

SUBJECT	PAGE NO
Notice to shareholders	1-9
Board's report	10-40
Auditor's Report & Financial Statement	41- 87
Proxy Form – & Attendance Slip	88-90

17th Annual Report 2023-2024

BOARD OF DIRECTORS

S.No	Name	Designation
1.	Thomas John	Chairman
2.	Ahamed Meeran S Sheik Mohideen	Managing Director
3.	Abraham Parayil Mathew	Director
4.	Oommen Chackalayil Chacko	Director
5.	Suresh Bharathan	Director
6.	Vadasseri Srinath	Director

CIN U74950TN2007PLC062401

**Registered Office : AL - Barakkah Towers New No.10, K B Dasan Road,
Alwarpet Chennai-600018**

NOTICE

Notice is hereby given that the 17th Annual General Meeting of the Members of Professional Couriers Network Limited will be held on Monday, 28th October, 2024 at 12.30 p.m at Hall "Vaibhav", Hotel Ramada Plaza, Sardar Patel Road, Little Mount, Guindy, Chennai, Tamil Nadu 600032 to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited profit and loss account for the year ended 31st March, 2024 and the balance sheet as at the date together with the report of the Board of Directors and the Auditors thereon.
2. To appoint a director in the place of Mr. Oommen Chackalayil Chacko who retires by rotation and is eligible for reappointment.
3. To appoint a director in the place of Mr. V. Srinath rotation who retires by rotation and is eligible for reappointment.

SPECIAL BUSINESS:

4. Issue of Debenture

To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution

"RESOLVED THAT in accordance with the provisions of section 42 of the and other applicable provisions of the Companies Act, 2013 the consent of the members of the Company be and is hereby accorded to the Board to offer, issue and allot 2,82,653 of Secured Non-Convertible Debentures of Rs.100/- each, aggregating to Rs 2,82,65,300 (Rupees Two Crores Eight Two Lakh Sixty Five Thousand Three Hundred only), on a preferential issue basis on the terms and conditions set out in the explanatory statement.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalise, settle and execute such documents, deeds, writings, papers or agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to resolve any question, difficulty or doubt that may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

5. AUTHORITY TO BORROW MONEY

To consider and, if thought fit, to give assent or dissent to the following resolution as a Special Resolution

“RESOLVED THAT in supersession of the earlier resolutions passed, the consent of the Company be and is hereby accorded in terms of section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 150 crores (One Hundred Fifty Crores only) including the money already borrowed by the Company in Indian Rupees or equivalent thereof in any foreign currency(ies) on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether domestic or international, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company’s assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company’s Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid up capital ,free reserves and securities premium that is to say, reserves not set apart for any specific purpose on such terms and conditions as the Board may deem fit, by way of loans or in any other form whatsoever from, or issue of Bonds and/or Debentures or other Securities whether Convertible into Equity or otherwise, whether issued to shareholders, directors or any other persons.”

**By Order of the Board,
For PROFESSIONAL COURIERS NETWORK LIMITED**

**S Ahamed Meeran
Managing Director
DIN : 00094209**

**Place: Chennai
Date: 04/10/2024**

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

[Pursuant to Clause 1.2.5 of Secretarial Standard-2 on General Meetings]

Name	Oommen Chackalayil Chacko	V. Srinath
Age	67	63
Qualifications	Graduated in Science from Marthoma College, Thiruvalla, Kerala.	Masters Degree in Technology from the Indian Institute of Technology, Chennai.
Experience	He has over 39 years of experience in the courier industry.	He has over 33 years of experience in the courier industry.
Terms And Conditions of Appointment Or Re-Appointment	Appointment without remuneration	Appointment without remuneration
Remuneration	No Remuneration	No Remuneration
Date of First Appointment on The Board	19/02/2007	19/02/2007
Relationship with other Directors Manager and Other Key Managerial Personnel of the Company	NA	NA
Shareholding in Professional Couriers Network Limited	37,01,828	12,93,972
The number of Meetings of the Board attended during the year	5	8
Directorships, Membership/ Chairmanship of Committees of other Boards shall	Directorship: 1. Professional Express Private Limited 2. Professional International Couriers Private Limited 3. The Professional Couriers (Mumbai-Western) Private Limited 4. The Professional Couriers Private Limited	Directorship: 1. Surface lines Cargo And Logistics Private Limited 2. Professional International Couriers Private Limited 3. Dcode Infosolutions Private Limited 4. The Professional Couriers Private Limited

Explanatory statement pursuant to section 102 of the companies Act, 2013

Item No. 4

Explanatory statement pursuant to section 102 of the companies Act, 2013

1. Secured Non-Convertible Debentures to meet the present requirement of cash flow of the company to all its expanded activities.
2. Mr. Ahamed Meeran's Loan amounting to Rs. Rs. 2,82,65,300 (Rupees Two Crores Eight Two Lakh Sixty Five Thousand Three Hundred only) is proposed to be converted to Secured Non-Convertible Debentures (NCDs) with consent of the members.
3. Professional Couriers Network Limited ("Company") proposes to issue 2,82,653 of Secured Non-Convertible Debentures (NCDs) of Rs.100 each, aggregating to Rs. 2,82,65,300 (Rupees Two Crores Eight Two Lakh Sixty Five Thousand Three Hundred only), on a preferential issue basis to specific investor (the "Debenture Holder") in a single tranche ("Debenture Holder").
4. The Secured Non-Convertible Debentures (NCDs) are allotted by company at Rs.100 each.
5. The price of debentures is arrived at Rs.100 each along with the Certificate issued by a certified Valuer.
6. The issue price of debentures have arrived at Rs.100 each as on 04/10/2024.
7. The allotment of debentures is to be made to Director of the company in the following manner.

S.No	Particulars	No. Of Debentures Issued	Amount
1.	Ahamed Meeran S Sheik Mohideen	2,82,653	2,82,65,300

8. The allotment shall be completed within 12 months from the date of passing resolution for allotment i.e., on or before 03.10.2025.

None of the Directors, Key Managerial Personnel and their relative(s), are concerned or interested in the resolution except Mr. Ahamed Meeran and his relative(s) are concerned or interested in the resolution except to the extent of their shareholding in the company, if any.

Item No. 5

The consent of the Company is required by way of a Special Resolution to borrow funds in excess of the paid up capital, free reserves and securities premium of the company and to create security if applicable for the same. The Company intends to borrow from time to time any sum of moneys which along with sums already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aforesaid limit but not exceeding Rs. 150/- Crore (Rupees One Hundred Fifty Crores). The Board recommends the resolution set out in the accompanying Notice.

None of the Directors, Key Managerial Personnel and their relative(s), are concerned or interested in the resolution except to the extent of their shareholding in the company, if any.

Note:-

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a Proxy need not be a Member of the Company.
2. The Instrument(s) appointing the proxy, if any, shall be deposited at the registered office of the company, at AL Barakah towers, 4th floor, No.10, K.B. Dasan road, Alwarpet, Chennai – 600 018 not less than forty eight (48) hours before the commencement of the meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
3. As per the General Circulars No. 20 dated May 5, 2020 and in accordance with the rule 18 of the companies (Management and Administration) Rules, 2014 (the rules), the notices, Board's Report, Annual Return, Financial Statement shall be given through e-mails registered with the company.
4. Members / proxies are requested to bring the attendance slip duly filled in.
5. Copies of annual report will not be distributed at the annual general meeting. Members are requested to bring their copies to the meeting.
6. This Annual Report is also placed on the website of the Company namely www.pcnl.in.
7. **The shareholder/members who have not registered their Email ID with the company are requested to register your email ID either by a separate communication sent by post to the registered office of the company or you can send your email ID reference to the designated Email ID namely: investor.relations@pcnl.in along with your Name, Folio No and Mobile No.**
8. Members are also requested to quote the folio of the register of members in all their correspondence.
9. Shareholders who happen to hold shares in identical orders of names in different folios of the register of members are requested to write to the company to consolidate their holdings.
10. Ballot Form is also provided for the benefit of members who do not have access to e-voting facility.
11. A member can opt for only one mode of voting i.e., either through e-voting or by ballot. If a member casts votes by both modes then voting done through e-voting shall prevail and ballot form shall be treated as invalid.
12. In accordance with provision of section 108 of Companies Act,2013 read with Companies (Management and Administration) Rules 2014 e-voting facility have been provided to the members.
13. The Board of Directors has appointed Mr. N.Balachandran (M.No -5113, C.P No- 3200) Practicing Company Secretary, Chennai as Scrutinizer for conducting the e- voting in a fair and transparent manner.
14. The company has engaged the services of M/s. KFIN Technologies Pvt. Ltd, to provide e-voting facilities enabling the members to cast their vote in a secured manner.
15. The E-voting Period would commence on 25th October, 2024 (9.00AM) and ends on 27th October, 2024 (5.00PM). The e-voting module shall be disabled by Scrutinizer for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder cannot change it subsequently.
16. Shareholders of the company holding shares, as on the cutoff date i.e., 21st October, 2024 may cast their vote electronically.
17. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the Meeting.
18. The results of the e-voting will be placed on or before Wednesday, 30th October, 2024 at the Company's website at www.pcnl.in.
19. Person who is not a Member as on the cut-off date should treat this Annual Report for information purposes only.
20. Provided that once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again
21. The E-voting facility will be blocked after 27th October,2024 (5.00P.M).

PROCESS AND MANNER FOR MEMBERS OPTING TO VOTE BY USING THE BALLOT FORM AT THE ANNUAL GENERAL MEETING.

1. The members, who have not cast their vote electronically, can exercise their voting rights at the AGM. The company will make necessary arrangements in this regard at the AGM venue.
2. The form should be signed by the member as per the specimen signature registered with the company/ depository. In case of joint holding, by the next name of joint holder. A power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the company or enclosing an attested copy of the POA. Exercise of vote by ballot is not permitted through proxy.
3. In case the shares are held by the companies, trusts, societies, etc. the duly completed ballot form should be accompanied by a certified true copy of relevant Board Resolution/ Authorization.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the ballot.
5. The Voting rights of shareholders shall be in proportion of shares held by them in the paid up equity share capital of the company as on 21st October, 2024.
6. A Member may request for a duplicate Ballot Form, if so required.
7. Unsigned, incomplete, improperly or incorrectly tick marked ballot forms will be rejected. A form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the scrutinizer to identify either the member or as to whether the votes are in favour or against or if the signature cannot be verified. The decision of the scrutinizer on the validity of the ballot form and any other related matter shall be final.
8. The results declared along with scrutinizer's report shall be placed on company's website www.pcnl.in

PROCEDURE AND INSTRUCTIONS FOR E-VOTING.

In compliance with provisions of Sections 108 and other applicable provisions of the Act read with Rules framed thereunder and SS-2, the Company is pleased to provide e-voting facility to all its members, to enable them to cast their vote electronically instead of dispatching the physical Ballot form by post.

The procedure and instructions for e-voting are as follows:

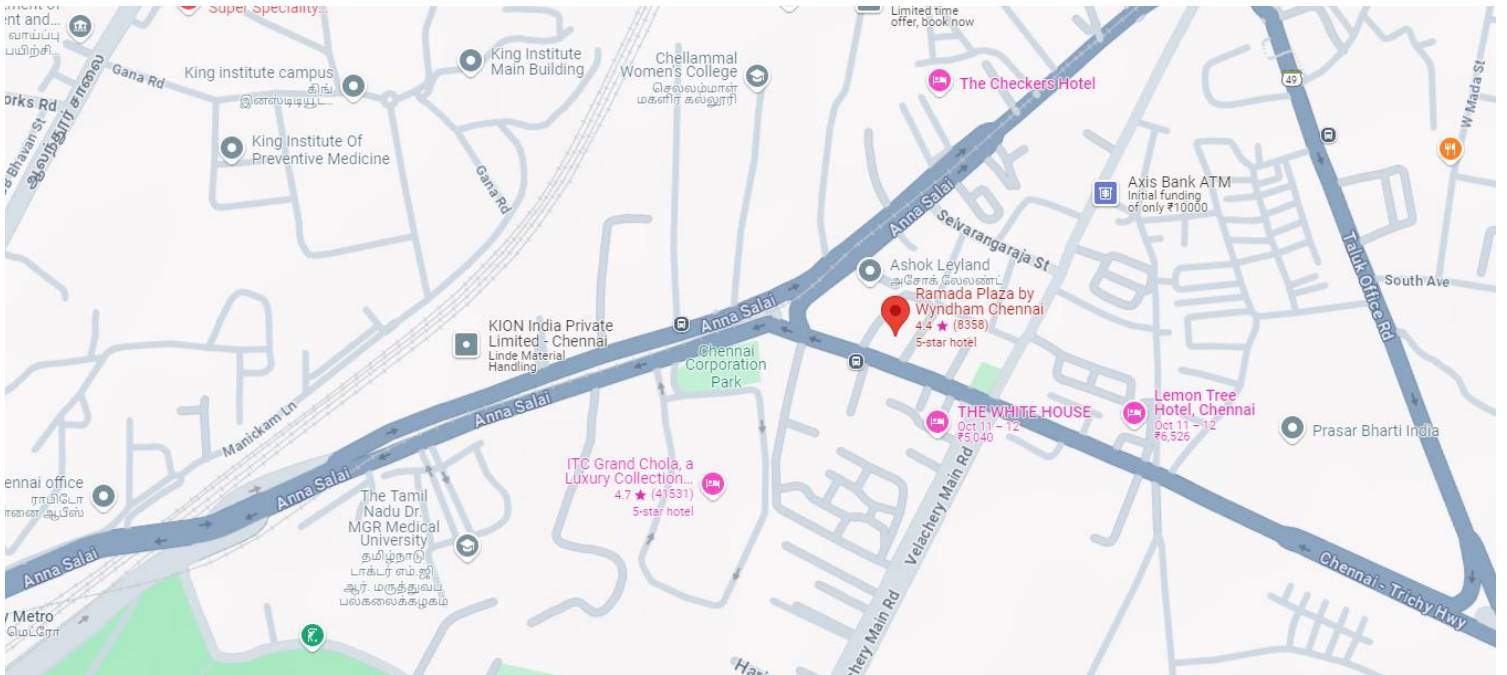
- i) Open your web browser during the voting period and navigate to 'https://evoting.kfintech.com'
- ii) Enter the login credentials (i.e., user-id & password) mentioned on the **E - Voting Ballot Form. Your folio/DP Client ID will be your User-ID.**

User - ID	For Members holding shares in Physical Form:- <ul style="list-style-type: none">• Event no. followed by Folio Number registered with the company
Password	Your Unique password will be forwarded to your registered email through separate mail
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

- iii) Please contact **KFIN toll free No. 1-800-309-4001** for any further clarifications.
- iv) After entering these details appropriately, click on "LOGIN".
- v) Members holding shares in Physical form will now reach Password Change menu wherein they are required to mandatorily change their login
- vi) password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. System will prompt you to change your password and update any contact details like mobile #, email ID etc on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) You need to login again with the new credentials.

- viii) On successful login, system will prompt to select the 'Event' i.e., '**Company Name**'.
- ix) On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'
- x) After selecting the resolution if you have decided to vote, 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.
- xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xii) Corporate/Institutional Members (corporate /Fls/Flls/Trust/Mutual Funds/Banks, etc) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to baluogeetha@gmail.com with copy to evoting@kfintech.com. The file scanned image of the Board Resolution should be in the naming format "Corporate Name_ Event no."

ROUTE MAP



Board's Report

To
The Members of
PROFESSIONAL COURIERS NETWORK LIMITED

Your Directors have pleasure in presenting the 17th Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS

(Amount in Lakhs).

	2023-2024	2022-2023
Revenue from Operations	6,186.02	6,386.01
Finance Charges	90.26	84.51
Loss After Tax	(1,574.75)	(1,425.53)

2. CHANGE IN NATURE OF BUSINESS, IF ANY

The company has not changed its nature of Business during the year under review.

3. DIVIDEND

No Dividend was declared for the current financial year due to loss incurred by the Company.

4. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIESACT, 2013

The company has not transferred any amount to General Reserve.

5. CHANGES IN SHARE CAPITAL

The paid up capital of the company has increased from 5,20,42,287 (Five Crore Twenty Lakh Forty Two Thousand Two Hundred and Eighty Seven) Equity Shares to 5,22,82,287 (Five Crore Twenty Two Lakh Eighty Two Thousand Two Hundred and Eighty Seven) Equity shares.

6. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or Associate Company.

7. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no pending unclaimed dividend.

8. MATERIAL CHANGES AND COMMITMENTS

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 to the date of this report.

9. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information. **(Annexure: 1)**

The Annual Return has been placed on the website of the company namely: www.pcnl.in

10. MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2023-24, the Company held Twelve (12) board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 are adhered to while considering the time gap between two meetings.

S.No	Date of Meeting	Board Strength	No. of Directors Present
1	29.04.2023	6	2
2	31.05.2023	6	2
3	21.06.2023	6	2
4	16.08.2023	6	2
5	29.08.2023	6	6
6	31.08.2023	6	6
7	18.10.2023	6	2
8	10.11.2023	6	6
9	14.12.2023	6	2
10	23.12.2023	6	2
11	18.01.2024	6	3
12	30.03.2024	6	2

11. DIRECTORS' RESPONSIBILITY STATEMENT

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

(e) Company being unlisted sub clause (e) of section 134(3) is not applicable.

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws including Secretarial Standards as may be applicable and that such systems were adequate and operating effectively.

12.COMMITTEES

The Board of Directors of the Company pursuant to the mandatory provisions of Companies Act, 2013 has the following committees namely:

A. AUDIT COMMITTEE

The Company has an qualified Audit Committee as per the provisions of Section 177 (8) of the Companies Act, 2013 and Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 the following is the current composition of Audit Committee:

Name of the Director	Status in Committee	Nature of Directorship
ABRAHAM PARAYIL MATHEW	Chairman	Non-Executive & Non Independent Director
OOMMEN CHACKALAYIL CHACKO	Member	Non-Executive & Non Independent Director
SURESH BHARATHAN	Member	Non-Executive & Non Independent Director

There were Four (4) meetings of the Audit Committee held during the year ended on 29th April, 2023, 21th June, 2023, 10th November, 2023 and 30th March,2024.

The Board has accepted all the recommendations provided by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee consists of

Name of the Director	Status in Committee	Nature of Directorship
ABRAHAM PARAYIL MATHEW	Chairman	Non-Executive & Non Independent Director
OOMMEN CHACKALAYIL CHACKO	Member	Non-Executive & Non Independent Director
SURESH BHARATHAN	Member	Non-Executive & Non Independent Director

The Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit & Nomination & Remuneration

The Committee met on 31.08.2023.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The Directors do not take salary and remunerations paid to the Key Managerial Personnel and senior management personnel are as per the remuneration policy of the Company.

ANNUAL EVALUATION

In compliance with the Companies Act, 2013, the performance evaluation of the Board was carried out during the year under review.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the requirements of Section 178 of the Act the company has constituted Stakeholders Relationship Committee comprising of :

The Stakeholders' Relationship Committee is functioning to look into Redressal of Investor/Shareholders complaints expeditiously. The Stakeholders' Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and Redressal of shareholders/investors/security holders' complaints.

The Committee met on 31.08.2023

Name of the Director	Status in Committee	Nature of Directorship
THOMAS JOHN	Chairman	Non-Executive & Non Independent Director
VADASSERI SRINATH	Member	Non-Executive & Non Independent Director
SURESH BHARATHAN	Member	Non-Executive & Non Independent Director

D. INDEPENDENT DIRECTORS

The Company is in the process of appointing the Independent Director under the provisions of Section 149 of the Companies Act, 2013.

13. SEXUAL HARASSMENT POLICY

The Company had adopted the prevention of sexual harassment policy and subsequently also formed a committee for the same.

Complaints Received - Nil

Complaints Disposed off – Nil

14. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal control system. All transactions are subject to proper scrutiny. The Management takes immediate corrective action wherever it is being pointed out to help streamline the internal control process. The Management shall ensure the effectiveness of the working of such policy.

15. AUDITORS REPORT

The Auditors, M/s ASA & Associates, Chartered Accountants, are appointed for a period of 5 (Five) years till the F.Y 2027-2028.

The Notes on financial statements are self-explanatory and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2024 is annexed herewith for your kind perusal and information.

16. REPLY TO AUDITOR'S REMARKS

Please refer Annexure 3 of this Report for qualifications in the Auditor's Report and the Explanation by the Board for the qualifications.

17. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the statutory auditors has not reported any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

18. LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any new Loans, Guarantee or made any new Investments made under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2024.

19. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and Approval of the Board of Directors & shareholders was obtained wherever required.

Further all the necessary details of transaction entered with the related parties are attached herewith in form no. **AOC-2** for your kind perusal and information. **(Annexure: II)**

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE 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 not been furnished considering the nature of activities undertaken by the company during the year under review being less power intensive.

B. Foreign Exchange Earnings and Outgo

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

21. RISK MANAGEMENT

The Board of Directors is overall responsible for identifying, evaluating and managing all significant risks faced by the Company. The Board monitors and reviews the implementation of various aspects of risk management policy. The key risks are properly managed across the organization.

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

There are no cases reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year.

23. INSOLVENCY AND BANKRUPTCY CODE, 2016

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year. : Not Applicable

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. : Not Applicable

24. DIRECTORS and KMP

There is no change in the composition of Directors during the year under review.

25. STATEMENT SHOWING DETAILS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is not applicable to the company.

26. DEPOSITS

The company has not accepted any deposits during the year.

27. SHARES

- a. The Company has not bought back any of its securities during the year under review.
- b. The Company has not issued any Sweat Equity Shares during the year under review.
- c. No Bonus Shares were issued during the year under review.
- d. The Company has not provided any Stock Option Scheme to the employees.
- e. The company has not provided any shares with differential rights.

28. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135(5) of the Companies Act, 2013 and Rule 8 of the Companies(Corporate Social Responsibility Policy) Rules, 2014 and schedule VII of the Companies Act, 2013, the provisions of CSR is not applicable for this company.

29. SECRETARIAL AUDIT REPORT

The Board had Mr. N.Balachandran (M.No -5113, C.P No- 3200) Practicing Company Secretary, Chennai, to undertake the Secretarial Audit of the Company for FY 23-24.

The Secretarial Audit Report in the Form No. MR - 3 for the year is provided as to this Report.

Please refer Annexure IV of this Report for the Explanation by the Board for the qualifications.

30. COST AUDIT

The provisions of Section 148(1) of the Companies Act, 2013 read with applicable Rules made in this regard, is not applicable to the Company.

31. INTERNAL AUDITOR

The Board has appointed M/s Tarun Kandhari & Co LLP, Chartered Accountants, Chennai as the Internal Auditor of the Company pursuant to Section 138 of Companies Act, 2013 for the financial year 2023-24.

32. VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Act a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established.

33. ORDER OF COURT

There are no significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

34. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company continued to implement the suggestions and recommendations made by the auditors to improve the control environment and corrective actions forthwith.

35. ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co- operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

**For and on behalf of the Board of Directors
PROFESSIONAL COURIERS NETWORK LIMITED**

**Place: Chennai
Date: 04/10/2024**

**S Ahamed Meeran
Managing Director
DIN: 00094209**

**Oommen C Chacko
Director Finance
DIN: 00564291**

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2024

“ANNEXURE -I”

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : U74950TN2007PLC062401
- ii) Registration Date : 19/02/2007
- iii) Name of the Company : Professional Couriers Network Limited
- iv) Category / Sub-Category : Company limited by shares, Non Govt Company
- v) Address of the Registered Office and Contact Details : Al - Barakkah Towers New No.10, K B Dasan Road, Alwarpet Chennai-600018
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer : NA

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:

Sl.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sale of couriers (courier charges)	9968	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(I) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	4,71,58,938	4,71,58,938	90.62	-	4,74,09,188	4,74,09,188	90.68	+0.06
b) Central Govt	-	-	-	-	-				
c) State Govt (s)	-	-	-	-	-				
d) Bodies Corp.	-	-	-	-	-				
e) Banks / FI	-	-	-	-	-				
f) Any Other Relatives	-	-	-	-	-				
Sub-total (A) (1):-	-	4,71,58,938	4,71,58,938	90.62	-	4,74,09,188	4,74,09,188	90.68	+0.06
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	
b) Other Individuals	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	-	
e) Any Other....	-	-	-	-	-	-	-	-	

Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	
b) Banks / FI	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	
d) State Govt(s)	-	-	-	-	-	-	-	-	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	
f) Insurance Companies	-	-	-	-	-	-	-	-	
g) FIIs	-	-	-	-	-	-	-	-	
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-		-	-	-		-	-	-	

2. Non-Institutions									
a) Bodies Corp.	-	65,000	65,000	0.13	-	65,000	65,000	0.12	(0.01)
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals	-	-	-	-	-	-	-	-	
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	18,03,697	18,03,697	3.47	-	17,75,497	17,75,497	3.40	(0.07)

ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	-	30,14,652	30,14,652	5.79	-	3032602	30,32,602	3.36	(2.43)
c) Others (Specify)	-	-	-	-	-	-	-	-	
Sub Total (B)(2):-	-	48,83,349	48,83,349	9.38	-	4873099	4873099	9.32	
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	48,83,349	48,83,349	9.38	-	4873099	4873099	9.32	
C.Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	5,20,42,287	5,20,42,287	100	-	5,22,82,287	5,22,82,287	100	

(II) Shareholding of Promoter

Sl No	Shareholders Name	No of Shares held at the beginning of the year			No of Shares held at the end of 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	Abraham Parayil Mathew	1,878,342	3.61%	-	1,878,342	3.59	-
2	Thomas John	1,145,327	2.20%	-	1,145,327	2.19%	-
3	Ahamed Meeran S Sheik Mohideen	3,85,24,842	74.03%	-	3,85,35,092	73.71%	-
4	Suresh Bharathan	8,54,627	1.64%	-	8,54,627	1.63%	-
5	Oommen Chackalayil Chacko	34,61,828	6.65%	-	37,01,828	7.08%	-
6	Vadesseri Srinath	1,293,972	2.49%	-	1,293,972	2.47%	-
	Total	4,71,58,938	90.68%	-	4,74,09,188	90.68%	-

(III) Change in Promoters' Shareholding (Please specify, if there is no change)

S.No	Particulars	No of Shares held 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
1	At the beginning of the year	4,71,58,938	90.62	4,74,09,188	90.68
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer/ bonus/sweat equityetc)	1. Allotment of 2,40,000 Equity Shares to promoters on 18.01.2024 with effective from 31.03.2024 2. Transfer of Equity Shares of at various Board Meetings dates.			
3	At the end of the year	4,74,09,188	90.68	4,74,09,188	90.68

(IV) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holder of GDRs and ADRs):

	1.Mrs.Maria Ronny, W/o.Mr.Ronny George 2.Richard George Ronny, Guardian. Mrs Maria Ronny 3.Mrs. Sally Abraham 4.Mrs.V.V.Seethalakshmi, W/o.Mr.Suresh Bharathan 5.Mrs.Saramma Oommen, W/o. Mr.Oommen C Chacko 6.Mrs.Sheela Devi Srinath 7.Mrs.Biji Sara Thomas,W/o.Mr.Thomas John 8. Senthil K M F/H/o Muthusamy C 9. Suresh Surendranath Nair F/H/o Surendranath T G 10.Mrs.Nihar Fathima, W/o. Mr.s.Ahamed Meeran	No of Shares held 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
	At the beginning of the year	24,23,107	4.66	2,423,307	4.63
1	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer/ bonus/sweat equity etc)	Transfer of 200 Shares to Ms. Sally Abraham			
2	At the end of the year	24,23,307	4.63	24,23,307	4.63

(V) Shareholding of Directors and Key Managerial Personnel:

S.No	Particulars	No of Shares held 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
1	At the beginning of the year	4,71,58,938	90.62%	4,74,09,188	90.68%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g.allotment / transfer/ bonus/sweat equity etc)	Refer IV (III)			
3	At the end of the year	4,74,09,188	90.68%	4,74,09,188	90.68%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment(In Lakhs)

S No	Particulars	Secured Loans	Unsecured Loans	Deposits	Total indebtedness
1	Indebtedness at the beginning of the financial year	576.28	3,634.50		4,210.80
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	576.28	3,634.50		4,210.78
2	Change in Indebtedness during the financial year				
	· Addition	89.65	1042.41		1132.06
	· Reduction	-	-	-	-
	Net Change				

3	Indebtedness at the end of the financial Year	-	-	-	-
	i) Principal Amount	665.93	4676.91		5342.84
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	665.93	4676.91		5342.84

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

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

B. REMUNERATION TO OTHER DIRECTORS:

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

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1. (a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	4,44,000	-	4,44,000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income-tax, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	4,44,000	-	4,44,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal Made If any (give Details)
A.Company					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B.Directors					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C.Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**For and on behalf of the Board of Directors
PROFESSIONAL COURIERS NETWORK LIMITED**

**Place: Chennai
Date: 04/10/2024**

**S Ahamed Meeran
Managing Director
DIN: 00094209**

**Oommen C Chacko
Director Finance
DIN: 00564291**

**PROFESSIONAL COURIERS NETWORK LIMITEDCIN:
U74950TN2007PLC062401
Year ending 31.03.2024**

**ANNEXURE II to Board's report
FORM NO. AOC.2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	NIL
B	Nature of contracts/arrangements/transactions	NIL
C	Duration of the contracts/arrangements/transactions	NIL
D	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
E	Justification for entering into such contracts or arrangements or transactions	NIL
F	Date of approval by the Board	NIL
G	Amount paid as advances, if any	NIL
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Refer schedule no.5 of Notes on Accounts.
B	Nature of contracts/arrangements/transactions	On commercial terms in ordinary course of business.
C	Duration of the contracts/arrangements/transactions	Ongoing basis and in the ordinary course of business
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	On commercial terms applicable then and there
E	Date(s) of approval by the Board, if any*	Considered in the earlier year's Board meeting.
F	Amount paid as advances, if any:	Nil

**For and on behalf of the Board of Directors
PROFESSIONAL COURIERS NETWORK LIMITED**

Place: Chennai
Date: 04/10/2024

S Ahamed Meeran
Managing Director
DIN: 00094209

Oommen C Chacko
Director Finance
DIN: 00564291

ANNEXURE -III TO BOARD 'S REPORT - REPLY TO AUDITOR'S REMARK

I. AUDITOR'S - BASIS FOR QUALIFIED OPINION IN THE AUDITOR'S REPORT:

(i) AUDITOR'S REMARKS:

The Company has not provided for the long-term employee benefits in accordance with AS 15 on "Employee Benefits". The actuarial valuation was not carried out by the Company at the Balance sheet date and the estimated liability on account of such retirement benefit (gratuity) as at the Balance sheet date could not be quantified.

REPLY TO AUDITOR'S REMARKS

The Company has made provisions under Employees Benefits to comply with the applicable standards in this regard, But the Quantification only requires earnest evaluation which could not be computed due to wide area of network. We sought the evaluating Institution's support in this regard to comply with the requirements of Law.

(ii) AUDITOR'S REMARKS:

As stated in Note No. 3.11 & 3.6 to the financial statements, pending completion of reconciliation of balances in trade receivables / trade payables, we are unable to confirm the recoverability of receivables / completeness of trade payables, and requirement for creation of provision, if any, to the reported balance of trade receivables / payables. Impact of adjustment, if any, as a result of ongoing reconciliation is not quantifiable.

REPLY TO AUDITOR'S REMARKS

The Company is taking necessary action and it is in the due process of reconciliation of the balances in trade receivables / trade payables.

(iii) AUDITOR'S REMARKS:

The Company has not complied with the provisions of Section 149(6) of the Companies Act with respect to appointment of Independent Director and other consequent compliance requirements

REPLY TO AUDITOR'S REMARKS

The Company is in the process of appointing the Independent Director under the provisions of Section 149 of the Companies Act,2013.

(iv) AUDITOR'S REMARKS:

As stated in note no. 3.6 the company has not provided for interest on delayed payments to vendors in accordance with the provisions of Section 16 of Micro, Small, and Medium Enterprises Development Act, 2006. The impact of the same, if any, in the financial statements is not determinable.

REPLY TO AUDITOR'S REMARKS

The Company is taking necessary action and it is in the due process of identification of units covered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

(v) AUDITOR'S REMARKS:

Transactions and balances with related parties are not supported by external balances confirmations and consequent reconciliations. The impact of the same, if any, in the financial statements is not determinable.

REPLY TO AUDITOR'S REMARKS

The Company is in the process of reconciliation of the balances with related parties and shall be completed by next year.

(vi) AUDITOR'S REMARKS:

We are not provided with the documentary evidence in respect of rental and other deposits amounting to Rs. 1,60,98,864 and Business Associate & Express Collection Centers Security Deposits Amounting to Rs. 4,53,58,879. Accordingly, we are unable to comment on the adjustments, if any, required in respect of these deposits.

REPLY TO AUDITOR'S REMARKS

The Company is in the process of collection of documents pertaining to the rental deposits given and other business deposits received by the company. The delay is due to wide area of business operation of the company.

(vii) AUDITOR'S REMARKS:

The Company has not provided us with the copy of minutes of board meetings, annual general meeting and other meetings conducted during the year and the forms filed with registrar of companies during the financial year. Accordingly, we are unable to comment on the impact of the same, if any on the financial statement.

REPLY TO AUDITOR'S REMARKS

All the forms have been duly filed. Minutes are readily available for verification or inspection. Thus, there shall be no impact on the financial statement.

(VIII) AUDITOR'S REMARKS:

With respect to delay in remittance and non-remittance of Professional tax, the Company has not estimated and provided for the interest and penalty on defaults. Therefore, we are unable to comment on the possible impact in the financial statements.

REPLY TO AUDITOR'S REMARKS

The company is estimating the same . The same bears minimum impact.

(IX) AUDITOR'S REMARKS:

As stated in note no. 5.G to the financial statements, the company is in the process of complying with the requirements of rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

REPLY TO AUDITOR'S REMARKS

The company has already obtained ISIN Number and it is in the process of dematerialization of shares. The demat notification shall be sent at the earliest to the shareholders.

For and on behalf of the Board of Directors

PROFESSIONAL COURIERS NETWORK LIMITED

Place: Chennai
Date: 04/10/2024

S Ahamed Meeran
Managing Director
DIN: 00094209

Oommen C Chacko
Director Finance
DIN: 00564291

N.BALACHANDRAN B.COM., A.C.S.,
COMPANY SECRETARY IN PRACTICE

C/2 YAMUNA FLATS
16TH STREET
NANGANALLUR
CHENNAI -600061
CELL: 9444376560

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2024**

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

To
The Members,
PROFESSIONAL COURIERS NETWORK LIMITED,
AL-BARAKKAH TOWERS,
NO.10, K.B. DASAN ROAD, ALWARPET,
CHENNAI - 600018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PROFESSIONAL COURIERS NETWORK LIMITED** (hereinafter called "the Company") bearing CIN: U74950TN2007PLC062401.

The responsibility of the Secretarial Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit was conducted in accordance with applicable Standards, and the Standards require that the Secretarial Auditor comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

The Secretarial Audit of the Company was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized

representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the year under audit covering the financial year ended 31.03.2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2024 according to the provisions of:

- (I) The Companies Act, 2013 (“the Act”) and the Rules made there under;**
- There are instances that certain forms, returns, documents and resolutions required to be filed with the Registrar of Companies is either filed with delay or in some cases it is yet to be filed.
- (II) I have also examined compliance with the applicable Clauses of the following:
- a) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India as notified by the Ministry of Corporate Affairs, effective from 1st day of July 2015, in respect of the Board Meetings and the previous Annual General Meeting for which notices have been issued after the said date;
 - b) Company’s website related compliances in general are regularised and updated in a periodical manner.
- (III) I further report that the Company is generally regular in depositing the statutory dues including TDS deductions, PF remittances, gratuity dues and GST / of filing periodical return as relating to and applicable, with the appropriate authorities during the year under audit and the returns have been filed in delay.
- (IV) I further report that the Company is yet to appoint Independent Directors and Key Managerial Personnel. The composition of the Board of Directors of the Company with proper balance of Executive Directors and Non-Executive Directors, as also the composition of various Board Committees are yet to be complied with in this regard.**

- (V) I further report that the date of the Annual General Meeting, to the extent, in the manner and subject to the reporting made hereinafter, has been complied with.
- (VI) I further report that adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the Meeting and for meaningful participation at the meeting.
- (VII) I further report that, based on the verification of the records and minutes, the decisions were carried out with the consent of the majority of the Board of Directors / Committee Members and there were no dissenting members views recorded in the minutes. Further, in the minutes of the General meeting, the members who voted, if any, against resolutions have been properly recorded.
- (VIII) I further report that there are adequate systems and processes in the company commensurate with size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (IX) **I further report that during the year under audit, there were instances of Issue of shares by way of conversion of Debenture/Debenture issue. However, necessary returns in this regard are yet to be filed.**
- (X) I further report that during the year under audit, there were no instances of:
- a) Redemption / Buy Back of securities.
 - b) Merger/ Amalgamations/ reconstruction.
 - c) Foreign Technical collaborations.

(XI) I further report that the following points require attention and are beyond my comments:

- a) Erosion of Net worth and ability to continue as a going concern.**
- b) Uncertainty on Recovery of Trade Receivables.**
- c) Loans extended require compliance under Section 186(7) of Companies Act, 2013.**
- d) Board and Board Committee composition requiring compliance under Companies Act 2013.**
- e) There are overdue payments payable to MSME Enterprises under Micro, Small and Medium Enterprises Development Act 2006.**

Place: Chennai
Date: 01.10.2024

Name of Company Secretary in Practice: N. Balachandran
ACS No.: 5113 C P No : 3200
UDIN: A005113F001395359

Note: This Report is to be read with the letter of even date which is annexed as 'Annexure' and forms an integral part of this report.

Annexure to SECRETARIAL AUDIT REPORT

To
The Members,
PROFESSIONAL COURIERS NETWORK LIMITED,
AL-BARAKKAH TOWERS,
NO.10, K.B. DASAN ROAD, ALWARPET,
CHENNAI - 600018

Our report of even date is to be read with this letter (MR 3 for the FY 2023-24).

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. The opinion expressed in the present report is based on the limited information, facts and inputs made available to me through electronic means by the company management.

Place: Chennai
Date: 01.10.2024

Name of Company Secretary in Practice: N. Balachandran
ACS No.: 5113 C P No : 3200
UDIN: A005113F001395359

ANNEXURE -IV TO BOARD 'S REPORT - REPLY TO SECRETARIAL AUDITOR REMARKS

a)REMARKS:

Erosion of Net worth and ability to continue as a going concern.

REPLY TO REMARKS

The Company is hopeful of bringing the net worth positive in the coming years with the enhanced business opportunities and collection of receivables.

b) REMARKS:

Uncertainty on Recovery of Trade Receivables.

REPLY TO REMARKS

The Company on day-to-day basis is closely following it up with the clients for the trade receivables. The Company is hopeful in recovering major dues in due course of time.

c) REMARKS:

Loans extended require compliance under Section 186(7) of Companies Act, 2013.

REPLY TO REMARKS

The Company will not charge any interest to any deposits including the deposits stated above. Hence, we do not consider it as non compliance of the provision.

d) REMARKS:

Board and Board Committee composition requiring compliance under Companies Act 2013.

REPLY TO REMARKS

The Company is in the process of appointing the Independent Director under the provisions of Section 149 of the Companies Act, 2013.

e) REMARKS:

There are overdue payments payable to MSME Enterprises under Micro, Small and Medium Enterprises Development Act 2006.

REPLY TO REMARKS

The Company is taking necessary action and it is in the due process of identification of units covered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

INDEPENDENT AUDITOR'S REPORT

To the Members of Professional Courier Network Limited

Report on the Audit of Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **Professional Courier Network Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of profit and loss, and the 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 the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- (i) The company has not provided long term employee benefits in accordance with AS 15 on "Employee Benefits". The actuarial valuation was not carried out by the company at the Balance sheet date and the estimated liability on account of such retirement benefits (gratuity) as at the Balance sheet date could not be quantified.
- (ii) As stated in Note No. 3.11 & 3.6 to the financial statements, pending completion of reconciliation of balances in trade receivables / trade payables, we are unable to confirm the recoverability of receivables / completeness of trade payables, and requirement for creation of provision, if any, to the reported balance of trade receivables / payables. Impact of adjustment, if any, as a result of ongoing reconciliation is not quantifiable.
- (iii) The Company has not complied with the provisions of Section 149(6) of the Companies Act with respect to appointment of Independent Director and other consequent compliance requirements.
- (iv) As stated in note no. 3.6 the company has not provided for interest on delayed payments to vendors in accordance with the provisions of Section 16 of Micro, Small, and Medium Enterprises Development Act, 2006. The impact of the same, if any, in the financial statements is not determinable.
- (v) Transactions and balances with related parties are not supported by external balances confirmations and consequent reconciliations. The impact of the same, if any, in the financial statements is not determinable.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

- (vi) We are not provided with the documentary evidence in respect of rental and other deposits amounting to Rs. 1,60,98,864 and Business Associate & Express Collection Centers Security Deposits Amounting to Rs. 4,53,58,879. Accordingly, we are unable to comment on the adjustments, if any, required in respect of these deposits.
- (vii) The Company has not provided us with the copy of minutes of board meetings, annual general meeting and other meetings conducted during the year and the forms filed with registrar of companies during the financial year. Accordingly, we are unable to comment on the impact of the same, if any on the financial statement.
- (viii) With respect to delay in remittance and non-remittance of Professional tax, the Company has not estimated and provided for the interest and penalty on defaults. Therefore, we are unable to comment on the possible impact in the financial statements.
- (ix) As stated in note no. 5.G to the financial statements, the company is in the process of complying with the requirements of rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 (ICAI) 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 on the financial statements.

Emphasis of Matter Paragraph

- We draw attention to Note no 4.1 to the financial statements regarding pending reconciliation of the monthly returns filed under the Central Goods and Services Act, 2017 (CGST Act) with its books and records to file the annual return which will be subjected to audit as per the requirements of the CGST Act and consequential adjustments, if any, to be given effect to in the financial statements of the Company. Our opinion is not modified in respect of this matter.
- We draw attention to Note 5.A of the financial statements which indicates that the Company's net worth got eroded as of March 31, 2024. This condition, along with other matters as stated in said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared as a Going Concern for the reason stated in the aforesaid note. Our report is not modified in respect of this matter.

Other Information other than the Financial Statements and Auditor's 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 to Board's Report)

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

but does not include the financial statements and our auditor's report thereon. These reports are 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules 2021. 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 management and the Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the 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

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

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:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management and Board of Directors 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.
- 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.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in 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 explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books including daily back-up of books of accounts and other books and papers maintained in electronic mode. The servers for the back-up of books of account maintained in electronic mode are physically located in India;
 - (c) The balance Sheet, the Statement of Profit and Loss and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) 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". Our report expresses an Disclaimer of opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion, according to the information and explanation give to us, the company has not paid any remuneration to its directors during the year.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note No. 5.I to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 5.E(vi) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company, or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 5.E(vii) to the financial statement, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The company is in the process

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

of implementing audit trail for other applications. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

UDIN:24202363BKEZCT3249

Place: Chennai

Date: October 04, 2024

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

Annexure - A to the Independent Auditors' Report

As referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Professional Courier Networks Limited for the year ended March 31, 2024.

In terms of the information and explanations sought by us and given by the company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
B. The Company has maintained proper records showing full particulars, including qualitative details and situation of Intangible assets.
- b According to the information and explanations given to us, the property, plant and equipment were not physically verified by the management during the year. Hence, we are unable to report on the discrepancies, if any.
- c. We have not been provided with the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence we are unable to comment on Clause 3(i)(c) of the order.
- d. According to the information and explanations given to us and audit procedure performed by us, the Company has not revalued its Property, Plant and Equipment during the year.
- e. According to the information and explanations given to us and audit procedures performed by us, there are no proceedings initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.
- ii. a. The Company does not hold any physical inventories during the year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
b. According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. In respect of investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

- a) Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.
- b) According to the information and explanations given to us, money advanced to the service provider is engaged in the complimenting activity, the same is not prejudicial to the company's interest.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of following loans given by the Company, there is no stipulation of schedule of repayment of principal and payment of interest and accordingly, we are unable to make specific comment on the regularity of repayment of principal and payment of interest.

Name of the parties	Amount of loan	Remarks
Professional Couriers International Pvt Ltd	Rs. 59,50,000	There is no stipulation of schedule of repayment of principal or payment of interest.

- d) In our opinion and according to the information given to us, loan amount is not overdue. Accordingly reporting under Clause 3(d) to paragraph 3 of the order not applicable to the company.
 - e) In our opinion and according to the information given to us, there is no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - f) In our opinion and according to the information given to us, company not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the company, in respect of investments made and loans, guarantee and security given by the Company, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, reporting under clause 3(v) of the Order is not applicable.
- vi. According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act 2013

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

for the products manufactured by it and /or services provided by it. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

- vii. a. According to the information provided and explanations given to us and based on our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it. There are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these becomes payable except for the following :

Name of the Statute	Name of Statutory Tax	Financial Year to which it relates	Amount in Rs.
The West Bengal State Tax On Professions, Trades, Callings And Employments Rules, 1979	Professional Tax	FY 2023-24	Rs. 1,98,720
	Professional Tax	FY 2022-23	Rs. 2,02,630
	Professional Tax	FY 2021-22	Rs. 2,02,950
	Professional Tax	FY 2020-21	Rs. 1,78,590
The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Employee Provident Fund	FY 2023-24	Rs. 52,96,599
Employees' State Insurance Act, 1948	Employee State Insurance	FY 2023-24	Rs. 22,12,335

- b. According to the information provided and explanation given to us, there are no statutory dues relating to Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess or other statutory dues, which have not been deposited with appropriate authorities on account of any dispute.
- viii. According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in books of account, in the tax assessment under the Income Tax Act 1961 as income during the year and accordingly reporting under clause 3(viii) of the Order is not applicable.
- ix. a. According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to the lenders during the year.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

- b. According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. According to the information and explanation given to us and audit procedures performed by us, the term loans were applied for the purposes for which they were obtained.
- d. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. According to the information and explanation given to us and on overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associate or joint ventures as defined under Companies Act, 2013
- f. The Company does not hold any investment in any subsidiary, associate or joint venture as defined under the Companies Act, 2013 during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised any moneys by way of initial public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the order is not applicable.
- b. According to the information provided and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a. According to the information and explanations given by management and based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- b. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- c. As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. According to the information and explanation given to us, the Company is not a Nidhi Company, accordingly, reporting under clause 3(xii) of the Order is not applicable.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

- xiii. With reference to Point No 2(iii) of our basis for qualified opinion regarding non-appointment of Independent directors, the constitution of audit committee formed by the Company is not in compliance with the provisions of the Companies Act 2013. Accordingly, in the absence of independent directors, approval of audit committee for related party transactions is not in compliance with the provisions of Section 177 read with section 188 of the Companies Act 2013.
- xiv. a. According to the information and explanations given to us and audit procedures performed by us, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to Company.
- xvi. a. According to the information and explanations given to us, Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
- b. According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance Activities
- c. The Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi) (c) and (d) of the Order are not applicable.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has incurred cash losses in the financial year and in the immediately preceding financial year amounting to Rs. 13,49,06,473 and Rs. 9,74,75,581 respectively.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause 3 (xviii) of the Order is not applicable.
- xix. We draw attention to Note 5 A to the financial statements, which indicates that the Company has incurred a net loss of Rs. 15,74,74,569 during the year ended March 31, 2024 and, as of that date, the Company's net worth is fully eroded. On the basis of the above and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the aforesaid events or conditions indicate that a material uncertainty exists as on the date of the audit report regarding whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. The board of directors is confident of reaching break even and to carry out profitable operations in near to long term. The shareholders have confirmed their intend to support the company in carrying out its operations and to meet its obligations as and when they fall due till the time it starts making profits. Accordingly the financial statements have been prepared on going concern basis.

- xx. The requirements as stipulated by the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

G N Ramaswami

Partner

Membership No: 202363

UDIN:24202363BKEZCT3249

Place: Chennai

Date: October 04, 2024

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

Annexure - B to the Independent Auditors' Report

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

We were engaged to audit the internal financial controls over financial reporting of **Professional Courier Networks Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (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 standalone financial statements.

**Independent Auditor's Report
To the Members of Professional Couriers Network Limited
Report on the Audit of Financial Statements for the year ended March 31, 2024**

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2024.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

For ASA & Associates LLP

Chartered Accountants

Firm Registration No: 009571N/N500006

GN Ramaswami

Partner

Membership No: 202363

UDIN:24202363BKEZCT3249

Place: Chennai

Date: October 04, 2024

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Roa Alwarpet, Chennai – 600018

Email: cao-compliance@pcnl.in

Balance Sheet As at March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3.1	5,228.23	5,204.23
(b) Reserves and surplus	3.2	(9,443.49)	(7,868.75)
		(4,215.26)	(2,664.52)
(2) Non-current liabilities			
(a) Long-term borrowings	3.3	5,296.73	4,116.68
(b) Other long term liabilities	3.4	453.59	447.67
		5,750.32	4,564.35
(3) Current liabilities			
(a) Short-term borrowings	3.5	46.11	94.11
(b) Trade payables			
(i) Total Outstanding dues of Micro and Small Enterprises	3.6	163.11	-
(ii) Total Outstanding dues of Creditors other than Microand Small Enterprises		1,736.19	1,401.29
(c) Other current liabilities	3.7	654.17	429.81
		2,599.58	1,925.21
TOTAL		4,134.64	3,825.04
II. ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	3.8	156.01	169.09
(ii) Intangible assets	3.8	332.52	449.12
		488.53	618.21
(b) Long-term loans and advances	3.9	59.50	59.50
(c) Other non current asset	3.10	162.43	155.03
		710.46	832.74
(2) Current Assets			
(a) Trade receivables	3.11	3,222.54	2,811.96
(b) Cash and cash equivalents	3.12	134.67	101.66
(c) Short-term loans and advances	3.13	13.07	9.00
(d) Other current assets	3.14	53.90	69.68
		3,424.18	2,992.30
TOTAL		4,134.64	3,825.04

Summary of Significant accounting policies and notes to accounts

1-2

The accompanying notes form an integral part of the financial statements

3-5

Vide our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Registration No. 009571N/N500006

G N Ramaswami

Partner

Membership No. 202363

S Ahamed Meeran

Managing Director

DIN: 00094209

Date : October 04, 2024

For and on behalf of the Board of Directors of

PROFESSIONAL COURIERS NETWORK LIMITED

CIN - U74950TN2007PLC06240

Oommen C Chacko

Director Finance

DIN: 00564291

Date : October 04, 2024

Siva Shenbagavalli

Company Secretary

M.No: 32518

Date : October 04, 2024

Place: Chennai

Date : October 04, 2024

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai - 600018

Email: cao-compliance@pcnl.in

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
I	Revenue from operations	4.1	6,186.02	6,386.01
II.	Other income	4.2	3.20	5.39
III.	Total Income (I + II)		6,189.22	6,391.40
IV.	Expenses:			
	Operating and Direct Expenses	4.3	4,712.18	4,698.39
	Employee benefits expenses	4.4	1,514.84	1,436.35
	Finance costs	4.5	90.26	84.51
	Depreciation and amortization expense	3.8	140.76	137.72
	Other expenses	4.6	1,305.93	1,442.66
	Total Expenses		7,763.97	7,799.63
V.	Profit / (Loss) before tax (III - IV)		(1,574.75)	(1,408.23)
VI.	Tax Expenses:	5(F)		
	(1) Current Tax		-	-
	(2) Deferred Tax written off		-	(17.30)
	(3) Deferred Tax		-	-
VII.	Profit / (Loss) for the year (V + VI)		(1,574.75)	(1,425.53)
VIII.	Earnings / (Loss) per equity share:		-	-
	- Basic (Fare Value Rs.10 / -)	4.7	(3.03)	(3.04)
	- Diluted (Fare Value Rs.10 / -)	4.7	(3.03)	(3.04)

Summary of Significant accounting policies and notes to accounts

1-2

The accompanying notes form an integral part of the financial statements 3-5

Vide our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Registration No. 009571N/N500006

For and on behalf of the Board of Directors of

PROFESSIONAL COURIERS NETWORK LIMITED

CIN - U74950TN2007PLC062401

G N Ramaswami

Partner

Membership No. 202363

S Ahamed Meeran

Managing Director

DIN: 00094209

Date : October 04, 2024

Oommen C Chacko

Director Finance

DIN: 00564291

Date : October 04, 2024

Siva Shenbagavalli

Company Secretary

M.No: 32518

Date : October 04, 2024

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai – 600018

Email: cao-compliance@pcnl.in

Cash Flow Statement For the Year Ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash Flow from Operating Activities		
Net Profit before taxation	(1,574.75)	(1,408)
Adjustments for:		
Depreciation on property, plant and equipment (Refer note 3.8)	140.76	137.72
Loss on sale of asset	-	1.79
Bad Debts (Refer note 4.6)	84.92	295.76
Interest expense (Refer note 4.5)	90.26	84.51
Deduct:		
Interest on Fixed Deposits (Refer note 4.2)	(0.07)	(0.05)
Operating Profit before Working Capital changes	(1,258.88)	(888.50)
Increase / (Decrease) in Trade payables	498.02	148.68
Increase / (Decrease) in Other long term liabilities	5.92	4.17
Increase / (Decrease) in Other current liabilities	224.36	32.19
(Increase) / Decrease in Trade Receivables	(495.50)	(656.45)
(Increase) / Decrease in Short-term loans and advances	(4.07)	(3.83)
(Increase) / Decrease in Other Non Current Assets	(7.41)	(16.97)
Cash flow generated from operations	(1,037.56)	(1,380.72)
(Taxes paid) / refund received including TDS(net)	15.78	16.34
Net Cash flow used in Operating activities	(1,021.78)	(1,364.38)
B. Cash Flow from Investing Activities		
Purchase of Property, plant and equipment (Refer note 3.8)	(11.07)	(14.67)
Sale Proceeds from Property, plant and equipment	-	1.10
Interest received (Refer note 4.2)	0.07	0.05
Net Cash flow used in Investing activities	(11.00)	(13.52)
C. Cash Flow from Financing Activities		
Proceeds from borrowings	1,265.80	1,484.91
Repayment of borrowings	(109.76)	(103.88)
Interest paid	(90.26)	(84.51)
Net Cash flow from Financing activities	1,065.78	1,296.52
Net increase / (decrease) in cash and cash equivalents (A+B+C)	33.01	(81.38)
Cash and cash equivalents at beginning of the year (Refer note 3.12)	101.66	183.04
Closing balance of Cash and cash equivalents	134.67	101.66
Cash and cash equivalents at the end of the year (Refer note 3.12)		
Cash on hand	26.72	35.87
With banks- on current account	107.95	65.79
Total Cash and cash equivalents	134.67	101.66

Summary of Significant accounting policies and notes to accounts

1-2

The accompanying notes form an integral part of the financial statements

3-5

Vide our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Registration No. 009571N/N500006

G N Ramaswami

Partner

Membership No. 202363

For and on behalf of the Board of Directors of

PROFESSIONAL COURIERS NETWORK LIMITED

CIN - U74950TN2007PLC062401

S Ahamed Meeran

Managing Director

DIN: 00094209

Date : October 04, 2024

Oommen C Chacko

Director Finance

DIN: 00564291

Date : October 04, 2024

Place: Chennai

Date : October 04, 2024

Siva Shenbagavalli

Company Secretary

M.No: 32518

Date: October 04, 2024

PROFESSIONAL COURIERS NETWORK LIMITED

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

Note 1: Overview of the Company

Professional Couriers Network Limited ('the Company'), was incorporated in India on 19th February, 2007 having its registered office in Chennai, primarily to carry on the courier operations of the north/east India territory ("the territory") in connecting the professional couriers consignments from other parts of India.

The company has commenced its operations during the Financial Year 2009-10 and covering Delhi, Kolkata and North/Eastern region of India.

Note 2: Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions contained in the Companies Act, 2013 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in Sec 133 of Companies Act, 2013 and Rule 7 of Companies (Accounting) Rules, 2021 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

The financial statement are prepared and presented in the form set out in Part I and Part II of Schedule III of the Act, so far as they are applicable thereto.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Act. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

These financial statements are presented in Indian rupees and all amounts in ₹ lakhs, except share data and unless otherwise stated.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

PROFESSIONAL COURIERS NETWORK LIMITED

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

c) Fixed Assets / Intangible Assets

Tangible fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Assets under installation or under construction as at the balance sheet date are shown as capital work in progress.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de recognized.

Intangible assets are recognized if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and cost of the assets can be measured reliably.

d) Depreciation

Depreciation on other fixed assets is provided on Straight Line basis over its economic useful lives, The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets. The Company has used the following useful lives to provide depreciation on its tangible fixed assets:

Fixed Assets	Useful Life adapted (Years)	Useful Life (Years) specified in Schedule II
Furniture & Fixtures	10	10
Vehicles	8	8
Office Equipment	5	5
Buildings	60	60
Computer & Software	3	3

Intangible Assets are amortized over a period of 10 years and is based on the expected future economic benefits that will flow into the company.

Individual assets costing less than Rs.5,000 are fully expensed off in the year of purchase.

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

e) Impairment of Assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Leases

Where the Company is the lessor

Leases in which the Company doesn't transfer substantially all the risks and benefits of ownership of the assets are classified as operating leases. Lease income on an operating lease is recognized in the statement of profit and loss as per the lease agreement. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss

PROFESSIONAL COURIERS NETWORK LIMITED

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

Where the Company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

g) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- *Sales of goods*
Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. Sales are stated net of trade discount, duties and sales tax.
- *Service Income*
Service income is recognized as per the terms of the contract when the related services are rendered. It is stated net of service tax.
- *Interest income*
Interest income is recognized on time proportion basis.

h) Employee Benefits Expenses:

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages are recognized in the period in which the employee renders the related service.

ii. Post-employment benefits

(a) Defined Contribution schemes

Company's contributions to the Provident Fund and Employee's State Insurance Fund are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

PROFESSIONAL COURIERS NETWORK LIMITED

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

(b) Defined benefit plans

Gratuity payments for the retired / resigned employees are charged off to statement of profit and loss in the year of settlement of dues to the employees retired / resigned.

i) Taxation

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Current tax

Provision for current tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws.

Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

Minimum alternative tax

Minimum alternative tax (MAT) obligation in accordance with the tax laws, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the

PROFESSIONAL COURIERS NETWORK LIMITED

Accompanying notes to the financial statements

for the year ended March 31, 2024

(Currency: Indian Rupees, in lakhs)

Note 2: Significant Accounting Policies

Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

j) Borrowing Cost

Borrowing costs to the extent related/attribution to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss.

k) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

l) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

m) Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management's best estimates.

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

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai - 600018

Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet.

3.1- SHARE CAPITAL**a. Details of authorised, issued and subscribed share capital**

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Capital 5,30,00,000 Equity shares of Rs. 10 each	5,300.00	5,300.00
Issued Capital 5,22,82,287 Equity shares of Rs. 10 each	5,228.23	5,204.23
Subscribed and Paid up 5,22,82,287 Equity shares of Rs. 10 each	5,228.23	5,204.23

b. Details of Shares held by each shareholder holding more than 5% shares

Name of Shareholder	Relationship	As at March 31, 2024		As at March 31, 2023	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Mr. Ahamed Meeran S Sheik Mohideen	Director	38,535,092	73.71%	38,524,842	74.03%
Mr. Oommen Chackalayil Chacko	Director	3,701,828	7.08%	3,461,828	6.65%

c. Reconciliation of number of shares

Particulars	Equity Shares			
	As at March 31, 2024		As at March 31, 2023	
	Number	Rs.	Number	Rs.
Equity Shares at the beginning of the year	52,042,287	520,422,870	46,834,197	468,341,970
Equity Shares Issued on account of conversion of convertible Debentures	240,000	2,400,000	5,208,090	52,080,900
Equity Shares bought back during the year	-	-	-	-
Equity Shares outstanding at the end of the year	52,282,287	522,822,870	52,042,287	520,422,870

d. Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share.

Each holders of Equity Shares is provided one vote per share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential allotments, if any. The distribution will be in proportion to the number of Equity Shares held by the Shareholders

e Details of Shares held by Promoters

As at March 31, 2024

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% of change during the year
	No of Equity shares Held	% of total shares	No of Equity shares held	Percentage	
Mr. Abraham Parayil Mathew	18,78,342	3.59%	18,78,342	3.61%	-0.02%
Mr. Thomas John	11,45,327	2.19%	11,45,327	2.20%	-0.01%
Mr. Ahamed Meeran S Sheik Mohideen	3,85,35,092	73.71%	3,85,24,842	74.03%	-0.32%
Mr. Suresh Bharathan	8,54,627	1.63%	8,54,627	1.64%	-0.01%
Mr. Oomen Chackalayil Chacko	37,01,828	7.08%	34,61,828	6.65%	0.43%
Mr. Vadesseri Srinath	12,93,972	2.47%	12,93,972	2.49%	-0.01%

As at March 31, 2023

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% of change during the year
	No of Equity shares held	% of total shares	No of Equity shares held	Percentage	
Mr. Abraham Parayil Mathew	18,78,342	3.61%	18,78,342	4.01%	-0.54%
Mr. Thomas John	11,45,327	2.20%	11,45,327	2.45%	-0.41%
Mr. Ahamed Meeran S Sheik Mohideen	3,85,24,842	74.03%	3,34,88,402	71.50%	4.16%
Mr. Suresh Bharathan	8,54,627	1.64%	8,54,627	1.82%	-0.30%
Mr. Oomen Chackalayil Chacko	34,61,828	6.65%	32,61,828	6.96%	-0.66%
Mr. Vadesseri Srinath	129,3,972	2.49%	12,93,972	2.76%	-0.46%

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Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.2- RESERVES AND SURPLUS

Particulars	As at March 31, 2024	As at March 31, 2023
a. Securities Premium		
Opening Balance	862.43	862.43
Add: Additions during the year	-	-
Less: Deletion during the year	-	-
Closing Balance	862.43	862.43
b. Surplus/(Deficit)		
Opening balance	(8,731.18)	(7,305.65)
(+) Net Profit/(Loss) For the year	(1,574.74)	(1,425.53)
Net Surplus/(deficit) in the Statement of Profit & Loss	(10,305.92)	(8,731.18)
Total Reserves and Surplus (A+B)	(9,443.49)	(7,868.75)

3.3- LONG-TERM BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
<u>SECURED</u>		
Debentures 12.55 % Debentures of Rs. 100 each (secured by Trade Receivables)	619.82	482.17
<u>UN-SECURED</u>		
Fully Convertible Debentures Debentures of Rs. 100 each	22.00	46.00
Loan From Related Parties	4,654.91	3,588.50
TOTAL OF SECURED AND UN-SECURED	5,296.73	4,116.67

"The Secured Debentures have been issued in six parts (Rs.1,75,00,000 during FY 2013-14, Rs. 2,50,00,000 during FY 2014-15, Rs.1,98,04,600 during FY 2018-19, Rs.2,42,99,100 in FY 19-20, Rs. 5,19,41,000 in FY 22-23, Rs. 1,89,23,200 in FY 23-24). The repayment are made in 60 equal monthly installments except the last 2 issued debentures for which repayment are made in 120 equal monthly installments.

Maturity Profile & Rate of interest of Non Convertible debenture:-

a) Secured - Non Current

Rate of Interest @12.55%

Financial Year	Amount
2025-26	51.47
2026-27	57.46
2027-28	64.01
2028-29	71.59
2029-30	79.93
2030-31	89.24
2031-32	99.02
2032-33	99.74
2033-34	7.36
Total	619.82

b) Secured - Current (Refer Note no 3.5)

Rate of Interest @12.55%

Financial Year	Amount
2024-25	46.11

3.4- OTHER LONG-TERM LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Business Associates Deposits*	449.73	443.81
Express Collection Centers Security Deposits*	3.86	3.86
	453.59	447.67

* Refundable Deposits

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai - 600018

Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.5- SHORT-TERM BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
SECURED		
Current maturities of long-term debt (12.55% Debentures) (Refer Note no 3.3)	46.11	94.11
	46.11	94.11

3.6- TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises	163.11	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,736.19	1,401.29
Total	1,899.30	1,401.29

1. Trade payables are under reconciliation and the management is in the process of getting confirmation. In the opinion of the management, the impact of adjustment which may require, if any, to the stated balances of trade payable on completion of such reconciliation, would not be material.

2. Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium Enterprises. Based on the information available with the Company, we have identified and segregated the Micro, Small and Medium enterprises, but the interest due is not provided.

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai - 600018

Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

**Trade Payables Ageing Schedule
As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	154.02	5.89	0.65	2.55	163.11
Dues to other than micro enterprises and small enterprises	1,417.37	231.83	58.69	28.30	1,736.19
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-
Disputed dues to other than micro enterprises and small Enterprises	-	-	-	-	-
Total	1,571.39	237.72	59.34	30.85	1,899.30

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
Dues to micro enterprises and small enterprises	-	-	-	-	-
Dues to other than micro enterprises and small enterprises	1,183.87	135.98	49.76	31.68	1,401.29
Disputed dues to micro enterprises and small enterprises	-	-	-	-	-
Disputed dues to other than micro enterprises and small Enterprises	-	-	-	-	-
Total	1,183.87	135.98	49.76	31.68	1,401.29

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year	163.11	-
(b) the interest due on the above	-	-
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3 Notes to the Balance Sheet

3.7- OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31,2023
Statutory dues payable	371.54	159.61
Salaries Payable	168.05	151.57
Other liabilities	114.58	118.63
	654.17	429.81

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road.

Alwarpet, Chennai - 600018 Email: cao-

compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.8- PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

Particulars	Property, Plant and Equipment							Intangible Assets			Grand Total
	Land	Building	Vehicles	Office equipment	Furniture & Fixtures	Computers & Softwares	Total	Licenses and franchise	Hub and Spokes Model	Total	
Cost											
At March 31, 2022	12.75	86.90	40.54	135.86	154.13	210.75	640.92	659.00	507.01	1,166.01	1,806.93
Additions	-	-	-	2.90	1.39	10.39	14.67	-	-	-	14.67
Disposals	-	-	3.06	-	-	-	3.06	-	-	-	3.06
At March 31, 2023	12.75	86.90	37.48	138.77	155.50	221.14	652.53	659.00	507.01	1,166.01	1,818.54
Additions	-	-	-	1.97	5.64	3.46	11.07	-	-	-	11.07
Disposals	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	12.75	86.90	37.48	140.73	161.15	224.60	663.60	659.00	507.01	1,166.01	1,829.61
Depreciation											
At March 31, 2022	-	18.41	27.67	91.23	136.32	188.87	462.50	395.40	204.89	600.29	1,062.79
Charge for the year	-	1.52	2.83	8.15	1.52	7.09	21.11	65.90	50.70	116.60	137.71
Disposals	-	-	0.17	-	-	-	0.17	-	-	-	0.17
At March 31, 2023	-	19.93	30.33	99.38	137.84	195.96	483.44	461.30	255.59	716.89	1,200.33
Charge for the year	-	1.52	2.87	10.14	1.48	8.14	24.16	65.90	50.70	116.60	140.76
Disposals	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2024	-	21.45	33.20	109.52	139.33	204.10	507.60	527.20	306.29	833.49	1,341.09
Net block											
At March 31, 2023	12.75	66.96	7.15	39.39	17.66	25.18	169.09	197.70	251.42	449.12	618.21
At March 31, 2024	12.75	65.45	4.28	31.21	21.82	20.50	156.01	131.80	200.72	332.52	488.53

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.9- LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Loans and advances to related parties *	59.50	59.50
	59.50	59.50

* Includes

Type of Borrower	As at March 31, 2024		As at March 31, 2023	
	Amount of loan or advance in the nature of loan	Percentag e to the total Loans and Advances	Amount of loan or advance in the nature of loan	Percentag e to the total Loans and Advances
Related Parties	59.50	100%	59.50	100%

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024(All amounts in ₹ lakhs, except share data,
earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.10 - OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good, unless stated otherwise)		
Security Deposits	160.99	154.13
Bank Deposits (with original maturity for more than 12 months)	1.44	0.89
	162.43	155.02

3.11 - TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured considered good (Refer Note below)	3,222.54	2,811.96
Provision for doubtful Trade receivables	-	-
	3,222.54	2,811.96

*Trade receivable are periodically reviewed by the company and considering the commercial / contractual terms, the progress in negotiations /the continuing discussions with the clients managements is of the opinion that no provision is required against these receivables at this juncture.

Trade Receivables ageing schedule

As at March 31, 2024

Particulars	Outstanding for following periods from due date of receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade Receivables - considered good	-	1,257.97	412.40	470.39	206.86	581.02	2,928.64
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - considered doubtful	-	-	-	-	-	-	-
Unbilled Dues	293.90	-	-	-	-	-	293.90
	293.90	1,257.97	412.40	470.39	206.86	581.02	3,222.54

As at March 31, 2023

Particulars	Outstanding for following periods from due date of receipt						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade Receivables - considered good	-	1,146.26	346.37	353.76	226.67	421.07	2,494.13
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-	-
Disputed Trade receivable - considered good	-	-	-	-	-	-	-
Disputed Trade receivable - considered doubtful	-	-	-	-	-	-	-
Unbilled Dues	317.83	-	-	-	-	-	317.83
	317.83	1,146.26	346.37	353.76	226.67	421.07	2,811.96

3.12 -CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2024	As at March 31, 2023
a. Cash on hand*	26.73	35.87
b. Balances with banks -In current account	107.94	65.79
	134.67	101.66

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 3: Notes to the Balance Sheet

3.13 -SHORT-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured considered good		
- Loans and advances to Employees	13.07	9.00
	13.07	9.00

3.14- OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Tax deducted at source	53.90	69.68
	53.90	69.68

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10, K.B.Dasan Road. Alwarpet, Chennai - 600018

Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 4: Notes to the Statement of Profit and Loss

4.1 -REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Services -Courier Charges *	6,186.02	6,386.01
	6,186.02	6,386.01

* The Company is in the process of reconciling the monthly returns filed under the Central Goods and Services Tax Act,2017 ("CGST Act") with its books and records to file the annual return for FY 2023-24. Adjustments, if any, consequent to the said reconciliation will be given effect to in the financial statements on completion of reconciliation and filing of returns. However, in the opinion of the Management, the impact of the same will not be material.

4.2 -OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on Bank Deposits	0.08	0.05
Interest on Income Tax	3.12	5.34
	3.20	5.39

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data, earning per share and unless otherwise stated)

NOTE 4: Notes to the Statement of Profit and Loss

4.3 - OPERATING AND DIRECT EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Co-loading and Forwarding Charges	2,433.82	2,357.87
Booking, Delivery and Operational Expenses	1,573.60	1,532.07
Vehicle - Running, Maintenance & Hire Charges	704.76	808.46
	4,712.18	4,698.40

4.4 - EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and incentives	1,369.04	1,250.05
Contributions to Provident fund & Other funds (Refer Note no-5D(a))	83.27	85.84
Gratuity (Refer Note no- 2(h)(i))	15.97	51.65
Staff welfare expenses	46.56	48.80
	1,514.84	1,436.34

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

NOTE 4: Notes to the Statement of Profit and Loss

4.5 - FINANCE COST

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses	90.26	84.51
	90.26	84.51

4.6 - OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent	529.30	500.88
Repairs and maintenance	188.57	162.58
Travel expenses	152.20	138.81
Printing and stationery	93.37	94.28
Bad debts written off	84.92	295.76
Electricity charges	51.83	55.61
Communication expenses	48.61	42.37
Business promotion expenses	40.96	46.27
Other expenses	39.90	41.63
Office expenses	31.25	27.67
Rates and taxes	28.07	13.69
Audit fees (refer note below)	7.00	7.00
Legal and professional charges	6.85	8.24
Bank charges	3.08	6.08
Loss on sale of asset	-	1.79
	1,305.93	1,442.66

Note: Payment to Auditor (Excluding Taxes)	Year ended March 31, 2024	Year ended March 31, 2023
Auditors remuneration		
- For Statutory Audit	6.00	6.00
- For Tax Audit	1.00	1.00
	7.00	7.00

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

NOTE 4: Notes to the Statement of Profit and Loss

4.7 - EARNINGS PER EQUITY SHARES

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Basic Earnings per Share		
Profit / (Loss) attributable to Equity shareholders	(1,574.75)	(1,425.53)
Weighted average number of equity shares	5,20,42,943	4,68,48,466
Basic Earnings Per Share	(3.03)	(3.04)
Face value per Share	10.00	10.00
Dilutive Earnings per Share		
Profit after adjusting interest on potential equity shares	(1,574.75)	(1,425.53)
Weighted average number of equity share after considering potential equity shares	5,20,42,943	4,68,48,466
Dilutive Earnings per Share	(3.03)	(3.04)
Face value per Share	10.00	10.00

Note: The Conversion of Fully Convertible Debentures into equity shares, if made, would have the effect of reducing the loss per share and would therefore be anti-dilutive. Hence, such conversion has not been considered for the purpose of calculating diluted earnings per shares.

4.8 - FOREIGN EXCHANGE INFLOW / OUTFLOW (ON ACCRUAL BASIS):

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
Foreign Exchange Outflow	-	-
Foreign Exchange Inflow	-	-
	-	-

PROFESSIONAL COURIERS NETWORK LIMITED

Address - AL-Barakkah Towers, No.10,K.B.Dasan Road. Alwarpet, Chennai 600018

Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

NOTE 5: Other Notes**A. Current Financial Condition, Mitigating Factors & “Going Concern”**

The company is presently incurring losses. The board of directors is confident of reaching break even and to carry out profitable operations in near to long term. The shareholders have confirmed their intent to support the company in carrying out its operations and to meet its obligations as and when they fall due till the time it starts making profits. Accordingly the financial statements have been prepared on going concern basis.

In view of the above said mitigating factors the company is positively looking at the scenario as a “Going Concern”

B. Related Party disclosures**List of Related parties**

Name of the Party	Relationship
Professional International Couriers Private Limited.	The company in which the Director(s) is interested
Repute InfoTech and Enterprises Limited	The company in which the Director(s) is interested
Repute Logistics Private Limited	The company in which the Director(s) is interested
The Professional Couriers Private Limited	The entity in which the Director(s) is interested
The Professional Couriers (Hyderabad) Private Limited	The entity in which the Director(s) is interested
The Professional Couriers (Mumbai-Central) Pvt. Ltd	The entity in which the Director(s) is interested
The Professional Couriers (Mumbai-Western) Pvt. Ltd	The entity in which the Director(s) is interested
The Professional Couriers (Chennai) LLP	The entity in which the Director(s) is interested
The Professional Couriers (Partnership Entity)	The entity in which the Director(s) is interested
The Professional Couriers (Cochin) Private Limited	The entity in which the Director(s) is interested
TPC Logistics LLP	The entity in which the Director(s) is interested
The Professional Couriers Noida	The entity in which the Director(s) is interested
TPC Erode	The entity in which the Director(s) is interested
TPC Vellore	The entity in which the Director(s) is interested
Mr. Thomas John	Director
Mr. S Ahamed Meeran	Director
Mr. Abraham Parayil Mathew	Director
Mr. Oommen Chackalayil Chacko	Director
Mr. Suresh Bharathan	Director
Mr. Vadesseri Srinath	Director

Transactions with Related parties

Name of Party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Professional International Couriers Private Limited.	Purchase of Services	1.89	44.34
The Professional Couriers Private Limited	Purchase of Services	12.64	9.67
The Professional Couriers Private Limited	Sale of Services	7.19	6.81
Repute Infotech and Enterprises Limited	Purchase of Services	5.20	12.79
Repute Logistics Pvt Ltd	Purchase of Services	7.91	1.38
The Professional Couriers (Hyderabad) Private Limited	Purchase of Services	35.91	44.15
The Professional Couriers (Hyderabad) Private Limited	Sale of Services	38.72	42.89
The Professional Couriers (Mumbai-Central) Pvt. Ltd	Purchase of Services	35.18	28.14
The Professional Couriers (Mumbai-Central) Pvt. Ltd	Sale of Services	126.88	120.93
The Professional Couriers (Mumbai-Western) Pvt. Ltd	Purchase of Services	41.16	26.96
The Professional Couriers (Mumbai-Western) Pvt. Ltd	Sale of Services	87.81	103.99
The Professional Couriers (Chennai) LLP	Purchase of Services	129.46	122.27
The Professional Couriers (Chennai) LLP	Sale of Services	747.55	733.59
The Professional Couriers (Partnership Entity)	Sale of Services	0.88	4.46
The Professional Couriers (Cochin) Private Limited	Sale of Services	0.41	0.37
The Professional Couriers (Cochin) Private Limited	Purchase of Services	1.22	-
TPC Logistics LLP	Purchase of Services	143.90	227.88
The Professional Couriers Noida	Sale of Services	147.84	128.74
The Professional Couriers Noida	Purchase of Services	11.57	11.04
TPC Erode	Sale of Services	4.66	4.62
TPC Erode	Purchase of Services	1.46	0.82
TPC Vellore	Sale of Services	4.06	5.27
TPC Vellore	Purchase of Services	0.70	0.41
Mr. S Ahamed Meeran	Loan taken (net)	1,066.41	1,480.76
Mr. S Ahamed Meeran	Issue of Equity Shares	-	500.81
Mr. Oommen Chackalayil Chacko	Issue of Equity Shares	24.00	20.00
Mr. S Ahamed Meeran	Secured Non-Convertible Debentures Issued	189.23	519.41
Mr. S Ahamed Meeran	Repayment of 12.55% Secured Debenture	99.59	163.11
Mr. S. Ahamed Meeran	Rent	9.72	9.72

PROFESSIONAL COURIERS NETWORK LIMITED

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Email: cao-compliance@pcnl.in**Accompanying notes to the financial statements for the year ended March 31, 2024**

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

Balance Outstanding of Related Parties:

Name of Party	Year ended March 31, 2024	Year ended March 31, 2023
Professional International Couriers Private Limited	(83.09)	(83.20)
Repute Infotech and Enterprises Limited	(5.78)	(4.23)
Repute Logistics Pvt Ltd	(7.58)	(1.63)
The Professional Couriers Private Limited	(18.38)	(7.35)
The Professional Couriers (Hyderabad) Private Limited	22.71	(2.03)
The Professional Couriers (Mumbai-Central) Pvt. Ltd	(6.55)	35.58
The Professional Couriers (Mumbai-Western) Pvt. Ltd	(6.13)	57.30
The Professional Couriers (Chennai) LLP	150.15	168.87
The Professional Couriers (Partnership Entity)	8.61	9.16
The Professional Couriers (Cochin) Private Limited	(0.50)	0.09
TPC Logistics LLP	(79.15)	(46.45)
The Professional Couriers Noida	193.36	166.44
TPC Erode	1.35	2.25
TPC Vellore	1.48	2.02
Mr. S Ahamed Meeran	(4,662.78)	(3,589.37)

C. Segment Reporting

The company's operations consist of only courier services. Hence there are no reportable segments under Accounting Standard – 17. During the year under report, substantial part of Company's business has been carried throughout North & East India with a special focus on Delhi, Kolkata and NCR. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

D. Disclosure pursuant to Accounting Standard – 15 'Employee Benefits'**a) Contribution to Provident Fund & Employee State Insurance (Defined Contribution)**

The Company's provident fund scheme (including pension fund scheme for eligible employees) a defined contribution plan. The expenses charged to the Statement of Profit and Loss under these head Contribution to Provident Fund Rs. 57.25 Lakhs (PY Rs.61.15 Lakhs)

The Company's Employee state insurance fund schemes a defined contribution plan. The expenses charged to the Statement of Profit and Loss under these head Contribution to Employee State Insurance is Rs. 26.01 Lakhs (PY Rs.24.69 Lakhs)

b) Leave salary (short term compensated absences)

Liability for leave is treated as a short-term liability and is accounted for as and when earned by the employee. Further earned leave in excess of the prescribed limit as and when encashed by the employees are expensed to revenue.

E. Other Statutory information

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property
- ii. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.
- iii. The company is in the process of registering the following charge in its name-

Type of Charge	Location of Registrar	Due date to register	Reason for Delay
Trade Receivables	Chennai	13-01-24	Due to MCA portal Issues

- iv. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- v. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- vi. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vii. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.”
- viii. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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Email: cao-compliance@pcnl.in

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

F. Income Tax

As the company has incurred loss in the current year and previous year, no provision for tax has been made and also no deferred tax has been recognised on account of prudence.

G. Dematerialization of Securities

Company has obtained ISIN number (INE0LK401014) for dematerialization of Shares held in the company. The company is underway in matching the ISIN vis a vis the demant account. On completion of this process, demat of securities held in the company shall be regularised in due course as required by the Regulations.

H. Audit Trial

Rule 11(g) of Companies Act, 2013 requires companies to use accounting software that records audit trial of each transaction and edit log of each change made in the books of accounts. The company is in the process of implementing such feature in the books of accounts and this facility is not completely available as on reporting date.

I. Contingent Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
(to the extent not provided for)		
*TDS {of which Rs. Nil have been paid under protest}	2.27	-
\$Goods and Services Tax (under appeal) {of which Rs. Nil have been paid under protest}	64.55	-
Goods and Services Tax {of which Rs. Nil have been paid under protest}	5.85	2.08
Total	72.67	2.08

* This is subject to rectification of TDS return by the company.

\$ These have been disputed by the Company on account of issues of applicability

Future cash outflows in respect of the above are determinable only on receipt of decisions pending with various forums/ authorities.

Accompanying notes to the financial statements for the year ended March 31, 2024

(All amounts in ₹ lakhs, except share data and unless otherwise stated)

Note J. Ratio Analysis

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% change	Reason for Variance (where the change in the ratio is more than 25% as compared to preceding year)
Current Ratio	Current Assets	Current Liabilities	1.32	1.55	-15%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-1.27	-1.58	-20%	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non- cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	-6.72	-6.39	5%	
Return on Equity	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	NA*	NA*	NA*	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	NA^	NA^	NA^	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	2.05	2.43	-16%	
Trade Payable Turnover Ratio	Net credit Purchase = Gross credit purchase - Purchase return	Average Trade Payable	2.86	3.54	-19%	
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	7.50	5.98	25%	Due to drop in working capital, Net Capital Turnover ratio has increased
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	-0.25	-0.22	14%	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-1.32	-0.86	54%	Due to increase in loss, Return on Capital Employed ratio has reduced
Return on Investment	Interest (Finance Income)	Investment	NA**	NA**	NA**	

* As the Net-worth is negative as on March 31, 2024 and as on March 31, 2023.

^ As the Inventory is nil as on March 31, 2024 and as on March 31, 2023.

** As the Investment is nil as on March 31, 2024 and as on March 31, 2023.

Note K. Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on October 04, 2024

Note L. Prior period comparatives

Previous year's figures have been regrouped / reclassified wherever necessary, to confirm the current year's classification.

Vide our report of even date attached

For ASA & Associates LLP

Chartered Accountants

Firm Registration No. 009571N/N500006

For and on behalf of the Board of Directors of

PROFESSIONAL COURIERS NETWORK LIMI

CIN - U74950TN2007PLC06240

GN Ramaswami

Partner

Membership No. 202363

S Ahamed Meeran

Managing Director

DIN: 00094209

Date : October 04, 2024

Oommen C Chacko

Director Finance

DIN: 00564291

Date : October 04, 2024

Place: Chennai

Date : October 04, 2024

Siva Shenbagavalli

Company Secretary

M.No: 32518

Date : October

Form No. 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]

Name of the company: PROFESSIONAL COURIERS NETWORK LIMITED

CIN: U74950TN2007PLC062401

Registered office: AL-Barakkah towers, New no. 10, K.B.Dasan road, Alwarpet, Chennai - 600018

17th Annual General Meeting to be held on Monday, 28th October, 2024 at 12.30 p.m at Hall "Vaibhav" Hotel Ramada Plaza , 36, Sardar Patel Rd, Little Mount, Guindy, Chennai, Tamil Nadu 600032.

Name of the member (s):

Registered address:

E-mail Id:

Folio No:

Client Id:

DP ID:

I/We, being the member (s) of ----- shares of the above named company, hereby appoint

1. Name:
2. Address:
3. E-mail Id:
4. Signature----- or failing him

1. Name:
2. Address:
3. E-mail Id:
4. Signature----- or failing him

1. Name: 2. Address: 3. E-mail Id: 4. Signature -----or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the Members of Professional Couriers Network Limited will be held on Monday, 28th October, 2024 at 12.30 p.m at Hall “Vaibhav” Hotel Ramada Plaza , 36, Sardar Patel Rd, Little Mount, Guindy, Chennai, Tamil Nadu 600032 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited profit and loss account for the year ended 31st March, 2024 and the balance sheet as at the date together with the report of the Board of Directors and the Auditors thereon.
2. To appoint a director in the place of Mr. Oommen Chackalayil Chacko who retires by rotation and is eligible for appointment
3. To appoint a director in the place of Mr. V. Srinath rotation who retires by rotation and is eligible for appointment.
3. To appoint Statutory Auditors and fix their remuneration
4. Issue of Debentures
5. Authority To Borrow Money

Signed this --- day of October 2024.
 Signature of shareholder:
 Signature of Proxy holder(s):

Please affix Re. 1/- Revenue stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

PROFESSIONAL COURIER NETWORK LIMITED
U74950TN2007PLC062401

**AL-Barakkah towers, New no. 10, K.B.Dasan Road, Alwarpet,
Chennai – 600018 ATTENDANCE SLIP**

(To be presented at the entrance)

I/We hereby record my/our presence at the Seventeen Annual General Meeting of the Company to be held on Monday, 28th October, 2024 at 12.30 p.m at Hall "Vaibhav" Hotel Ramada Plaza , 36, Sardar Patel Rd, Little Mount, Guindy, Chennai, Tamil Nadu 600032

Name of the Member	
Registered Address	
Folio No./DP ID No./Client ID No.	
Registered Address Email ID Registered Email ID Phone No.	
Shareholder/Proxy/Authorised Representative	
Signature	

Note:

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting