of physical shareholding - by sending a request to the Company's Share Transfer Agent, mentioning therein their folio number and e-mail address.
23. The route map showing directions to reach the venue of the 20th AGM is annexed.
24. The Annual Report 2020-21 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.patelsairflow.com](http://www.patelsairflow.com)

**Process and manner for members opting for voting through Electronic means:**

- i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system through remote e-voting services provided by Central Depository

Services Limited (CDSL) from a place other than the venue of the Meeting.

- ii) The Members whose names appear in the Register of Members / List of Beneficial Owners as on Friday, 17<sup>th</sup> September, 2021 (cut - off date) are entitled to avail the facility of remote e-voting as well as voting at the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- iii) A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 17<sup>th</sup> September, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- iv) The remote e-voting will commence on Wednesday, 22<sup>nd</sup> September, 2021 at 9.00 a.m. and ends on Friday, 24<sup>th</sup> September, 2021 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 17<sup>th</sup> September, 2021, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter. The e-voting module shall be disabled by CDSL for voting thereafter.
- v) Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi) The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.

The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Friday, 17<sup>th</sup> September, 2021.

- vii) The Company has appointed Mr. Dip G. Patel, Proprietor of DG Patel & Associates, Practising Company Secretary (Membership No. FCS: 10533; CP No: 13774), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTEE-VOTING ARE AS UNDER:**

- i) The voting period begins on Wednesday, 22<sup>nd</sup> September, 2021 at 9.00 a.m. and ends on Friday, 24<sup>th</sup> September, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 17<sup>th</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.



- iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below :

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<p>i) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>ii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-</p>

	<p>Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>iii) If the user is not registered for Easi / Easiest, option to register is available at  <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>iv) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in Demat mode with <b>NSDL</b></p>	<p>i) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>ii) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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</p>



	company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- v) Login method for e-Voting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- vi) After entering these details appropriately, click on “SUBMIT” tab.
- vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at [csdgpatel@gmail.com](mailto:csdgpatel@gmail.com) and to the Company at the email address viz; [paflacct@gmail.com](mailto:paflacct@gmail.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- 1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at [paflacct@gmail.com](mailto:paflacct@gmail.com) /RTA at [bssahd1@bigshareonline.com](mailto:bssahd1@bigshareonline.com)
- 2) For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

- 3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**

Place : Ahmedabad

Date : 24<sup>th</sup> August, 2021

**By the order of Board of Directors  
For, PATELS AIRFLOW LIMITED**

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**POPATLAL BHOPABHAI PATEL**  
Chairman and Wholetime Director  
(DIN : 00145058)

**INFORMATION REQUIRED PURSUANT TO SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2), IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 20TH ANNUAL GENERAL MEETING**

**1. Shri Prakash Bhogilal Patel, Executive Director (Production) (DIN: 00176928) retiring by Rotation and also seeking re-appointment :**

Age	52 Years
Date of first appointment on the Board	01/10/2006
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Prakash Bhogilal Patel is a promoter of our Company. He is an Executive Director (Production) of company. He holds degree of D.M.E. He is engaged in purchase and production operations of the company. He has also expertise in production and has an overall experience of 32 years. His expertise helped in the sustainable growth of the Company.
No. of Shares held in the Company as on 31/03/2021	216575
Relationship with other Directors and Key Managerial Personnel	He is son of Bhogilal Ishwarlal Patel, Managing Director.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**2. Shri Devang Kashiram Patel, Executive Director (Inspection) (DIN: 00146420) retiring by Rotation and also seeking re-appointment :**

Age	58 Years
Date of first appointment on the Board	01/10/2006
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Devang Kashiram Patel aged 58 years is a promoter of our Company. He is an Executive Director (Inspection) of company. He holds degree of B.E. Ind. & Production. He is engaged in manufacturing, engineering and Inspection operations of the company. He has also expertise in inspection and engineering operations and has an overall experience of 35 years. He has played vital role in achieving growth of the company over the years.
No. of Shares held in the Company as on 31/03/2021	2500
Relationship with other Directors and Key Managerial Personnel	Son of Kashiram Khodidas Patel, Wholetime Director of company. Father of Kaival Devang Patel, Non-executive Director of company.
Other Directorships	1 - Vasudhaiva Procon Private Limited
Chairmanship / Membership of Committees of other companies	NIL

**3. Shri Bhogilal Ishwarlal Patel, Managing Director (DIN: 00144617) seeking re-appointment:**

Age	76 Years
Date of first appointment on the Board	17/09/2001
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Bhogilal Ishwarlal Patel aged 76 years is a promoter of our Company. He is a Managing Director of company. He holds degree of B.E. Mechanical. He is engaged in Finance, Marketing and manufacturing operations of the company. He has 55 years of vast experience. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same.
No. of Shares held in the Company as on 31/03/2021	317890
Relationship with other Directors and Key Managerial Personnel	Father of Prakash Bhogilal Patel, Executive Director (Production) of company.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**4. Shri Popatlal Bhopabhai Patel, Chairman & Whole-time Director (DIN: 00145058) seeking re-appointment:**

Age	82 Years
Date of first appointment on the Board	17/09/2001
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Popatlal Bhopabhai Patel aged 82 years is a promoter of our Company. He is a Whole-time Director and Chairman of company. He holds degree of M.S. Mechanical. He is engaged in Marketing and manufacturing operations of the company. He has also expertise in designing and has an overall experience of 56 years. He is responsible for the expansion of the business of our Company His expertise and business acumen helped in the sustainable growth of the Company.
No. of Shares held in the Company as on 31/03/2021	112011
Relationship with other Directors and Key Managerial Personnel	Father of Himanshu Popatlal Patel, Executive Director (Marketing) of company. Grandfather of Akash Himanshu Patel, Executive Director.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**5. Shri Kashiram Khodidas Patel, Whole-time Director (DIN: 00145192) seeking re-appointment:**

Age	82 Years
Date of first appointment on the Board	17/09/2001
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Kashiram Khodidas Patel aged 82 years is a promoter of our Company. He is a Whole-time Director of company. He holds degree of B. E. Mechanical. He is engaged in manufacturing operations of the company. He has also expertise in engineering related processes and has an overall experience of 55 years. His expertise helped in the sustainable growth of the Company.
No. of Shares held in the Company as on 31/03/2021	100000
Relationship with other Directors and Key Managerial Personnel	Father of Devang Kashiram Patel, Executive Director (Inspection) of company. Grandfather of Kaival Devang Patel, Non-executive Director.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**6. Shri Himanshu Popatlal Patel, Executive Director (Marketing) (DIN: 00145270) seeking re-appointment:**

Age	52 Years
Date of first appointment on the Board	01/10/2006
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Himanshu Popatlal Patel aged 52 years is a promoter of our Company. He is an Executive Director (Marketing) of company. He holds degree of B. E. Mechanical. He is engaged in marketing and designing operations of the company. He has also expertise in marketing and has an overall experience of 30 years. His marketing expertise helped in the sustainable growth of the Company. .
No. of Shares held in the Company as on 31/03/2021	123325
Relationship with other Directors and Key Managerial Personnel	Son of Popatlal Bhopabhai Patel, Wholetime Director & Chairman of company. Father of Akash Himanshu Patel, Executive Director.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**7. Shri Akash Himanshu Patel, Executive Director (DIN: 08512178) seeking re-appointment :**

Age	25 Years
Date of first appointment on the Board	18/07/2019
Qualification / Brief Resume / Expertise in specific functional area / experience	Shri Akash Himanshu Patel aged 25 years is an Executive Director of company. He holds degree of M.S. Engg. Management. He is engaged in engineering and management of the company. He has also expertise in management and has an overall experience of 2 years. He is playing vital role in overall management of the company.
No. of Shares held in the Company as on 31/03/2021	NIL
Relationship with other Directors and Key Managerial Personnel	Son of Himanshu Popatlal Patel, Executive Director (Marketing) of company. Grandson of Popatlal Bhopabhai Patel, Wholetime Director & Chairman.
Other Directorships	NIL
Chairmanship / Membership of Committees of other companies	NIL

**EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item no. 5 :**

Shri Bhogilal Ishwarlal Patel aged 76 years is a promoter of our Company. He is a Managing Director of company. He holds degree of B.E. Mechanical. He is engaged in Finance, Marketing and manufacturing operations of the company. He has 55 years of vast experience. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He was appointed as a Managing Director of the company for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2016 to 17<sup>th</sup> Day of September, 2021 and his term as a Managing Director ends on 17<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Bhogilal Ishwarlal Patel as a Managing Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

Pursuant to the provisions of Section 196 of the Companies Act, 2013 and Rules made thereunder, company shall not continue the employment of any person as managing director who has attained the age of seventy years unless special resolution is passed in which case the explanatory statement



annexed to the notice for such motion shall indicate the justification for appointing such person.

Justification for appointment after attaining age of 70 years:

Shri Bhogilal Ishwarlal Patel is engaged in Finance, Marketing and manufacturing operations of the company. Further, looking to his expertise & vast experience of 55 years in the field and growth made by the company under his leadership and guidance, Board of Directors is of the opinion that it is in the interest of the company to re-appoint him as a Managing Director even after attaining age of 70 Years.

The main terms and conditions of re-appointment and remuneration of Shri Bhogilal Ishwarlal Patel are furnished below:

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

**A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);

**B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

**C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :**

**I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes		
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
	EPS	7.35	8.26	
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

**1. Background Details:**

Shri Bhogilal Ishwarlal Patel aged 76 years is a promoter of our Company. He is a Managing Director of company. He holds degree of B.E. Mechanical. He is engaged in Finance, Marketing and manufacturing operations of the company. He has 55 years of vast experience. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same.

**2. Past Remuneration:**

Period	Remuneration paid (Rs.)
2020-21	24,00,000/- p.a.
2019-20	24,00,000/- p.a.

**3. Recognition or awards :**

Shri Bhogilal Ishwarlal Patel is well recognized for his leadership, visionary, and entrepreneur skills in managing business activities and has been efficiently managing Finance, Marketing and manufacturing operations of the Company.

**4. Job Profile and his suitability :**

In the capacity of Managing Director of the Company Shri Bhogilal Ishwarlal Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**5. Remuneration proposed :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021. Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Bhogilal Ishwarlal Patel is holding 14.13% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Bhogilal Ishwarlal Patel is engaged in Finance, Marketing and manufacturing operations of the company. Further, looking to his expertise & vast experience of 55 years in the field. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same.

The documents related to appointment and remuneration of Shri Bhogilal Ishwarlal Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Shri Bhogilal Ishwarlal Patel is interested in the resolution set out at Item No. 5 of the Notice.

The relatives of Shri Bhogilal Ishwarlal Patel may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No. 6:**

Shri Popatlal Bhopabhai Patel aged 82 years is a promoter of our Company. He is a Whole-time Director & Chairman of company. He holds degree of M.S. Mechanical. He is engaged in Marketing and manufacturing operations of the company. He has also expertise in designing and has an overall experience of 56 years. He is responsible for the expansion of the business of our Company His expertise and business acumen helped in the sustainable growth of the Company. He was appointed as a Whole-time Director & Chairman of the company for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2016 to 17<sup>th</sup> Day of September, 2021 and his term as a Whole-time Director & Chairman ends on 17<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Popatlal Bhopabhai Patel as a Whole-time Director & Chairman of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

Pursuant to the provisions of Section 196 of the Companies Act, 2013 and Rules made thereunder, company shall not continue the employment of any person as Whole-time Director & Chairman who has attained the age of seventy years unless special resolution is passed in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Justification for appointment after attaining age of 70 years :

Shri Popatlal Bhopabhai Patel is engaged in Marketing and manufacturing operations of the company. Further, looking to his expertise & vast experience of 56 years in the field and growth made by the company under his leadership and guidance, Board of Directors is of the opinion that it is in the interest of the company to re-appoint him as a Whole-time Director & Chairman even after attaining age of 70 Years

The main terms and conditions of re-appointment and remuneration of Shri Popatlal Bhopabhai Patel are furnished below :

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

**A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);

**B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

**C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :**

**I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes		
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
	EPS	7.35	8.26	
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

**1. Background Details:**

Shri Popatlal Bhopabhai Patel aged 82 years is a promoter of our Company. He is a Whole-time Director & Chairman of company. He holds degree of M.S. Mechanical. He is engaged in Marketing and manufacturing operations of the company. He has also expertise in designing and has an overall experience of 56 years. He is responsible for the expansion of the business of our Company His expertise and business acumen helped in the sustainable growth of the Company.

**2. Past Remuneration:**

Period	Remuneration paid (Rs.)
2020-21	24,00,000/- p.a.
2019-20	24,00,000/- p.a.

**3. Recognition or awards :**

Shri Popatlal Bhopabhai Patel is well recognized for his leadership and entrepreneur skills in managing business activities and is engaged in Marketing and manufacturing operations of the company. He has also expertise in designing.

**4. Job Profile and his suitability :**

In the capacity of Whole-time Director & Chairman of the Company Shri Popatlal Bhopabhai Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**5. Remuneration proposed :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021. Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Popatlal Bhopabhai Patel is holding 4.98% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Popatlal Bhopabhai Patel aged 82 years is a promoter of our Company. He is a Whole-time Director & Chairman of company. He holds degree of M.S. Mechanical. He is engaged in Marketing and manufacturing operations of the company. He has also expertise in designing and has an overall experience of 56 years. He is responsible for the expansion of the business of our Company His expertise and business acumen helped in the sustainable growth of the Company.

The documents related to appointment and remuneration of Shri Popatlal Bhopabhai Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Shri Popatlal Bhopabhai Patel is interested in the resolution set out at Item No. 6 of the Notice. The relatives of Shri Popatlal Bhopabhai Patel may be deemed to be interested in the resolution set out at Item No. 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No. 7:**

Shri Kashiram Khodidas Patel aged 82 years is a promoter of our Company. He is a Whole-time Director of company. He holds degree of B. E. Mechanical. He is engaged in manufacturing operations of the company. He has also expertise in engineering related processes and has an overall experience of 55 years. His expertise helped in the sustainable growth of the Company. He was appointed as a Whole-time Director of the company for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2016 to 17<sup>th</sup> Day of September, 2021 and his term as a Whole-time Director ends on 17<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Kashiram Khodidas Patel as a Whole-time Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

Pursuant to the provisions of Section 196 of the Companies Act, 2013 and Rules made thereunder, company shall not continue the employment of any person as Whole-time Director who has attained the age of seventy years unless special resolution is passed in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Justification for appointment after attaining age of 70 years :

Shri Kashiram Khodidas Patel is engaged in manufacturing operations of the company. Further,



looking to his expertise & vast experience of 55 years in the field and growth made by the company, Board of Directors is of the opinion that it is in the interest of the company to re-appoint him as a Managing Director even after attaining age of 70 Years.

The main terms and conditions of re-appointment and remuneration of Shri Kashiram Khodidas Patel are furnished below:

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

**A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);

**B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

**C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :**

**I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes		
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
	EPS	7.35	8.26	
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

**1. Background Details:**

Shri Kashiram Khodidas Patel aged 82 years is a promoter of our Company. He is a Whole-time Director of company. He holds degree of B. E. Mechanical. He is engaged in manufacturing operations of the company. He has also expertise in engineering related processes and has an overall experience of 55 years. His expertise helped in the sustainable growth of the Company.

**2. Past Remuneration:**

Period	Remuneration paid (Rs.)
2020-21	24,00,000/- p.a.
2019-20	24,00,000/- p.a.

**3. Recognition or awards :**

Shri Kashiram Khodidas Patel is well recognized for his technical skills and is engaged in manufacturing operations of the company.

**4. Job Profile and his suitability :**

In the capacity of Whole-time Director of the Company Shri Kashiram Khodidas Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**5. Remuneration proposed :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021. Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Kashiram Khodidas Patel is holding 4.44% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Kashiram Khodidas Patel is a Whole-time Director of company. He holds degree of B. E. Mechanical. He is engaged in manufacturing operations of the company. He has also expertise in engineering related processes and has an overall experience of 55 years. His expertise helped in the sustainable growth of the Company.

The documents related to appointment and remuneration of Shri Kashiram Khodidas Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the members.

Shri Kashiram Khodidas Patel is interested in the resolution set out at Item No. 7 of the Notice. The relatives of Shri Kashiram Khodidas Patel may be deemed to be interested in the resolution set out at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No.8:**

Shri Himanshu Popatlal Patel aged 52 years is a promoter of our Company. He is an Executive Director (Marketing) of company. He holds degree of B. E. Mechanical. He is engaged in marketing and designing operations of the company. He has also expertise in marketing and has an overall experience of 30 years. His marketing expertise helped in the sustainable growth of the Company. He was appointed as an Executive Director (Marketing) of the company for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2016 to 30<sup>th</sup> Day of September, 2021 and his term as a Executive Director (Marketing) ends on 30<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Himanshu Popatlal Patel as a Executive Director (Marketing) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

The main terms and conditions of re-appointment and remuneration of Shri Himanshu Popatlal Patel are furnished below: Board of Directors is of the opinion that it is in the interest of the company to re-appoint him as a Managing Director even after attaining age of 70 Years.

The main terms and conditions of re-appointment and remuneration of Shri Popatlal Bhopabhai Patel are furnished below :

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

**A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);

**B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

**C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :****I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.

3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
		EPS	7.35	8.26
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

## II. INFORMATION ABOUT THE APPOINTEE:

Shri Himanshu Popatlal Patel aged 52 years is a promoter of our Company. He is an Executive Director (Marketing) of company. He holds degree of B. E. Mechanical. He is engaged in marketing and designing operations of the company. He has also expertise in marketing and has an overall experience of 30 years. His marketing expertise helped in the sustainable growth of the Company.

### 2. Past Remuneration:

Period	Remuneration paid (Rs.)
2020-21	24,00,000/- p.a.
2019-20	24,00,000/- p.a.

### 3. Recognition or awards :

Shri Himanshu Popatlal Patel is well recognized for his marketing skills.

### 4. Job Profile and his suitability :

In the capacity of Executive Director (Marketing) of the Company Shri Himanshu Popatlal Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

### 5. Remuneration proposed :

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021. Salary may be revised periodically based on the recommendation of the

Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Himanshu Popatlal Patel is holding 5.48% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :**

**1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Himanshu Popatlal Patel is an Executive Director (Marketing) of company. He holds degree of B. E. Mechanical. He is engaged in marketing and designing operations of the company. He has also expertise in marketing and has an overall experience of 30 years. His marketing expertise helped in the sustainable growth of the Company.

The documents related to appointment and remuneration of Shri Himanshu Popatlal Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

Shri Himanshu Popatlal Patel is interested in the resolution set out at Item No. 8 of the Notice.

The relatives of Shri Himanshu Popatlal Patel may be deemed to be interested in the resolution set out



**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Himanshu Popatlal Patel is an Executive Director (Marketing) of company. He holds degree of B. E. Mechanical. He is engaged in marketing and designing operations of the company. He has also expertise in marketing and has an overall experience of 30 years. His marketing expertise helped in the sustainable growth of the Company.

The documents related to appointment and remuneration of Shri Himanshu Popatlal Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

Shri Himanshu Popatlal Patel is interested in the resolution set out at Item No. 8 of the Notice.

The relatives of Shri Himanshu Popatlal Patel may be deemed to be interested in the resolution set out at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No.9:**

Shri Devang Kashiram Patel aged 58 years is a promoter of our Company. He is an Executive Director (Inspection) of company. He holds degree of B.E. Ind. & Production. He is engaged in manufacturing, engineering and Inspection operations of the company. He has also expertise in inspection and engineering operations and has an overall experience of 35 years. He has played vital role in achieving growth of the company over the years. He was appointed as an Executive Director (Inspection) of the company for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2016 to 30<sup>th</sup> Day of September, 2021 and his term as a Executive Director (Inspection) ends on 30<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Devang Kashiram Patel as a Executive Director (Inspection) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

The main terms and conditions of re-appointment and remuneration of Shri Devang Kashiram Patel are furnished below :

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

- A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.
- B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.
- C. Medical reimbursement / allowance :** As per the rules of the Company.
- D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

- A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);
- B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :****I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.

4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
		EPS	7.35	8.26
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

## II. INFORMATION ABOUT THE APPOINTEE:

Shri Devang Kashiram Patel aged 58 years is a promoter of our Company. He is an Executive Director (Inspection) of company. He holds degree of B.E. Ind. & Production. He is engaged in manufacturing, engineering and Inspection operations of the company. He has also expertise in inspection and engineering operations and has an overall experience of 35 years. He has played vital role in achieving growth of the company over the years.

Period	Remuneration paid (Rs.)
2020-21	12,00,000/- p.a.
2019-20	12,00,000/- p.a.

### 3. Recognition or awards :

Shri Devang Kashiram Patel is well recognized for his inspection and engineering skills.

### 4. Job Profile and his suitability :

In the capacity of Executive Director (Inspection) of the Company Shri Devang Kashiram Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

### 5. Remuneration proposed :

Salary at the rate of Rs. 2,00,000 (Rupees Two Lac Only) per month for a period of 3 years w.e.f 1<sup>st</sup> Day of October, 2021. Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

### 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Devang Kashiram Patel is holding 0.11% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Devang Kashiram Patel aged 58 years is a promoter of our Company. He is an Executive Director (Inspection) of company. He holds degree of B.E. Ind. & Production. He is engaged in manufacturing, engineering and Inspection operations of the company. He has also expertise in inspection and engineering operations and has an overall experience of 35 years. He has played vital role in achieving growth of the company over the years.

The documents related to appointment and remuneration of Shri Devang Kashiram Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Shri Devang Kashiram Patel is interested in the resolution set out at Item No. 9 of the Notice. The relatives of Shri Devang Kashiram Patel may be deemed to be interested in the resolution set out at Item No. 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No. 10:**

Shri Prakash Bhogilal Patel aged 52 years is a promoter of our Company. He is an Executive Director (Production) of company. He holds degree of D.M.E. He is engaged in purchase and production operations of the company. He has also expertise in production and has an overall experience of 32 years. His expertise helped in the sustainable growth of the Company. He was appointed as an Executive Director (Production) of the company for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2016 to 30<sup>th</sup> Day of September, 2021 and his term as a Executive Director (Production) ends on 30<sup>th</sup> Day of September, 2021.

Looking to his expertise & vast experience in the field, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, re-appointed Shri Prakash Bhogilal Patel as a Executive Director (Production) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026 on terms and conditions including remuneration as mentioned hereinafter.

The main terms and conditions of re-appointment and remuneration of Shri Prakash Bhogilal Patel are furnished below:

**1. Term of appointment :**

Five years w.e.f. for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

**2. Basic Salary :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f. 18<sup>th</sup> Day of September, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month.

**3. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**4. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

**A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);

**B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and

C. encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :**

**I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes		
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
	EPS	7.35	8.26	
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

Shri Prakash Bhogilal Patel aged 52 years is a promoter of our Company. He is an Executive Director (Production) of company. He holds degree of D.M.E. He is engaged in purchase and production operations of the company. He has also expertise in production and has an overall experience of 32 years. His expertise helped in the sustainable growth of the Company.

**2. Past Remuneration:**

Period	Remuneration paid (Rs.)
2020-21	24,00,000/- p.a.
2019-20	24,00,000/- p.a.

**3. Recognition or awards :**

Shri Prakash Bhogilal Patel is well recognized for his production skills.

**4. Job Profile and his suitability :**

In the capacity of Executive Director (Production) of the Company Shri Prakash Bhogilal Patel shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**5. Remuneration proposed :**

Salary at the rate of Rs. 2,00,000 (Rupees Two Lacs Only) per month for a period of 3 years w.e.f 1<sup>st</sup> Day of October, 2021. Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 3,00,000 (Rupees Three Lacs Only) per month. Perquisites and allowances as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Prakash Bhogilal Patel is holding 9.63% of the equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Prakash Bhogilal Patel aged 52 years is a promoter of our Company. He is an Executive Director



(Production) of company. He holds degree of D.M.E. He is engaged in purchase and production operations of the company. He has also expertise in production and has an overall experience of 32 years. His expertise helped in the sustainable growth of the Company.

The documents related to appointment and remuneration of Shri Prakash Bhogilal Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 10 of the Notice for approval by the members.

Shri Prakash Bhogilal Patel is interested in the resolution set out at Item No. 10 of the Notice. The relatives of Shri Prakash Bhogilal Patel may be deemed to be interested in the resolution set out at Item No. 10 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**Item No. 11 :**

Shri Akash Himanshu Patel aged 25 years is an Executive Director of company. He holds degree of M.S. Engg. Management. He is engaged in engineering and management of the company. He has also expertise in management and has an overall experience of 2 years. He is playing vital role in overall management of the company. He was appointed as an Additional Executive Director of the company w.e.f. 18<sup>th</sup> Day of July, 2019 and regularized as an Executive Director in the Annual General Meeting of the company held on 27<sup>th</sup> September, 2019.

Looking to his expertise in the management, the Board of Directors of the Company (the 'Board'), had at its meeting held on 24<sup>th</sup> Day of August, 2021, subject to the approval of the members, revised his remuneration on terms and conditions mentioned hereinafter.

**1. Basic Salary :**

Salary at the rate of Rs. 65,000 (Rupees Sixty Five Thousands Only) per month for a period of 3 years w.e.f 1<sup>st</sup> Day of October, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 1, 00,000 (Rupees One Lac Only) per month

**2. Perquisites and allowances :**

Perquisites and allowances shall include –

**A. Car with driver :** Managing Director will be provided a Car with driver for use on Company's business. All the expenses for maintenance and running of the same including salary of the driver to be borne by the company.

**B. Travelling, Boarding and Lodging :** The Company shall reimburse actual travelling expenses incurred by the Managing Director in connection with the Company's business.

**C. Medical reimbursement / allowance :** As per the rules of the Company.

**D. Leave travel concession / allowance :** As per the rules of the Company.

**3. Perquisites as per the Section IV of the Schedule V of the Act as provided below :**

- A.** contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961);
- B.** gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

- C.** encashment of leave at the end of the tenure.

The remuneration package is above the limit prescribed under Section 198 of the Companies Act, 2013

**STATEMENT PURSUANT TO SECTION II OF PART-II OF SCHEDULE V OF THE COMPANIES ACT, 2013 :****I. GENERAL INFORMATION:**

1	Nature of Industry.	Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes		
2	Date or Expected Date of Commencement of Commercial Production.	Company is already engaged in manufacturing activities.		
3	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable.		
4	Financial performance based on given indicators	<b>Particulars</b>	<b>2020-21 (Rs.)</b>	<b>2019-20 (Rs.)</b>
		Total Revenue	40,13,91,674	45,37,52,137
		Profit before Tax	2,23,44,155	2,39,79,786
		Tax Expenses	57,95,736	53,83,070
		Profit After Tax	1,65,48,419	1,85,96,716
	EPS	7.35	8.26	
5	Foreign Investments or Collaborators, if any.	At present, the Company does not have any foreign investments or collaborations.		

**II. INFORMATION ABOUT THE APPOINTEE:**

Shri Akash Himanshu Patel aged 25 years is an Executive Director of company. He holds degree of M.S. Engg. Management. He is engaged in engineering and management of the company. He has also expertise in management and has an overall experience of 2 years. He is playing vital role in overall management of the company.

**2. Past Remuneration:**

Period	Remuneration paid (Rs.)
2020-21	6,00,000/- p.a.
2019-20	4,22,581/- p.a.

**3. Recognition or awards :**

Shri Akash Himanshu Patel is well recognized for his management skills.

**4. Job Profile and his suitability :**

In the capacity of Executive Director of the Company Shri Akash Himanshu Patel shall be shall be responsible for defining and executing business strategy, strengthening governance practices and providing overall leadership to the Company's operations or such other roles and responsibilities as may be assigned to him by the Board from time to time.

**5. Remuneration proposed :**

Salary at the rate of Rs. 65,000 (Rupees Sixty Five Thousands Only) per month for a period of 3 years w.e.f 1<sup>st</sup> Day of October, 2021.

Salary may be revised periodically based on the recommendation of the Board of Directors and may be increased upto Rs. 1,00,000 (Rupees One Lac Only) per month. Perquisites and allowances as mentioned above.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.**

Since the Company is engaged in manufacturing of variety of products, it would not be possible to compare the remuneration payable in similar type of Industry.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.**

Shri Akash Himanshu Patel is not holding any equity share capital of the company. In addition to above, his relatives are also holding shares in the company. Accordingly he may be deemed having pecuniary relation, directly and indirectly, with the company.

**III. OTHER INFORMATION :****1. Reasons of Loss or Inadequate Profits :**

The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. Due to fiercely competitive environment in the industry, profitability of the company is affected.

**2. Steps taken or proposed to be taken for improvement :**

Focus has been placed on promotion and marketing so as to increase the sales turnover of the Company and efforts are being made towards cost reduction and this will result into increase in profits of the Company.

**3. Expected increase in productivity and profits in measurable terms :**

Looking at the past performance and efforts being made during the year, the Company is expecting around Ten per cent increase in the sales turnover and profits of the Company during the financial year 2021-22.

**IV. REASONS AND JUSTIFICATION FOR PAYMENT BEYOND LIMITS SPECIFIED IN SCHEDULE.**

Shri Akash Himanshu Patel aged 25 years is an Executive Director of company. He holds degree of M.S. Engg. Management. He is engaged in engineering and management of the company. He has also expertise in management and has an overall experience of 2 years. He is playing vital role in overall management of the company.

The documents related to appointment and remuneration of Shri Akash Himanshu Patel shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

Shri Akash Himanshu Patel is interested in the resolution set out at Item No. 11 of the Notice. The relatives of Shri Akash Himanshu Patel may be deemed to be interested in the resolution set out at Item No. 11 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested, financially or otherwise, in this Resolution except to the extent of their respective shareholding in the Company to the same extent as that of every other member of the Company.

**By the order of Board of Directors  
For, PATELS AIRFLOW LIMITED**

**Place : Ahmedabad**

Date: 24<sup>th</sup> August, 2021

**POPATLAL BHOPABHAI PATEL  
Chairman / Wholetime Director  
(DIN: 00145058)**

**DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in presenting the 20<sup>th</sup> Annual Report along with the Audited financial statements of the company for the Financial Year ended on 31<sup>st</sup> March, 2021.

**1. FINANCIAL RESULTS :**

Particulars	Year 2020-21 ₹	Year 2019-20 ₹
Revenue from Operations	40,13,91,674	45,37,52,137
Other Income	30,47,310	36,87,783
<b>Total Revenue</b>	<b>40,44,38,984</b>	<b>45,74,39,920</b>
Less: Total Expenditure	37,17,34,349	42,30,18,118
<b>Profit/(Loss) Before Depreciation &amp; Tax</b>	<b>3,27,04,635</b>	<b>3,44,21,802</b>
Less: Depreciation & Amortization Cost	1,03,60,480	1,04,42,016
Less: Extraordinary items	0	0
<b>Profit/(Loss) Before Tax</b>	<b>2,23,44,155</b>	<b>2,39,79,786</b>
Less: Tax Expenses		
1) Current Tax	57,75,000	60,49,300
2) Deferred Tax	20,736	(6,66,230)
<b>Profit/(Loss) After Tax</b>	<b>1,65,48,419</b>	<b>1,85,96,716</b>
EPS (Basic)	7.35	8.26
EPS (Diluted)	7.35	8.26

**2. STATE OF COMPANY'S AFFAIRS :**

- The Company is engaged in manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes.
- During the year under review, revenue from operations decreased to ₹ 40,13,91,674/- as compared to ₹ 45,37,52,137/- in the previous year.
- Profit after tax for the year also decreased to ₹ 1,65,48,419/- as compared to a profit of ₹ 1,85,96,716/- during the previous year. Your directors shall strive harder to achieve better result in future.

**3. DIVIDEND :**

The Board of Directors at its Meeting held on 24<sup>th</sup> August, 2021 has recommended a final dividend of

₹ 2.50 per Equity Share (25% on the face value of Rs. 10/- each) on the paid up share capital of the Company for financial year ended on 31<sup>st</sup> March, 2021 amounting to ₹ 56,25,200/-, which if declared, at the ensuing Annual General meeting scheduled on Saturday, 25<sup>th</sup> September, 2021 will be paid to those shareholders whose names appear in the Register of members as at closing hours of business on Friday, 17<sup>th</sup> September, 2021 ('Record date'). In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership furnished by the depositories viz. NSDL and CDSL for this purpose.

The Register of Members and Share Transfer Books will remain closed from Saturday, 18<sup>th</sup> September, 2021 at 10.00 a.m. and ends on Saturday, 25<sup>th</sup> September, 2021 at 5.00 p.m (both days inclusive).

#### **4. COVID-19 :**

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The company has considered internal and external information while finalizing the estimate in relation to its financial statements up to the date of approval of financial statements by the Board of Directors and has not identified any material impact on carrying value of assets, liabilities or provisions. However, the impact assessment of COVID -19 is continuing process given the uncertainties associated with its nature and durations. Due to nature of pandemic, the management will continue to monitor the impact that the COVID -19 is having on the company and shall take appropriate actions based on any material changes in the future economic conditions.

#### **5. TRANSFER TO RESERVE :**

Pursuant to provisions of Section 134 of the Companies Act, 2013, the company has proposed to transfer ₹ 10,00,000 /- to general reserves account of the company.

#### **6. CHANGE IN THE NATURE OF BUSINESS, IF ANY :**

No significant changes in the business of the company occurred during the year under review.

#### **7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY :**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

#### **8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS :**

The Board of Directors of the Company has laid down adequate internal financial controls which are operating effectively. During the year, policies and procedures are adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, the prevention and detection of its frauds and errors, the accuracy and completeness of the accounting records and the timely preparations of reliable financial information.

**9. 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 passed by any regulators and/or courts and tribunals which may have the impact on the going concern status and company's operations in future.

**10. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES :**

As on 31<sup>st</sup> March 2021, the Company had no Subsidiaries/Joint Ventures/Associate Companies or any companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year under review.

**11. DEPOSITS :**

Pursuant to Section 73 and 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014, the Company has not accepted or renewed any public deposits during the year.

**12. AUDITORS :**

M/s. Ashesh Alkesh & Co., Chartered Accountants (Firm Registration No: 11950W), were appointed as the Statutory Auditors of the company in the 18<sup>th</sup> Annual General Meeting to hold the office for the period of five years till the conclusion of 23<sup>rd</sup> Annual General Meeting of the company. The said Statutory auditors have confirmed that they have not incurred any of the disqualification as mentioned in section 141(3) of the Companies Act, 2013 and the Rules framed thereunder.

**13. AUDITORS REPORT :**

Audit report to the Shareholders does not contain any qualification, reservation or adverse remarks. The observations made by the Statutory Auditors in their report for the financial period ended 31<sup>st</sup> March, 2021 read with the explanatory notes therein are self explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**14. DETAILS OF FRAUD REPORTING BY AUDITOR :**

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud.

**15. MAINTENANCE OF COST RECORDS & COST AUDIT :**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are made and maintained. Requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is not applicable to the company.

**16. DIRECTORS AND KEY MANAGERIAL PERSONNEL & MANAGERIAL REMUNERATION :**

In terms of section 152 of the Companies Act, 2013, Shri Prakash Bhogilal Patel (DIN: 00176928), Executive (Production) Director and Shri Devang Kashiram Patel (DIN: 00146420), Executive Director (Inspection) of the company, shall retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.



Further, Board seeks approval of members by Special resolution at ensuing Annual General Meeting of the company for re-appointment of following Directors:

Shri Bhogilal Ishwarlal Patel (DIN: 00144617) whose age is more than 70 years, as a Managing Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

Shri Popatlal Bhopabhai Patel (DIN: 00145058) whose age is more than 70 years, as a Whole-time Director & Chairman of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

Shri Kashiram Khodidas Patel (DIN: 00145192) whose age is more than 70 years, as a Whole-time Director of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 18<sup>th</sup> Day of September, 2021 to 17<sup>th</sup> Day of September, 2026.

Shri Himanshu Popatlal Patel (DIN: 00145270), as an Executive Director (Marketing) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026.

Shri Devang Kashiram Patel (DIN: 00146420), as an Executive Director (Inspection) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026.

Shri Prakash Bhogilal Patel (DIN: 00176928), as an Executive Director (Production) of the Company, whose office will be liable to retire by rotation, for a period of 5 (Five) years w.e.f. 1<sup>st</sup> Day of October, 2021 to 30<sup>th</sup> Day of September, 2026.

Particulars of Director being re-appointed along with the nature of expertise, their shareholding in the Company and other details pursuant to Secretarial Standards is appended as an annexure to the Notice of the ensuing Annual General Meeting.

As on the 31<sup>st</sup> March, 2021, the Board of Company consists of following Directors/Key Managerial Personnel(s):

<b>Name of Director / Key Managerial Personnel</b>	<b>Designation</b>
Shri Bhogilal Ishwarlal Patel	Managing Director
Shri Popatlal Bhopabhai Patel	Chairman & Wholetime Director
Shri Kashiram Khodidas Patel	Wholetime Director
Shri Himanshu Popatlal Patel	Executive Director
Shri Devang Kashiram Patel	Executive Director
Shri Prakash Bhogilal Patel	Executive Director
Shri Kaival Devang Patel	Non-Executive Director
Shri Akash Himanshu Patel	Executive Director

Details of remuneration paid to Directors and Key Managerial Personnel are as under:

Name & Designation of Director/Key Managerial Personnel	Remuneration ₹
Shri Bhogilal Ishwarlal Patel - Managing Director	24,00,000/-
Shri Popatlal Bhopabhai Patel - Chairman & Wholetime Director	24,00,000/-
Shri Kashiram Khodidas Patel - Wholetime Director	24,00,000/-
Shri Himanshu Popatlal Patel – Executive Director	24,00,000/-
Shri Devang Kashiram Patel – Executive Director	12,00,000/-
Shri Prakash Bhogilal Patel – Executive Director	24,00,000/-
Shri Akash Himanshu Patel – Executive Director	6,00,000/-

#### 17. DECLARATION BY INDEPENDENT DIRECTOR :

Your company was not required to appoint independent Directors pursuant to Section 149 of the Companies Act, 2013 and Rules made thereunder during the year under review. Therefore requirement for obtaining Declaration by the Independent Directors pursuant to section 149 (6) Companies Act, 2013 is not applicable to the company.

#### 18. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS :

During the year 7 (Seven) Board Meetings were convened and held as on 20/08/2020, 25/08/2020, 28/09/2020, 26/10/2020, 20/11/2020, 23/11/2020, 12/03/2021. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Details of Directors' attendance in Board Meetings held during the financial year 2020-21 are set out below :

Name of Director	No. of Board Meeting attended / Total Meetings held
Shri Bhogilal Ishwarlal Patel	7/7
Shri Popatlal Bhopabhai Patel	7/7
Shri Kashiram Khodidas Patel	7/7
Shri Himanshu Popatlal Patel	7/7
Shri Devang Kashiram Patel	7/7
Shri Prakash Bhogilal Patel	7/7
Shri Kaival Devang Patel	5/7
Shri Akash Himanshu Patel	6/7

**19. EXTRACT OF THE ANNUAL RETURN :**

The extracts of Annual Return in form MGT 9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "**Annexure - 1**" and is attached to this Report.

The Annual return of the Company for FY 2019-20 has been placed on the website of the Company and available at **www.patelsairflow.com** The Company will also place annual return in Form No MGT-7 for FY 2020-21 on completion of ensuing annual general meeting of shareholders of the Company.

**20. SHARE CAPITAL :**

There were no changes in the share capital structure of the Company during the financial year under review.

**21. TRANSFER OF UNPAID/UNCLAIMED AMOUNTS TO IEPF :**

Pursuant to the provisions of Section 125 of Companies Act, 2013 the Unclaimed Dividend which remained unpaid/unclaimed for a period of 7 years have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

**22. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO :****A. Conservation of Energy & Technology Absorption:**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have been furnished considering the nature of activities undertaken by the company during the year under review is annexed hereto as "**Annexure-2**" and forms part of this report.

**B. Foreign Exchange earnings and Outgo:**

Foreign Exchange Expenses : C.I.F. Value of Imports of Raw Material : Rs. Rs. 6,32,18,686/-  
Foreign Exchange Income: F.O.B. Value of Exports: Rs. 2,02,26,372/-

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

During the reporting period, your Company has not granted any loans, guarantees or made investments or provided securities in violation of Section 186 of the Companies Act, 2013 and rules thereof. Particulars of loans given, investments made, guarantees given and securities provided are given in the notes to the standalone financial statements forming part of this annual report.

**24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 :**

There were no contracts or arrangements with related parties during the year under review under Section 188 of the Companies Act, 2013 and hence disclosure in the Form AOC-2 is not applicable. Further, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no. 32 to the Balance Sheet as on 31<sup>st</sup> March, 2021.

**25. PARTICULARS OF EMPLOYEES :**

During the year under review, none of the employees of the Company was in receipt of remuneration exceeding Rs. 10,200,000/- p.a., if employed throughout the year or Rs. 850,000/- p.m. if employed for part of the year. Further, the statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company. In terms of Section 136 of the Companies Act, 2013 the Reports and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company.

**26. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :**

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee is set up to redress complaints received regularly.

**27. RISK MANAGEMENT POLICY :**

The Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company.

**28. CORPORATE SOCIAL RESPONSIBILITY :**

The provision of Corporate Social Responsibility is not applicable to the company for the financial year under review.

**29. AUDIT COMMITTEE :**

The company is not required to constitute Audit Committee pursuant to section 177 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014.

**30. VIGIL MECHANISM :**

The company is not required to establish Vigil Mechanism pursuant to section 177 of the Companies Act, 2013 read with rule (7) of the Companies (Meetings of Board and its Powers) Rules, 2014.

**31. NOMINATION AND REMUNERATION COMMITTEE :**

The company is not required to constitute Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 read with rule (6) of the Companies (Meetings of Board and its Powers) Rules, 2014.

**32. STAKEHOLDERS RELATIONSHIP COMMITTEE :**

Company has constituted a Stakeholders Relationship Committee to redress complaints of the shareholders.

The Committee met one times during the year i.e. on October 26, 2020. The Composition of the Committee as on March 31, 2021 and its attendance for meetings held during the year is set out below :

Name of Member	Designation in Committee	Nature of Directorship	No. of meetings attended/ No. of meetings held
Shri Kaival Devang Patel	Chairman	Non-executive Director	1/1
Shri Prakash Bhogilal Patel	Member	Executive Director	1/1
Shri Devang Kashiram Patel	Member	Executive Director	1/1
Shri Himanshu Popatlal Patel	Member	Executive Director	1/1

### 33. BOARD EVALUATION :

The provisions relating to Board Evaluation is not applicable to the company. Therefore Statement indicating manner in which formal evaluation of Board, Committee, Individual Director has been done by the Board pursuant to section 134 (3) (p) of the Companies Act, 2013 read with rule 8 (4) of the Companies (Accounts) Rules, 2014 is not required to attach with the Board Report.

### 34. SECRETARIAL AUDIT REPORT :

Section 204 of the companies Act, 2013 relating to Secretarial Audit is not applicable to the company.

### 35. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to provisions of sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### 36. COMPLIANCE WITH SECRETARIAL STANDARDS :

The company has complied with the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

### 37. ACKNOWLEDGMENT :

The Directors extend their sincere thanks to the Bankers, Customers, Employees, members and all

others associated with the company for their kind co-operation, continued support, assistance, trust and confidence reposed by them in the company.

**By the order of Board of Directors  
For, PATELS AIRFLOW LIMITED**

**Place : Ahmedabad**

Date: 24<sup>th</sup> August, 2021

**POPATLAL BHOPABHAI PATEL  
Chairman / Wholetime Director  
(DIN: 00145058)**

**BHOGILAL ISHWARLAL PATEL  
Managing Director  
(DIN: 00144617)**

## FORM NO. MGT - 9

Annexure – 1

**EXTRACT OF ANNUAL RETURN**  
**as on financial year ended on 31<sup>st</sup> March, 2021**

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U31909GJ2001PLC039998
2.	Registration Date	17/09/2001
3.	Name of the Company	PATELS AIRFLOW LIMITED
4.	Category/Sub-category of the Company	Public Limited Company/Company Limited By Shares/Indian Non-Government Company
5.	Address of the Registered office & contact details	61 Phase I, GIDC Industrial Estate, Vatva, Ahmedabad – 382445, Gujarat Phone: 079 – 40200800 Email: paflacct@rediffmail.com
6.	Whether listed company : Yes / No	NO
7.	Name, Address & contact details of Registrar & Transfer Agent, if any.	M/s. BIGSHARE SERVICES PVT. LTD., A-802, Samudra Complex, Nr. Klassic Gold Hotel, Grish Cold Drink, Off C G Road , Navrangpura, Ahmedabad - 380009. Gujarat. Phone No. 079-40024135, Mo. 7045115448

**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 :

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories	2819	28.76 %
2	Manufacturing of Carbon Steel Tubes and Stainless Steel Tubes	2431	71.24 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of The Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
NIL					



## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## 1) 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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1915433	12350	1927783	85.68	1915733	12350	1928083	85.69	0.01
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total A (1)</b>	<b>1915433</b>	<b>12350</b>	<b>1927783</b>	<b>85.68</b>	<b>1915733</b>	<b>12350</b>	<b>1928083</b>	<b>85.69</b>	<b>0.01</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total A (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter A = A(1) + A(2)</b>	<b>1915433</b>	<b>12350</b>	<b>1927783</b>	<b>85.68</b>	<b>1915733</b>	<b>12350</b>	<b>1928083</b>	<b>85.69</b>	<b>0.01</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	41780	0	41780	1.86	41780	0	41780	1.86	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0

e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>41780</b>	<b>0</b>	<b>41780</b>	<b>1.86</b>	<b>41780</b>	<b>0</b>	<b>41780</b>	<b>1.86</b>	<b>0</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	10900	275	11175	0.50	8575	275	8850	0.39	(0.11)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	138776	95589	234365	10.41	139826	95464	235290	10.47	0.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	32302	0	32302	1.44	33402	0	33402	1.48	0.04
c) Others	0	0	0	0	0	0	0	0	0
Clearing Members	50	0	50	0.00	50	0	50	0.00	0.00
HUF	2550	0	2550	0.11	2550	0	2550	0.11	0.00
Non Resident (Non Repatriable)	75	0	75	0.00	75	0	75	0	0.00
<b>Sub Total (B)(2):</b>	<b>184653</b>	<b>95864</b>	<b>280517</b>	<b>12.46</b>	<b>184478</b>	<b>95739</b>	<b>280217</b>	<b>12.45</b>	<b>(0.01)</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>226433</b>	<b>95864</b>	<b>322297</b>	<b>14.32</b>	<b>226258</b>	<b>95739</b>	<b>321997</b>	<b>14.31</b>	<b>(0.01)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>2141866</b>	<b>108214</b>	<b>2250080</b>	<b>100</b>	<b>2141991</b>	<b>108089</b>	<b>2250080</b>	<b>100</b>	<b>0</b>

## 2) Shareholding of Promoter

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	HARSHADKUMAR PATEL	1250	0.06	0	1250	0.06	0	0
2	JADIBEN ISHVARBHAI PATEL	1250	0.06	0	1250	0.06	0	0
3	BHOGILAL ISHWARLAL PATEL	317890	14.13	0	317890	14.13	0	0
4	CHIRAG LALLUBHAI PATEL	475	0.02	0	475	0.02	0	0
5	DIVYA PATEL	25	0.00	0	25	0.00	0	0
6	HARSHAD PATEL	50	0.00	0	50	0.00	0	0
7	JAGRUTIBEN PATEL	50	0.00	0	50	0.00	0	0
8	SHANTABEN LALLUBHAI PATEL	175	0.01	0	175	0.01	0	0
9	JAGRUTI HARSHADKUMAR PATEL	1200	0.05	0	1200	0.05	0	0
10	BHOGILAL ISHWARLAL PATEL HUF	4000	0.18	0	4000	0.18	0	0
11	PRAKASH BHOGILAL PATEL HUF	3725	0.17	0	3725	0.17	0	0
12	RITA PRAKASH PATEL	50	0.00	0	50	0.00	0	0
13	TRUPTI H PATEL	128200	5.70	0	128200	5.70	0	0
14	POPATLAL B PATEL	112011	4.98	0	112011	4.98	0	0
15	MADHUBEN P PATEL	118115	5.25	0	118115	5.25	0	0
16	HIMANSHU P PATEL	123325	5.48	0	123325	5.48	0	0
17	KASHIRAM KHODIDAS PATEL	135500	6.02	0	100000	4.44	0	(1.58)
18	GITABEN DEVANG PATEL	244150	10.85	0	503475	22.38	0	11.53
19	DEVANG KASHIRAM PATEL	2500	0.11	0	2500	0.11	0	0
20	SHANTABEN KASHIRAM PATEL	223825	9.95	0	0	0	0	(9.95)
21	BHANUBHAI ISHVERBHAI PATEL	50	0.00	0	50	0.00	0	0
22	POPATLAL BHOPABHAI PATEL HUF	91750	4.08	0	91750	4.08	0	0

23	HIMANSHU POPATLAL PATEL HUF	66500	2.96	0	66500	2.96	0	0
24	PATEL MAHESHBHAI ISHVARBHAI	462	0.02	0	762	0.03	0	0.01
25	PATEL KOKILABEN MAHESHBHAI	1924	0.09	0	1924	0.09	0	0
26	JIGNESH BHOGILAL PATEL	9325	0.41	0	9325	0.41	0	0
27	GEETA BHOGILAL PATEL	11270	0.50	0	11270	0.50	0	0
28	PRAKASH BHOGILAL PATEL	216575	9.63	0	216575	9.63	0	0
29	ROSHNI J PATEL	5750	0.26	0	5750	0.26	0	0
30	RITA PRAKASH PATEL	106411	4.73	0	106411	4.73	0	0
	<b>TOTAL</b>	<b>1927783</b>	<b>85.68</b>	<b>0</b>	<b>1928083</b>	<b>85.69</b>	<b>0</b>	<b>0.01</b>

**3) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>KASHIRAM KHODIDAS PATEL</b>				
	At the beginning of the year	135500	6.02	135500	6.02
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Decrease Due to Transfer	(35500)	(1.58)	100000	4.44
	At the end of the year	100000	4.44	100000	4.44
<b>2</b>	<b>GITABEN DEVANG PATEL*</b>				
	At the beginning of the year	244150	10.85	244150	10.85
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Increase Due to Transfer	259325	11.53	259325	11.53
	At the end of the year	503475	22.38	503475	22.38

3	SHANTABEN KASHIRAM PATEL				
	At the beginning of the year	223825	9.95	223825	9.95
	Date wise Increase/Decrease in Promoters' Share holding during the year specifying the reasons for increase/decrease: Decrease Due to Transfer	(223825)	(9.95)	0	0.00
	At the end of the year	0	0.00	0	0.00

**4) Shareholding Pattern of top ten Shareholders :**  
**(Other than Directors, Promoters and Holders of GDRs and ADRs) :**

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS</b>				
	At the beginning of the year	41780	1.86	41780	1.86
	Date wise Increase / Decrease in Shareholding during the Year	-	-	41780	1.86
	At the end of the year	41780	1.86	41780	1.86
<b>2</b>	<b>HARSHA HITESH JAVERI</b>				
	At the beginning of the year	17637	0.78	17637	0.78
	Date wise Increase / Decrease in Shareholding during the Year	-	-	17637	0.78
	At the end of the year	17637	0.78	17637	0.78
<b>3</b>	<b>PARESHKUMAR CHIMANLAL SHAH</b>				
	At the beginning of the year	14665	0.65	14665	0.65
	Date wise Increase / Decrease in Shareholding during the Year Increase pursuant to transfer of shares	1100	0.05	15765	0.70
	At the end of the year	15765	0.70	15765	0.70

<b>4</b>	<b>HARSH PARESH SHAH</b>				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the Year				
	Increase pursuant to transfer of shares	8875	0.39	8875	0.39
	At the end of the year	8875	0.39	8875	0.39
<b>5</b>	<b>INDRAVADAN APABHAI DESAI</b>				
	At the beginning of the year	5075	0.23	5075	0.23
	Date wise Increase / Decrease in Shareholding during the Year	-	-	5075	0.23
	At the end of the year	5075	0.23	5075	0.23
<b>6</b>	<b>JATIN MAGANBHAI PATEL</b>				
	At the beginning of the year	5000	0.22	5000	0.22
	Date wise Increase / Decrease in Shareholding during the Year	-	-	5000	0.22
	At the end of the year	5000	0.22	5000	0.22
<b>7</b>	<b>SURAJ ENTERPRISE PVT LTD</b>				
	At the beginning of the year	3850	0.17	3850	0.17
	Date wise Increase / Decrease in Shareholding during the Year	-	-	3850	0.17
	At the end of the year	3850	0.17	3850	0.17
<b>8</b>	<b>MANILAL G PATEL</b>				
	At the beginning of the year	2975	0.13	2975	0.13
	Date wise Increase / Decrease in Shareholding during the Year	-	-	2975	0.13
	At the end of the year	2975	0.13	2975	0.13
<b>9</b>	<b>BABUBHAI G PATEL</b>				
	At the beginning of the year	2750	0.12	2750	0.12
	Date wise Increase / Decrease in Shareholding during the Year	-	-	2750	0.12
	At the end of the year	2750	0.12	2750	0.12
<b>10</b>	<b>ASHOK MEHTA</b>				
	At the beginning of the year	2750	0.12	2750	0.12
	Date wise Increase / Decrease in Shareholding during the Year	-	-	2750	0.12
	At the end of the year	2750	0.12	2750	0.12

## 5) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>BHOGILAL ISHWARLAL PATEL</b>				
	At the beginning of the year	317890	14.13	317890	14.13
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	317890	14.13
	At the end of the year	317890	14.13	317890	14.13
<b>2</b>	<b>POPATLAL BHOPABHAI PATEL</b>				
	At the beginning of the year	112011	4.98	112011	4.98
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	112011	4.98
	At the end of the year	112011	4.98	112011	4.98
<b>3</b>	<b>KASHIRAM KHODIDAS PATEL</b>				
	At the beginning of the year	135500	6.02	135500	6.02
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease : Transfer	(35500)	(1.58)	100000	4.44
	At the end of the year	100000	4.44	100000	4.44
<b>4</b>	<b>HIMANSHU POPATLAL PATEL</b>				
	At the beginning of the year	123325	5.48	123325	5.48
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	123325	5.48
	At the end of the year	123325	5.48	123325	5.48
<b>5</b>	<b>DEVANG KASHIRAM PATEL</b>				
	At the beginning of the year	2500	0.11	2500	0.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	2500	0.11
	At the end of the year	2500	0.11	2500	0.11



<b>6</b>	<b>PRAKASH BHOGILAL PATEL</b>				
	At the beginning of the year	216575	9.63	216575	9.63
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease	-	-	216575	9.63
	At the end of the year	216575	9.63	216575	9.63

**V) INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	36256210/-	10000000/-	0	46256210/-
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>36256210/-</b>	<b>10000000/-</b>	<b>0</b>	<b>46256210/-</b>
Change in Indebtedness during the financial year				
* Addition	27421227	0	0	27421227
* Reduction	0	0	0	0
<b>Net Change</b>	<b>27421227</b>	<b>0</b>	<b>0</b>	<b>27421227</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	63677437/-	10000000/-	0	73677437/-
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>63677437/-</b>	<b>10000000/-</b>	<b>0</b>	<b>73677437/-</b>

## VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

## A. Remuneration to Managing Director, Wholtime Directors and/or Manager:

No.	Particulars of Remuneration	Name of Managing Director/Wholetime Director/Executive Director			
		Bhogibhai I. Patel (1)	Popatbhai B. Patel (2)	Kashiram K. Patel (3)	Himanshu P. Patel (4)
1	Gross salary	2400000	2400000	2400000	2400000
	(a) Salary as per provisions contained in s ection 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)	<b>2400000</b>	<b>2400000</b>	<b>2400000</b>	<b>2400000</b>
	Ceiling as per the Act	<b>2400000</b>	<b>2400000</b>	<b>2400000</b>	<b>2400000</b>

No.	Particulars of Remuneration	Name of Managing Director/Wholetime Director/Executive Director			
		Devang K. Patel (5)	Prakash B. Patel (6)	Aakash H. Patel (7)	Total Amount
1	Gross salary	1200000	2400000	600000	13800000
	(a) Salary as per provisions contained in s ection 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)	<b>1200000</b>	<b>2400000</b>	<b>600000</b>	<b>13800000</b>
	Ceiling as per the Act	<b>1200000</b>	<b>2400000</b>	<b>600000</b>	-

**B. Remuneration to other directors : NA**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	----	
1	<b>Independent Directors</b>	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	<b>Other Non - Executive Directors</b>	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify (Salary)	-	-	-	-	-
	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 : NA**

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
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	-	-	-	-
	<b>Total</b>	-	-	-	-

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NA

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)
<b>A. COMPANY :</b>					
Penalty					
Punishment			----- NA -----		
Compounding					
<b>B. DIRECTORS :</b>					
Penalty					
Punishment			----- NA -----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT :</b>					
Penalty					
Punishment			----- NA -----		
Compounding					

By the order of Board of Directors  
For, PATELS AIRFLOW LIMITED

Place : Ahmedabad

Date: 24<sup>th</sup> August 2021

POPATBHAI B. PATEL  
Chairman & Wholetime Director  
(DIN: 00145058)

BHOGILAL I. PATEL  
Managing Director  
(DIN: 00144617)

## Annexure – 2

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION****(A) Conservation of energy :**

- (i) The steps taken or impact on conservation of energy:

The Company is engaged in the manufacturing of complete range of Industrial Fans, Blowers and Tubes and its related accessories and carbon steel tubes and stainless steel tubes. The company has taken various measures to minimize consumption of energy, to optimize productivity and also to conserve energy and making best use of the resources. A considerable amount of time and effort was earmarked for conserving power. Details of the energy consumption for the F.Y. 2020-21 are as under:

<b>POWER AND FUEL CONSUMPTION</b>		
<b>1. Electricity</b>	<b>Current Year 31-03-2021</b>	<b>Previous Year 31-03-2020</b>
(a) Purchased		
Unit	873479.50	1117365
Total Amount ₹	74,96,190	94,94,954
Rate per Unit ₹	8.58	8.50
(b) Own Generation - through diesel generator Unit		
Total Amount Rs.	15,796	40,708
<b>2. OTHERS / INTERNAL GENERATION</b>		
<b>(P.N.G)</b>		
Quantity - scm	244538	336264
Total Cost ₹	1,03,49,925	1,30,12,587
Average Rate ₹	42.32	38.70
<b>2. SOLAR POWER GENERATION</b>		
Unit	222232	-
Total Amount ₹	6,66,696	-
Rate per Unit ₹	3.00	-

- (ii) The steps taken by the company for utilizing alternate sources of energy :

As mentioned above, company is also using the alternate sources of energy i.e. PNG and Solar Power. Details of alternate sources of energy used by the company are mentioned above.

- (iii) The capital investment on energy conservation equipments – NIL

**(B) Technology absorption :**

a. The efforts made towards technology absorption.	The company has adopted the latest technology with sophisticated instruments related to the products being manufactured.
b. The benefits derived like product improvement, cost reduction, product development or import substitution	Improved product quality.
c. Imported technology (imported during the last three years reckoned from the beginning of the financial year).	NIL
d. The expenditure incurred on research & development.	NIL

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
PATELS AIRFLOW LIMITED  
Ahmedabad.

**Report on the Standalone Financial Statements:****Opinion**

We have audited the accompanying standalone financial statements of PATELS AIRFLOW LIMITED ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2021, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, subject to **Note No. 33 regarding non-provision of amortization of lease hold land [amount not quantifiable]** the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2021, and its Profit and its Cash Flow for the year ended on that date.

**Basis for Opinion**

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

**Information other than the Standalone Financial Statements and Auditors' Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures thereto but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report the matter to those charged with the governance. However, we have nothing to report in this regard.

**Responsibilities of Management and those charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

**Auditor's Responsibilities for the audit of Financial Statements**

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts 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 representation received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as 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.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion & to the best of our knowledge and belief and according to the information and explanation given to us :
- (ii) The Company does not have any pending litigations which would impact its financial position.
  - (iii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iv) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on March 31, 2021.

**For, Ashesh Alkesh & Co.  
Chartered Accountants  
[Firm Regn. No. 119580W]**

**Place: Ahmedabad  
Date: 24/08/2021**

**Ashesh Shah  
Partner  
M. No. 049712  
UDIN: 21049712AAAACD4676**

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under Report on “Other Legal and Regulatory Requirements” of our Auditor Report of even date)**

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
  
(b) The fixed assets are physically verified during the year by the management in accordance with a regular programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable interval having regard to the size of the company and nature of its business. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
  
(c) The Title deed of the immovable property, as disclosed in Note 10 on fixed assets to the financial statements, is held in the name of the company.
2. In our opinion, the management has carried out physical verification of inventory at reasonable intervals and as explained to us, no material discrepancies have been noticed on such physical verification as compares to book records.
3. According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly the provisions of clause 3(iii) (iiia), (iiib) & (iiic) of the Order are not applicable to company.
4. In our opinion and according to information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence reporting under clause 3(iv) of the order is not applicable to the company.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 & 76 of the Act and Rules framed there under to the extent notified. Hence reporting under clause 3(v) of the said Order is not applicable to the company.
6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of cost records u/s 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-Tax, Goods and Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and other material statutory dues applicable to it. According to the information & explanation

given to us, there are no such undisputed dues payable as at 31/03/2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no disputed dues in respect of Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Custom duty, Excise Duty Value Added Tax and Cess as at 31/03/2021. Hence reporting under clause 3(vii)(b) of the Order is not applicable to the company.
8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayments of loans or borrowings to Banks/Financial Institutions. The company has also not issued any debenture during the year. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.
9. In our opinion and as per the information and explanation given to us, the company has not raised any money by way of initial public offer and further public offer (including debt instruments) during the year. The Term Loans raised has been utilized for the purpose for which it was raised.
10. In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion, accruing to the information and explanation given to us and based on our examination of the records of the company, the company has paid the managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. The company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the company.
13. In our opinion and according to the information and explanations given to us, the company has entered in to transactions with related parties which is in compliance with provisions of sections 177 and 188 of the Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the notes to the financial statement, as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us by the management, the Company has not entered in to any Non-cash transactions with its directors or persons connected with them. Hence reporting under clause 3(xv) of the Order is not applicable to the Company.

16. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi) of the Order is not applicable to the Company.

**For, Ashesh Alkesh & Co.  
Chartered Accountants  
[Firm Regn. No. 119580W]**

**Place: Ahmedabad  
Date: 24/08/2021**

**Ashesh Shah  
Partner  
Membership No. 049712  
UDIN: 21049712AAAACD4676**

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under Report on “Other Legal and Regulatory Requirements” of our Auditor Report of even date)

**Report on the Internal Financial Controls under clause (i) of Sub section 3 of Section 143 of the Act.**

We have audited the internal financial controls over financial reporting of **PATELS AIRFLOW LIMITED** (“the Company”) as of March 31, 2021 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 Control over Financial Reporting issued by the Institute of Chartered Accountant of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act 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 and 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 controls based on assessed Risk. The procedures selected depend on 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 a reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls 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 limitation 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, projection of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures that may deteriorate.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, 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, 2021, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Ashesh Alkesh & Co.  
Chartered Accountants  
[Firm Regn. No. 119580W]**

**Place: Ahmedabad  
Date: 24/08/2021**

**Ashesh Shah  
Partner  
Membership No. 049712  
UDIN: 21049712AAAACD4676**



20<sup>th</sup> ANNUAL REPORT

PATELS AIRFLOW LIMITED.

BALANCE - SHEET AS AT 31 <sup>st</sup> MARCH, 2021			Amount In ₹	
	NOTE	AS AT 31/03/2021	AS AT 31/03/2020	
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholder's Funds :</b>				
Share Capital	2	22500800	22500800	
Reserves & Surplus	3	137498691	126575472	
				149076272
<b>Non Current Liabilities :</b>				
Long Term Borrowings	4	1329766	10104543	
Deferred Tax Liability (Net)	5	7734236	7713500	
				17818043
<b>Current Liabilities</b>				
Short Term Borrowings	6	72347671	36151667	
Trade Payables	7			
Micro, Small and Medium Enterprises		9841575	1504390	
Others		34497475	48431500	
Other Current Liabilities	8	24818332	21854114	
Short Term Provisions	9	13066064	13219686	
				121161357
		154571117		
		323634610		288055672
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Property Plant & Equipments	10			
Tangible Assets		95595510	103023832	
Intangible Assets		18168	18168	
Capital Work-In-Progress		-	-	
Non Current Investments	11	100000	100000	
Long Term Loans & Advances	12	5537234	5257542	
				108399542
<b>Current Assets</b>				
Inventories	13	88895726	103060119	
Trade Receivables	14	72449966	45695714	
Cash & Bank Balances	15	51256087	16996424	
Short Term Loans & Advances	16	9699247	13775700	
Other Current Assets	17	82672	128173	
				179656130
		222383698		
		323634610		288055672
<b>TOTAL</b>				
<b>Significant Accounting Policies</b>				
<b>Notes on Financial Statements</b>				
As per our report of even date attached.				
<p><b>For, Ashesh Alkesh &amp; Co.</b> Chartered Accountants (Firm Regn. 119580W)</p> <p>Ashesh Shah Partner M. No. 049712</p> <p>Place : Ahmedabad. Date: 24/08/2021</p>				
<p><b>For, PATELS AIRFLOW LTD.</b> POPATBHAI B. PATEL CHAIRMAN &amp; WHOLETIME DIRECTOR DIN : 00145058</p> <p>BHOGILAL I. PATEL MANAGING DIRECTOR DIN : 00144617</p> <p>KASHIRAM K. PATEL WHOLETIME DIRECTOR DIN : 00145192</p> <p>Place : Ahmedabad. Date: 24/08/2021</p>				

20<sup>th</sup> ANNUAL REPORT

## PATELS AIRFLOW LIMITED.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 <sup>st</sup> MARCH, 2021		Amount In ₹	
	NOTE	2020 / 2021	2019 / 2020
<b>INCOME</b>			
Revenue From Operations	18	401391674	453752137
Other Income	19	3047310	3687783
<b>Total</b>		<b>404438984</b>	<b>457439920</b>
<b>EXPENDITURE</b>			
Cost of Raw Material Consumed	20	238862104	311382316
Change in Inventories	21	15540109	(32023147)
Employee Benefit Expense	22	33116129	32886349
Finance Cost	23	6411914	8280798
Depreciation and Amortization Expense	10	10360480	10442016
Other Expense	24	77804093	102491802
<b>Total</b>		<b>382094829</b>	<b>433460134</b>
<b>PROFIT BEFORE TAXATION</b>		<b>22344155</b>	<b>23979786</b>
<b>TAX EXPENSE</b>			
Current Tax		5775000	6049300
Deferred Tax Liability / (Assets)		20736	(666230)
		<b>5795736</b>	<b>5383070</b>
<b>PROFIT FOR THE YEAR</b>		<b>16548419</b>	<b>18596716</b>
<b>Earning per equity share of face value of ₹ 10 each</b>			
Basic and Diluted EPS [in ₹]		<b>7.35</b>	<b>8.26</b>
Significant Accounting Policies	1		
Notes on Financial Statements	1 to 41		
As per our report of even date attached.		<i>For, PATELS AIRFLOW LTD.</i>	
		POPATBHAI B. PATEL CHAIRMAN & WHOLETIME DIRECTOR DIN : 00145058	
<b>For, Ashesh Alkesh &amp; Co.</b> <b>Chartered Accountants</b> (Firm Regn. 119580W)		BHOGILAL I. PATEL MANAGING DIRECTOR DIN : 00144617	
Ashesh Shah Partner M. No. 049712		KASHIRAM K. PATEL WHOLETIME DIRECTOR DIN : 00145192	
Place : Ahmedabad. Date : 24/08/2021		Place : Ahmedabad. Date : 24/08/2021	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 <sup>st</sup> MARCH, 2021		Amount In ₹	
		2020 / 2021	2019 / 2020
<b>1</b>	<b>Cash Flow From Operating Activities</b>		
	<b>Net Profit Before tax</b>	22344155	23979786
	Adjustment for :		
	Depreciation & Amortization	10360480	10442016
	Loss On Sale of Fixed Assets	-	1466332
	Income Tax Paid	17148	66369
	Interest Income	(852736)	(1081473)
	Finance Cost	6411914	8280798
		15936806	19174042
	<b>Operating Profit Before Working Capital Changes</b>	38280961	43153828
	Adjusted for:		
	Trade Payables	(5596840)	16707295
	Other Current Liabilities	3919941	(7979487)
	Short Term Provisions	120678	(29756)
	Long Term Loans & Advances	(177390)	500183
	Inventories	14164393	(23164379)
	Trade Receivables	(26754252)	14109442
	Short Term Loans & Advances	3840768	12330803
	Income Tax Paid (Net)	(5933065)	(6982474)
		(16415767)	5491627
<b>2</b>	<b>Cash Generated From/(Used in) Operations</b>	<b>21865194</b>	<b>48645455</b>
	<b>Cash Flow From Investing Activities</b>		
	Purchase of fixed assets [Net of Opening Capital WIP]	(2932158)	(8356612)
	Sale of Fixed Assets	-	800000
	Interest received	898237	1082317
	<b>Net Cash From/(Used in) Investing Activities</b>	<b>(2033921)</b>	<b>(6474295)</b>
<b>3.</b>	<b>Cash Flow From Financing Activities</b>		
	Interest Paid	(6411914)	(8280798)
	Proceeds from Long Term Borrowings	-	15786415
	Repayment of long term Borrowings	(9730500)	(16903888)
	Net Proceeds / (Repayment) from Short Term Borrowings	36196004	(28006985)
	Dividends & Payment of Dividend Tax	(5625200)	(6781476)
	<b>Net Cash From/(Used in) Financing Activities</b>	<b>14428390</b>	<b>(44186732)</b>
<b>4</b>	<b>Net Increase/(Decrease) In Cash and Cash Equivalents</b>	34259663	(2015572)
<b>5</b>	Cash and Cash Equivalents as at the beginning of the Year	16996424	19011996
<b>6</b>	Cash and Cash Equivalents as at the end of the Year	51256087	16996424

**As per our report of even date attached.**

- 1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement' notified in the Companies (Accounting Standards) Rules 2006.
- 2 Cash and Cash equivalents Include fixed deposits with the banks.
- 3 Previous year comparatives have been reclassified to confirm with current year's presentation, wherever applicable.

**For, Ashesh Alkesh & CO.**  
**Chartered Accountants**  
 (Firm Regn. 119580W)

Ashesh Shah  
 Partner  
 M. No. : 049712

Place : Ahmedabad  
 Date : 24/08/2021

*For, PATELS AIRFLOW LTD.*

POPATBHAI B. PATEL  
 CHAIRMAN & WHOLETIME DIRECTOR  
 DIN : 00145058

BHOGILAL I. PATEL  
 MANAGING DIRECTOR  
 DIN : 00144617

KASHIRAM K. PATEL  
 WHOLETIME DIRECTOR  
 DIN : 00145192

Place : Ahmedabad  
 Date : 24/08/2021

**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021****(1) SIGNIFICANT ACCOUNTING POLICIES :****(i) Basis of Accounting :**

The financial statements have been prepared to comply with the Generally Accepted Accounting Practices in India including the Accounting Standards in India notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on accrual basis.

**(ii) Use of Estimates :**

The preparation of the financial statements in conformity with Indian GAAP requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

**(iii) Fixed Assets :**

Fixed assets are stated at historical cost of acquisition less accumulated depreciation (other than land where no depreciation/amortisation is charged). Cost includes related expenditure and pre-operative & project expenses for the period up to completion of construction/assets are put to use. When asset is sold or discarded, its cost and accumulated depreciation are reduced from the books of accounts and any gain or loss resulting from its disposal is reflected in the Statement of profit & loss.

**(iv) Depreciation and Amortization :**

Depreciation [other than on lease hold land] is provided as under:

(i) For assets existing on 1<sup>st</sup> April 2014 the carrying amount will be amortized over remainin useful lives on Straight Line Method as prescribed under Schedule II of the Companies Act, 2013.

(ii) For the assets added after the 1<sup>st</sup> April 2014 on Straight Line Method at the rates prescribed under Schedule II of the Companies Act, 2013 and on pro rata basis with respect to their period of use.

**(v) Borrowing Costs :**

Borrowing costs attributable to the acquisition/constructions of a qualifying asset are capitalised as part of the cost of such assets, up to the date, the assets are ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

**(vi) Valuation of Inventories :**

(a) Raw materials and Work-in-Progress are valued at cost.

(b) Finished Goods are valued at cost or net realisable value whichever is lower.

(c) Cost of Finished Goods and Work-in-Progress is determined by taking material cost, labour and relevant appropriate over heads.

**(vii) Revenue Recognition :**

(a) Sales are recognized when they are invoiced to customers and net of trade discounts, rebate and GST.

(b) Revenue in respect of other income is recognised when no significant uncertainty as to its determination or realisation exists.

**(viii) Investments :**

Long-term investments are stated at cost of acquisition except in the case of permanent diminution in their value, wherein necessary provision is made. Current Investments is stated at cost or realizable value, whichever is lower.

**(ix) Foreign Currency Transactions :**

All transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transactions or that approximates the actual rates of exchange at the date of the transaction. Foreign currency assets & liabilities are translated at the exchange rate prevailing on the Balance Sheet date. Resultant gain or loss, if any except to the extent its relate to long term monetary items, is recognised in the Statement of Profit & Loss for the year. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of contract.

**(x) Taxes on income :**

Provision for current tax is made in accordance with the provisions of the Income Tax Act 1961. Deferred Tax on account of timing difference between taxable and accounting income is provided considering the tax rates and tax laws enacted or substantively enacted by the Balance Sheet date.

**(xi) Impairment of Assets :**

An asset is treated as impaired when carrying cost of the assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**(xii) Retirement Benefits :****(a) Gratuity**

The Company has taken a group-cum-life insurance policy from Life Insurance Corporation of India. Gratuity is provided on the basis of premium paid on the above policy.

**(b) Provident fund**

Contribution to defined contribution schemes such as Provident fund and Family Pension Fund are charged to Statement of Profit and Loss, as they are accrued.

**(c) Leave Encashment**

Accrued Leave has been provided at year end as calculated by the management.

**(xiii) Provisions, Contingent Liability and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the Notes on Accounts. Contingent assets are neither recognised nor disclosed in the financial statements.

**(xiv) Earning Per Share :**

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity share holders by weighted average number of equity shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of all dilutive potential equity shares.

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 20212. SHARE CAPITAL Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>Authorized :</b>		
25,00,100 (25,00,100) Equity shares of ₹10/- each	<b>25001000</b>	25001000
<b>Issued, Subscribed &amp; Paid up :</b>		
22,50,080 (22,50,080) Equity Shares of ₹10/- each fully paid up	<b>22500800</b>	22500800
<b>Total</b>	<b>22500800</b>	22500800

## 2.1 The reconciliation of the number of Shares Outstanding and the amount of Share Capital

Particulars	AS AT 31/03/2021		AS AT 31/03/2020	
	No. of Shares	Amount ₹	No. of Shares	Amount ₹
Balance at the beginning of the year	<b>2250080</b>	<b>22500800</b>	2250080	22500800
Balance at the end of the year	<b>2250080</b>	<b>22500800</b>	2250080	22500800

## 2.2 The Detail of a share holders holding more than 5% shares:

Name of Shareholder	AS AT 31/03/2021		AS AT 31/03/2020	
	No. of Shares	% held	No. of Shares	% held
Bhogilal I. Patel	317790	14.12	317790	14.12
Gitaben D. Patel	503475	22.38	244150	10.85
Shantaben K. Patel	-	-	223825	9.95
Prakash B. Patel	216575	9.63	216575	9.63
Kashiram K. Patel	-	-	135500	6.02
Trupti H. Patel	128200	5.70	128200	5.70
Himanshu P. Patel	123325	5.48	123325	5.48
Madhuben P. Patel	118115	5.25	118115	5.25

2.3 Rights, Preference and Restrictions attached to Equity Shares:

The Company has one class of Equity Shares having a par value of ₹ 10 per Share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the Annual General Meeting.



Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

- 2.4 In the event of winding up/liquidation of company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However since no such amount exist currently, the distribution will be made in accordance with their respective rights.

## 3. RESERVES AND SURPLUS

Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>Securities Premium</b>		
As per last Balance Sheet	3060000	3060000
<b>General Reserve</b>		
As per last Balance Sheet	18000000	17000000
Add: Transferred from Statement of Profit & Loss	1000000	1000000
	19000000	18000000
<b>Surplus in Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	105515472	93543956
Add: Profit for the year	16548419	18596716
	122063891	112140672
<b>Less: Appropriations</b>		
Transferred to General Reserve	1000000	1000000
Proposed Dividend on Equity Shares	5625200	5625200
Tax on Dividend	-	-
	6625200	6625200
	115438691	105515472
<b>Total</b>	<b>137498691</b>	<b>126575472</b>

## 4. LONG TERM BORROWINGS

Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>Secured</b>		
From Banks	1329766	9568034
From Finance Companies	-	536509
<b>Total</b>	<b>1329766</b>	<b>10104543</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021**Terms of Borrowing**

- 4.1** Term Loan from Kotak Mahindra Bank Limited including current maturities is secured against Current Assets, Fixed Assets and equitable mortgage of factory premises of the company situated at 61/A, GIDC, Phase-1, Vatva, Ahmedabad.

Term Loan from Kotak Mahindra Bank Limited is carrying interest @ 8.40% and repayable in 34 equated monthly installment of ₹ 254454/- each starting from June 2019 to March 2022. The number of outstanding installments as on 31/03/2021 are 12.

Term Loan from Kotak Mahindra Bank Limited is carrying interest @7.95% and repayable in 36 equated monthly installment of ₹ 159231/- each starting from January 2020 to December 2022. The number of outstanding installments as on 31/03/2021 are 21.

- 4.2** Loan from other Banks and finance companies including current maturities represents the Vehicle Loan and is secured against the hypothecation of Vehicles.

Loan from State Bank of India is carrying interest @ 7.65% and repayable in 48 equated monthly installment of ₹ 109121/- each starting from March 2018 to February 2022. The number of outstanding installments as on 31/03/2021 are 11.

Loan from ICICI Bank Ltd is carrying interest @ 8.35% and repayable in 48 equated monthly installment of ₹ 110600/- each starting from April 2018 to March 2022. The number of outstanding installments as on 31/03/2021 are 12.

Loan from Axis Bank Ltd is carrying interest @ 8.66% and repayable in 48 equated monthly installment of ₹ 108900/- each starting from March 2018 to February 2022. The number of outstanding installments as on 31/03/2021 are 11.

Loan from Volkswagen Finance Private Limited is carrying interest @ 9.01% and repayable in 60 equated monthly installment of ₹ 62303/- each starting from August 2016 to July 2021. The number of outstanding installments as on 31/03/2021 are 04.

Loan from Toyota Finance Private Limited is carrying interest @ 9.35% and repayable in 60 equated monthly installment of ₹ 62790/- each starting from September 2016 to August 2021. The number of outstanding installments as on 31/03/2021 are 05.

Loan from Yes Bank Limited is carrying interest @ 9.60% and repayable in 37 equated monthly installment of ₹ 24727/- each starting from December 2018 to December 2021. The number of outstanding installments as on 31/03/2021 are 09.

Loan from ICICI Bank Ltd is carrying interest @ 9.15% and repayable in 36 equated monthly installment of ₹ 31798/- each starting from October 2018 to September 2021. The number of outstanding installments as on 31/03/2021 are 06.

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 20215 DEFERRED TAX LIABILITY Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>Deferred Tax Liability</b>		
Related to Property Plant & Equipments	7734236	7713500
<b>Total</b>	<u>7734236</u>	<u>7713500</u>

6 SHORT TERM BORROWINGS Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>Secured</b>		
<b>Working Capital Loan from Banks</b>		
Kotak Mahindra Bank Limited-Cash Credit	62347671	26151667
	<u>62347671</u>	<u>26151667</u>
<b>Unsecured</b>		
From Directors / Members	10000000	10000000
	<u>10000000</u>	<u>10000000</u>
<b>Total</b>	<u>72347671</u>	<u>36151667</u>

- 6.1 Working Capital Loans from Banks is secured against Stocks, Book Debts, Plant & Machinery and equitable mortgage of factory premises of the company situated at 61/A, GIDC, Phase I, Vatva, Ahmedabad and personal guarantee of the Directors.

7 TRADE PAYABLES Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
Micro, Small and Medium Enterprise	9841575	1504390
Others	34497475	48431500
<b>Total</b>	<u>44339050</u>	<u>49935890</u>

**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021**

- 7.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under : **Amount in ₹**

Particulars	AS AT 31/03/2021	AS AT 31/03/2020
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

**8 OTHER CURRENT LIABILITIES** **Amount in ₹**

Particulars	AS AT 31/03/2021	AS AT 31/03/2020
Current Maturity of Long Term Debt	8887556	9843279
Unpaid Dividends*	796177	845978
Advance from Customers	11404753	8858033
Other Payable for Statutory & Other Liabilities	3729846	2306824
	3729846	2306824
<b>Total</b>	<b>24818332</b>	<b>21854114</b>

\* There is no amount due and outstanding as on 31<sup>st</sup> March, 2021 to be credited to Investors Education and Protection Fund.

**9 SHORT TERM PROVISIONS** **Amount in ₹**

	AS AT 31/03/2021	AS AT 31/03/2020
Provision for Employee Benefits	1665864	1545186
Provision for Taxation	5775000	6049300
Proposed Equity Dividend [Refer Note Below]*	5625200	5625200
<b>Total</b>	<b>13066064</b>	<b>13219686</b>

**\* Note :**

The Board of Directors has recommended the dividend @ ₹2.50 per equity share of ₹10/- each on 22,50,080 equity shares for the year ended 31<sup>st</sup> March, 2021 [Previous year @ ₹2.50 per equity shares of ₹10/- each on 22,50,080 equity shares]

Notes on Financial Statements for the Year ended 31 <sup>st</sup> March, 2021										Amount in ₹	
10 PROPERTY PLANT & EQUIPMENTS											
ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As On 01-04-2020	Addition During The Year	Sales And/or Adjustments During The Year	As On 31-03-2021	As On 01-04-2020	For The Year	On Sales And/or Adjustments During The Year	As On 31-03-2021	As On 31-03-2021	As On 31-03-2020	
<b>TANGIBLE ASSETS</b>											
Land (Lease hold)	4988900	-	-	4988900	-	-	-	-	4988900	4988900	
Buildings	41404204	218366	-	41622570	11410211	1264454	-	12674665	28947905	29993993	
Plant & Machinery	68297991	2427327	-	70725318	28595160	4592917	-	33188077	37537241	39702831	
Solar Power Plant	5912608	-	-	5912608	374464	374464	-	748928	5163680	5538144	
Electric Installation	5575620	-	-	5575620	4110076	331179	-	4441255	1134365	1465544	
Furniture & Fixtures	1506892	76749	-	1583641	901959	92266	-	994225	589416	604933	
Office Equipments	1639672	91500	-	1731172	1216280	147660	-	1363940	367232	423392	
Computers	2420831	118216	-	2539047	2026617	183531	-	2210148	328899	394214	
Vehicles	29413884	-	-	29413884	9502003	3374009	-	12876012	16537872	19911881	
<b>Total</b>	<b>161160602</b>	<b>2932158</b>	<b>-</b>	<b>164092760</b>	<b>58136770</b>	<b>10360480</b>	<b>0</b>	<b>68497250</b>	<b>95595510</b>	<b>103023832</b>	
<b>INTANGIBLE ASSETS</b>											
Software	363344	-	-	363344	345176	0	-	345176	18168	18168	
<b>Total</b>	<b>363344</b>	<b>-</b>	<b>-</b>	<b>363344</b>	<b>345176</b>	<b>0</b>	<b>-</b>	<b>345176</b>	<b>18168</b>	<b>18168</b>	
<b>Grand Total</b>	<b>161523946</b>	<b>2932158</b>	<b>0</b>	<b>164456104</b>	<b>58481946</b>	<b>10360480</b>	<b>0</b>	<b>68842426</b>	<b>95613678</b>	<b>103042000</b>	
<b>Previous Year</b>	149415426	15593805	3485285	161523946	49258886	10442016	1218956	58481946	103042000	-	

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 202111 NON CURRENT INVESTMENTS Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>LONG TERM INVESTMENTS - TRADE</b>		
<b>IN FULLY PAID UP EQUITY SHARES - UNQUOTED</b>		
50 Shares of the Green Environment Co-op Society Ltd. (Face value ₹100 per Share)	100000	100000
<b>Total</b>	<b>100000</b>	<b>100000</b>

12 LONG TERM LOANS & ADVANCES Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>[UNSECURED AND CONSIDERED GOOD]</b>		
Advance for Capital Goods	242000	75000
Security Deposits	3491199	3466199
Receivable from Govt. Authorities	150000	150000
Income Tax Refund Receivable	1617642	1515340
Others	36393	51003
<b>Total</b>	<b>5537234</b>	<b>5257542</b>

13 INVENTORIES Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
Raw Materials	43869032	46966809
Stock-in-Transit (Raw Material)	4483312	9819
Work-in-Process [As taken, Valued & Certified by the Management]	40543382	56083491
<b>Total</b>	<b>88895726</b>	<b>103060119</b>

14 TRADE RECEIVABLES Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>[UNSECURED AND CONSIDERED GOOD]</b>		
Over Six Months	10122239	13985187
Others	62327727	31710527
<b>Total</b>	<b>72449966</b>	<b>45695714</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

## 15 CASH AND BANK BALANCE

Amount in ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>CASH AND CASH EQUIVALENTS</b>		
Cash on hand	679129	677308
Balance with Banks #	37480871	6514787
<b>OTHER BANK BALANCE</b>		
Fixed Deposits with Bank*	13096087	9804329
<b>Total</b>	<b>51256087</b>	<b>16996424</b>

# Balance with Bank includes unclaimed dividend A/c of ₹ 796177/-  
[ Previous Year ₹ 845978/- ]

\* Fixed Deposits with Banks includes Deposit of ₹ 5609430/-  
[ Previous Year ₹ 2004300/- ] with maturity period of more than 12 Months.

## 16 SHORT TERM LOANS AND ADVANCES

Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
<b>[UNSECURED AND CONSIDERED GOOD]</b>		
GST Credit Receivable	1004272	1577315
Advance Income Tax & TDS	5933065	6168750
Advance to Suppliers	2241208	5286929
Others	520702	742706
<b>Total</b>	<b>9699247</b>	<b>13775700</b>

## 17 OTHER CURRENT ASSETS

Amount In ₹

	AS AT 31/03/2021	AS AT 31/03/2020
Interest Receivable	82672	128173
<b>Total</b>	<b>82672</b>	<b>128173</b>



Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 202118 REVENUE FROM OPERATIONS Amount in ₹

	2020 / 2021	2019 / 2020
<b>SALE OF PRODUCTS</b>		
Industrial Fan, Blowers & Accessories	113018395	86140961
Tubes	279970507	360323114
	<b>392988902</b>	<b>446464075</b>
<b>OTHER OPERATING REVENUE</b>		
Job work Income	994752	2092170
Service Charges - Export	310600	-
Scrap Sale	7097420	5195892
	<b>8402772</b>	<b>7288062</b>
<b>Total</b>	<b>401391674</b>	<b>453752137</b>

19 OTHER INCOME Amount in ₹

	2020 / 2021	2019 / 2020
<b>INTEREST INCOME</b>		
On FD's with Bank	677791	740126
On Deposit	151027	181578
Others	23918	159769
	<b>852736</b>	<b>1081473</b>
Net Gain on Foreign Currency Transactions and Translation	1693463	2347712
Other Income	501111	258598
<b>Total</b>	<b>3047310</b>	<b>3687783</b>

20 COST OF MATERIALS CONSUMED Amount In ₹

	2020 / 2021	2019 / 2020
<b>RAW MATERIAL CONSUMED</b>		
Opening Stock	46976628	55835396
Add : Purchases	240237820	302523548
	<b>287214448</b>	<b>358358944</b>
Less :		
Closing Stock	43869032	46966809
Goods-in-Transit	4483312	9819
	<b>48352344</b>	<b>46976628</b>
<b>Total</b>	<b>238862104</b>	<b>311382316</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

## 21 CHANGE IN INVENTORIES OF FINISHED GOODS AND STOCK - IN - PROCESS

Amount in ₹

	2020 / 2021	2019 / 2020
<u>Closing Stock:</u>		
Work - in - Process	<u>40543382</u>	<u>56083491</u>
	40543382	56083491
<u>Less : Opening Stock:</u>		
Work - in - Process	<u>56083491</u>	<u>24060344</u>
	56083491	24060344
<b>Total</b>	<u><u>(15540109)</u></u>	<u><u>32023147</u></u>

## 22 EMPLOYEE BENEFIT EXPENSE

Amount in ₹

	2020 / 2021	2019 / 2020
Salaries and Wages	28807188	28704345
Contribution to Provident and Other Funds	3082284	3092135
Staff Welfare Expense	1226657	1089869
<b>Total</b>	<u><u>33116129</u></u>	<u><u>32886349</u></u>

## 23 FINANCE COST

Amount In ₹

	2020 / 2021	2019 / 2020
Interest Expense	5662078	7552032
Other Financial Charges	749836	728766
<b>Total</b>	<u><u>6411914</u></u>	<u><u>8280798</u></u>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

## 24 OTHER EXPENSE

Amount in ₹

	2020 / 2021	2019 / 2020
Stores, Spare-parts and Packing Material Consumed	23642762	37541125
Labour Charges	24378062	25069917
Power and Fuel	17861911	22548249
Rent, Rates & Taxes	374073	368156
Repairs to :		
Buildings	220723	705403
Machinery	801728	1534853
Others	329314	390998
	1351765	2631254
Audit Fees	105000	105000
Commission	413609	1060872
Donation	100000	251000
Legal & Professional Charges	812597	648700
Travelling Expenses	58510	1194739
Stationery & Printing Exp.	413813	548044
Vehicle Expenses	1127102	1478971
General Charges	3154852	5176518
Transport and Handling Charges	4010037	2402925
Loss on Sale of Assets	-	1466332
<b>Total</b>	<b>77804093</b>	<b>102491802</b>

## 25 Details of Guarantees Given :

Particulars	2020 / 2021	2019 / 2020
Bank guarantees given (in ₹)	10298446	7270658

## 26 Capital Commitments :

Estimated amount of contracts remaining to be executed for capital expenditure and not provided for is ₹821200/- [Previous year ₹75000/-] against which advances have been paid ₹242000/- [Previous Year ₹75000/-].

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

## 27 Details of Foreign Currency Exposures

[Not hedged by a Derivative Instruments or otherwise]

	2020 / 2021		2019 / 2020	
	In Foreign Currency	In Indian ₹	In Foreign Currency	In Indian ₹
Debtors (US \$)	12064	886773	-	-
Balance in Bank A/c (US \$)	61257	4502647	39921	3009463
Advance to Suppliers (US \$)	-	-	52294	3942269
Advance From Customers (US \$)	2100	154360	7138	538105
Advance From Customers (Euro €)	29238	2517363	-	-

## 28 Employee Benefits

Particulars	2020 / 2021	2019 / 2020
Contribution to Provident and Pension Fund (in ₹)	2370316	2427140
Contribution towards LIC Group Gratuity Scheme (in ₹)	584969	513124

## 29 Earning Per Share :

	Year ended 31/03/2021	Year ended 31/03/2020
Net Profit for the year after tax (in ₹)	16548419	18596716
No. of Equity Shares at the beginning of the year	2250080	2250080
No. of Equity Shares at the end of the year	2250080	2250080
Weighted average No. of Shares o/s during the year	2250080	2250080
Face Value Per Share (₹)	10	10
Basic & Diluted Earning Per Share (₹ Per Share)	7.35	8.26

## 30 Auditor's Remuneration :

Amount In ₹.

	2020 / 2021	2019 / 2020
Audit Fees (IN ₹.)	85000	85000
Income Tax Matter (IN ₹.)	20000	20000

**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021**

- 31** The World Health Organization [WHO] declared Covid-19 to be a global pandemic in March 2020. Majority of the countries across the globe were into full or partial lockdown situation, impacting business operations across various sectors with severe restrictions on movement of people, goods and services.

The Company has implemented several initiatives at its factory premises including allowing work from homes, social distancing at work places and proper sanitization of work places etc. for ensuring safety of its employees and continuity of its business operations with minimal disruption.

As per our current assessment of the situation based on internal and external information available up to the date of approval of these financial results by the Board of Directors, the Company believes that the impact of Covid-19 on its business, assets, internal financial controls, profitability and liquidity, both present and future, would be limited and there is no indication of any material impact on the carrying amounts of intangible assets, trade receivables and other financial assets. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements and the Company will closely monitor any material changes to the economic environment and their impact on its business in the times to come.

**32 Related Party Disclosures under Accounting Standard (AS) -18:**

- (i) List of related parties and related parties with whom transactions have taken place and relationships :

Key Management Personnel

Popatbhai B. Patel  
Bhogilal I. Patel  
Kashiram K. Patel  
Himanshu P. Patel  
Prakash B. Patel  
Devang K. Patel  
Aakash H. Patel

**Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021**

(ii) Transactions during the year with related parties : Amount in ₹)

Sr. No.	Nature of Transaction	Key Management Personnel	Total
1	Unsecured Loans		
	Balance as at 01/04/2020	10000000	10000000
		(10000000)	(10000000)
	Received during the year	-	-
		(-)	(-)
	Repaid during the year	-	-
		(-)	(-)
	Balance as at 31/03/2021	10000000	10000000
		(10000000)	(10000000)
2	Interest Paid	1000000	1000000
		(1002740)	(1002740)
3	Director remuneration	13800000	13800000
		(13622581)	(13622581)

**Note :** Figures in bracket represent the previous year's figure.

**33** No provision for amortization of lease hold land acquired under the scheme has been made in the books of accounts, the amount of which has not been ascertained by the company. Hence its effect on Profit and Loss Account could not be known.

**34 Contingent Liabilities :**

Particulars	2020 / 2021	2019 / 2020
Contingent Liabilities not provided for in financial statements	Nil	Nil

**35 Break up of Raw Materials Consumed :**

(Value in ₹)

Class of Materials	2020 / 2021	2019 / 2020
Iron & Steel	14944691	18105708
Non Ferrous Sheets / Castings	7846288	8243904
Electric Motors	16813769	10638413
Seamless Tubes	191047107	257430364
Others	8210249	16963927
<b>Total</b>	<b>238862104</b>	<b>311382316</b>

Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

- 36 As per the information given by the management, the Company has only one reportable business segment i.e. Manufacturing of Industrial Fan Blowers and Tubes and its related accessories. Hence, segment wise information is not required to be disclosed.

- 37 Value of imported and indigenous Raw Materials, Stores, Spares and Packing Material Consumed :

	2020 / 2021		2019 / 2020	
	In %	In ₹	In %	In ₹
<u>Raw Materials</u>				
- Imported	34.18	81653017	53.15	165506481
- Indigenous	65.82	157209087	46.85	145875835
Total	100.00	238862104	100.00	311382316
<u>Stores, Spares &amp; Packing Material</u>				
- Imported	Nil	Nil	Nil	Nil
- Indigenous	100.00	23642762	100.00	37541125
Total	100.00	23642762	100.00	37541125

- 38 C.I.F. Value of Imports :

		2020 / 2021	2019 / 2020
1	Raw Material [ In ₹ ]	63218686	132435361

- 39 Expenditure in Foreign Currency :

		2020 / 2021	2019 / 2020
1	Travelling Expense [ In ₹ ]	-	122570

- 40 Earning in Foreign Exchange :

		2020 / 2021	2019 / 2020
1	F.O.B. Value of Exports [In ₹]	20226372	24680263

- 41 Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with those of current year.



Notes on Financial Statements for the Year ended 31<sup>st</sup> March, 2021

Signatures to Note “1” to “41”

As per our report even date attached.

**For, Ashesh Alkesh & Co.**  
**Chartered Accountants**  
[Firm Regn. No. : 119580W]

For, *PATELS AIRFLOW LTD.*

**POPATBHAI B. PATEL**  
**CHAIRMAN & WHOLETIME DIRECTOR**  
**DIN : 00145058**

**Ashesh Shah**  
**Partner**  
**M. No. : 049712**

**BHOGILAL I. PATEL**  
**MANAGING DIRECTOR**  
**DIN : 00144617**

**KASHIRAM K. PATEL**  
**DIRECTOR**  
**DIN : 00145192**

**Place : Ahmedabad**  
**Date : 24/08/2021**

**Place : Ahmedabad**  
**Date : 24/08/2021**

**PATELS AIRFLOW LIMITED**

CIN: U31909GJ2001PLC039998

Regd.Office: 61, Phase-I, GIDC Industrial Estate, Vatva, Ahmedabad - 382445, Gujarat

Website: www.patelsairflow.com E-mail ID: paflacct@gmail.com

**FORM MGT-11**

**PROXY FORM**

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

**20<sup>th</sup> Annual General Meeting – Saturday, 25<sup>th</sup> Day of September, 2021, at 12.00 P.M.**

Name of the member (s) : \_\_\_\_\_

Registered address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No/ Client Id : \_\_\_\_\_

DP ID : \_\_\_\_\_

I/We, Being The Member (S) Of Patels Airflow Limited holding equity shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_

**Or failing him**

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_

**Or failing him**

3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_ Signature : \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the company, to be held on Saturday, 25<sup>th</sup> September, 2021 at 12.00 p.m. at 61, Phase- I, Gidc Industrial Estate, Vatva, Ahmedabad 382445 (gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above proxy to vote in the manner as indicated in the box below :

Resolution No.	Particulars of Resolution(s)	Vote	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1	To receive, consider and adopt the Audited Standalone Financial Statements of the company for the Financial Year ended on 31 <sup>st</sup> March, 2021, together with the Reports of the Board of Directors and the Auditors thereon.		
2	To declare Dividend on Equity Shares for the financial year 2020-21		
3	To appoint a Director in place of Shri Prakash Bhogilal Patel, Executive Director (DIN: 00176928), who retires by rotation and being eligible offers himself for re-appointment.		
4	To appoint a Director in place of Shri Devang Kashiram Patel, Executive Director (DIN: 00146420), who retires by rotation and being eligible offers himself for re-appointment.		
	<b>SPECIAL BUSINESS</b>		
5	To re-appoint Shri Bhogilal Ishwarlal Patel (DIN: 00144617) as a Managing Director of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		
6	To re-appoint Shri Popatlal Bhopabhai Patel (DIN: 00145058) as a Wholetime Director & Chairman of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		
7	To re-appoint Shri Kashiram Khodidas Patel (DIN: 00145192) as a Wholetime Director of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		
8	To re-appoint Shri Himanshu Popatlal Patel (DIN: 00145270) as an Executive Director (Marketing) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		

9	To re-appoint Shri Devang Kashiram Patel (DIN: 00146420) as an Executive Director (Inspection) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		
10	To re-appoint Shri Prakash Bhogilal Patel (DIN: 00176928) as an Executive Director (Production) of the Company and fix the remuneration payable to him and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		
11	To revise the remuneration of Shri Akash Himanshu Patel (DIN: 08512178) as an Executive Director of the Company and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix  
revenue  
Stamp of  
Rs. 1/-

**Signature of the  
shareholder  
across Revenue  
Stamp**

**Notes:**

- (1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- (2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- (3) A Proxy need not be a member of the Company.
- (4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- (5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



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**COURIER / SPEED POST / REG. AD.**  
(PRINTED MATTER)

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*If undelivered please return to :*



***PATELS AIRFLOW LIMITED.***

61, Phase – I, G.I.D.C. Industrial Estate,  
Vatva, AHMEDABAD-382 445  
(GUJARAT)