



perfectpac limited

Regd. Off: 910, Chiranjiv Tower, 43-Nehru Place, New Delhi-110019

CIN No. : L72100DL1972PLC005971

Tel: 011-2644 1015-17, Fax : 011-2644 1018

website : www.perfectpac.com, e-mail: complianceofficer@perfectpac.com

August 23, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

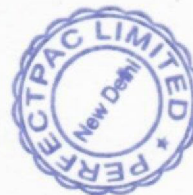
Ref:- Scrip Code 526435

Sub: Annual Report for FY 2021-22 & Book Closure Dates

Dear Sir,

Pursuant to the provisions of Regulation 30, 34, 42 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following:-

1. The 50th Annual General Meeting ('AGM') of the members of Perfectpac Limited will be held on Thursday, September 15, 2022 at 12:30 P.M. (IST) through Video Conferencing / Other Audio-Visual Means ("VC/OAVM"), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India;
2. Pursuant to the said circulars, Annual Report for FY 2021- 22 are being sent through electronic mode to all the Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP');
3. The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all the resolutions set out in the AGM Notice to the members, who are holding shares on the Cut-off date i.e. Friday, September 09, 2022. The remote e-voting will commence at 09:00 a.m. (IST) on Monday, September 12, 2022 and end at 05:00 p.m. (IST) on Wednesday, September 14, 2022. Detailed instructions for registering email addresses(s) and voting/ attendance at the AGM are given in the AGM Notice;
4. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 09, 2022 to Thursday, September 15, 2022 (both days inclusive) for the purpose of AGM and
5. The AGM Notice and Annual Report for FY 2021-22 are enclosed herewith.





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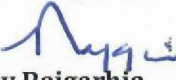
website : www.perfectpac.com, **e-mail:** complianceofficer@perfectpac.com

The Annual Report for Financial Year 2021-22 also available on the website of the Company at www.perfectpac.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For Perfectpac Limited


Sanjay Rajgarhia
Managing Director



Encl: as above

50th
Annual Report
2021-2022



perfectpac limited

perfectpac limited

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Rajendra Kumar Rajgarhia
Chairman and Director

Shri Sanjay Rajgarhia
Managing Director

Shri Raj Gopal Sharma
Whole time Director

Shri Harpal Singh Chawla
Independent Director

Shri Manish Garg
Independent Director

Smt. Ruchi Vij
Independent Director

REGISTERED OFFICE

910, Chiranjiv Tower, 43,
Nehru Place, New Delhi-110019
Tel: 011-26441018
Email: complianceofficer@perfectpac.com

WEBSITE

www.perfectpac.com

STATUTORY AUDITORS

VSSA & Associates,
Chartered Accountants,
A-1/255, Safdarjung Enclave,
New Delhi-110029

INTERNAL AUDITORS

Sapra Sharma & Associates LLP,
Chartered Accountants,
23, Prakash Apartments, 5, Ansari Road,
Darya Ganj, New Delhi-110002

BANKERS

Kotak Mahindra Bank

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Tel: 011-40450193-97
Email: info@skylinerta.com

CORPORATE IDENTITY NUMBER

L72100DL1972PLC005971

STOCK EXCHANGE

BSE Limited

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NOTICE

NOTICE is hereby given that the 50th Annual General Meeting of Members of **Perfectpac Limited** will be held on **Thursday, the 15th day of September, 2022 at 12:30 P.M. (IST)** through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), who retires by rotation and, being eligible, offers himself for re-appointment.
3. **To Re-appoint and fix the remuneration of Auditors**

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

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N), be and is hereby re-appointed as Statutory Auditors of the Company to hold office, for second term of 5 (Five) consecutive years from Financial year 2022-23 to 2026-27, from the conclusion of this Annual General Meeting (AGM) till the conclusion of AGM to be held in the Year 2027, to examine and conduct the audit of the accounts of the Company, at such remuneration plus goods and services tax as applicable and reimbursement of out-of-pocket expenses incurred, as may be mutually agreed between the Board of Directors and Statutory Auditors from time to time.”

SPECIAL BUSINESS

4. **To Approve Remuneration of Shri Sanjay Rajgarhia (DIN: 00154167), Managing Director of the Company**

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) of the said Act and any other law for the time being in force and in compliance with Nomination and Remuneration Policy of the Company and subject to approval of Central Government (if required), as recommended by the Nomination and Remuneration Committee, the remuneration of Shri Sanjay Rajgarhia (DIN:00154167), Managing Director of the Company for a further period of 2 years w.e.f. July 01, 2022, be and is hereby approved, on the terms and conditions including remuneration as set out in explanatory statement.”

5. To Appoint Shri Raj Gopal Sharma (DIN:09666890), as Director of the Company

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT**” pursuant to the provisions of Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force) and on the recommendation of Nomination and Remuneration Committee and in compliance with Nomination and Remuneration Policy of the Company, Shri Raj Gopal Sharma (DIN: 09666890), who was appointed as an Additional Director of the Company effective from July 12, 2022 in terms of Section 161(1) of the Act and whose term expires at this Annual General Meeting be and is hereby appointed as a Director of the Company.”

6. To Appoint Shri Raj Gopal Sharma (DIN:09666890), as Whole Time Director of the Company

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') (including any statutory modification or re-enactment thereof for the time being in force), the Nomination and Remuneration Policy of the Company and subject to such approvals, consents, permissions and sanctions of the concerned authorities as may be necessary and subject to such conditions and modifications as may be prescribed, imposed or suggested by such concerned authorities while granting such approvals, consents, permissions and sanctions and as agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded for the appointment of Shri Raj Gopal Sharma (DIN: 09666890), as Whole-time Director of the Company for period of 3 (three) years, effective from July 12, 2022 to July 11, 2025, and for the payment of remuneration to Shri Raj Gopal Sharma on the terms and conditions as set out in the Explanatory Statement to this resolution.”

7. To Appoint Shri Manish Garg (DIN: 01324631) as an Independent Director on the Board of the Company

To consider and if thought fit to pass with or without modification(s) as may deem fit, the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Nomination and Remuneration Policy of the Company, Shri Manish Garg (DIN: 01324631), who was appointed as an Additional Director (Independent Director) of the Company with effect from July 12, 2022 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Act and Articles of Association of the Company and who has submitted a declaration that he meets the criteria for independence as provided under the Act and Listing Regulations, be and is hereby appointed as an Independent Director to hold office for a term of 5 (Five) consecutive years with effect from July 12, 2022 to July 11, 2027.”

- 8. To approve Sub-division/Split of every 1 (one) Equity Share of the Company having face value of Rs. 10/- (Rupees Ten) each fully paid up into 5 (five) Equity Shares of face value of Rs. 2/- (Rupees Two) each**

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

“**RESOLVED THAT** pursuant to the provisions of Section 61(1)(d) and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under (including any statutory modifications or re-enactment(s) thereof, for the time being in force), read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and other applicable laws, rules and regulations for the time being in force, if any and prescribed by any relevant authorities from time to time, to the extent applicable and subject to the provisions of Memorandum and Articles of Associations of the Company and subject to such approvals, consents, permissions and sanctions, if any, required from any competent authority and as approved by the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded to sub-divide/Split the Equity Shares of the Company having face value of Rs. 10/- (Rupees Ten Only) each fully paid up into 5 (Five) Equity Shares having face value of Rs. 2/- (Rupees Two Only) each fully paid up.

Details of Sub-division of Equity Shares:

| Type of Capital | Pre-Sub-division share Capital Structure | | | Post-Sub-division share Capital Structure | | |
|-------------------------------|--|------------------|---------------------------|---|------------------|---------------------------|
| | No. of Equity shares | Face Value (Rs.) | Total share Capital (Rs.) | No. of Equity shares | Face Value (Rs.) | Total share Capital (Rs.) |
| Authorized share Capital | 20,00,000 | 10 | 2,00,00,000 | 1,00,00,000 | 2 | 2,00,00,000 |
| Issued and Subscribed Capital | 13,31,900 | 10 | 1,33,19,000 | 66,59,500 | 2 | 1,33,19,000 |
| Paid-up capital | 13,31,900 | 10 | 1,33,19,000 | 66,59,500 | 2 | 1,33,19,000 |

RESOLVED FURTHER THAT, upon Sub-division of the Equity Shares as aforesaid, the existing Share Certificates of the Equity Shares of the face value of Rs. 10/- (Rupees Ten Only) each in the physical form shall be deemed to have been automatically cancelled and be of no value or effect from the Record Date and the Company without requiring the surrender of the old/ existing Share Certificate(s), do directly issue and dispatch the new Share Certificates of the Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each of the Company to its Shareholders holding Shares in physical form, in lieu of such old/existing Share Certificates, within the period prescribed or that may be prescribed in this behalf, from time to time, and in the case of Equity Shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the Depository Participants viz. National Securities Depository Limited ('NSDL') and Central Depository Services India Limited ('CDSL'), in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT, for the purpose of giving effect to this resolution and for removal of any doubts or difficulties, the Board or any Committee thereof be and is hereby authorized to do, perform and execute all such acts, deeds, matters and things and to give from time to time such directions as may be necessary, expedient, usual or proper and to settle any question or doubts that may arise in this regard at any stage at the time of sub-division/split of Equity Shares without requiring the Board or any Committee thereof to secure any further consent or approval of the Members of the Company to that end and intend that they shall be deemed to have given their approval thereto and for matters connected herewith or incidental hereto expressly by the authority of this resolution, or as the Board or any Committee thereof in its absolute discretion may think fit and its decision shall be final and binding on all Members and other interested persons and further to do all acts connected herewith or incidental hereto including but not limited to delegation of their powers to such person or persons as may

be deemed expedient and the Members hereby ratify and adopt all such decision, action, etc., as had been taken or undertaken by the Board or any Committee thereof in this regard.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby severally authorized to (a) delegate execution and filing of necessary applications, declarations and other documents with the Stock Exchange, Depositories, Registrar and Share Transfer Agent, Registrar of Companies and/or any other Statutory Authority(ies), if any; (b) cancel the existing physical Share Certificates of the Equity Shares of face value of Rs. 10/- (Rupees Ten Only) without its surrender; (c) issue new Share Certificates of Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each in lieu of the old/existing Share Certificates; (d) sign such new Share Certificates of Equity Shares in accordance with the provisions/rules relating thereto; (e) settle any question or difficulty that may arise with regard to sub-division of the Equity Shares as aforesaid or for any matters connected herewith or incidental hereto; and (f) do all such acts, deeds, things, including all other matters incidental thereto in order to implement the foregoing resolutions.”

RESOLVED FURTHER THAT, pursuant to the Sub-division/Split of Equity Shares of the Company, all the Authorized, Issued, Subscribed and Paid-up Equity Shares of the face value of Rs. 10/-(Rupees Ten Only) each existing on the Record Date to be fixed by the Board of Directors of the Company (which shall include any Committee thereof), shall stand sub-divided into the Equity Shares of the face value of Rs. 2/- (Rupees Two Only) each, as given below:

9. TO ALTER CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION AND ARTICLE OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT" pursuant to Section 13, 64 and all other applicable provisions, if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment (s) thereof for the time being in force), the existing Clause V of the Memorandum of Association of the Company be substituted with the following new Clause V:

“V. The Authorized Share Capital of the Company is Rs. 3.25 Crores (Rupees Three Crores Twenty Five Lakhs Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,25,000 (One Lac Twenty Five Thousand) 8% Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.”

"RESOLVED FURTHER THAT pursuant to Section 14 and all other applicable provisions, if any of the Companies Act, 2013, and the rules made thereunder (including any statutory modification or re-enactment (s) thereof for the time being in force), the existing Article 4(1) of the Article of Association of the Company be substituted with the following new Article:



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“The Authorized Share Capital of the Company is Rs. 3.25 Crores (Rupees Three Crores and Twenty Five Lakhs Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,25,000 (One Lakh and Twenty Five Thousand) 8% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each, the preference share shall confer the right on the holders to a fixed cumulative preference dividend of 8% per annum free of company's tax but subject to deduction of tax under section 194 of the Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force on the capital paid up thereon for the time being and a right on winding up to payment of capital paid up and arrears of dividend whether earned, declare or not, up to the commencement of winding up in priority to the equity shares, but shall not confer any further omits or other right on the holders to participate in the profits or assets of the company nor a right to vote except as provided by the Act. The Company shall be at liberty to redeem all or any of the preference shares at par at any time after ten years, but later than fifteen years from the date of allotment by three month notice in writing in conformity with the Act.

The Share Capital of the Company is Rs. 3.25 Crore (Rupees Three Crores and Twenty Five Lakhs Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,25,000 (One Lakh and Twenty Five Thousand) 8% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.”

RESOLVED FURTHER THAT, the Board of Directors or any Committee thereof be and is hereby severally authorized to take all such steps and actions for the purposes of making all such filings and registrations as may be required in relation to the aforesaid amendment of the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary including but not limited to delegate all or any of the powers herein vested in them to any person or persons, as deemed expedient to give effect to this resolution and the Members hereby ratify and adopt all such decision, action, etc., as had been taken or undertaken by the Board or any Committee thereof in this regard.”

Registered Office:

910 Chiranjiv Tower-43
Nehru Place, New Delhi-110019
CIN: L72100DL1972PLC005971
Tel: 011-26441015-18
Email: complianceofficer@perfectpac.com
Website: www.perfectpac.com

Place: New Delhi

Dated: August 10, 2022

By Order of the Board

Sanjay Rajgarhia
Managing Director
DIN: 00154167

Notes:-

1. In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021 and 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and May 05, 2022 respectively (collectively referred to as 'MCA Circulars') and Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/ CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022 respectively (collectively referred to as 'SEBI Circulars'), permitted the holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the MCA Circulars and the SEBI Circulars, the 50th AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be the deemed to be the venue for the AGM.
2. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the special business to be transacted at the 50th Annual General Meeting ('AGM'), is annexed. Information pursuant to the provisions of Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM are also annexed to this Notice.
3. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Annual Report. However, in pursuance of Section 112 and Section 113 of the Act, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and to vote through electronic means.
4. Members attending the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on complianceofficer@perfectpac.com.
6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <http://perfectpac.com/Updation-of-KYC-Details.html>.



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Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Registrar and Share Transfer Agent ('RTA') in case the shares are held in physical form.

8. Since the AGM will be held through VC/OAVM without the physical presence of Members at a common venue, the route map is not required.
9. The Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **August 19, 2022**.
10. All shares and dividend related correspondence may be sent to RTA at the **following address:**

Skyline Financial Services Private Limited

(Unit: Perfectpac Limited)
D-153/A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Tel: 011-40450193-97
Email: admin@skylinerta.com

In all correspondence, please quote your DP ID & Client ID or Folio Number.

11. The Register of Members and Shares Transfer Books of the Company shall remain closed from **Friday, September 09, 2022** to **Thursday, September 15, 2022** (both days inclusive) for the purposes of the AGM.
12. **Change of Address or Other Particulars**
Members are requested to intimate change, if any, in their address (with PIN Code), E-mail ID, nominations, bank details, mandate instructions, National Electronic Clearing Service ('NECS') mandates, etc. under the signature of the registered holder(s) to:
 - **For shares held in electronic form:** to their Depository Participants (DPs); and
 - **For shares held in physical form:** to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters for furnishing the required details. The said form can be downloaded from the Company's website <http://perfectpac.com/Updation-of-KYC-Details.html>.
13. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice, inter-alia, explaining the manner of attending AGM through VC/ OAVM and electronic voting (e-voting) along with the Annual Report for the Financial Year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or Depository Participants or RTA of the Company. Members may note that the Annual Report including Notice 2021-22 will also be available on Company's website www.perfectpac.com and website of the stock exchange i.e. BSE Limited at www.bseindia.com and on the website of National Securities Depository Limited ('NSDL') at www.evoting.nsdl.com.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which

is available on the Company's website at <http://perfectpac.com/Updation-of-KYC-Details.html> and on the website of the Company's RTA at <https://www.skylinerta.com/investor-charter.php>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

15. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
17. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and any other relevant documents, upon log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>
18. The Company has a dedicated E-mail address complianceofficer@perfectpac.com for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest. The Company's website www.perfectpac.com has a dedicated section on Investors.
19. **Instructions for e-Voting and joining the AGM are as follows:**
 - (i) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with MCA and SEBI Circulars in relation to e-voting provided by Listed Entities, the Members are provided with the facility to cast their votes electronically, through remote e-voting services provided by NSDL on all resolutions set forth in this Notice. The instructions for e-voting are given herein below.
 - (ii) The remote e-Voting period commences at **09:00 A.M. (IST) on Monday, September 12, 2022** and ends at **05:00 P.M. (IST) on Wednesday, September 14, 2022**. During this period, Members holding shares either in physical form or in dematerialized form, as on the Cut-off date **Friday, September 09, 2022** ("Cutoff date"), may cast their vote electronically.
 - (iii) The e-voting module shall be disabled by NSDL for voting thereafter. Member have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing **September 12, 2022 to September 14, 2022** or e-voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
 - (iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/ OAVM but shall not be entitled to cast their e-vote again.
 - (v) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date should treat this Notice for information purpose only.



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(vi) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@skylinerta.com. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

(vii) The details of the process and manner for remote e-voting are explained herein below:-

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:-

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically on NSDL e-Voting system

Details on Step 1 are mentioned below:-

(I) **Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in dematerialized mode**

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts websites of Depositories/ DPs to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (“ESP”) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

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

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <p>1. NSDL IDeAS facility</p> <p>If you are already registered, follow the below steps:</p> <ul style="list-style-type: none"> (a) Visit the e-Services website of NSDL. Open web browser and type the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. (b) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. (c) A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. (d) Click on “Access to e-Voting” appearing on the left-hand side under e-voting services and you will be able to see e-voting page. (e) Click on options available against Company name or e-voting service provider-NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. <p>If you are not registered, follow the below steps:</p> <ul style="list-style-type: none"> (a) Option to register is available at https://eservices.nsd.com. (b) Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp (c) Please follow steps given above in points (a) to (e). <p>2. E-voting website of NSDL</p> <ul style="list-style-type: none"> (a) Open web browser and type the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. (b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. (c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. |

| | |
|---|---|
| | <p>(d) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p> <p>3. Shareholders/Members can also download NSDL mobile app “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the e-voting menu. The menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress. |

| | |
|--|---|
| Individual Shareholders (holding securities in demat mode) login through their DPs | 1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility. |
| | 2. Once logged-in, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. |
| | 3. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. |

Important Note:- Members who are unable to retrieve User ID/ Password are advised to use Forget User details/Password option available at above mentioned website.

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

| Login type | Helpdesk details |
|---------------------------|--|
| Securities held with NSDL | Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Securities held with CDSL | Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

(II) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in dematerialized mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by clicking the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
5. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12***** |
| b) For Members who hold shares in demat account with CDSL | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12 ***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example if EVEN is 123456 and folio number is 001*** then User ID is 123456001*** |

6. Password details for shareholders other than Individual shareholders are given below:
- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - (c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox from evoting@nsdl.com. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) In case you have not registered your e-mail address with the Company/ Depository, please follow instructions mentioned in this Notice.
7. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
- (a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - (b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - (c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and registered address.
 - (d) Members can also use the OTP based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
9. Now, you will have to click on “Login” button.
10. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step-2 are mentioned below:-

How to cast your vote electronically on NSDL e-Voting system?

- 1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 5. Upon confirmation, the message “Vote cast successfully” will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- 20. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**
1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to complianceofficer@perfectpac.com or admin@skylinerta.com
 2. In case shares are held in dematerialized mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to complianceofficer@perfectpac.com or admin@skylinerta.com. If you are an Individual shareholders holding securities in dematerialized mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in dematerialised mode.
 3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring User ID and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 21. Instructions for Members for E-Voting on the day of the AGM are as under:**
1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 2. Only those Members, who will be present at the AGM through VC/ OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

22. Instructions for Members for attending the AGM through VC / OAVM are as under:-

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. The Members will be allowed to join the AGM through VC/ OAVM facility, thirty (30) minutes before the scheduled time of commencement of the AGM and shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/ OAVM will be made available to atleast 1,000 members on first come- first-served basis. The large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at complianceofficer@perfectpac.com. The same will be replied by the company suitably.
7. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at complianceofficer@perfectpac.com from Wednesday, September 07, 2022 (9:00 AM IST) to Friday, September 09, 2022 (5:00 PM IST). A Member who has registered as a speaker will only be allowed to express views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.
8. For ease of conduct, the Company is pleased to provide two way video conferencing facility to the Members who would like to express their views/ ask questions at the AGM. The Members may register themselves atleast seven (7) days in advance as a speaker by sending their request along with questions from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at complianceofficer@perfectpac.com. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have

queries regarding financial statements or other matters may send their queries seven (7) days before the AGM mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at complianceofficer@perfectpac.com. These queries will be replied by the Company suitably by email.

9. Members who need assistance before or during the AGM, can contact Skyline Financial Services Private Limited on admin@skylinerta.com or contact@skylinerta.com or contact Ms. Rati, Phone No. 011-26812682, 40450193 to 97.

23. General Guidelines for shareholders:

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, the RTA by email to admin@skylinerta.com with a copy marked to evoting@nsdl.co.in.
- 2 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password "or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 3 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990/1800-224-430 or send a request at evoting@nsdl.co.in.
- 4 In case of any queries or grievances relating to e-Voting, you may contact Ms. Sarita Motte, Authorised Person, NSDL, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India through e-mail at evoting@nsdl.co.in or on Toll Free No.: 1800-222-990 OR Ms. Rati, Authorised Person, Skyline Financial Services Private Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase-1, New Delhi-110020., India through email at admin@skylinerta.com. or on Telephone No.: 011-40450193-97.

24. Other Instructions:

1. The Board of Directors has appointed Mr. Ravi Sharma (FCS No. 4468, C.P. No.: 3666), and/or Ms. Suman Pandey (FCS No. 7606, C.P. No.: 8404) Partners of M/s. RSM & Co., Company Secretaries, has been appointed as 'Scrutinizer' to scrutinize the process of e-voting during the AGM and remote e-voting held before the AGM in a fair and transparent manner.
2. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during the AGM and shall make, not later than 3 days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total e-votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the Scrutinizer's Report and declare the result of the voting forthwith.

3. The results of voting will be declared within 2 working days from the conclusion of the AGM i.e. on or before September 18, 2022 and the result declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after declaration of result by the Chairman or a person authorised by him and the result shall also be communicated to the Stock Exchange.
4. The recorded transcript of the AGM shall be placed on the Company's website www.perfectpac.com in the Investors Section, as soon as possible after conclusion of AGM.
5. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the AGM scheduled to be held on Thursday, September 15, 2022.

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

[In pursuance of Secretarial Standard on General Meetings (SS-2) & Regulation 36(3) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

| Particulars | Item No. 2 | Item No. 5 & 6 | Item No. 7 |
|--|---|--|--|
| Name of the Director | Shri Rajendra Kumar Rajgarhia | Shri Raj Gopal Sharma | Shri Manish Garg |
| Director Identification Number (DIN) | 00141766 | 09666890 | 01324631 |
| Date of Birth | August 14, 1938 | June 22, 1976 | July 16, 1970 |
| Age | 83 Years | 46 Years | 52 Years |
| Nationality | Indian | Indian | Indian |
| Date of first Appointment on Board | April 01, 1973 | July 12, 2022 | July 12, 2022 |
| Qualification | B. Com | B. Com | B.Com and FCA |
| Brief resume including experience, expertise in specific functional areas | <p>He is having experience of 61 years in Investment activities, financing activities, Strategic Planning in capital budgeting and overall decision.</p> <p>He is being appointed as a Director on the Board of the Company since 1973. During the term of his office, the Company has made a steady growth and strengthened its financial position as evidenced in the financial results.</p> <p>He is having over 3 decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.</p> | <p>He is having more than 20 years of work experience in the field of Packaging (Corrugated Board & Boxes) for FMCG & Industrial Product including Product & Customer development.</p> <p>He has rich experience in formulating optimum cost for Packaging requirement. He has also worked for Automobile Industries, Food industries, Cosmetics, Pharmaceuticals, Electrical, and Electronics, & Vegetables Industries.</p> | <p>He is a fellow member of the Institute of Chartered Accountant of India. He is having more than 25 years of experience. He has rich experience in the field of Direct Taxes and handled various tax matters. He conducted Audit of many Public Sector Undertakings.</p> |

| | | | |
|---|---|--|--|
| Terms & Conditions for appointment/ re-appointment | On-reappointment he is liable to be retire by rotation. | He is appointed as Whole Time Director and Key Managerial Personnel on the Board of the Company for a period of 3 consecutive years from July 12, 2022 to July 11, 2025 subject to the approval of members at this Annual General Meeting and shall be liable to retire by rotation. | He is appointed as Independent Director on the Board of the Company for a period of 5 consecutive years from July 12, 2022 to July 11, 2027 subject to the approval of members at this Annual General Meeting and shall not be liable to retire by rotation. |
| Details of Remuneration /Remuneration last drawn | He is eligible to receive sitting fee for attending the Board/ Committee Meetings. | As detailed in the respective resolution and explanatory statement. | He is eligible to receive sitting fee for attending the Board/ Committee Meetings. |
| Shareholding in Perfectpac Limited (No. & %) | Nil | Nil | Nil |
| List of Directorships held in other Companies | - APM Industries Limited -Rajgarhia Leasing and Financial Services Pvt. Ltd. | Nil | - Sumarg Education Resources Private Limited -Kolkatta Hotels Limited -Manu Maharani Hotels Limited |
| Members / Chairman of Committees in Perfectpac Limited | - Member of Nomination and Remuneration Committee | Nil | - Chairman of Audit Committee |
| Members / Chairman of Committees in other Public Companies | - Member of Nomination and Remuneration Committee of APM Industries Limited - Chairperson in Corporate Social Responsibility Committee of APM Industries Limited | Nil | Nil |

| | | | |
|--|---|------|---------------------|
| Listed Companies from which Director has resigned in the past three years | None | None | APM Finvest Limited |
| Relationship with other Directors and KMP | Shri R. K. Rajgarhia being father of Shri Sanjay Rajgarhia, Managing Director, is related to him. He is not related to any other Director and KMP of the Company | None | None |
| Number of Meetings of the Board attended during the year | Attended 5 out of 6 | N.A. | N.A. |

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, however, the same is strictly not required as per Section 102 of the Companies Act, 2013.

The Members at the Forty Fifth (45th) Annual General Meeting of the Company held on September 18, 2017, had approved the appointment of M/s VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N), as Statutory Auditors of the Company, to hold office till the conclusion of the Fiftieth (50th) Annual General Meeting i.e. completes its first term of 5 (five) consecutive years at the conclusion of this Annual General Meeting.

After considering the evaluation of the past performance, experience and expertise of M/s VSSA & Associates and on the recommendation of Audit Committee, the Board of Directors ('the Board') at its meeting held on May 30, 2022 has recommended the re-appointment of M/s VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N), as Statutory Auditors of the Company to hold office for period of second term of 5 (Five) consecutive years from the conclusion of this 50th Annual General Meeting till the conclusion of the 55th Annual General Meeting of the Company, to be held in year 2027. The Board also recommended the remuneration paid to M/s VSSA & Associates.

M/s VSSA & Associates has more than 29 years of experience in the field of Statutory Audit, Internal Audit, Advisory, Accounting Compliance & Reporting, Tax Compliance, Tax Audit and other allied services. The Firm serves large listed and unlisted companies engaged in the field of manufacturing, services, financing etc. The firm has 2 (two) partners and has a valid Peer Review certificate.

The proposed Statutory Auditors have consented to the aforesaid re-appointment and confirmed that their re-appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be re-appointed as Statutory Auditors of the Company and certified that satisfies the criteria provided under section 141 of the Act and rules made thereunder.

Proposed fees payable to the Statutory Auditor is Rs. 3,90,000 (including Tax Audit and Limited Review Certification) of Audit in connection with the audit of the accounts of the Company for the financial year 2022-23 with the power to the Board of Directors to alter and vary the terms and conditions of appointment, revision including upward revision in the remuneration for remaining tenure of 4 (Four) years, in such manner and to such extent as may be mutually agreed with the Auditors.

None of the Directors or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in the proposed resolution.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 3 of the Notice of the AGM for approval of the members

Items to Special Business

Item No. 4

Shri Sanjay Rajgarhia was re-appointed as Managing Director on the Board of the Company for a period of 5 years from July 01, 2019 to June 30, 2024 and remuneration was approved for a period of 3 years from July 01, 2019 to June 30, 2022 by members of the Company at its 47th Annual General Meeting held on September 26, 2019. His last drawn Basic Salary was Rs. 5,00,000/- per month plus perquisites.

The Board approved remuneration payable to Shri Sanjay Rajgarhia, Managing Director of the Company for another period of two years i.e. from July 01, 2022 to June 30, 2024 on such terms and conditions of remuneration as recommended by the Nomination and Remuneration Committee.

Basic Salary:- Rs. 5,00,000/- per month w.e.f. July 01, 2022 with such increase as may be decided by the Board of Directors from time to time, but subject to maximum salary of Rs. 6,00,000 (Rupees Six Lakhs) per month.

- (i) **Perquisites and Allowances:** In addition, following perquisites and allowances shall be payable:
Rent free furnished residential accommodation with free electricity the monetary value of which will be evaluated as per Rules 3 of the Income Tax Rules, 1962.

Or

In case own premises are occupied, then house rent allowance payable as per rules of the Company but not exceeding 60% of Basic Salary per month. The expenses on electricity will be borne by the Company.

- (ii) **Medical Benefits:** The total cost of medical expenses / allowance to the Company shall not exceed one month Basic salary per year.
- (iii) **Leave Travel Allowance/ Concession:** For self and family once in a year shall not exceed one month Basic Salary month per year.
- (iv) **Reimbursement of membership fees in respect of Clubs** will be subject to maximum of two Clubs.
- (v) **Personal Accident / Mediciam Insurance Premium** subject to limit of Rs. 25,000/- per annum.
- (vi) **The Company's contribution towards Provident Fund** as per rules of the Company.
- (vii) **Gratuity** as per rules of the Company.
- (viii) **Free use of the Company's car with driver** for official as well as for personal purposes.
- (ix) **Telephone at residence, Internet, gas bill, gardner expenses** at Company's cost.

4. Other Terms & Conditions:

- (i) No sitting fees will be paid to Shri Sanjay Rajgarhia for attending the meetings of Board of Directors or Committees thereof.
- (ii) Shri Sanjay Rajgarhia shall not liable to retire by rotation.
- (iii) Shri Sanjay Rajgarhia will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- (iv) Shri Sanjay Rajgarhia can resign from the services of the Company at any time by giving three months notice. Similarly, his services can be terminated at any time by giving three months' notice.
- (v) If at any time Shri Sanjay Rajgarhia ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Managing Director of the Company.
- (vi) Shri Sanjay Rajgarhia shall be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not form part of his remuneration.
- (vii) In the event of absence or inadequacy of profits in any financial year, Shri Sanjay Rajgarhia will be paid salary and perquisites subject to the limits / conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013.

The salary including allowances, perquisites and other benefits payable to him will be governed by the Company's policies & regulations, applicable from time to time.

The aggregate of the above salary, allowances, perquisite and other benefits as per Company policy shall not exceed Rs. 1.32 Crores per annum. For this purpose, the following shall not be included in the aggregate:

- a. Contribution to Provident Fund
- b. Contribution to Gratuity Fund

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice of AGM for approval of the members

Except Shri Sanjay Rajgarhia and Shri Rajendra Kumar Rajgarhia, none of the Directors and Key Managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this proposed resolution.

Item No. 5 & 6

In terms of the Nomination and Remuneration Policy of the Company (hereinafter referred as 'the Policy') and pursuant to the recommendation of the Nomination and Remuneration Committee (hereinafter referred as 'the NRC Committee'), the Board of Directors has appointed Shri Raj Gopal Sharma as an Additional Director of the Company, effective from July 12, 2022.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Shri Raj Gopal Sharma holds office upto the date of ensuing AGM and is eligible for appointment as Director of the Company.

Further, in terms of the Policy and pursuant to the recommendation of the NRC Committee, the Board has, also, approved the appointment of Shri Raj Gopal Sharma as Whole time Director of the Company effective from July 12, 2022 to July 11, 2025 for a period of 3 (three) years. This is subject to applicable provisions of the Act, the Rules made thereunder and approval of the members.

Broad particulars of the terms of appointment and remuneration payable to Shri Raj Gopal Sharma is as under:

1. Basic Salary: Rs. 1,60,000/- (Rupees One Lakh Sixty Thousand) per month with such increase as may be decided by the Board of Directors from time to time, but subject to maximum basic salary of Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand) per month.

2. Perquisites and Allowances: In addition, following perquisites and allowances shall be payable:

- (i) Housing: House Rent Allowance payable as per rules of the Company but not exceeding 50% of Basic Salary per month.
- (ii) Reimbursement of Car related expenses: Driver's salary including fuel.
- (iii) Leave and leave encashment as per rules of the Company.
- (iv) Contribution to Provident Fund and Gratuity: Provident Fund and Gratuity as per rules of the Company
- (v) Leave Travel Allowance/ Concession: For self and family once in a year shall not exceed one month basic salary per year.
- (vi) others:- Helper allowance up to Rs. 15,000 per month.

3. Other Terms & Conditions:

- (i) No sitting fees will be paid to Shri Raj Gopal Sharma for attending the meetings of Board of Directors or Committees thereof.
- (ii) Shri Raj Gopal Sharma shall be liable to retire by rotation.
- (iii) Shri Raj Gopal Sharma will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- (iv) Shri Raj Gopal Sharma can resign from the services of the Company at any time by giving two months' notice. Similarly, his services can be terminated at any time by giving two months' notice.
- (v) If at any time Shri Raj Gopal Sharma ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Whole time Director of the Company.
- (vi) In the event of absence or inadequacy of profits in any financial year, Shri Raj Gopal Sharma will be paid salary and perquisites subject to the limits / conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013.

The salary including allowances, perquisites and other benefits payable to him will be governed by Company's policies and rules applicable from time to time.

The aggregate of the above salary, allowances, perquisites and other benefits as per rules of the Company shall not exceed Rs. 50 Lakhs per annum. For this purpose, the following shall not be included in the aggregate:

- a. Contribution to Provident Fund
- b. Contribution to Gratuity
- c. Encashment of the leaves at the end of tenure.

Shri Raj Gopal Sharma, satisfies all the conditions as set out in Section 196, 197, 198, 203 read with Schedule V referred of the Companies Act, 2013 for being eligible to be appointed as a whole time director. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 & 6 of the Notice of AGM for approval of the members.

None of the Directors or Key Managerial Personnel or their relatives except Shri Raj Gopal Sharma, the proposed appointee, is concerned or interested, financially or otherwise, in this proposed Resolution.

Item No. 7

In terms of the Nomination and Remuneration Policy of the Company and based on the recommendations of Nomination and Remuneration Committee, the Board of Directors has appointed, subject to the approval of the members at the AGM, Shri Manish Garg (DIN: 01324631) as Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from July 12, 2022. Shri Manish Garg has given his consent to act as Director. He has also given declaration to the effect that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and that he meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations.

In the opinion of the Board, Shri Manish Garg possess appropriate skills, experience & knowledge which would enable the Board to discharge its functions and duties effectively, and fulfils the conditions for appointment as an Independent Director as specified in the Act read with rules made thereunder and the Listing Regulations and that he is independent of the management. The disclosures including brief resume and other details prescribed under Regulation 26(4) and 36(3) of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are provided above of the Notice.

Copy of Appointment Letter setting out terms and conditions of his appointment is available for inspection by Members at the Registered Office as well as at Registered Office of the Company on all working days during normal business hours upto the date of AGM. The terms and conditions of their appointment, being Independent Directors, posted on the Company's website www.perfectpac.com.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 7 of the Notice of AGM for approval of the members.

None of the Directors or Key Managerial Personnel or their relatives except Shri Manish Garg, the proposed appointee, is concerned or interested, financially or otherwise, in this proposed Resolution.

Item No. 8

Equity Shares of the Company are listed and traded on BSE Limited. In order to improve the liquidity of the Company's Share and to make it more affordable for small investors and retail investors as also to broaden the small investors base, the Board of Directors of the Company, at its Meeting held on August 10, 2022 has recommended to sub-divide/split the face value of each Equity Share having value of Rs. 10/- (Rupees Ten Only) each into 5 (Five) Equity Shares of face value of Rs. 2/- (Rupees Two Only) each fully paid up, subject to approval of the Members. The Articles of Association of the Company permits sub-division of Shares subject to approval of Members.

Upon approval of the Shareholders for sub-division of Equity Shares, in case the Equity Shares are held in physical form, the old Share Certificate(s) of the face value of Rs.10/- each will stand automatically cancelled on the record date and new certificate(s) of the face value of Rs. 2/- each fully paid up, will be dispatched to the Shareholders without necessity of surrendering the old Share Certificate(s) of the face value of Rs. 10/- each. In case the Equity Shares are held in dematerialized form, the sub-divided Equity Shares will be directly credited to the Shareholder's Demat account on the record date in lieu of their existing Equity Shares.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective Shareholding, if any, in the Company.

Accordingly, the Board recommends passing of the Resolution set out in Item No. 8 of the accompanying Notice as an Ordinary Resolution

Item No. 9

The proposed Sub-division of the 1 (One) Equity Share of the face value of Rs. 10/- (Rupees Ten Only) each into 5 (Five) Equity Shares of the Face Value of Rs. 2/- (Rupees Two Only) each fully paid up requires amendment in the Capital Clause of the Memorandum of Association and Article of Association of the Company.

Accordingly, Clause V of the Memorandum of Association and Article 4 (1) of the Articles of Association of the Company are proposed to be amended as set out in Agenda Item No. 9 of the accompanying Notice reflecting the corresponding changes in the Authorized Share Capital of the Company, consequent to the proposed sub-division of Equity Shares from Rs. 3.25 Crores (Rupees Three Crores Twenty Five Lakhs Only) divided into 20,00,000 (Twenty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 1,25,000 (One Lakh Twenty Five Thousand) 8% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each to Rs. 3.25 Crores (Rupees Three Crore Twenty Five Lakhs Only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 2/- (Rupees Two Only) each and 1,25,000 (One Lakh Twenty Five Thousand) 8% Cumulative Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred Only) each.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective Shareholding, if any, in the Company. Accordingly, the Board recommends passing of the Resolution set out in Item No. 9 of the accompanying Notice as a Special Resolution.

STATEMENT OF PARTICULARS
(PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)
Remuneration of Managing Director and Whole time Director

I. GENERAL INFORMATION

| S. No. | Particulars/Subject | Information (Shri Sanjay Rajgarhia, Managing Director and Shri Raj Gopal Sharma, Whole time Director) |
|--------|---|---|
| 1. | Nature of Industry | Packaging Industry |
| 2. | Date or Expected date of commencement of commercial production. | Business commenced In the year 1972 |
| 3. | In case of new Companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospects. | Not applicable |

| | | (Rs. In Lakhs) | |
|----|---|---|--|
| 4. | Financial performance based on given indicators | Particulars | 2021-22 (As per Audited Financial Statements) |
| | | Total Revenue | : 8872.91 |
| | | Total Expenses | : 8713.96 |
| | | Profit before Tax | : 158.95 |
| | | Profit after Tax | : 103.01 |
| 5. | Foreign Investments or collaborations, if any. | The Company has not made any foreign investments and neither entered into any foreign collaborations, except the shareholding by Non-Resident Indians in the Company. | |

II. INFORMATION ABOUT THE APPOINTEE

| S. No. | Information | Shri Sanjay Rajgarhia | Shri Raj Gopal Sharma |
|--------|--------------------|--|--|
| 1. | Background details | <p>Shri Sanjay Rajgarhia, aged 59 years, he is commerce graduated and had more than 34 years of rich industrial and managerial experience. He has been associated with the Company for the last 33 years in different capacities and has been the Managing Director for the last 28 years. He is one of the promoter, industrialist and Managing Director and main contributor to the growth and development of the Company.</p> <p>Shri Sanjay Rajgarhia, who was well versed in understanding Paper and packaging markets, was also equally excellent in ensuring growth by improving productivity, cost control, large size operations & consistently improving quality and his services were indispensable. He had been actively involved in business strategy, business development and development functions in the Company.</p> | <p>Shri Raj Gopal Sharma aged 46 years holds Bachelors' Degree in Commerce.</p> <p>He is having more than 20 years of work experience in the field of Packaging (Corrugated Board & Boxes) for FMCG & Industrial Product including Product & Customer Development.</p> <p>He has rich experience in formulating optimum cost for Packaging requirement which helps in increasing the performance of the Company.</p> |
| 2. | Past Remunerations | Shri Sanjay Rajgarhia was paid Rs. 113.53 Lakhs as annual remuneration for the financial year 2021-22. | Shri Raj Gopal Sharma was paid Rs 22.79 Lakhs as annual remuneration for the financial year 2021-22, in the capacity of Vice-president. |

| | | | |
|----|---|--|---|
| 3. | Recognition or awards | None | |
| 4. | Job Profile and his suitability | <p>Shri Sanjay Rajgarhia is the Managing Director of the Company and is looking after the overall activities of the Company and management and the Company has been seeing steady growth during his tenure.</p> <p>Despite of the difficult economic situation in the country during COVID-19, the Company has seen growth due to his untiring and continuous efforts.</p> | <p>Shri Raj Gopal Sharma has a rich experience and deep knowledge with respect to the Marketing, production and Accounts and has contributed to the growth of the Company as Vice President by his incisive and broad based knowledge of Industrial Product including Product & Customer Development.</p> |
| 5. | Remunerations proposed | Details of proposed remuneration as stated in Explanatory statement. | |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position & person | The proposed remuneration is the minimum remuneration as per Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability. However, out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013. | |
| 7. | Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any. | There is no pecuniary relationship of Shri Sanjay Rajgarhia with the Company or Managerial Personnel except as detailed in the Note No. 37 of Notes to Accounts. | Besides the remuneration proposed, Shri Raj Gopal Sharma does not have any pecuniary relationship with the Company. Further, he is not related to any managerial personnel of the Company. |

III. OTHER INFORMATION

| S. No. | Information | |
|--------|---|--|
| 1. | Reasons for loss or inadequate profits | The Company has been earning profits, but the profits are in-adequate as per Section 197 of the Companies Act, 2013, to cover up the remuneration / perquisites payable to the Managing Director and Whole Time Director of the Company. There is no specific reason for inadequate profits. Their Remuneration has been fixed under Schedule V is as minimum remuneration and within the limit specify therein. |
| 2. | Steps taken or proposed improvement | The Company is taking continuous steps for improvement |
| 3. | Expected increase in productivity and profits in measurable terms | Barring unforeseen circumstances, the Company desires to increase the revenue and profits by improved margins in current financial year. |

IV. DISCLOSURES

Necessary disclosures have been made with regard to remuneration details of the managerial personnel under the head Corporate Governance in the Annual Report.

Registered Office:

910, Chiranjiv Tower-43,
Nehru Place, New Delhi-110019
CIN: L72100DL1972PLC005971
Tel: 011-26441015-18
Email: complianceofficer@perfectpac.com
Website: www.perfectpac.com

By Order of the Board

Sanjay Rajgarhia
Managing Director
DIN: 00154167

Place: New Delhi
Dated: August 10, 2022

BOARD'S REPORT**To the Members**

The Board of Directors are pleased to present the 50th (Fiftieth) Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2022.

FINANCIAL SUMMARY**(Rs. In lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|----------------|----------------|
| Total Revenue | 8872.91 | 6641.48 |
| Total Expenses | 8713.96 | 6533.70 |
| Profit Before Tax | 158.95 | 107.78 |
| Less: Tax (including deferred tax) | 55.94 | 30.61 |
| Profit for the period | 103.01 | 77.17 |
| Other Comprehensive Income | 5.53 | 4.41 |
| Total comprehensive profit for the year | 108.54 | 81.58 |
| Paid up Equity Share Capital (Face Value of Rs. 10/- per Share) | 133.26 | 133.26 |
| Basic and Diluted EPS | 7.73 | 5.79 |

2. STATE OF COMPANY AFFAIRS & OPERATIONS

Your Company is engaged in the manufacture of packaging material and operates in one sector only. For the year ended 31st March 2022, the total revenue was Rs. 8872.91 lakhs as against Rs. 6641.98 lakhs in the previous year and net profit after tax was Rs. 103.01 lakhs as against Rs. 77.17 lakhs. The working results of the Company were adversely affected due to unprecedented sharp increase and volatility in raw material prices. Due to sharp increase in Commodity prices and component and semi-conductor shortages many of the Company's customers production was also hampered resulting in reduced off take from the Company.

During the current year, there is some improvement in the overall situation and your Directors are hopeful of improved working results in the current year though there is sluggish demand for the Company's products. The Company is making all out efforts to increase its sales and enhance its customer base.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

4. COVID-19

The Company has evaluated the possible effects of the pandemic on the Company in the preparation of its financial results including the carrying amounts of fixed and current assets and its liquidity position. The Company expects that the carrying amount of these will be recovered and that the Company has sufficient liquidity to fund its business operations. However, as the situation is constantly evolving, the Company is closely monitoring the COVID situation and its impact and taking necessary steps to protect the interests of its stakeholders.

5. TRANSFER TO RESERVES

The Board does not propose to transfer any amount out of the profit for the year under review to the general reserve.

6. DIVIDEND

In view of the need to conserve financial resources, your Directors have not recommended any dividend for the FY 2021-22.

7. CAPITAL STRUCTURE

Authorised Share Capital

The Authorised Equity Share Capital of the Company as at March 31, 2022 was Rs. 2,00,00,000/- comprising of 20,00,000 equity shares of Rs. 10/- each and Preference Shares Capital was Rs. 1,25,00,000/- comprising of 1,25,000 equity shares of Rs. 100 each i.e. total authorised share capital was Rs. 3,25,00,000.

Paid up Share Capital

The Paid-up share capital as at March 31, 2022 stands at Rs. 1,33,19,000/- comprising of 13,31,900 equity shares of Rs. 10/- each fully paid up.

Your Directors propose to sub-divide 1 (One) Equity Share of face value of Rs. 10/- (Rupees Ten Only) each fully paid into 5 (Five) Equity Shares of Rs. 2/- (Rupees Two Only) each fully paid up, to have better liquidity on the Bombay Stock Exchange Limited, subject to the approval of the Members of the Company and other authorities, if required. Resolution for giving effect to the same is part of the Notice convening the 50th AGM.

8. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

The Company doesn't have any subsidiary, joint venture or associate Company.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment, Re-appointment and Resignation

Shri Rajendra Kumar Rajgarhia will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment to the members in the ensuing AGM. Brief resume of Shri Rajendra Kumar Rajgarhia with other details as stipulated in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Notice convening the 50th AGM.

Pursuant to the provisions of Companies Act, 2013, Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on July 12, 2022, approved the appointment of Shri Raj Gopal Sharma as Additional Director, Whole Time Director and Key Managerial Personnel of the Company for a period of three years from July 12, 2022 to July 11, 2025, subject to the approval of the members in the ensuing Annual General Meeting of the Company by way of Ordinary Resolution.

Pursuant to the provisions of Companies Act, 2013, Shri Manish Garg has been appointed as Additional Director in the capacity of Non-Executive Independent Director on the Board of the Company for a period of five years from July 12, 2022 to July 11, 2027, subject to the approval of members in the ensuing Annual General Meeting of the Company by way of Ordinary Resolution. The Board is of the opinion that Shri Manish Garg, Independent Director, possesses requisite qualification, experience, expertise and holds high standards of integrity. Being eligible, Shri Manish Garg has offered himself to be appointed as the Independent Director of the Company.

During the period under review, Ms. Shefali Chauhan, Company Secretary and Compliance Officer of the Company has resigned w.e.f. July 23, 2022.

Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence with relevant integrity, expertise, experience and proficiency as provided under Section 149 read with Schedule IV of the Act and Regulation 16 of the Listing Regulations and have also given declaration for compliance of inclusion of name in the data bank, being maintained with 'Indian Institute of Corporate Affairs' as provided under Companies Act, 2013 read with applicable rules made thereunder. The Company has also received declaration from the Independent Directors that they have complied with the code of conduct of Directors and Senior Management.

Annual Performance Evaluation of the Board

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board. The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of Board and its Committees. The detailed process in which annual evaluation of the performance of the Board, its Chairperson, its Committees and of individual Directors is disclosed in the Corporate Governance Report attached to this Report.

Meetings of the Board

During the year, six meetings of the Board of Directors were held. The details of Board/Committee Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

10. DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT, 2013

The Company did not invite/accept any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under the said Chapter.

11. AUDITORS & AUDIT REPORTS**Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s. VSSA & Associates , Chartered Accountants (Firm Registration No: 012421N), Statutory Auditors of the Company, will complete their first term of 5 (Five) consecutive years at the conclusion of the ensuing Annual General Meeting. They can be further appointed as statutory auditors for second term of 5 (Five) consecutive years i.e. till the conclusion of Annual General Meeting to be held in the year 2027.

Therefore, the Board of Directors at its meeting held on May 30, 2022, based on the recommendation of the Audit Committee, has recommended the re-appointment of M/s. VSSA & Associates , Chartered Accountants (Firm Registration No: 012421N) as Statutory Auditors of the Company for second term of 5 consecutive years, commencing from conclusion of ensuing Fiftieth (50th) AGM till the conclusion of Fifty fifth (55th) AGM, to be held in the Year 2027, subject to approval of the Members of the Company.

M/s. VSSA & Associates, have confirmed their willingness and eligibility for re-appointment in accordance with Section 139 read with Section 141 of the Act.

The reports of Statutory Auditors on Financial Statements for the FY 2021-22 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

Secretarial Auditor

In terms of provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. RSM & Co. (ICSI Firm Registration No.: P1997DE017000), Company Secretaries, in its meeting held on July 28, 2021, to undertake the Secretarial Audit of the Company for the FY 2021-22. The Secretarial Audit Report is attached as Annexure-1 to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

The Board, in its meeting held on August 10, 2022, has re-appointed M/s. RSM & Co., Company Secretaries, as Secretarial Auditors of the Company for FY 2022-23.

Internal Auditor

In terms of provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board of Directors at its meeting held on May 30, 2022, on the recommendation of Audit Committee, has re-appointed M/s Sapra Sharma & Associates., LLP, Chartered Accountant (Firm Registration No. 002682N), as an Internal Auditors of the Company, for the FY 2022-23.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2022 and of the profit and loss of the Company for the year ended March 31, 2022;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2021-22; and

- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. INTERNAL FINANCIAL CONTROLS

The details on Internal Financial Control System and their adequacy are provided in the Management Discussion and Analysis Report of the Company, which forms part of the Annual Report.

14. DETAILS OF FRAUDS REPORTED BY AUDITORS

There were no frauds reported by the Statutory Auditors under the provisions of Section 143(12) of the Companies Act, 2013 and the Rules made there under.

15. DISCLOSURES OF SIGNIFICANT ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There is no significant or material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

16. CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-2** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. This Policy is available on the Company's website at <https://perfectpac.com/pdf/Policies/CSR-Policy.pdf>.

17. AUDIT COMMITTEE

As on date, the Audit Committee comprises of Shri Manish Garg*, Chairman, Shri Harpal Singh Chawla, Shri Sanjay Rajgarhia and Smt. Ruchi Vij, Members of Committee.

*Shri Manish Garg, inducted as Chairman of the Committee, effective from close of business hours of July 12, 2022. Earlier, Shri Harpal Singh Chawla was Chairman of the Company.

All the recommendations made by Audit Committee were accepted by the Board of Directors.

Further, details on Audit Committee is provided in the Corporate Governance Report attached to this Report.

18. NOMINATION AND REMUNERATION POLICY

The Company has implemented Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The web link for the same is http://www.perfectpac.com/pdf/Policies/Nomination_and_Remuneration_Policy.pdf.

19. DELISTING OF SHARES OF THE COMPANY

The equity shares of the Company has been voluntarily delisted from the Calcutta Stock Exchange Limited (CSE) with effect from May 04, 2022, as there has been no trading in the equity shares of the Company at the CSE for the last many years and the Company also incurs extra operational costs of being listed on the CSE. Presently, the equity shares of the Company are listed on BSE Limited.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company had formulated a policy on Related Party Transactions ('RPTs'), dealing with the review and approval of RPTs. Prior omnibus approval is obtained for RPTs which are of repetitive in nature. All RPTs are placed before the Audit Committee for review and approval.

All RPTs entered into during FY 2021-22 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2021-22 by the Company as defined in the Policy on Materiality of Related Party transactions and dealing with Related Party transactions. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable. Your directors draw attention of the members to Note No. 37 to the Financial Statements which sets out the Related Party disclosures.

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

The prescribed details as required under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are annexed as **Annexure-3** to this Report.

22. RISK MANAGEMENT

The Company has in place a Risk Management Policy which assists; in identifying the elements of risk, if any, which in the opinion of the Board may impact the Company; monitoring and reviewing the risk management plan; and implementing the risk management framework of the Company.

23. PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-4** which forms part of this Report.

As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection at the registered office of the Company during working hours and any Member interested in obtaining said statement may write to the Managing Director at the registered office of the Company or e-mail at complianceofficer@perfectpac.com.

24. ANNUAL RETURN

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return is available under the 'Investors' section of the Company's website and can be viewed at the following link: https://perfectpac.com/pdf/Policies/Annual-Return_2021-22.pdf.

25. CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company is committed to maintain the highest standards of Corporate Governance and believes in adhering to the best corporate practices prevalent globally.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as **Annexure-5** and forms part of this Report. A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2022. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the Managing Director and Chief Financial Officer confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure-6** and forms part of this Report.

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The details of Vigil Mechanism (Whistle Blower Policy) adopted by the Company have been disclosed in the Corporate Governance Report and forms an integral part of this Report.

28. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in Notes to the financial statements.

29. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitment has occurred after the close of the FY 2021-22 till the date of this Report, which affects the financial position of the Company.

30. COMPLIANCE WITH SECRETARIAL STANDARDS OF INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company has complied with the Secretarial Standard-1 on 'Meetings of the Board of Directors' and Secretarial Standard-2 on 'General Meetings' issued by the Institute of Company Secretaries of India.

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

The Company has Zero Tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman executive working in the Company.

Hence, the Company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Further, the Company has also constituted Internal Complaints Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No case has been reported during the year under review under the policy.



CIN No.: L72100DL1972PLC005971

32. COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

33. INVESTOR SERVICES

In its endeavor to improve investor services, your Company has taken the following initiatives:

- The Investors Section on the website of the Company www.perfectpac.com is updated regularly for information of the shareholders
- There is a dedicated e-mail id complianceofficer@perfectpac.com for sending communications to the Company Secretary and Compliance Officer.
- Disclosure made to the Stock Exchanges are promptly uploaded on the website of the Company as per requirement of Listing Regulations, for information of the Investors.

Members may lodge their requests, complaints and suggestions on this e-mail as well.

34. ACKNOWLEDGMENTS

Your Directors wish to express their gratitude for the guidance and co-operation received from the Financial Institutions, Banks, various Central and State Government Departments besides the Customers and Suppliers during the year under report. The Directors, particularly, wish to acknowledge and place on record the continuous support and guidance of all the shareholders and more importantly for the confidence reposed in the Company's management.

For and on behalf of the Board

Place : New Delhi

Dated : August 10, 2022

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

SECRETARIAL AUDIT REPORT **Annexure-1**
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

(Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,
The Members
PERFECTPAC LIMITED
910, CHIRANJIV TOWER 43
NEHRU PLACE, NEW DELHI-110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PERFECTPAC LIMITED** (hereinafter called the Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts statutory compliances and expressing our opinion thereon.

Based on our verification of the **PERFECTPAC LIMITED'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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 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:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of :-

1. The Companies Act, 2013(“the Act”) and rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, (Not Applicable to the Company during the audit period).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (**Not applicable to the Company during the audit period**);

- d The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, **(Not applicable to the Company during the audit period);**
 - e The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and (Issue and Listing of Debt Securities) Regulations, 2008, **(Not applicable to the Company during the audit period);**
 - f The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client to the extent of securities issued;
 - g The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period).** and
 - i The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. We further report that, having to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the laws and Regulations applicable to the Company;

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

We have also examined compliance with the applicable clauses of Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

Adequate notice is given to all Directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; and

Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

We further report that during the audit period the following event occurred which has bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- (i) The shares of the company delisted from The Calcutta Stock Exchange Limited.

This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and form an integral part of this report.

For RSM & Co.
Company Secretaries

CS SUMAN PANDEY
Partner
FCS: 7606 | COP No.: 8404
UDIN: F007606D000731593
Peer Review Number: 978/2020

Date : 10.08.2022
Place : Delhi

To,
The Members
PERFECTPAC LIMITED
910, CHIRANJIV TOWER 43
NEHRU PLACE, NEW DELHI-110019

Our Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the 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 the Secretarial records. The verifications were done on the 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 and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For RSM & Co.
Company Secretaries

CS SUMAN PANDEY
Partner
FCS: 7606 | COP No.: 8404
UDIN: F007606D000731593
Peer Review Number: 978/2020

Date : 10.08.2022
Place : Delhi

Annexure-2

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES
FOR THE FINANCIAL YEAR 2021-22**

1. A brief outline on CSR Policy of the Company

Corporate Social Responsibility ("CSR") at Perfectpac is the commitment of businesses to contribute to sustainable economic development by working with the employees, their families, the local community and the society at large to improve their lives in ways that are good for business and for its development.

In compliance with the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has taken the following steps:

- CSR Policy uploaded on Company's [website www.perfectpac.com](http://www.perfectpac.com).
- While implementing CSR activities, the Company shall give priority to the area around its manufacturing location in India.
- The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
 - a. Promoting Education
 - b. Eradicating hunger and malnutrition
 - c. Promotion of health care including preventive health care
 - d. Empowering women

2. Composition of CSR Committee

The Composition of the Committee as on March 31, 2022 are as follows:-

| S. No. | Name | Designation/Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|--------------------------|------------------------------------|--|--|
| 1. | Shri Sanjay Rajgarhia | Chairman, Managing Director | 2 | 2 |
| 2. | Shri Harpal Singh Chawla | Member, Independent Director | 2 | 2 |
| 3. | Smt. Ruchi Vij | Member, Independent Director | 2 | 2 |

Note: CSR Committee has been dissolved w.e.f. July 12, 2022 due to non-applicability of Section 135(1) of the Companies Act, 2014 for FY 2022-23.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

Composition of the CSR committee - https://perfectpac.com/pdf/Composition_of_Board_and_committee/Composition%20of%20Board%20and%20Committee.pdf. CSR Policy and Projects – <https://perfectpac.com/pdf/Policies/CSR-Policy.pdf>.

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:-
Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:-

| S. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be setoff for the financial year, if any (in Rs) |
|--------|----------------|---|---|
| 1. | FY-1 (2020-21) | 9,663 | 9,663 |
| 2. | FY-2 (2019-20) | 0 | 0 |
| 3. | FY-3 (2018-19) | 0 | 0 |
| | Total | 9,663 | 9,663 |

6. Average Net Profit of the Company as per Section 135 (5):- Rs. 2,81,88,221

7. (a) Two percent of average net profit of the Company as per section 135(5):- Rs. 5,63,764

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:- Nil

(c) Amount required to be set off for the financial year, if any:- Rs. 9,663

(d) Total CSR obligation for the financial year (7a+7b- 7c):- Rs. 5,54,101

8. (a) CSR amount spent or unspent for the financial year:-

| Total Amount Spent for the Financial Year (in Rs) | Amount Unspent (in Rs) | | | | |
|---|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 5,65,000 | NIL | - | - | NIL | - |

(b) Details of CSR amount spent against ongoing projects for the financial year:-

| S. No | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Project duration | Amount allocated for the project (in Rs) | Amount spent in the current financial Year (in Rs) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|-------|---------------------|---|---------------------|-------------------------|----------|------------------|--|--|--|--|--|-------------------------|
| | | | | State. | District | | | | | | Name | CSR Registration number |
| 1. | - | - | - | - | - | - | NIL | - | - | - | - | - |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:-

| S. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project (in Rs.) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|--------|-------------------------------------|---|---------------------|-------------------------|---------------|---------------------------------------|--|--|-------------------------|
| | | | | State. | District | | | Name | CSR Registration Number |
| 1. | National Association for the Blinds | Promotion of Health Care including preventive Health Care | No | Haryana | Faridabad | 50,000 | No | National Association for the Blinds | CSR00007692 |
| 2. | Mannat Charitable Trust | Promotion of Education | No | Delhi | New Delhi | 1,15,000 | No | Mannat Charitable Trust | CSR00009678 |
| 3. | Vedanta Institute Delhi | Promotion of Education | No | Delhi | New Delhi | 50,000 | No | Vedanta Institute Delhi | CSR00012578 |
| 4. | Udayan Care | Promotion of Education | Yes | Uttar Pradesh | Greater Noida | 2,50,000 | No | Udayan Care | CSR00000619 |
| 5. | Aparna Research & Charities Trust | Empowering Women | No | Haryana | Karnal | 50,000 | No | Aparna Research & Charities Trust | CSR00011466 |
| 6. | Help Care Society | Promotion of Education | No | Delhi | New Delhi | 50,000 | No | Help Care Society | CSR00008265 |
| | Total | | | | | 5,65,000 | | | |

(d) Amount spent in Administrative Overheads:- NIL

(e) Amount spent on Impact Assessment, if applicable:- NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):- Rs. 5,65,000

(g) Excess amount for set off, if any:- Rs. 10,899

| S. No. | Particular | Amount (in Rs.) |
|--------|---|-----------------|
| (I) | Two percent of average net profit of the Company as per section 135(5) | 5,63,764 |
| (II) | Total amount spent for the Financial Year | 5,74,663* |
| (III) | Excess amount spent for the financial year [(ii)-(i)] | 10,899 |
| (IV) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | - |
| (V) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 10,899 |

* Includes Excess amount of Rs. 9,663 of Financial Year 2020-21.

(a) Details of Unspent CSR amount for the preceding three financial years:-

| S. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year | | | Amount remaining to be spent in succeeding financial years (in Rs.) |
|--------|--------------------------|--|--|-----------------|------------------|---|
| | | | Name of the Fund | Amount (in Rs.) | Date of transfer | |
| 1. | FY 2020-21 | NA | | | | NIL |
| 2. | FY 2019-20 | | | | | |
| 3. | FY 2018-19 | | | | | |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):-

| S. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in Rs.) | Amount spent on the project in the reporting Financial Year (in Rs.) | Cumulative amount spent at the end of reporting Financial Year (in Rs.) | Status of the project - Completed / Ongoing |
|--------|------------|---------------------|---|------------------|---|--|---|---|
| 1. | - | - | - | - | NIL | - | - | - |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

- (a) **Date of creation or acquisition of the capital asset(s):-** None
- (b) **Amount of CSR spent for creation or acquisition of capital asset:-** NIL
- (c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:-** Not Applicable
- (d) **Details of the capital asset(s) created or acquired (including complete address and location of the capital asset):-** Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):- Not Applicable

For and on behalf of the Board

Place: New Delhi
Date: August 10, 2022

Rajendra Kumar Rajgarhia
Chairman of the Company
DIN: 00141766

Sanjay Rajgarhia
Chairman, CSR Committee
DIN: 00154167

**DISCLOSURE UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH
COMPANIES (ACCOUNTS) RULES, 2014**

A. CONSERVATION OF ENERGY

- (i) **Steps taken or impact on conservation of energy:** The Company is taking concentrated steps to optimize use of energy. It is committed to transform energy conservation into a strategic business goal and is making all efforts to reduce energy consumption in all its operations and activities.
- (ii) **Steps taken by the company for utilizing alternate sources of energy :**
The Company is proposing to set up a solar power generation plant with the current year.
- (iii) **Capital investment on energy conservation equipment's:** Rs. 6,50,000

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

The Company is continuously carrying out R & D to reduce product cost and for improvement in product performance.

- Efforts made towards technology absorption: Regular initiatives are taken in updating the technology in the process area.
- Benefits derived: Product improvement and reduction in labour cost.
- Particulars of technology imported: N.A.
- Expenditure on R & D: N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total foreign exchange used and earned during the year:

Used : Rs. 2,22,93,916

Earned : NIL

PARTICULARS OF EMPLOYEES

Annexure-4

Particulars prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (I) The Ratio of remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2021-22, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22:-

| S. No. | Name and Designation of Director/ KMP | Remuneration during the financial year 2021-22 (Rs. In Lakhs) | % increase in Remuneration | Ratio of Remuneration of each Director to median remuneration of employees |
|--------|--|---|----------------------------|--|
| 1. | Shri Rajendra Kumar Rajgarhia Chairman & Non-Executive Director | 0.60 | - | 0.34 |
| 2. | Shri Sanjay Rajgarhia Managing Director | 113.53 | 0.55 | 57.08 |
| 3. | Shri Harpal Singh Chawla Independent Director | 0.60 | - | 0.34 |
| 4. | Smt. Ruchi Vij Independent Director | 0.60 | 33.33 | 0.34 |
| 5. | Shri Mohinder Nagpal Chief Financial Officer | 9.34 | 27.06 | 5.27 |
| 6. | Ms. Shefali Chauhan* Company Secretary | 3.79 | 20.61 | 2.14 |

*Ms. Shefali Chauhan, Company Secretary and Compliance Officer of the Company has resigned w.e.f July 23, 2022.

- (II) The percentage increase in the median remuneration of employees in the Financial Year 2021-22 was 22.58%;
- (III) Total number of permanent employees on rolls of the Company as on March 31, 2022 was 181.
- (IV) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-
Average increase in remuneration of all employees other than KMPs: 7%
Average increase in remuneration of KMPs: 3%
- (V) **Affirmation that the remuneration is as per the remuneration policy of the Company**
It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees.

For and on behalf of the Board

Place: New Delhi
Date: August 10, 2022

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

CORPORATE GOVERNANCE REPORT

Annexure-5

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in ensuring fairness, transparency, professionalism, accountability and propriety in its functioning. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

The highlights of the Company's Corporate Governance regime are:-

- The Company believes that an active, well-informed and independent Board is necessary to ensure high standards of Corporate Governance. The Company has an optimum combination of Executive and Non-Executive Directors including Women Director.
- Constitution of several Committees for focused attention and proactive flow of information, enables the Company to ensure expedient resolution of diversified matters.
- Emphasis on ethical business conduct by the Board, management and employees.
- Code of Conduct for Directors and Senior Management of the Company.
- Code of Conduct for Prevention of Insider Trading.
- Detailed Policy for Disclosure of Material Events and Information.
- Robust Vigil Mechanism.
- Timely, transparent and regular disclosures.
- Regular communication with shareholders, including e-mailing of Annual Reports and other documents etc.
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organisation.

2. BOARD OF DIRECTORS

(a) Composition

The Board of Perfectpac Limited ("the Company") comprises of four Directors out of which two are Non-Executive Independent Directors including a Woman Director, one is Non-Executive Director & Chairman and another is Promoter Executive Director & Managing Director.

The skills, expertise and competencies of the Directors as identified by the Board in the context of business of the Company, are provided and forming part of this Report. These skills, expertise and competencies are available in the present mix of the Directors of the Company.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years. The date of re-appointment and tenure of the existing Independent Directors are given below:-

| S. No. | Name of Independent Director | Date of Re-Appointment | Date of Completion of Tenure |
|---------------|-------------------------------------|-------------------------------|-------------------------------------|
| 1. | Shri Harpal Singh Chawla | April 01, 2019 | March 31, 2024 |
| 2. | Smt. Ruchi Vij | September 24, 2020 | September 23, 2025 |

The letters of re-appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

(b) Key Functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;

Monitoring the effectiveness of the Company's governance, policies & practices and making changes as needed;

Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;

Aligning Key Managerial Personnel and Board remuneration with the long term interests of the Company and its shareholders;

Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;

Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;

Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;

Overseeing the process of disclosure and communications;

Monitoring and reviewing Board's Evaluation framework.

(c) Meetings of the Board

Meetings of the Board are generally held at the Registered Office of the Company at 910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019, India. During the financial year 2021-22, the Board met six times as per the details mentioned below:-

| S. No. | Date of Board Meeting |
|--------|-----------------------|
| 1. | April 16, 2021 |
| 2. | June 05, 2021 |
| 3. | July 28, 2021 |
| 4. | October 30, 2021 |
| 5. | November 08, 2021 |
| 6. | February 04, 2022 |

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed prescribed limit of 120 days which is in compliance with the provisions of the Listing Regulations, Companies Act, 2013 and Secretarial Standard-1.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the Agenda for the scheduled Board/Committee Meeting.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/Committee in its next Meeting.

The composition of Board of Directors, their attendance at Board Meetings during the year 2021-22 and at the last Annual General Meeting ('AGM') duly held on September 28, 2021 are given in table below:-

| Name of Director | DIN | Category | Attendance at the Meeting | |
|-------------------------------|----------|--|---------------------------|----------|
| | | | Board Meeting | Last AGM |
| | | | Attended | Attended |
| Shri Rajendra Kumar Rajgarhia | 00141766 | Non-Executive Director and Chairman | 5 | No |
| Shri Sanjay Rajgarhia | 00154167 | Managing Director and Promoter | 6 | Yes |
| Shri Harpal Singh Chawla | 00025492 | Non-Executive and Independent Director | 6 | Yes |
| Smt. Ruchi Vij | 01127918 | Non-Executive and Independent Director | 5 | No |

(d) Other Directorships

The details of other Directorship and Committee Membership/Chairmanship as at March 31, 2022 are as follows:-

| Name of Director | Directorships in Listed Entity and Category of Directorships | No. of other Directorships and Committee memberships and Chairmanships | | |
|-------------------------------|--|--|-----------|---------|
| | | Directorships* | Chairman# | Member# |
| Shri Rajendra Kumar Rajgarhia | APM Industries Limited (Whole time Director) | 2 | Nil | Nil |
| Shri Sanjay Rajgarhia | None | 2 | Nil | 2 |
| Shri Harpal Singh Chawla | None | 7 | 2 | Nil |
| Smt. Ruchi Vij | None | 1 | Nil | 2 |

Note:-

* The Directorships, held by Directors, as mentioned above, do not include the Directorships held in Section 8 Companies, Limited Liability Partnership and Perfectpac Limited.

Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies including Perfectpac Limited. Committee memberships details provided includes chairmanship of committees.

(e) Disclosure of relationships between directors inter-se

None of the Directors are related to each other except Shri Sanjay Rajgarhia, being son of Shri Rajendra Kumar Rajgarhia, Chairman of the Company.

(f) Information given to the Board

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and discussion material during the meetings. Such information, inter-alia, includes the following:

- Annual operating plans, budgets and any updates;
- Capital budgets and any updates thereon;
- Annual and Quarterly results of the Company and its operating divisions or business segments;
- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;

- Material default in financial obligations to and by the Company, or substantial nonpayment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints;
- Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any; and
- Quarterly Compliance Report on Corporate Governance.

(g) Independent Directors' Meeting

Independent Directors meeting held on February 04, 2022, without the attendance of Non- Independent Directors and members of the management of the Company. The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors, the Chairperson of the Company and the Board of Directors as a whole for the Financial Year ended March 31, 2022. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(h) Familiarisation Programme for Independent Directors

The Company familiarises its Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates and other relevant information relating to the Company. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website www.perfectpac.com. The weblink for the same is: http://perfectpac.com/pdf/Familiarisation_Programm/Familiarisation-Programme-2021-22.pdf.

(i) Chart or a matrix setting out the skills/expertise/competence of the Board of Directors

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

In the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

| Area of Core Skills/Expertise /Competencies | Shri Rajendra Kumar Rajgarhia | Shri Sanjay Rajgarhia | Shri Harpal Singh Chawla | Smt. Ruchi Vij |
|---|-------------------------------|-----------------------|--------------------------|----------------|
| Understanding of Company's business/strategy and structure | √ | √ | √ | √ |
| Financial acumen | √ | √ | √ | √ |
| Knowledge of the Companies Act, 2013, applicable SEBI and Stock Exchange Regulations | √ | √ | √ | √ |
| Entrepreneurial skills to evaluate risk and rewards and perform advisory role | √ | √ | √ | - |
| Focus on compliance | √ | √ | √ | √ |
| Understanding of the processes and systems for defining high corporate governance standards | √ | √ | √ | √ |
| Understanding rights of Shareholders and obligations of the Management | √ | √ | √ | √ |

(j) Confirmation of Independence

The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 of the Act read with relevant rules of the Act and Regulation 16 of the Listing Regulations, (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence (c) their name were included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act, Listing Regulations and are independent of the management of the Company.

(k) Number of shares held by Board of Directors as on March 31, 2022

Details of the shareholding held by Board of Directors as on March 31, 2022 are given in the table below:

| Name of Directors | Number of Shares | % of shareholding |
|-------------------------------|------------------|-------------------|
| Shri Rajendra Kumar Rajgarhia | Nil | Nil |
| Shri Sanjay Rajgarhia | 641745 | 48.18 |
| Shri Harpal Singh Chawla | Nil | Nil |
| Smt. Ruchi Vij | Nil | Nil |

3. Committees of the Board

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their terms of reference that set forth the purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. The Committees meet as often as required or as statutorily required. Committees that are constituted voluntarily for effective governance of the affairs of the Company may also include Company executives

The minutes of meetings of all Committees of the Board are circulated quarterly to the Board for noting.

The Committees of the Board are:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of the Committees. Terms of reference, composition, quorum, meetings, attendance and other relevant details of these committees are as under:-

AUDIT COMMITTEE

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal auditors and review of financial statements ensures that the interests of stakeholders are properly protected. The committee have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

(i) Terms of reference:

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations, 2015 which, inter alia, includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration, terms of appointment of auditors of the Company including their replacement or removal;
3. Approval for payment to statutory auditors for any other permitted services rendered by the statutory auditors;
4. Reviewing and examining, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Draft Auditors' report including qualifications, if any;

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter;
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes;
8. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
9. Discussion with internal auditors on any significant findings and follow up there-on;
10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism);
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
15. Approval or any subsequent modification of transactions of the Company with related parties;
16. Scrutiny of inter-corporate loans and investments;
17. Valuation of undertakings or assets of the Company, wherever it is necessary;
18. Evaluation of internal financial controls and risk management system;
19. Review of Management discussion and analysis of financial condition and results of operations;
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors;
21. Review of Internal audit reports relating to internal control weaknesses;
22. Review of Financial statement, in particular, investments made by the subsidiary company(ies);
23. Recommend appointment and remuneration of Cost Auditors;
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively;
25. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Manish Garg*, Chairman, Shri Harpal Singh Chawla, Shri Sanjay Rajgarhia and Smt. Ruchi Vij, Members.

*Shri Manish Garg, inducted as Chairman of the Committee, effective from close of business hours of July 12, 2022.

Invitees:

The representatives of Statutory Auditors and Internal Auditors, and other executives, as desired by the Committee, attend the meetings as invitees.

(iii) Meetings, Quorum and Attendance

Audit Committee meets at least four times in a year with a gap of not more than one hundred and twenty days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the year 2021-22, the Committee met five times i.e. on April 16, 2021, June 05, 2021; July 28, 2021; October 30, 2021 and February 04, 2022.

Attendance details of the members are given in the table below:-

| Name of the Committee Member | Meetings Held During Tenure | Meetings Attended |
|------------------------------------|-----------------------------|-------------------|
| Shri Harpal Singh Chawla, Chairman | 5 | 5 |
| Shri Sanjay Rajgarhia, Member | 5 | 5 |
| Smt. Ruchi Vij, Member | 5 | 5 |

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee, constituted under Section 178 of the Act and Regulation 19 with Part D of Schedule II to the Listing Regulations, 2015, functions according to its terms of reference that define its authority, responsibility and reporting functions which, inter alia, include the following:

(i) Terms of Reference:

The role of Committee is:

1. To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal;
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment / removal;
3. Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance.
4. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
5. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
6. To devise a policy on Board diversity;
7. To formulate and recommend to the Board policies relating to the remuneration for:
 - a. Directors;
 - b. Key Managerial Personnel; and
 - c. Other Employees of the Company;
8. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
9. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Harpal Singh Chawla, Chairman, Shri Rajendra Kumar Rajgarhia and Smt. Ruchi Vij, Members.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the year 2021-22 the Committee met one time i.e. on July 28, 2021. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least one Independent Director.

Attendance details of the members are given in the table below:-

| Name of the Committee Member | Meetings Held During Tenure | Meetings Attended |
|---------------------------------------|-----------------------------|-------------------|
| Shri Harpal Singh Chawla, Chairman | 1 | 1 |
| Shri Rajendra Kumar Rajgarhia, Member | 1 | 1 |
| Smt. Ruchi Vij, Member | 1 | 1 |

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for inter alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations, 2015. Additionally, the Board has authorised the Company Secretary to exercise the powers of approving transfer/ transmission of shares. Normally, transfers/ transmissions are approved once in a fortnight.

(i) Terms of Reference:

The role of Committee is:

1. Resolving grievances of the security holders' of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new /duplicate certificates, general meetings etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notices by the shareholders of the Company; and
6. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Harpal Singh Chawla, Chairman, Shri Sanjay Rajgarhia and Smt. Ruchi Vij, Members.

Compliance Officer

*Ms. Shefali Chauhan**, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations.

* Ms. Shefali Chauhan, Company Secretary and Compliance Officer of the Company has resigned w.e.f. July 23, 2022.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the year 2021-22 the Committee met twice i.e. on June 05, 2021 and October 30, 2021. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:-

| Name of the Committee Member | Meetings Held During Tenure | Meetings Attended |
|------------------------------------|-----------------------------|-------------------|
| Shri Harpal Singh Chawla, Chairman | 2 | 2 |
| Shri Sanjay Rajgarhia, Member | 2 | 2 |
| Smt. Ruchi Vij, Member | 2 | 2 |

(iv) Investors' Grievances/Complaints

During the year 2021-22, the Company received two complaints and all were resolved. Accordingly, no complaint was pending as on March 31, 2022.

(v) Transfers, Transmissions etc. approved

During the year 2021-22, the Company received 7 cases (involving 360 equity shares) of share transmission and all the shares were duly transmitted. The Company didn't receive any request for transfer of shares.

The Company had 2339 shareholders as on March 31, 2022.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Corporate Social Responsibility Committee has been constituted to review and oversee the Corporate Social Responsibility ('CSR') initiatives of the Company.

(i) Terms of Reference

The role of the Committee is:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same;
- To monitor the CSR Policy including CSR projects/programmes;
- Any other role as may be prescribed by law or as may be delegated to the Committee by the Board, from time to time.

(ii) Composition

As on date, the Committee comprises of Shri Sanjay Rajgarhia, Chairman, Shri Harpal Singh Chawla and Smt. Ruchi Vij, Members.

(iii) Meetings, Quorum and Attendance

During the year 2021-22, the Committee met two times i.e., on June 05, 2021 and February 04, 2022.

The quorum for the meeting is two members or one third of the members of the Committee, whichever is higher.

Attendance details of the members are given in the table below:-

| Name of the Committee Member | Meetings Held During Tenure | Meetings Attended |
|----------------------------------|-----------------------------|-------------------|
| Shri Sanjay Rajgarhia, Chairman | 2 | 2 |
| Shri Harpal Singh Chawla, Member | 2 | 2 |
| Smt. Ruchi Vij, Member | 2 | 2 |

As per Rule 3(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Perfectpac Limited is not falling under section 135 (1) of the Companies Act, 2013 for immediately preceding three financial years. Accordingly, there is no need to constitute CSR Committee and spending amount on CSR for the Financial Year 2022-23 till such time it meets the criteria specified in sub-section (1) of Section 135. Accordingly, CSR Committee of the Company has been dissolved w.e.f. July 12, 2022.

4. PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaires

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and, its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. The performance evaluation of the Non - Independent Directors was also carried out by the Independent Directors.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

5. REMUNERATION OF DIRECTORS

(a) Remuneration to Executive Directors

Details of the remuneration paid to Managing Director during financial year 2021-22 are as under:-

(Amount in Rs.)

| Name of Director | Basic Salary | Benefits/Allowances /Perquisites | Pension/PF | Total |
|-----------------------|--------------|----------------------------------|------------|-------------|
| Shri Sanjay Rajgarhia | 60,00,000 | 46,33,252 | 7,20,000 | 1,13,53,252 |

Service Contracts, Notice Period and Severance Fees

Appointment of Managing Director is contractual and is terminable on 3 months' notice. No severance fee is payable.

(b) Remuneration to Non-Executive Directors

Shri Rajendra Kumar Rajgarhia, Non-Executive Director, has opted not to receive any remuneration.

The details of sitting fees to the other Non-Executive Directors for year ended March 31, 2022 are as follows:-

(Amount in Rs.)

| Name of Director | Board Meetings | Total |
|-------------------------------|----------------|--------|
| Shri Rajendra Kumar Rajgarhia | 60,000 | 60,000 |
| Shri Harpal Singh Chawla | 60,000 | 60,000 |
| Smt. Ruchi Vij | 60,000 | 60,000 |

Note:- No sitting fees paid to Directors for attending committee meetings.

Other than holding equity shares, if any and payment of sitting fees as indicated above, the Non-Executive Directors did not have any pecuniary relationship or transactions with the Company during the year.

(c) **Criteria for making payment to Non-Executive Directors**

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/ Committee meetings. They are remunerated by way of sitting fees for attending the meetings and through commission, if any, approved by the Board and members of the Company. The criteria has been defined in the Nomination and Remuneration Policy of the Company. The criteria is also displayed on Company's website www.perfectpac.com.

6. **GENERAL BODY MEETINGS**

(a) **The details of last three Annual General Meetings (AGM) of the Company are as follows:**

| Financial Year | Date | Time | Location |
|-------------------------------------|-----------------------|------------|---|
| 2020-2021 (49 th AGM) | September 28, 2021 | 03:00 P.M. | Meeting conducted through Video conferencing / other Audio visual means. |
| 2019-2020 (48 th AGM) | September 29, 2020 | 12:00 Noon | Meeting conducted through Video conferencing / other Audio visual means facility pursuant to the MCA Circulars. |
| 2018-2019 (47 th AGM) | September 26, 2019 | 03:00 P.M. | The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoopur, P.O. Fatehpur Beri, New Delhi - 110074 |

(b) **Special resolution passed during last three AGMs:**

The details of the Special Resolution passed during last three AGM are mentioned below:-

| AGM | Special Resolution Passed |
|----------------------|--|
| 49 th AGM | - |
| 48 th AGM | Re-appointment of Smt. Ruchi Vij (DIN 01127918) as Non-Executive Independent Director on the Board of the Company. |
| 47 th AGM | Re-appointment of Shri Sanjay Rajgarhia (DIN 00154167) as Managing Director on the Board of the Company. |

(c) **Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2021-22**

No special resolution was passed through Postal Ballot during the Financial Year 2021-22.

(d) **Whether any Special Resolution is proposed to be passed through Postal Ballot: No**

(e) **Procedure for Postal Ballot**

- The notices containing the proposed resolutions and explanatory statements thereto are sent to all members of the Company at their registered postal/email addresses alongwith a Postal Ballot Form and a postage pre-paid business reply envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process;

- The Postal Ballot Forms/e-voting received within 30 days of dispatch are considered by the Scrutinizer;
- The Scrutinizer submits his report to the Chairman of the Company or a person authorized by him, who on the basis of the report announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposals of the Company.

7. MEANS OF COMMUNICATION

- (a) **Financial Results:** The quarterly, half yearly and annual financial results are regularly submitted to the Stock Exchanges and also posted on the website of the Company i.e. www.perfectpac.com. The website also displays official news release, if any.
- (b) **Newspaper Advertisement:** The quarterly, half yearly and annual financial results published in the leading newspapers i.e. 'Pioneer' and regional newspapers like 'Pioneer' in compliance with Listing Regulations.
- (c) **Website:** Various sections of the Company's website keep the investors updated on material developments of the Company by providing key and timely information like details of directors, financial results, annual reports, shareholding pattern etc. The website of the Company is www.perfectpac.com.
- (d) Annual Report is emailed to such members whose email ids are registered with the Company/ Depositories.
- (e) The Company believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

8 CODES AND POLICIES

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The Company has established the following salient codes and policies

(a) Code of Conduct for Directors and Senior Management

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management. Requisite annual affirmations of compliance with the Code have been received from the Directors and Senior Management of the Company. A declaration signed to this effect by Shri Sanjay Rajgarhia, Managing Director is enclosed as **Annexure-A**. The Code of Conduct is posted on the Company's website www.perfectpac.com.

(b) Code of Conduct for prevention of Insider Trading

The Company has formulated and implemented a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

The Company has also implemented Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the Insider Trading Regulations. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board.

(c) Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of unpublished price sensitive information. Pursuant to the Insider Trading Regulations the Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website www.perfectpac.com.

(d) Policy for Determining Materiality of Events

The Company has adopted a Policy for Determining Materiality of Events for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange. The Policy is displayed on Company's website www.perfectpac.com.

(e) Policy for Preservation of Documents

The Company has a Policy for Preservation of Documents. The Policy facilitates preservation of documents in compliance with the laws applicable to various functions and departments of the Company.

(f) Archival Policy

The Company has adopted an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website www.perfectpac.com.

(g) Policy for Determining Material Subsidiaries

This policy is displayed on the Company's website. The web link for the same is <http://perfectpac.com/pdf/Policies/Policy-for-Determining-Material-Subsidiary.pdf>.

(h) Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions

This policy is displayed on the Company's website. The web-link for the same is <http://perfectpac.com/pdf/Policies/Related%20Party%20Transaction%20Policy.pdf>.

(i)

Whistle Blower Policy

The Company has a robust Whistle Blower Policy to make the workplace as conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website www.perfectpac.com. The Audit Committee periodically reviews the functioning of the Policy. During the year, no Director or full-time employee was denied access to the Audit Committee.

(j) Corporate Social Responsibility (CSR) Policy

The Company has a Policy on Corporate Social Responsibility which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful activities or programs, if any, towards welfare of the community around the area of its operations. The Policy strives towards welfare of the different segments of the community, specifically the deprived and underprivileged segment. The Policy is disclosed on the Company's website www.perfectpac.com. Further, the Board modified the Policy with effect from April 01, 2021 to align the same with the amendments in Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

(k) Nomination and Remuneration Policy

The Company has a Policy on appointment and remuneration of Directors, Key Managerial Personnel ('KMP') and Senior Management / other employees ('Employees') of the Company.

The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website and the web-link for the same is <http://perfectpac.com/pdf/Policies/Vigil%20Mechanis-Whistle%20Blower%20Policy.pdf>.

(l) Policy for prevention of Sexual Harassment.

9 DISCLOSURES

- (a) There are no materially significant transaction with the related parties viz. Promoters, Director or the Management, their relatives, etc. that may have a potential conflict with the interests of the Company at large. Related party transactions are given at Note No. 37 of Notes to the Financial Statements in the Annual Report.
- (b) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years except for the quarter ended on March 31, 2019, fine was imposed by Stock Exchange i.e. BSE for late filling of Corporate Governance Report and said penalty paid by the Company and for the half year ended September 30, 2021, fine was imposed by Stock Exchange i.e. BSE Limited of Rs. 5,000/- with respect to late submission of Disclosure of Related Party Transaction under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In this connection, the Company have made representation letter that the Company has complied said Regulation.
- (c) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d) Commodity Price Risks/Foreign Exchange Risk and Hedging Activities: As per the Company's Policy for Determination of Materiality of Events and Information, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.
- (e) The Company has complied with the requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation 2 of Regulation 46 of SEBI Listing Regulations, 2015.
- (f) Details of total fees paid to Statutory Auditors are provided in Note No. 29 to the Financial Statements forming part of Annual Report.
- (g) During the year under review, the Company did not raised any funds through preferential allotment or Qualified Institutional Placement
- (h) During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.
- (i) The Company has obtained the recommendations from the respective committees wherever statutorily required for the matter concerned in terms of their term of reference and scope.
- (j) The Company has not granted any loans and advances to firms/Companies in which Directors are interested during the year under review.

10. GENERAL SHAREHOLDERS' INFORMATION

(a) Date, Time and Venue for 50th Annual General Meeting

As per Notice of 50th Annual General Meeting.

(b) Financial Year and Financial Calendar

The Company observes April 01 to March 31 of the following year as its Financial Year. The Financial Calendar for year 2022-23 is as follows:-

| Item | Tentative Dates* |
|-------------------------------------|-------------------|
| First Quarter Results | August 13, 2022 |
| Second Quarter Results | November 14, 2022 |
| Third Quarter Results | February 14, 2023 |
| Audited Annual Results for the year | May 30, 2023 |

* As approved by the Board of Directors. However, these dates are subject to change.

(c) Book Closure & Dividend Payment Dates

| | |
|-------------------------------|---|
| Book Closure | September 09, 2022 to September 15, 2022 |
| Dividend Payment Dates | No dividend has been recommended for the year ended March 31, 2022. |

(d) Listing

The name of the Stock Exchange at which the securities of the Company are listed and the respective stock code is as under:

| Name of the Stock Exchange | Security Listed | Stock Code |
|--|-----------------|------------|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 | Equity Shares | 526435 |
| *The Calcutta Stock Exchange Limited 7, Lyons Range, Dalhousie, Kolkata-700001 | Equity Shares | 026097 |

Listing fees for the financial year 2021-22 and 2022-23 have been paid to BSE Limited and The Calcutta Stock Exchange Limited.

*Note: *The Company has been voluntarily delisted from the Calcutta Stock Exchange Limited w.e.f. May 04, 2022.*

(e) Market Price Data

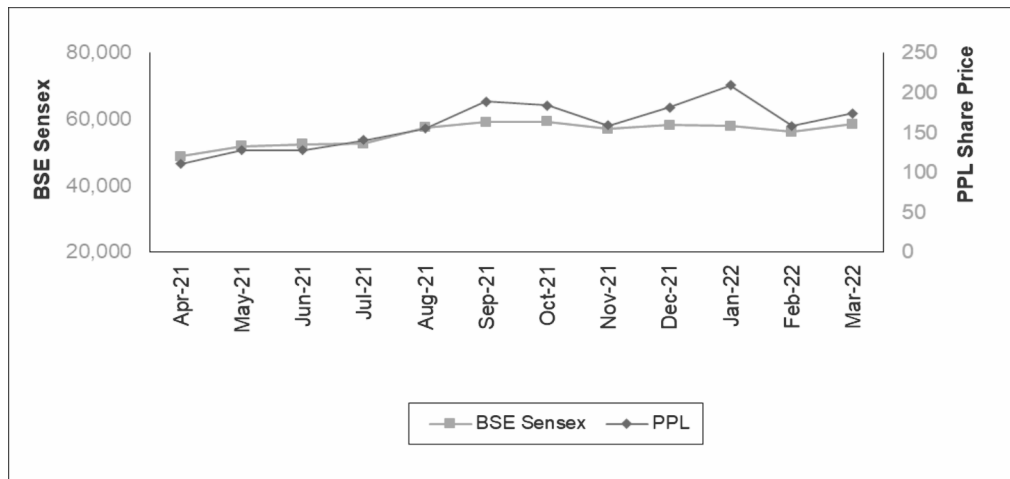
Monthly high/low of market price of the Company's equity shares (of Rs. '10' each) traded on the Stock Exchange (BSE) during the year 2021-22 is given hereinafter:

(Amount in Rs.)

| Months | High Price | Low Price |
|---------------|------------|-----------|
| April, 21 | 124.00 | 111.00 |
| May, 21 | 128.75 | 111.50 |
| June, 21 | 153.80 | 115.60 |
| July, 21 | 163.40 | 129.20 |
| August, 21 | 162.90 | 136.20 |
| September, 21 | 189.25 | 130.10 |
| October, 21 | 220.00 | 165.95 |
| November, 21 | 190.00 | 158.45 |
| December, 21 | 221.65 | 150.80 |
| January, 22 | 223.50 | 167.15 |
| February, 22 | 205.00 | 158.00 |
| March, 22 | 186.00 | 153.20 |

(f) Performance of the Company's equity shares in comparison to BSE Sensex

The below chart is based on the monthly closing price of the equity shares of the Company on BSE and monthly closing BSE Sensex.



(g) Compliance Officer

Ms. Shefali Chauhan*, Company Secretary, is the Compliance Officer appointed by the Board. She can be contacted for any investor related matter relating to the Company. The contact no. is 011-26441018 and e-mail id is "complianceofficer@perfectpac.com".

* Ms. Shefali Chauhan, Company Secretary and Compliance Officer of the Company has resigned w.e.f. July 22, 2022.

(h) Registrar and Share Transfer Agent

For share related matter, members are requested to correspond with the Company Registrar and share Transfer Agent-Skyline Financial Services Private Limited quoting their Folio No./ DP ID & Client ID at the following address:
Skyline Financial Services Private Limited,

D-153A , 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020

Tel: +011-40450193-97, E-mail: admin@skylinerta.com, info@skylinerta.com

(i) Share Transfer System

Shareholders' requests for transfer / transmission of equity shares and other related matters are handled by Registrar and Transfer Agent and are effected within stipulated timelines, if all the documents are valid and in order.

Further, SEBI has, vide its circular dated 25th January, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website



CIN No.: L72100DL1972PLC005971

In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

The Company obtains yearly certificate from a Company Secretary in Practice confirming the issue of share certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI Listing Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI Listing Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Securities and Exchange Board of India is also submitted to the Stock Exchanges on yearly basis.

(j) Information for Physical Shareholders

Pursuant to SEBI Circular dated 3rd November, 2021 read with SEBI Circulars dated 14th December, 2021 and 25th January, 2022 on Common and Simplified Norms for processing Investor's Service, shareholders holding shares in physical form, to furnish the following documents mandatorily to Company/ our Registrar & Share Transfer Agent (RTA) on urgent basis, failing which all such physical folios shall stand frozen with effect from April 1, 2023, by the RTA of the Company. The shareholders with frozen folio shall not be eligible to lodge grievance or avail service request from the RTA and further shall not be eligible for receipt of dividend in physical mode:

- (i) Valid PAN including of all Joint Shareholders duly linked with Aadhaar and KYC details (Form ISR-1)
- (ii) Bank Account details (Bank Name, Branch, Bank Account No, IFSC Code and MICR code) (Form ISR-1)
- (iii) Address with Pin code, Email id and Mobile Number (Form ISR-1)
- (iv) Specimen Signature (Form ISR-2)
- (v) Registration of Nominee (Form No. SH-13) or Declaration for opting-out of Nomination (Form ISR-3)

Soft copy of the above forms are available on the website of the Company as well as website of the Registrar and Share transfer agent of the Company.

Necessary communication through letters have been sent to all the physical shareholders in this regard in the month of March, 2022.

Further all the shareholders who have not dematerialized their shares, are also advised to get their shares converted into Demat/electronic form to get inherent benefits of dematerialization.

(k) Credit Ratings

The CRISIL vide its letter dated February 18, 2022 has reaffirmed the credit rating assigned to the Company on the Bank Facilities. The long term credit rating has been reaffirmed as CRISIL BBB-/Stable. The short term credit rating has been reaffirmed as CRISIL A3.

(l) Distribution of shareholding as on March 31, 2022

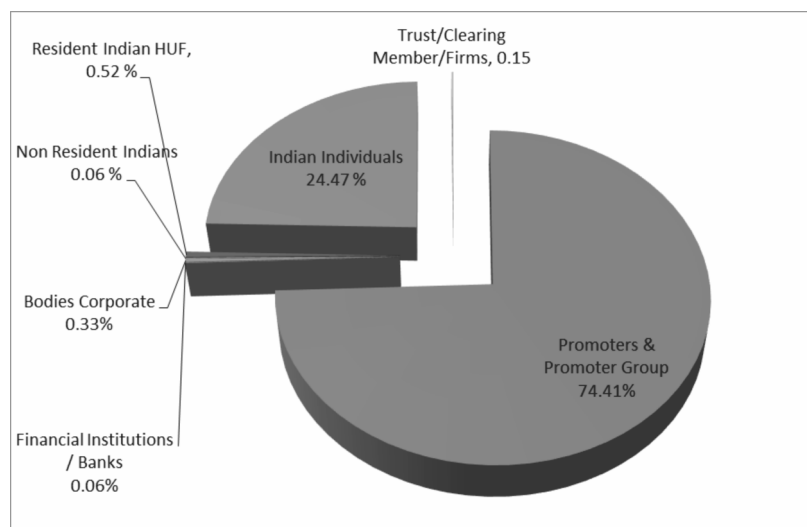
(i) Value wise

| Shareholding of Nominal Value (In Rs.) | Shareholders | | Shareholding | |
|--|--------------|------------|-------------------------|------------|
| | Number | % of Total | Nominal Amount (In Rs.) | % of Total |
| Upto 5,000 | 2253 | 96.33 | 1817700 | 13.65 |
| 5,001 to 10,000 | 50 | 2.14 | 363630 | 2.73 |
| 10,001 to 20,000 | 18 | 0.77 | 240290 | 1.80 |
| 20,001 to 30,000 | 5 | 0.21 | 135990 | 1.02 |
| 30,001 to 40,000 | 1 | 0.04 | 40000 | 0.30 |
| 40,001 to 50,000 | 2 | 0.09 | 91270 | 0.69 |
| 50,001 to 1,00,000 | 5 | 0.21 | 324310 | 2.43 |
| 1,00,001 and above | 5 | 0.21 | 10305810 | 77.38 |
| Total | 2339 | 100 | 13319000 | 100 |

(ii) Category wise

| S. No. | Category | No. of Shares | Shareholding as a % of total number of shares |
|-----------|--------------------------------------|----------------|---|
| A | Promoter & Promoter Group | 991005 | 74.41 |
| B | Public Shareholding | | |
| 1. | Financial Institutions/ Banks | 786 | 0.06 |
| 2. | Bodies Corporate | 4389 | 0.33 |
| 3. | Non-Resident Indians | 855 | 0.06 |
| 4. | Resident Indian HUF | 7027 | 0.52 |
| 5. | Indian Individuals | 325864 | 24.47 |
| 6. | Clearing Members/Trusts/Firms | 1974 | 0.15 |
| | Total | 1331900 | 100 |

Graphical Presentation of Shareholding



(m) Information pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015

Information pertaining to particulars of Director to be appointed / re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

(n) Certification of Non-Disqualification of Directors from Company Secretary in Practice

The Company has obtained a certificate from a Practicing Company Secretary, Ms. Suman Pandey, Partner of M/s. RSM & Co., Company Secretary in Practice, as per the provisions of Schedule V(C) of the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-B**

(o) Compliance Certificate from the Statutory Auditors

The Company has obtained a Certificate from Statutory Auditors confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure-C**.

(p) (i) Dematerialization of Shares

The shares of the Company fall under the category of confirming delivery in dematerialized mode by all categories of investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 11,76,654 equity shares constituting 88.21% of total issued Share Capital of the Company were in dematerialized form as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE759I01016**.

(ii) Liquidity

The Equity Shares of the Company are frequently traded on the BSE Limited.

(q) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence, as on March 31, 2022, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(r) **Location of Plant**
Plot No. 1B/1C, Udyog Vihar, Greater Noida (U.P.)-201306

(s) **Registered Office and Address for Correspondence**
Perfectpac Limited
910, Chiranjiv Tower-43, Nehru Place,
New Delhi-110019
Tel: 011-26441018
Email:- complianceofficer@perfectpac.com
Website:- www.perfectpac.com

(t) **Corporate Identification Number (CIN)**
L72100DL1972PLC005971

11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS

(a) Mandatory Requirements

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of Sub Regulation (2) of Regulation 46 of Listing Regulations.

(b) Extent to which Discretionary Requirements have been adopted:

The Company has partly adopted non mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations. The Company is having unmodified opinion in Audit Report on Financial Statements and the Internal Auditor Reports directly submit to the Audit Committee.

CEO/CFO Certification

In compliance with Regulation 17(8) read with Schedule II(B) of the Listing Regulations, a declaration by Managing Director and CFO is enclosed as **Annexure-D** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

Annexure-A

TO WHOMSOEVER IT MAY CONCERN

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2022.

For and on behalf of the Board

Place: New Delhi
Date: August 10, 2022

Sanjay Rajgarhia
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
PERFECTPAC LIMITED
CIN: L72100DL1972PLC005971
910, CHIRANJIV TOWER
43, NEHRU PLACE, NEW DELHI-110019

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Perfectpac Limited having CIN: L72100DL1972PLC005971 and having Registered Office: 910 Chiranjiv Tower, 43 Nehru Place, New Delhi 110 019 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of, for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries

CS SUMAN PANDEY
PARTNER
FCS NO. 7606 | C.P. NO. 8404
UDIN : F007606D000731538

Dated: 10.08.2022
Place: New Delhi

**Independent Auditor's Certificate Regarding compliance of
conditions of Corporate Governance**

Annexure-C

To the Members of

PERFECTPAC LIMITED,

We have examined the compliance of conditions of Corporate Governance by Perfectpac Limited for the year ended on 31st March, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, quality control for firms that perform audits and reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31st, 2022, as referred to in paragraph 1 above.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V S S A & Associates
Chartered Accountants
{Firm Registration No. 012421N}

CA Samir Vaid
Membership No. 091309
Partner
UDIN: 22091309AJXIZ08933

Place: New Delhi
Dated: 30.05.2022

CERTIFICATE OF CEO/CFO

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015)

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2021-22 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the auditors and the Audit committee:
 - (i) No significant changes in internal control over financial reporting during the year;
 - (ii) No significant changes in accounting policies during the year; and
 - (iii) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

Place: New Delhi
Date:- May 30, 2022

Mohinder Nagpal
Chief Financial Officer

Sanjay Rajgarhia
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

[Schedule V – Regulation 34(3) of SEBI (LODR) Regulations, 2015]

Introduction

Management Discussion and Analysis mainly comprise of the statements which, inter-alia, involve predictions based on perceptions and may, therefore, be prone to uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which are forward looking within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS

The corrugated packaging industry consists of about 300-400 automatic plants with substantial investment and thousands of smaller semi- automatic unit catering to the packaging needs of various types of industries. Most of the units are in the MSME Sector but the large investments are also coming into this sector.

Packaging is used to cover or wrap a product to preserve its quality and extend the shelf life of its contents by reducing the risk of contamination. Packaging plays a very significant role in transportation, warehousing, logistics and sales of products. Apart from providing convenience to customers, packaging also plays a major role in attracting customers to purchase the product and also displays the products features. Packaging is also an effective marketing tool too. Corrugated packaging, being easily recyclable has universal acceptance.

(b) OPPORTUNITIES & THREATS

In India, the packaging industry has witnessed constant changes over the years and it has emerged as one of the fastest growing sectors in India's economy.

In recent years, there has been a new user segment facilitating the growth of the Indian packaging industry viz e-commerce. The widespread adoption of e-commerce transactions/shopping has resulted in millions of packets being delivered daily across the country. This has further increased the demand for quality packaging material. India's large population and huge domestic consumption augur well for our Industry.

The industry is constantly faced with several challenges in terms of excess capacity, high degree of fragmentation resulting in poor bargaining power and capital constraints. The disruption in global trade and commerce due to the Pandemic has added to the woes of the industry in the form of severe raw material shortages and unprecedented hike in its prices, adversely affecting the profitability of the Industry.

(c) SEGMENT-WISE PERFORMANCE

The Company is a single product Company and hence, segment-wise or product-wise performance is not provided. The Company has no activity outside India. Therefore, there is no geographical segment.

(d) OUTLOOK

Your Company's priorities have always revolved around service to our customers and maintaining the quality of our end product. We continue to work towards making these strategies our priority by modernizing plant and machinery and by adding balancing equipment to improve quality and production capacity of our products.

We feel that factors such as increasing demand from industries of fresh food and beverages, home & personal care goods, and electronic goods, logistics application, increasing consumer awareness towards sustainable packaging, and growth of the e-commerce industry will propel the growth of the corrugated boxes market.

(e) RISKS & CONCERNS

The Company's business is exposed to both external and internal risks. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company has framed a detailed Risk Management Policy which identifies the various types of risks at all levels of the Company, identifies the key business risk areas and a risk mitigation process. The policy aims to ensure resilience for sustainable growth and sound corporate governance by having an identified process of risk identification and management in compliance with the provisions of the Companies Act, 2013.

The purpose of risk management is to identify potential events that may affect achievement of organization strategy and business objectives and to manage such risks.

(f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Commensurate with the size and nature of business, the Company has adequate system of internal controls, which provides adequate safeguards and effective monitoring of transactions. It is ensured that all assets are safeguarded, protected against loss and all transactions are authorized, recorded, and reported correctly. The Company has a strong internal audit system and an Independent Internal Auditor. The Internal Auditor reports submit to the Chairman and the Audit Committee of the Board. The Company has Audit Committee of the Board, the composition, and functions of which are furnished in the Corporate Governance Report as part of the Annual Report. Personnel of the Internal Auditor conduct periodical audits in all the areas to ensure that the Company's control mechanism is properly followed and all statutory requirements are duly complied with.

(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATING PERFORMANCE

The operating performance of the Company has been discussed in the Directors Report under the head financial summary and state of Company affairs/operations. The Profit Before Tax for the year 2021-22 was Rs. 158.95 lakhs as against 107.78 lakhs in the year 2020-21.

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

(h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company treats its human resources as its most important asset and believes in its contribution to the all-round growth of the Company. Your Company's progress is a reflection and outcome of the human resources it has. Your Company has fostered a culture of ownership, accountability and self-evaluation that encourages employees to continuously improve their efficiency. The industrial relations remained cordial throughout the year. As on March 31, 2022 the Company had 181 employees.

(I) LONG TERM AND SHORT TERM STRATEGY

The Company opts for proactive approach with respect to any changes or opportunities triggered by customers' buying behaviour. The Company sells its products directly to the customers and its strategy is to work closely with its major customers and align its business operations and investment decisions according to their requirements. The Company will also make continuous efforts to explore other growth opportunities.

(j) **SIGNIFICANT CHANGES IN FINANCIAL RATIOS**

During the year, the significant changes in the financial ratios of the Company, which are 25% or more as compared to the previous year are summarized below:-

| Financial Ratios | FY 2021-22 | FY 2020-21 | Change in % | Reason for Change |
|--------------------------------|-------------------|-------------------|--------------------|--|
| Debtors Turnover Ratio | 5.24 | 4.84 | 8.19 | — |
| Inventory Turnover (RM) | 7.57 | 6.67 | 13.59 | — |
| Interest Coverage Ratio | 6.64 | 6.58 | 0.96 | — |
| Current Ratio | 2.22 | 2.12 | 4.63 | — |
| Debt equity Ratio | 0.25 | 0.35 | (29.54) | Reduction in Debts out of Profit |
| Operation Profit Margin (%) | 2.57 | 2.42 | 6.29 | — |
| Net Profit margin (%) | 1.23 | 1.24 | (0.92) | — |
| Return on Net worth (%) | 3.68 | 2.87 | 28.23 | Increased in Profitability along with revenue from operation. |

(k) **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's expectations or predictions may be forward looking within the meaning of applicable laws or regulations. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

For and on behalf of the Board

Place: New Delhi
Date: August 10, 2022

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

Independent Auditor's Report

To the Members of

Perfectpac Limited,

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of Perfectpac Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 and its profit, changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there-under, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management 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 Ind AS Financial Statements

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

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

Identify and assess the risks of material misstatement of the Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto 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 Ind AS Financial Statements, including the disclosures and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Companies Act, 2013, 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.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors, as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, 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".
 - g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.
 - 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 Ind AS Financial Statements - refer Note 30 to Ind AS Financial Statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv) (i) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, 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 person(s) or entity (ies) including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, no funds have been received by the Company from any person(s) or entity(ies) including foreign entities ("funding parties") with the understanding whether recorded in writing or otherwise, that the Company shall, whether 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 and
- (iii) Based on such audit procedures that we have 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) contain any material mis-statement.
- (v) No dividend has been declared or paid during the year by the Company.

For **V S S A & Associates**
Chartered Accountants
(Firm Registration No. 012421N)
CA Samir Vaid
Membership No. 091309
Partner

Place: New Delhi
Dated: 30.05.2022
UDIN : 22091309AJXIAW6605

**Annexure A to the Independent Auditors' Report on the Ind AS
Financial Statements of Perfectpac Limited**

(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date)

- i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- b) The Company has a regular program of physical verification of its Property, Plant & Equipment through which all Property, Plant & Equipment are verified in a phased manner over a reasonable period of three years. As informed to us, no material discrepancies were noticed on such verification during the year.
- c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
- d) The Company has not revalued its Property, Plant & Equipment (including Right of Use assets) and intangible assets during the year.
- e) As per information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) a) The inventories have been physically verified by the management at reasonable intervals during the year, and in our opinion the coverage and procedure of such verification by the management is appropriate. As informed to us, no discrepancies of 10% or more in the aggregate in each class of inventory were noticed during physical verification as per information and explanations given to us.
- b) As per information and explanations given to us, the quarterly returns or statements filed by the Company with banks or financial institutions who have sanctioned working capital limits in excess of Rupees five crores, in aggregate, to the Company on the basis of security of current assets do not vary materially with the books of accounts of the Company.
- iii) According to the information and explanations given to us and the records of the Company examined by us, the Company has neither made investments in nor provided any guarantee or security or granted unsecured loans and advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties during the year. Hence our comments on clauses (iii)(a),(b),(c),(d),(e) and (f) of the Order are not required.
- iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments or given any guarantees and security, hence our comments on compliance with provisions of Section 185 and 186 of the Companies Act, 2013 are not required.

- v As per information and explanations given to us and the records of the Company examined by us, the Company has not accepted any deposits. Further there are no amounts which are deemed to be deposits. As per information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- vi In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act.
- vii a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs Tax, Duty of Excise, Value added Tax, Cess and other statutory dues with the appropriate authorities during the year. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.
- b) There are no statutory dues referred to in sub clause (a) which have not been deposited on account of any dispute other than those mentioned below:-

| Nature Of dues | Amount (Lakhs) | Period to which amount relates | Forum where the dispute is pending |
|-----------------------|-----------------------|---------------------------------------|---|
| Income Tax | 0.21 | 2009-10 | Deputy Commissioner of Income Tax |

- viii According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not surrendered or disclosed any transaction, as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which is not recorded in the books of accounts.
- ix a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and the records of the Company examined by us, term loans have been applied for the purpose for which they were obtained.
- d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
- e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiaries, associates or joint ventures. Therefore, the provisions of clause ix (e) of the Order are not applicable.
- f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiaries, associates or joint ventures. Therefore, the provisions of clause ix (f) of the Order are not applicable.

- x a) According to the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
b) According to the records of the Company examined by us the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi a) According to the information and explanations given to us and the records of the Company examined by us, no fraud by the Company and fraud on the Company has been noticed or reported during the year.
b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) The Company has neither informed us nor we have come across any whistle-blower complaints received during the year by the Company.
- xii In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii)(a),(b) and (c) of the Order are not applicable to the Company.
- xiii In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable. The details of such related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an internal audit system which is commensurate with the size and nature of its business.
b) The reports of Internal audit of the Company for the period under audit were duly considered by us.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and the Company is not required to obtain Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.
c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India therefore, the provisions of clause 3(xvi)(c) and (d) of the Order are not applicable to the Company.
- xvii. According to the records of the Company examined by us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year.

- xix In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company and on the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx In our opinion and according to the information and explanations given to us and based on our examination of the records, there are no unspent funds relating to Corporate Social Responsibility for the year, hence there is no requirement of transfer to Fund specified in Schedule VII to the Companies Act, 2013 or to a special account in compliance with Section (5) and (6) respectively of Section 135 of the said Act.
- xxi In our opinion and according to the information and explanations given to us the Company does not prepare Consolidated Financial Statements. Hence our comments on qualifications or adverse remarks are not required.

For V S S A & Associates
Chartered Accountants
(Firm Registration No. 012421N)

CA Samir Vaid
Membership No. 091309
Partner

Place: New Delhi
Dated: 30.05.2022
UDIN : 22091309AJXIAW6605

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of Perfectpac Limited

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

We have audited the internal financial controls over financial reporting of Perfectpac Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS 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 ("the 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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V S S A & Associates
Chartered Accountants
(Firm Registration No. 012421N)

CA Samir Vaid
Membership No. 091309
Partner

Place: New Delhi
Dated: 30.05.2022
UDIN : 22091309AJXIAW6605

Balance Sheet As At 31st March, 2022

(Rupees in Lakhs)

| Particulars | Note No. | As at 31st March, 2022 | | As at 31st March, 2021 | |
|--|-------------|---------------------------|-----------------|---------------------------|-----------------|
| ASSETS | | | | | |
| 1 Non-Current Assets | | | | | |
| Property, Plant, Equipment and Intangible Assets | | | | | |
| (a) Property, Plant and Equipment | 2 | 1,507.00 | | 1,495.37 | |
| (b) Intangible Assets | 2 | 4.56 | | 5.39 | |
| (c) Right-of-use assets | 2 | 76.55 | | 79.35 | |
| (d) Capital Work-in-Progress | 3 | 1.76 | | - | |
| (e) Financial Assets | | | | | |
| (i) Other Financial Assets | 4 | 35.88 | | 35.88 | |
| f) Other Non-Current Assets | 5 | <u>15.31</u> | 1,641.06 | <u>26.34</u> | 1,642.33 |
| 2 Current assets | | | | | |
| (a) Inventories | 6 | 1,018.77 | | 1,110.95 | |
| (b) Financial Assets | | | | | |
| (i) Trade Receivables | 7 | 1,760.98 | | 1,619.61 | |
| (ii) Cash and Cash Equivalents | 8 (a) | 32.02 | | 14.80 | |
| (iii) Other Balances with Banks | 8 (b) | 21.46 | | 44.50 | |
| (c) Current Tax Assets (net) | 9 | 6.73 | | 3.18 | |
| (d) Other Current Assets | 10 | <u>69.37</u> | 2,909.33 | <u>184.11</u> | 2,977.15 |
| Total Assets | | | <u>4,550.39</u> | | <u>4,619.48</u> |
| EQUITY AND LIABILITIES | | | | | |
| 1 Equity | | | | | |
| a) Equity Share Capital | 11 | 133.26 | | 133.26 | |
| b) Other Equity | 12 | <u>2,814.74</u> | 2,948.00 | <u>2,706.20</u> | 2,839.46 |
| 2 Non-Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Lease Liabilities | | 3.27 | | 5.19 | |
| (ii) Borrowings | 13 | 155.43 | | 267.35 | |
| (iii) Other Financial Liabilities | 14 | 8.13 | | 10.13 | |
| (b) Deferred Tax Liabilities (net) | 15 | 119.26 | | 89.89 | |
| (c) Other Non Current Liabilities | 16 | <u>3.76</u> | 289.85 | <u>2.15</u> | 374.71 |
| 3 Current Liabilities | | | | | |
| (a) Financial Liabilities | | | | | |
| (i) Lease Liabilities | | 1.92 | | 1.67 | |
| (ii) Borrowings | 17 | 563.22 | | 715.22 | |
| (iii) Trade Payables | | | | | |
| (a) Total outstanding dues of Micro Enterprises and Small Enterprises | 18 | 24.62 | | 14.82 | |
| (b) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | 18 | 608.07 | | 576.90 | |
| (iv) Other Financial Liabilities | 19 | 62.23 | | 85.70 | |
| (b) Provisions | 20 | 0.12 | | 0.06 | |
| (c) Other Current Liabilities | 21 | <u>52.36</u> | 1,312.54 | <u>10.94</u> | 1,405.31 |
| Total Equity and Liabilities | | | <u>4,550.39</u> | | <u>4,619.48</u> |
| See accompanying notes to the financial statements | 1 to 59 | | | | |

As per our report of even date attached

For V S S A & Associates
(Firm Registration No 012421N)
 Chartered Accountants

CA Samir Vaid
Partner
M. No. 091309

 Place : New Delhi
 Dated : May 30, 2022

For and on behalf of the Board

 Rajendra Kumar Rajgarhia
 Chairman
 (DIN 00141766)

 Sanjay Rajgarhia
 Managing Director
 (DIN 00154167)

 Harpal Singh Chawla
 Director
 (DIN 00025492)

 Mohinder Nagpal
 Chief Financial Officer

 Shefali Chauhan
 Company Secretary
 (M.No A60229)

Statement of Profit and Loss Account for the Year Ended 31st March, 2022

| (Rupees in Lakhs) | | | |
|---|-------------|--------------------------------|--------------------------------|
| Particulars | Note No. | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
| I Revenue from Operations | 22 | 8,849.73 | 6,590.14 |
| II Other Income | 23 | 23.18 | 51.34 |
| III Total Income (I+II) | | <u>8,872.91</u> | <u>6,641.48</u> |
| IV EXPENSES | | | |
| Cost of Materials Consumed | 24 | 6,610.74 | 4,749.25 |
| Changes in Inventories of Finished Goods, Work-in-Progress and Others | 25 | (9.59) | 10.16 |
| Employee Benefits Expense | 26 | 816.43 | 692.31 |
| Finance Costs | 27 | 68.56 | 51.62 |
| Depreciation and Amortization Expense | 28 | 227.68 | 180.06 |
| Other Expenses | 29 | 1,000.14 | 850.30 |
| Total Expenses | | <u>8,713.96</u> | <u>6,533.70</u> |
| Profit Before Tax | | 158.95 | 107.78 |
| V Tax Expense: | | | |
| Current | | 25.68 | 16.19 |
| Relating to Earlier Years | | 0.89 | 0.16 |
| MAT Credit Entitlement | | 0.83 | (1.05) |
| Deferred tax | | 28.54 | 15.31 |
| VI Profit for the year (IV-V) | | <u>103.01</u> | <u>77.17</u> |
| VII Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| Remeasurements of net defined benefit plans | | 7.66 | 5.96 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (2.13) | (1.55) |
| Total Other Comprehensive Income | | <u>5.53</u> | <u>4.41</u> |
| VIII Total Comprehensive Income (VI+VII) | | 108.54 | 81.58 |
| IX Earning Per Equity Share | 36 | | |
| Basic (Rs.) | | 7.73 | 5.79 |
| Diluted (Rs.) | | 7.73 | 5.79 |
| See accompanying notes to the financial statements | 1 to 59 | | |

For and on behalf of the Board

| | | | |
|---|--|---|--|
| <p>As per our report of even date attached For V S S A & Associates (Firm Registration No 012421N) Chartered Accountants</p> <p>CA Samir Vaid Partner M. No. 091309</p> | <p>Rajendra Kumar Rajgarhia Chairman (DIN 00141766)</p> <p>Mohinder Nagpal Chief Financial Officer</p> | <p>Sanjay Rajgarhia Managing Director (DIN 00154167)</p> <p>Shefali Chauhan Company Secretary (M.No A60229)</p> | <p>Harpal Singh Chawla Director (DIN 00025492)</p> |
|---|--|---|--|

Place : New Delhi
Dated : May 30, 2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. EQUITY SHARE CAPITAL

(Rupees in Lakha)

As at April 1, 2021.

133.26

Changes in equity share capital

-

As at March 31, 2022

133.26

B. Other EQUITY

| | Reserves and surplus | | Items of other comprehensive income | | Total |
|---|----------------------|-----------------|-------------------------------------|--|----------------|
| | Securities premium | General Reserve | Retained Earnings | Remeasurement of defined benefit plans (FVOCI) | |
| Balance as at April 1,2020 | 99.89 | 146.80 | 2,383.42 | (5.49) | 2,624.62 |
| Profit for the year | - | - | 77.17 | - | 77.17 |
| Other Comprehensive income for the year | - | - | - | 4.41 | 4.41 |
| Total comprehensive Income for the year | - | - | 77.17 | 4.41 | 81.58 |
| Balance as at March 31,2021 | 99.89 | 146.80 | 2,460.59 | (1.08) | 2706.20 |
| Profit for the year | - | - | 103.01 | - | 103.01 |
| Other Comprehensive income for the year | - | - | - | 5.53 | 5.53 |
| Total comprehensive Income for the year | - | - | 103.01 | 5.53 | 108.54 |
| Balance as at March 31,2022 | 99.89 | 146.80 | 2,563.60 | 4.45 | 2814.74 |

For and on behalf of the Board

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Harpal Singh Chawla
Director
(DIN 00025492)

CA Samir Vaid
Partner
M. No. 091309

Mohinder Nagpal
Chief Financial Officer

Shefali Chauhan
Company Secretary
(M.No A60229)

Place : New Delhi
Dated : May 30, 2022

Cash Flow Statement For The Year Ended 31st March, 2022

(Rupees in Lakhs)

| | Year Ended 31.03.2022 (Rs.) | Year Ended 31.03.2021(Rs.) | |
|--|--|-------------------------------|-----------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| A | Net Profit before Tax Exceptional & Extraordinary items | 158.95 | 107.78 |
| | Add Exceptional items | - | - |
| | Adjustments for: | | |
| | Other Comprehensive Income | 5.53 | 4.41 |
| | Depreciation | 227.68 | 180.06 |
| | (Profit)/loss on sale of fixed Assets & Assets Discarded (Net) | (1.91) | (31.13) |
| | Interest Paid | 68.56 | 51.62 |
| | Interest received | (2.32) | (8.09) |
| | Operating Profit before working capital changes | 456.49 | 304.65 |
| | Adjustments for: | | |
| | Trade and Other Receivables | (19.15) | (515.53) |
| | Inventories | 92.18 | (418.35) |
| | Trade Payable and Other Liabilities | 88.00 | 262.36 |
| | Cash Generated from Operations | 617.52 | (366.87) |
| | Direct Taxes Paid (including deferred tax) | (55.94) | (30.61) |
| B | Cash Flow before extraordinary items | 561.58 | (397.48) |
| | Extraordinary Items | - | - |
| | Net Cash from Operating Activities | 561.58 | (397.48) |
| | CASH FLOW FROM INVESTING ACTIVITIES: | | |
| | Purchase of Fixed Assets, Including capital work in progress | (255.17) | (350.15) |
| | Purchase of Investments | - | - |
| | Sale of Fixed Assets | 19.60 | 50.05 |
| | Interest received | 2.32 | 8.09 |
| | Net Cash used in Investing Activities | (233.25) | (292.01) |
| C | CASH FLOW FROM FINANCING ACTIVITIES: | | |
| | Repayments of Long Term Borrowings | (106.17) | (91.50) |
| | Net proceeds of Long Term Borrowings | - | 381.80 |
| | Net proceeds of Short Term Borrowings | (157.75) | 429.42 |
| | Dividend & Dividend Tax Paid | 0.00 | - |
| | Payment of Lease Liability | (1.67) | (1.42) |
| | Interest Paid | (68.56) | (51.62) |
| | Net Cash from Financing Activities | (334.15) | 666.68 |
| | Net Increase in Cash and Cash Equivalents (A+B+C) | (5.82) | (22.81) |
| | Cash and Cash Equivalents as at 1st April, Opening Balance | 59.30 | 82.11 |
| | Cash and Cash Equivalents as at 31st March, Closing Balance | 53.48 | 59.30 |
| | Note: Figures in brackets represent outflow. | | |

For and on behalf of the Board

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants

CA Samir Vaid
Partner
M. No. 091309

Place : New Delhi
Dated : May 30, 2022

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Mohinder Nagpal
Chief Financial Officer

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Shefali Chauhan
Company Secretary
(M.No A60229)

Harpal Singh Chawla
Director
(DIN 00025492)



CIN No.: L72100DL1972PLC005971

Notes forming part of the Financial Statements

1. Corporate Information

Perfectpac Limited ("the Company") is a public limited Company incorporated in India with its Registered Office at Delhi and is listed on the Bombay Stock Exchange Limited (BSE). The Company is engaged interalia, in the business of manufacturing of Packaging products.

2. Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its Financial Statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Financial Statements.

(a) Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") including the rules notified under the relevant provisions of the Companies Act, 2013 in the format prescribed by Schedule III (as amended) vide MCA Notification GSR 207(E) dated 24.03.2021.

(b) Basis for Preparation & Presentation

The Financial Statements have been prepared under the historical cost convention on accrual basis with the exception of certain assets and liabilities carried at fair values. The Assets and Liabilities have been classified as Current/Non Current as per the Companies normal operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non Current classification of assets and liabilities.

(c) Property, Plant and Equipment-Tangible Assets

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation Method and Estimated Useful Life

- (i) Depreciation is provided on the straight line method over the estimated useful life of the assets as prescribed under the Schedule II to the Companies Act 2013.
- (ii) Gains and losses on disposals are determined by comparing proceeds with carrying amount and such gains or losses are recognized as income or expense in the Statement of Profit and Loss.
- (iii) Cost of items of Property, Plant and Equipment not ready for intended use as on the Balance Sheet date is disclosed as capital work in progress. Advances given towards acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date are disclosed as Capital Advance under Other Non Current Assets.

(d) Intangible Assets And Amortization

Intangible assets are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated amortization and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are recognized as income or expense in the Statement of Profit and Loss.

Cost of items of intangible assets not ready for intended use as on the Balance Sheet date is disclosed as intangible assets under development.

Amortization Method and Estimated Useful Life

Amortization is charged on a straight line basis over the estimated useful life. The estimated useful life and amortization method are reviewed at the end of each annual reporting period with the effect of any changes in the estimate being accounted for on a prospective basis.

(e) Impairment of Non-financial assets.

Tangible and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(f) Leases

In accordance with Ind AS 116, as lessee with a term of more than 12 months, the Company recognises a 'right-of-use' asset at cost for the lease term at the commencement date and a lease liability representing its obligation to make future lease payments. The 'Right-of-use' asset is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of 'right-of-use' asset. The lease payment is discounted using the lessee's incremental borrowing rate as there is no interest rate implicit in the lease. Short term lease and lease of low value is treated as expense on straight line basis or other systematic basis over the lease term.

(g) Financial Instruments

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Since the transaction price does not differ significantly from the fair value of the financial asset or financial liability, the transaction price is assumed to be the fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase and sale of financial assets are recognized using trade date accounting.

(i) Financial Assets

Financial assets include Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc which are classified for measurement at amortized cost. The Company accounts its investments in subsidiaries and associates at cost.

Management determines the classification of an asset at initial recognition depending on the purpose for which the asset was acquired. The subsequent measurement of financial assets depends on such classification.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) are tested for impairment based on available evidence or information. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

De-Recognition:

Financial assets are derecognized when the right to receive cash flow from the assets has expired, or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership.

Income Recognition:

Interest income is recognized in the Statement of Profit and Loss using the effective interest method.

(ii) Financial Liabilities:

Borrowings, Trade Payables and other Financial Liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

De-Recognition:

Financial Liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

(h) Inventories

Inventories are valued at lower of cost and net realizable value except waste which is valued at estimated realizable value as certified by the management. The basis of determining cost for various categories of inventories are as follows:

| | |
|--|---|
| Stores, Spare Parts, Packing Materials and Raw Materials | First in First out basis. |
| Work in Progress and Finished Goods | Material cost plus appropriate share of production overheads. |

(i) Revenue

Revenue is recognized when the performance obligation is satisfied by transferring a promised good or service (*i.e.* an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the Government. Interest income is accrued on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. Income from services if any, is accounted over the period of rendering of services.

(j) Foreign Currency Transactions

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Financial Statements are presented in Indian Rupee (INR) which is Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss.

(k) Cash and Cash Equivalents

For the purpose of presentation in the statement of Cash Flows, Cash and Cash Equivalents includes cash in hand, cheques/drafts in hand, demand deposits with banks, short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(l) Income Tax

Income tax expense represents the sum of the current tax and deferred tax.

Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off set against each other and the resultant net amount is presented in the Balance Sheet if and only when the Company currently has a legally enforceable right to set off the current income tax assets and liabilities.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case the tax is also recognized in Other Comprehensive Income or directly in equity respectively.

(m) Employee Benefits**(i) Short Term Employee Benefits**

Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



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(ii) Post Employment Benefits

Defined Contribution Plans

The Company's defined contribution plans are superannuation and employees provident fund, Employee State Insurance/Labour Fund and employees pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's contributions to these plans are charged to the Statement of Profit and Loss as incurred.

Defined Benefits Plans

Liability for defined benefit plans is provided on the basis of valuations as at the Balance Sheet date, carried out by an independent actuary.

Gratuity

The gratuity fund benefits are administered by a Trust recognized by Income Tax Authorities through Group Gratuity Schemes. The liability for gratuity at the end of the each financial year is determined on the basis of actuarial valuation carried out by the independent Actuary. The method used for measuring the liability for gratuity is Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Other Comprehensive Income in the period of occurrence of such gains and losses. The obligations for gratuity are measured at the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the Balance Sheet date.

(iii) Other Long Term Benefits Plans

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

(n) Earnings Per Share

Basic Earnings per Share is calculated by dividing the profit for the period attributable to the owners of Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purposes of calculating diluted earnings per share the profit for the period attributable to the owners of the Company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(o) Exceptional Items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the Company for the year, the Company makes a disclosure of the nature and amount of such items separately under the head "Exceptional Items."

(p) Provisions and Contingent Liabilities

A provision is recognized if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflect, when appropriate the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the Financial Statements. However, when the realization of income is virtually certain then the related asset is not a contingent asset and its recognition is appropriate.

(q) Rounding of Amounts

All amounts disclosed in the Financial Statements and accompanying notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

(r) Dividends

Dividend proposed (including income tax thereon) is recognized in the period in which interim dividends are approved by the Board of Directors or in respect of final dividend when approved by shareholders.

(s) Borrowing Cost

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(t) Use of Estimates and Critical Accounting Judgements

The preparation of Financial Statements is in conformity with Generally Accepted Accounting Principles which requires management to make estimates and assumptions.

The estimates and the associated assumptions are based on historical experience, opinions of experts and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant judgements and estimates are made in areas relating to useful life of Property, Plant and Equipment, impairment of Property, Plant and Equipment, Investments, actuarial assumptions relating to recognition and measurement of employee defined benefit obligations and recognition of provisions and exposure of contingent liabilities relating to pending litigations or other outstanding claims etc.

(u) Recent Prouncements relating to Indian Accounting Standards(Ind AS)

Ministry of Corporate Affairs notifies new Standards or amendments to the existing Standards. On March 23,2022,MCA issued the Companies(Indian Accounting Standards)Rules,2022, applicable from April 1,2022 and has made amendments to Ind AS 16, Ind AS 37,Ind AS 103,Ind AS 106 and Ind AS 109. The Company does not expect the amendments to have any significant impact in its financial statements.

NOTE-2 Property, Plant, Equipment and Intangible Assets

(Rupees in Lakhs)

| FIXED ASSETS | GROSS BLOCK | | | | | | DEPRECIATION/AMORTISATION | | | NET BLOCK | | |
|---------------------------------------|-----------------|-----------------------|---------------------------|-------------------|---------------------------------------|-----------------------|---------------------------|--------------|---------------------------------------|------------------|------------------|------------------|
| | Description | Cost As at 01.04.2021 | Additions during the year | Other Adjustments | Deductions/Retirement during the year | Cost As at 31.03.2022 | As at 01.04.2021 | For the year | Deductions/Retirement during the year | As At 31.03.2022 | As At 31.03.2022 | As At 31.03.2021 |
| Property, Plant and Equipment | | | | | | | | | | | | |
| Buildings | 274.53 | 4.40 | - | - | 278.93 | 54.73 | 11.16 | - | 65.89 | 213.04 | 219.80 | |
| Plant & Equipments | 1,506.23 | 232.39 | - | 47.24 | 1,691.38 | 476.76 | 162.95 | 34.37 | 605.34 | 1,086.04 | 1,029.47 | |
| Furniture & Fixtures | 7.11 | 4.05 | - | - | 11.16 | 2.76 | 0.70 | - | 3.46 | 7.70 | 4.35 | |
| Office Equipments | 45.07 | 2.87 | - | - | 47.94 | 22.76 | 7.12 | - | 29.88 | 18.06 | 22.31 | |
| Electrical Installations and Fittings | 8.32 | - | - | - | 8.32 | 2.04 | 0.37 | - | 2.41 | 5.91 | 6.28 | |
| Vehicles | 342.95 | 6.80 | - | 12.31 | 337.44 | 132.03 | 39.94 | 7.45 | 164.52 | 172.92 | 210.92 | |
| Computers | 6.21 | 2.15 | - | - | 8.36 | 3.97 | 1.06 | - | 5.03 | 3.33 | 2.24 | |
| TOTAL | 2,190.42 | 252.66 | - | 59.55 | 2,383.53 | 695.05 | 223.30 | 41.82 | 876.53 | 1,507.00 | 1,495.37 | |
| Intangible Assets | | | | | | | | | | | | |
| Computer Software | 8.59 | 0.75 | - | - | 9.34 | 3.20 | 1.58 | - | 4.78 | 4.56 | 5.39 | |
| TOTAL | 8.59 | 0.75 | - | - | 9.34 | 3.20 | 1.58 | - | 4.78 | 4.56 | 5.39 | |
| Right of Use assets | | | | | | | | | | | | |
| Leasehold Land | 78.12 | - | - | - | 78.12 | 4.94 | 0.99 | - | 5.93 | 72.19 | 73.18 | |
| Buildings | 9.04 | - | - | - | 9.04 | 2.87 | 1.81 | - | 4.68 | 4.36 | 6.17 | |
| TOTAL | 87.16 | - | - | - | 87.16 | 7.81 | 2.80 | - | 10.61 | 76.55 | 79.35 | |
| TOTAL | 2,286.17 | 253.41 | - | 59.55 | 2,480.04 | 706.06 | 227.68 | 41.82 | 891.92 | 1,580.11 | 1,580.11 | |
| Previous Year | 2,000.68 | 350.15 | - | 64.66 | 2,286.17 | 571.74 | 180.06 | 45.74 | 706.06 | 1,580.11 | 1,428.94 | |

Notes to the Financial Statements for the year ended March 31,2022

(Rupees in Lakhs)

| | As at 1st March 2022 | As at 1st March 2021 |
|--|-------------------------|-------------------------|
| 3 Capital Work-in-Progress | 1.67 | - |
| Building under Construction | <u>0.09</u> | - |
| Plant and Equipment under Installation | <u>1.76</u> | - |

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 year | More than 3 years | |
| As At 31st March, 2022 | | | | | |
| Projects in progress | 1.76 | - | - | - | 1.76 |
| | (-) | (-) | (-) | (-) | (-) |
| Projects Temporarily Suspended | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given

| CWIP | To be completed in | | | | Total |
|---------|--------------------|-----------|----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 year | More than 3 years | |
| Project | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |

4 Other Financial Assets

Security Deposits

| | | |
|----------------|--------------|--------------|
| Related Party* | 0.53 | 0.53 |
| Others | <u>35.35</u> | <u>35.35</u> |
| Total | <u>35.88</u> | <u>35.88</u> |

* Security against rent given to Managing Director

5 Other Non-Current Assets

Unsecured Considered Good:

| | | |
|-----------------------|--------------|--------------|
| Capital Advances | 13.85 | 22.55 |
| Advances to Employees | - | 1.41 |
| Prepaid Expenses | <u>1.46</u> | <u>2.38</u> |
| Total | <u>15.31</u> | <u>26.34</u> |

6 Inventories

(As taken, valued & certified by the Management) - At cost or net realisable value, whichever is lower except waste at estimated realisable value)

| | | |
|----------------------------------|-----------------|-----------------|
| i) Raw Materials | 745.51 | 902.22 |
| ii) Work- In- Progress | 0.43 | 4.80 |
| iii) Finished goods | 77.37 | 64.51 |
| iv) Stores, Spares & Loose Tools | 192.86 | 137.92 |
| v) Others- Waste & scrap | <u>2.60</u> | <u>1.50</u> |
| Total | <u>1,018.77</u> | <u>1,110.95</u> |

Notes to the Financial Statements for the year ended March 31,2022

(Rupees in Lakhs)

| | As at 1st March 2022 | As at 1st March 2021 |
|--|-------------------------|-------------------------|
| 7 Trade Receivables (Unsecured) | | |
| (a) Trade Receivables considered good | 1,760.98 | 1,619.61 |
| (b) Trade Receivables which have significant increase in Credit Risk | - | - |
| (c) Trade Receivables-credit impaired | - | - |
| | <u>1,760.98</u> | <u>1,619.61</u> |

Note:- All due are billed and there are no unbilled dues

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|--|--|--------------------|-----------------|--------------|-------------|-------------------|----------------|
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 Years | |
| (i) Undisputed Trade receivables – considered good | 1050.70 | 552.37 | 32.33 | 14.22 | 0.37 | - | 1649.99 |
| | (1,088.88) | (508.53) | (9.20) | (0.07) | (0.37) | (-) | (1607.05) |
| (ii) Undisputed Trade Receivables–which have significant increase in credit risk | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | - | - | - | 1.55 | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| (iv) Disputed Trade Receivables– considered good | - | 67.32 | 27.82 | 3.29 | 1.55 | 11.01 | 110.99 |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (1.55) | (11.01) | (-) | (12.56) |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) | (-) | (-) |
| Total | 1,050.70 | 619.69 | 60.15 | 17.51 | 1.92 | 11.01 | 1760.98 |
| | (1,088.88) | (508.53) | (9.20) | (1.62) | (11.38) | (-) | (1619.61) |

8 Cash and Cash Equivalents
(a) Balances with Banks:

| | | |
|-----------------------------|--------------|--------------|
| In Current Accounts | 10.56 | 6.96 |
| Cheques /Drafts on hand | 3.10 | - |
| Cash on Hand (as certified) | 18.36 | 7.84 |
| Total | <u>32.02</u> | <u>14.80</u> |

8(b) Others:

| | | |
|--|--------------|--------------|
| Bank Deposits with Original Maturity upto 12 months (Including Interest Accrued) | 21.46 | 44.50 |
| Total | <u>21.46</u> | <u>44.50</u> |

9 Current Tax Assets (Net)

| | | |
|---|-------------|-------------|
| Advance Income Tax and Tax Deducted at Source | 6.73 | 3.18 |
| Total | <u>6.73</u> | <u>3.18</u> |

10 Other Current Assets
Unsecured considered good
Advances other than Capital Advances

| | | |
|---|--------------|---------------|
| Advances against supply of goods & services | 40.16 | 17.90 |
| Advances to Employees | 4.97 | 7.72 |
| Prepaid Expenses | 10.65 | 10.98 |
| Advances with Government Authorities | 13.59 | 147.51 |
| Total | <u>69.37</u> | <u>184.11</u> |

Notes to the Financial Statements for the year ended March 31,2022

(Rupees in Lakhs)

| | As at 31st March 2022 | As at 31st March, 2021 |
|---|--------------------------|---------------------------|
| 11 Equity Share Capital | | |
| Authorised | | |
| 20,00,000 (20,00,000) Equity Shares of Rs. 10 each | 200.00 | 200.00 |
| 1,25,000 (1,25,000) Preference Shares of Rs. 100 each | 125.00 | 125.00 |
| Total | <u>325.00</u> | <u>325.00</u> |
| Issued, Subscribed and Paid up | | |
| 13,31,900 (13,31,900) Equity Shares of Rs. 10 each fully paid | 133.19 | 133.19 |
| Add: forfeited shares | 0.07 | 0.07 |
| Total | <u>133.26</u> | <u>133.26</u> |

Reconciliation of the Equity Shares Outstanding

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|--------------------------------------|------------------------|-------------------|------------------------|-------------------|
| | No. of shares | (Rupees in Lakhs) | No. of shares | (Rupees in Lakhs) |
| Balance at the beginning of the year | 1,331,900 | 133.19 | 1,331,900 | 133.19 |
| Issued during the year | - | - | - | - |
| Balance at the end of the year | <u>1,331,900</u> | <u>133.19</u> | 1,331,900 | 133.19 |

The Company has issue only one class of share refer to as Equity Shares having a par value of Rs 10 each. Each holder of Equity Share is entitled to one vote per share held. The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

The details of Shareholders holding more than 5% of the aggregate shares in the Company:-

| NAME OF SHAREHOLDER | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---------------------------------------|------------------------|--------|------------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Sanjay Rajgarhia | 641,745 | 48.18 | 636,282 | 47.77 |
| Essvee Fiscal LLP | 144,383 | 10.84 | 142,347 | 10.69 |
| Faridabad Paper Mills Private Limited | 200,277 | 15.04 | 200,277 | 15.04 |

| Shares held by Promoters at 31st March 2022 * | | | |
|---|--------------|-------------------|--------------------------|
| Promoter Name | No of Shares | % of Total Shares | % change during the year |
| Sanjay Rajgarhia | 641,745 | 48.18 | 0.41 |
| Essvee Fiscal LLP | 144,383 | 10.84 | 0.15 |
| Faridabad Paper Mills Private Limited | 200,277 | 15.04 | 0.00 |
| Anjali Harlalka | 4,600 | 0.35 | 0.00 |

| Shares held by Promoters at 31st March 2021 | | | |
|---|--------------|-------------------|--------------------------|
| Promoter Name | No of Shares | % of total shares | % change during the year |
| Sanjay Rajgarhia | 636,282 | 47.77 | 1.83 |
| Essvee Fiscal LLP | 142,347 | 10.69 | 0.31 |
| Faridabad Paper Mills Private Limited | 200,277 | 15.04 | 0.00 |
| Anjali Harlalka | 4,600 | 0.35 | 0.00 |

*Promoter here means promoter as defined in the Companies Act, 2013.

Dividends:

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of Shareholder in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

Details of Dividend Paid

Particulars

(i) Equity Shares

Dividend for the year ended 31st March, 2022 of Rs. Nil (Rs Nil) per fully paid equity share

Nil

Nil

Notes to the Financial Statements for the year ended March 31,2022

(Rupees in Lakhs)

| | As at 31st March 2022 | | As at 31st March 2021 | |
|-----------------------------------|--------------------------|-----------------|--------------------------|-----------------|
| 12 Other Equity | | | | |
| Securities Premium | | | | |
| As per last Balance Sheet | | 99.89 | | 99.89 |
| General Reserve | | | | |
| As per last Balance Sheet | | 146.80 | | 146.80 |
| Retained Earnings | | | | |
| As per last Balance Sheet | 2,460.59 | | 2,383.42 | |
| Profit for the year | 103.01 | 2,563.60 | 77.17 | 2,460.59 |
| Other comprehensive income | | | | |
| As per last Balance Sheet | (1.08) | | (5.49) | |
| Ind AS Adjustments | 5.53 | 4.45 | 4.41 | (1.08) |
| Total | | 2,814.74 | | 2,706.20 |

Nature and Description of Reserve :

- (i) **Securities Premium** : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. It can be utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- (ii) **General Reserve** : It represents the portion of the net profit which the Company has transferred, before declaring dividend pursuant to the earlier provision of Companies Act,1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.
- (iii) **Retained Earnings** : Retained Earnings are the accumulated profits earned by the Company as on Balance Sheet date.
- (iv) **Other Comprehensive Income** : Other Comprehensive Income represents actual gain/loss on remeasurement of defined benefit obligations.

13 Borrowings - Non Current
Secured Term Loans

| | | | |
|--------------|--|---------------|---------------|
| From Banks | | 112.28 | 215.79 |
| From Others | | 43.15 | 51.56 |
| Total | | 155.43 | 267.35 |

STATEMENT OF SECURITIES GIVEN AND TERMS OF REPAYMENT OF LOANS AS AT 31.03.2022

| BANKER'S NAME | Non Current | Current | Security given | Instalments Outstanding | Maturity | Rate of Interest % |
|--|---------------|---------------|---|-------------------------|-------------|--------------------|
| Secured term loans from Banks | | | | | | |
| Kotak Mahindra Bank Limited | - | 0.71 | Hypothecation of Vehicle | 2 | May 2022 | 9.01 |
| Yes Bank | 8.07 | 5.09 | Hypothecation of Vehicle | 29 | August 24 | 9.25 |
| Kotak Mahindra Bank Limited | - | 4.94 | Hypothecation of Vehicle | 11 | Feb 2023 | 8.31 |
| Kotak Mahindra Bank Limited | 77.73 | 71.75 | 1st exclusive charge on all existing and future Current Assets, Moveable Assets and Moveable Fixed Assets and 1st charge on Industrial Property at Udyog Vihar Greater Noida (U.P.) and secured by personal guarantee of Managing Director. | 25 | April 24 | 9.30 |
| Kotak Mahindra Bank Limited | 26.48 | 19.00 | Ind exclusive charge on all existing and future Current Assets, Moveable Assets and Moveable Fixed Assets and secured by personal guarantee of Managing Director. | 36 | August 24 | 8.00 |
| Total | 112.28 | 101.49 | | | | |
| Secured Term Loans from Companies | | | | | | |
| Kotak Mahindra Prime Limited | 10.25 | 3.33 | Hypothecation of Vehicle | 44 | November 25 | 7.90 |
| Daimler Financial services India Pvt Ltd | 32.90 | 5.08 | Hypothecation of Vehicle | 31 | October 23 | 10.75 |
| Total | 43.15 | 8.41 | | | | |

Notes to the Financial Statements for the year ended March 31,2022

| | | | (Rupees in Lakhs) | |
|----|---|--|--------------------------|--------------------------|
| | | | As at 31st March 2022 | As at 31st March 2021 |
| 14 | Other Financial Liabilities | | | |
| | Deposits from Vendors | | 8.13 | 10.13 |
| | Total | | <u>8.13</u> | <u>10.13</u> |
| 15 | Deferred Tax Liabilities (Net) | | | |
| | Deferred Tax Liabilities | | | |
| | Difference between Book Net Value of Property,Plant and Equipments and Intangible Assets with net value as per Income Tax Rules | | 119.51 | 90.96 |
| | | | <u>119.51</u> | <u>90.96</u> |
| | Deferred Tax Assets | | | |
| | Employee Benefits | | (0.03) | (0.02) |
| | MAT Credit Entitlement | | (0.22) | (1.05) |
| | | | <u>(0.25)</u> | <u>(1.07)</u> |
| | Deferred Tax Liabilities | | 119.26 | 89.89 |
| | Deferred Tax Liabilities (Net) | | <u>119.26</u> | <u>89.89</u> |
| 16 | Other Non Current Liabilities | | | |
| | Advances from Employees | | 3.76 | 2.15 |
| | Total | | <u>3.76</u> | <u>2.15</u> |
| 17 | Borrowings | | | |
| | Loans Repayable on Demand: | | | |
| | Secured | | | |
| | From Banks* | | 453.32 | 611.07 |
| | Current Maturities of Long Term Debt (Refer Note No 13) | | | |
| | From Banks | | 101.49 | 96.49 |
| | From Others | | 8.41 | 7.66 |
| | Total | | <u>563.22</u> | <u>715.22</u> |
| | * Secured by first and exclusive hypothecation charge on all existing and future receivables, current assets, moveable assets, moveable fixed assets and equitable mortgage of factory Land and Building and also secured by way of personal guarantee of Managing Director of the Company. | | | |
| 18 | Trade Payables | | | |
| | (a) Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 40)* | | | |
| | (b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises** | | 24.62 | 14.82 |
| | | | <u>608.07</u> | <u>576.90</u> |
| | Total | | <u>632.69</u> | <u>591.72</u> |

Trade Payables ageing Schedule (Due for payment for the year ended as on 31st March 2022 and 31st March 2021)

| | Less than 1 year | 1-2 years | 2-3 year | More than 3 years | Total |
|-----------------------------|------------------|-----------|----------|-------------------|----------|
| (i) MSME | 24.62 | - | - | - | 24.62 |
| | (14.82) | (-) | (-) | (-) | (14.82) |
| (ii) Others | 593.53 | 0.80 | 8.34 | - | 602.67 |
| | (550.00) | (21.95) | (-) | (-) | (571.95) |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| (iv) Disputed dues - Others | - | - | - | - | - |
| | (-) | (-) | (-) | (-) | (-) |
| Total | 618.15 | 0.80 | 8.34 | - | 627.29 |
| | (564.82) | (21.95) | (-) | (-) | (586.77) |
| Add :Accured Expenses | - | - | - | - | 5.40 |
| | (-) | (-) | (-) | (-) | (4.95) |
| | 618.15 | 0.80 | 8.34 | - | 632.69 |
| | (564.82) | (21.95) | (-) | (-) | (591.72) |

Notes To The Financial Statements For The Year Ended March 31,2022

| | | (Rupees in Lakhs) | |
|----|---|--------------------------|--------------------------|
| | | As at 31st March 2022 | As at 31st March 2021 |
| 19 | Other Financial Liabilities | | |
| | Interest Accrued | | 1.21 |
| | Others: | 0.92 | |
| | Accrued Salaries and Benefits | | 49.45 |
| | Creditors for Capital Goods | 48.44 | |
| | Total | 12.87 | 35.04 |
| | Note: There are no amounts due for payment to the Investor Education and Protection fund under section 125(1) of the Companies Act 2013. | 62.23 | 85.70 |
| 20 | Provisions | | |
| | Leave Encashment | | 0.06 |
| | Total | 0.12 | 0.06 |
| 21 | Other Current Liabilities | | |
| | Advances from Customers | | 1.85 |
| | Statutory Dues | 2.80 | |
| | Total | 49.56 | 9.09 |
| | | 52.36 | 10.94 |
| | | Year Ended | Year Ended |
| | | 31st March, 2022 | 31st March, 2021 |
| 22 | Revenue From Operations | | |
| | Sale of Products | 8,223.65 | 6,258.13 |
| | Sale of Services | 1.21 | 0.55 |
| | Other Operating Revenues | 624.87 | 331.46 |
| | Total | 8,849.73 | 6,590.14 |
| 23 | Other Income | | |
| | Interest Income | 2.32 | 8.09 |
| | Liabilities & Provisions Written Back | 15.00 | 3.29 |
| | Bad Debts Recovered | 2.30 | 1.00 |
| | Net Gain on Foreign Currency Transactions & Translation | 1.33 | 3.72 |
| | Other Non Operating Income | 2.23 | 35.24 |
| | Total | 23.18 | 51.34 |
| 24 | Cost of Materials Consumed | | |
| | Raw Materials | 6,610.74 | 4,749.25 |
| | Total | 6,610.74 | 4,749.25 |
| 25 | Changes In Inventories Of Finished Goods, Work-In-Progress and Others | | |
| | Inventory at the Beginning of the Year | | |
| | Finished Goods | 64.51 | 74.25 |
| | Work-in-Progress | 4.80 | 5.05 |
| | Others- Waste & Scarp | 1.50 | 1.67 |
| | | 70.81 | 80.97 |
| | Inventory at the End of the Year | | |
| | Finished Goods | 77.37 | 64.51 |
| | Work-in-Progress | 0.43 | 4.80 |
| | Others- Waste & Scarp | 2.60 | 1.50 |
| | Total | 80.40 | 70.81 |
| | | (9.59) | 10.16 |
| 26 | Employee Benefit Expense | | |
| | Salaries, Wages, Allowances and Bonus | 747.34 | 609.52 |
| | Contribution to Provident and Other Funds | 38.77 | 38.86 |
| | Staff Welfare Expenses | 30.32 | 43.93 |
| | Total | 816.43 | 692.31 |
| 27 | Finance Costs | | |
| | Interest Expenses | 65.29 | 49.82 |
| | Other Borrowing Costs | 3.27 | 1.80 |
| | Total | 68.56 | 51.62 |

Notes To The Financial Statements For The Year Ended March 31,2022

| | (Rupees in Lakhs) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2022 | Year Ended 31st March, 2021 |
| 28 Depreciation And Amortisation Expense | | |
| Depreciation on Property, Plant & Equipment | 223.30 | 175.73 |
| Depreciation on Right of Use Assets | 2.80 | 2.79 |
| Amortisation on Intangible Assets | 1.58 | 1.54 |
| Total | <u>227.68</u> | <u>180.06</u> |
| 29 Other Expenses | | |
| Consumption of Stores and Spares | 298.40 | 294.99 |
| Power, Fuel, Water & Utilities | 255.67 | 230.76 |
| Payments to Auditors: | | |
| As Auditor | 2.00 | 1.80 |
| Expenses Reimbursed | 0.06 | - |
| Other Services | 0.33 | 0.32 |
| Packing & Forwarding Expenses (Net) | 120.11 | 76.54 |
| Repairs and Maintenance | 83.29 | 44.44 |
| Insurance | 16.84 | 16.08 |
| Rent | 44.39 | 37.10 |
| Miscellaneous Expenses | 173.40 | 135.27 |
| Corporate Social Responsibility Expenses (Refer Note No. 35) | 5.65 | 13.00 |
| Total | <u>1,000.14</u> | <u>850.30</u> |

Notes To The Financial Statements For The Year Ended March 31,2022

(Rupees in Lakhs)

| 30 Contingent Liabilities | As at 31st March 2022 | As at 31st March 2021 |
|----------------------------------|----------------------------------|----------------------------------|
|----------------------------------|----------------------------------|----------------------------------|

**Contingent Liabilities & Commitments
(To the extent not provided for)**

| | | |
|---|--------------|--------|
| a) Outstanding Capital Commitment (Net of Advances) | 24.43 | 145.55 |
| b) Letter of credit outstanding & Standby/Guarantee | 20.53 | 85.11 |
| c) Disputed Income Tax | 0.21 | 0.21 |

31 Some of the Sundry Debtors, Advances including Deposits and Current Liabilities are subject to confirmation/reconciliation.

32 Profit/loss on sale of raw materials, fuel and stores & spares etc if any stand adjusted in their consumption Accounts.

33 The company has taken Office premises and godown under a cancellable operating lease. The lease is usually renewed by mutual consent on mutually agreeable terms. Total rental expenses under such lease **Rs.44.39** Lakhs (Rs. 37.10 Lakhs).

34 As per Ind AS 19 "Employee Benefits", the disclosures as defined are given below:
Defined contribution plans

a) The Company has calculated the various benefits provided to employees as under:-

| | Year Ended 31st March 2022 | Year Ended 31st March 2021 |
|---|---------------------------------------|---------------------------------------|
| Provident Fund | 27.91 | 25.35 |
| Employees State Insurance (Disclosed in the statement of Profit & Loss as contribution to Provident and other Funds) | 4.78 | 4.28 |

b) The Company operates post retirement defined benefit plan for retirement gratuity which is funded :

c) Details of post retirement gratuity plans & obligations are as follows:

Gratuity Scheme Funded Plan :
A) Reconciliation of opening and closing balances of obligations

| | | |
|---|---------------|--------|
| a) Present value of obligation as at Opening date | 71.45 | 78.72 |
| b) Current Service Cost | 7.52 | 3.51 |
| c) Interest Cost | 4.90 | 5.44 |
| d) Actuarial (Gain)/Loss | (7.25) | (5.31) |
| e) Benefits Paid | 12.50 | 10.91 |
| f) Present value of obligation as at Closing date | 64.12 | 71.45 |

B) Change in Plan Assets (Reconciliation of opening and closing balances)

| | | |
|---|---------------|--------|
| a) Fair Value of Plan Assets as at opening date | 72.50 | 71.91 |
| b) Expected return on Plan Assets | 5.01 | 5.34 |
| c) Actuarial (Gain)/Loss | (0.41) | (0.65) |
| d) Contributions | 4.73 | 6.81 |
| e) Benefits Paid | 12.50 | 10.91 |
| f) Fair Value of Plan Assets as at Closing date | 69.33 | 72.50 |

C) Reconciliation of fair value of assets and obligations

| | | |
|---|---------------|--------|
| a) Present Value of Obligation as at Closing date | 64.12 | 71.45 |
| b) Fair value of Plan Assets as at Closing date | 69.33 | 72.50 |
| c) Liability recognized in the Balance Sheet | (5.21) | (1.05) |

Notes To The Financial Statements For The Year Ended March 31,2022

(Rupees in Lakhs)

| | Year Ended 31.03.2022 (Rs.) | Year Ended 31.03.2021(Rs.) |
|--|--------------------------------|-------------------------------|
| D) Expense recognized during the year | | |
| a) Current Service Cost | 7.52 | 3.51 |
| b) Interest Cost | 4.90 | 5.44 |
| c) Expected return on Plan Assets | 5.01 | 5.34 |
| d) Difference plan fund size | 0.00 | 1.30 |
| e) Actuarial (Gain)/Loss | (7.66) | (5.96) |
| f) Expense recognized during the year | (0.25) | (1.05) |
| E) Assumptions | | |
| a) Discount Rate (Per Annum) | 7.00% | 7.00% |
| b) Interest Rate (Per Annum) | 6.86% | 6.91% |
| c) Estimated Rate of return on Plan Assets (Per Annum) | 6.86% | 6.91% |
| d) Rate of Escalation in Salary (Per Annum) | 6.00% | 6.00% |

ii) **Reconciliation of Leave Encashment Liability**

The Company has paid contribution to Life Insurance Corporation of India towards accrued leave liability till year end and no other liability towards leave encashment is outstanding.

The detail of Corporate Social Responsibility (CSR)

35 The detail of Corporate Social Responsibility (CSR)

| Particulars | As at | |
|--|-------------------------------|-----------------|
| | 31st March 2022 | 31st March 2021 |
| (a) Amount required to be spent by the Company during the year | Promotion of Education, 5.60 | 7.71 |
| (b) Amount of Expenditure incurred | Empowering Women, Promot 5.65 | 13.00 |
| (c) Shortfall at the end of year | ion of Health - | - |
| (d) Total of previous years shortfall | Care including - | 5.20 |
| (e) Reason for shortfall | preventive - | - |
| (f) Nature of CSR activities | health Care - | - |
| Excess | 0.05 | 0.09 |

36 Earnings Per Share (EPS)

| | | |
|---|--------|-------|
| Profit attributable to the Equity Share Holders (Rs.) (A) | 103.01 | 77.17 |
| Basic/Weighted average No. of Equity Shares | 13.32 | 13.32 |
| Nominal Value of Equity Shares (Rs.) | 10 | 10 |
| Basic/Diluted Earning Per Share (Rs.) (A/B) | 7.73 | 5.79 |

37 Related Party Disclosures under Ind AS 24

- a) List of Related Parties (As identified by the Management)
- i) Enterprises owned or significantly influenced by key management personnel or their relatives :-
Orient Syntex (Prop. APM Industries Limited), Essvee Fiscal LLP., Rajgarhia Leasing & Financial Services Pvt. Ltd., Faridabad Paper Mills Pvt Ltd.
- ii) Key Management Personnel and their Relatives:- Directors- Shri Sanjay Rajgarhia, Shri R.K. Rajgarhia, Relatives - Smt. Pooja Rajgarhia., Shri Harpal Singh Chawla, Mrs. Ruchi Vij.
- b) Transactions with Related Parties (Rupees in Lakhs)

| Nature of Transactions | Enterprises owned or significantly influenced by key Management Personnel | Key Management Personnel (KMP) and their relatives |
|-------------------------------------|---|--|
| i) EXPENSES | | |
| Remuneration to Managing Director * | - | 106.33 |
| | (-) | (94.25) |
| Directors sitting fees | - | 1.80 |
| | (-) | (1.65) |
| Salary & Allowances | - | 29.68 |
| | (-) | (27.90) |
| Rent Paid | - | 3.66 |
| | (-) | (3.54) |
| Electricity | - | 0.18 |
| | (-) | (0.17) |
| * Excluding Gratuity | | |
| ii) Amount Receivable | - | 0.53 |
| | (-) | (0.53) |
| iii) Amount Payable | - | 4.64 |
| | (-) | (8.23) |

Note: In respect of above parties there is no provision for doubtful debts as on 31.03.2022 and no amount has been written off or written back during the year in respect of debts due from/to them. Figures in brackets are in respect to previous year .

- 38** Based on the guiding principles given in Ind AS 108 on "Operating Segment" the Company's business activity falls within a single operating segment, namely Packaging. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.
- 39** The Company has considered the possible effects that may result from the pandemic related to Covid-19 on the carrying amounts of receivables, inventories, property plant & equipment and intangible assets on the basis of evaluation at current indicators of future economic condition. The company expects to recover the carrying amount of such assets & does not anticipate any impairment to these financial & non-financial assets

40 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

(Rupees in Lakhs)

| | Year Ended 31.03.2022 | Year Ended 31.03.2021 (Rs.) |
|---|--------------------------|--------------------------------|
| (i) Principal amount remaining unpaid | | |
| (ii) Interest due thereon remaining unpaid | 24.62 | 14.82 |
| (iii) Interest paid by the Company 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 the period | - | - |
| (iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | - | - |
| (v) Interest accrued and remaining unpaid * | - | - |
| (vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises | - | - |

* Rounded off to Rs in Lakhs

- 41** The Company has used the borrowings from Banks and Financial Institutions for the specific purposes, for which it was taken at the Balance Sheet date.
- 42** The Company does not have any Immovable Property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- 43** The Company has not revalued its Property/Plant/Equipment during the year.
- 44** No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person, that are repayable on demand or without specifying and terms or period of repayment.

- 45** The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.
- 46** The quarterly returns/ statements of current assets filed by the Company with Banks/ Financial Institutions in respect of borrowings from Banks/Financial Institutions on the basis of security of current assets do not materially differ with the books of accounts.
- 47** The Company has not been declared wilful defaulter by any Bank/Financial Institution/other lender.
- 48** The Company does not have any transaction with companies struck off under Section 248 of Companies Act, 2013/ Section 560 of Companies Act 1956.
- 49** Details of Charges yet to be satisfied with the Registrar of Companies beyond the Statutory period are given below:-

| Charge ID | Charge Holder | Amount | Date of Creation | Remarks |
|-----------|-------------------------|---------|------------------|---|
| 100093607 | Kotak Mahindra Bank Ltd | 1200000 | 05/02/2017 | No due certificate not provided by the Bank |
| 100046844 | ICICI Bank Ltd | 2700000 | 15/06/2016 | No due certificate not provided by the Bank |

- 50** The Company does not have any layers prescribed under Clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.
- 51** No Scheme of Arrangements has been approved by the competent authority in terms of Section 230 to 237 of Companies Act, 2013.
- 52** The Company has not advanced/loaned/invested funds(either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities(intermediaries) with 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 other matter whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - Provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.
- 53** The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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 matter whatsoever by or on behalf of Funding Party (Ultimate Beneficiaries) or
 - Provide any guarantee, security or the like on behalf of Ultimate Beneficiaries.
- 54** The Company does not have any transaction 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.
- 55** The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.

56. a) Tax Expense

i) Recognized in the Statement of Profit and Loss

(Rupees in Lakhs)

| Particulars | Year ended March 31,2022 | Year ended March 31, 2021 |
|--|-----------------------------|------------------------------|
| Current tax | | |
| Current tax on taxable income for the year | 25.68 | 16.19 |
| Tax adjustments relating to earlier years | 0.89 | 0.16 |
| Total Current tax expense | 26.57 | 16.35 |
| Deferred tax | | |
| Deferred tax charge | 28.54 | 15.31 |
| MAT credit (taken) | 0.83 | (1.05) |
| Total deferred income tax expense | 29.37 | 14.26 |
| Income Tax expense reported in the statement of Profit and Loss | 55.94 | 30.61 |

ii) Recognized in Other Comprehensive Income

| Items that will not be reclassified to Profit or Loss | Year ended March 31,2022 | Year ended March 31,2021 |
|---|-----------------------------|-----------------------------|
| Remeasurement of defined benefit plans | 7.66 | 5.96 |
| Tax Expense | (2.13) | (1.55) |
| Net of Tax | 5.53 | 4.41 |

iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2022

| Particulars | Year ended March 31,2022 | Year ended March 31, 2021 |
|---|-----------------------------|------------------------------|
| Enacted income tax rate in India applicable to the company | 27.820% | 26.000% |
| Accounting profit before Income Tax | 158.95 | 107.78 |
| Current tax expense on profit before tax expense at the enacted income tax rate in India | 44.22 | 28.02 |
| Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income | | |
| Expenses not allowable in income Tax | 4.21 | 22.29 |
| Income exempted from taxes | (1.24) | - |
| Others | 8.75 | (19.70) |
| Total income tax expense | 55.94 | 30.61 |

b) The movement in deferred tax liability during the year ended March 31, 2022

(Rupees in Lakhs)

| | As at April 1, 2021 Deferred Tax Liability | Recognised in statement of Profit & Loss | Recognised in Other Comprehensive Income | As at March 31, 2022 Deferred Tax Liability |
|------------------------|---|--|---|--|
| Depreciation | 90.96 | 28.55 | - | 119.51 |
| Employee Benefits | (0.02) | (0.01) | - | (0.03) |
| MAT Credit Entitlement | (1.05) | 0.83 | - | (0.22) |
| Total | 89.89 | 29.37 | - | 119.26 |

57. a) Financial Instruments

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities including their levels presented below:

| | As at March 31 2022 | As at March 31 2021 |
|--|------------------------|------------------------|
| Financial assets at fair value | | |
| Other Financial Assets | 35.88 | 35.88 |
| Cash and Cash Equivalents | 32.02 | 14.80 |
| Other Balances with Banks | 21.46 | 44.50 |
| Trade receivables | 1,760.98 | 1,619.61 |
| Total financial assets | 1,850.34 | 1,714.79 |
| Financial liabilities at fair value | | |
| Borrowings | 718.65 | 982.57 |
| Other Financial Liabilities | 70.36 | 95.83 |
| Trade Payables | 632.69 | 591.72 |
| Lease Liabilities | 5.19 | 6.86 |
| Total financial liabilities | 1,426.89 | 1,676.98 |

b) Fair Value Hierarchy

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

The carrying amounts of all financial instruments are considered to be the same as their fair values.

c) Financial Risk Management

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk, market risk. This note presents the Company's objectives, policies and processes for managing its financial risk and capital.

(i) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables

The Company's Trade Receivables are largely from sales made to wholesale customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer and the default risk of the industry.

The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Exposures to customers outstanding at the end of each reporting period are reviewed to determine incurred and expected credit losses and the Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables. Historical trends of impairment of Trade Receivables do not reflect any significant losses.

Summary of the Company's ageing of outstanding from various customers and impairment for expected credit loss is as follows:

(Rupees in Lakhs)

| As at March 31, 2022 | Gross Carrying Amount | Expected Credit Losses | Carrying Amount of Trade Receivables (Net of Expected Credit Losses) |
|----------------------------|-----------------------|------------------------|--|
| Not due | 1,050.70 | - | 1,050.70 |
| Past due 0-180 days | 619.69 | - | 619.69 |
| Past due 180 and more days | 90.59 | - | 90.59 |
| Total | 1,760.98 | - | 1,760.98 |
| As at March 31, 2021 | Gross Carrying Amount | Expected Credit Losses | Carrying Amount of Trade Receivables (Net of Expected Credit Losses) |
| Not due | 1,088.88 | - | 1,088.88 |
| Past due 0-180 days | 508.53 | - | 508.53 |
| Past due 180 and more days | 22.20 | - | 22.20 |
| Total | 1,619.61 | - | 1,619.61 |

ii) Liquidity Risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with various banks to meet the obligations.

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

(Rupees in Lakhs)

| As at March 31, 2022 | Carrying Amount | Contractual Cash Flows | | |
|---|-----------------|------------------------|----------------|---------------|
| | | Total | 1 year or less | Beyond 1 year |
| Non derivative financial liability | | | | |
| Borrowings | 718.65 | 718.65 | 563.22 | 155.43 |
| Trade payables | 632.69 | 632.69 | 623.55 | 9.14 |
| Other Financial Liabilities | 70.36 | 70.36 | 62.23 | 8.13 |
| Lease Liabilities | 5.19 | 5.19 | 1.92 | 3.27 |
| As at March 31, 2021 | Carrying Amount | Contractual Cash Flows | | |
| | | Total | 1 year or less | Beyond 1 year |
| Non derivative financial liability | | | | |
| Borrowings | 982.57 | 982.57 | 715.22 | 267.35 |
| Trade payables | 591.72 | 591.72 | 569.77 | 21.95 |
| Other Financial Liabilities | 95.83 | 95.83 | 85.70 | 10.13 |
| Lease Liabilities | 6.86 | 6.86 | 1.67 | 5.19 |

iii) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables. The Company is exposed to market risk primarily relates to foreign exchange rate risk.

Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. The Company is exposed to currency risk on account of its payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company is exposure to USD. The Company has not hedged this foreign currency exposure.

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period is as follows.

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|------------------------------|-------------------------|-------------------------|
| | USD | USD |
| Financial Assets | | |
| Other receivable | 4310 | 24765 |
| Financial Liabilities | | |
| Trade payables | 12558 | 44500 |
| Net Exposure | (8248) | (19735) |

| S. No. | Financial Ratio | FY 2021-22 | FY 2020-21 | Difference | Change in % | Remarks |
|--------|--|------------|------------|------------|-------------|---|
| 1. | Current Ratio (in times) | 2.22 | 2.12 | 0.10 | 4.63 | |
| | Current Assets/Current Liabilities | | | | | |
| 2. | Debt Equity Ratio (in times) | 0.25 | 0.35 | (0.10) | (29.54) | Reduction in debts out of profit |
| | Total Debts/Shareholder's Equity | | | | | |
| 3. | Debt Service Coverage Ratio (in times) | 2.27 | 2.01 | 0.26 | 12.79 | |
| | Net Profit After Tax+ Depreciation +Interest +Exceptional Items+Amortisation)/Interest +Current Maturities | | | | | |
| 4. | Return on Equity Ratio % | 3.68 | 2.87 | 0.81 | 28.15 | Due to increase in profitability of the company |
| | Total Comprehensive Income/Networth | | | | | |
| 5. | Inventory Turnover (in times) | 7.57 | 6.67 | 0.91 | 13.59 | |
| | Cost of Goods Sold/Average Inventory | | | | | |
| 6. | Trade Receivable Turnover Ratio (in times) | 5.24 | 4.84 | 0.40 | 8.19 | |
| | Net Credit Sales/Average Accounts Receivable | | | | | |
| 7. | Trade Payable Turnover Ratio | 11.16 | 9.64 | 1.52 | 15.82 | |
| | Purchases of Rawmaterials, Stores and Fuel/Trade Payable | | | | | |
| 8. | Net Capital Turnover Ratio (in times) | 5.56 | 4.23 | 1.33 | 31.51 | Due to increase in revenue |
| | Revenue/(Current Assets-Current Liabilities) | | | | | |
| 9. | Net Profit Ratio % | 1.23 | 1.24 | (0.01) | (0.92) | |
| | Net profit/Total Revenue | | | | | |
| 10. | Return on Capital Employed % | 7.65 | 5.58 | 2.08 | 37.20 | Due to increase in revenue & profitability of the company |
| | PBT+Finance Cost/Networth+Lease Liabilities+Deferred Tax Liability | | | | | |
| 11. | Return on Investment | - | - | - | - | |
| | Income from Investments/Average Investment | | | | | |



CIN No.: L72100DL1972PLC005971

59 Previous year figures have been re-grouped / rearranged wherever, necessary to make them comparable with those of current years.

As per our report of even date attached

For and on behalf of the Board

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Harpal Singh Chawla
Director
(DIN 00025492)

CA Samir Vaid
Partner
M. No. 091309

Mohinder Nagpal
Chief Financial Officer

Shefali Chauhan
Company Secretary
(M.No A60229)

Place : New Delhi
Dated : May 30, 2022