

**47th
ANNUAL REPORT
2018-2019**



perfectpac limited



CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Rajendra Kumar Rajgarhia
Chairman

Shri Sanjay Rajgarhia
Managing Director

Shri Harpal Singh Chawla
Independent Director

Smt. Ruchi Vij
Independent Director

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mrs. Apeksha Jain

REGISTERED OFFICE

910, Chiranjiv Tower, 43,
Nehru Place, New Delhi-110019
Tel: 011-26441015-17
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: admin@skylinerta.com

CORPORATE IDENTITY NUMBER

L72100DL1972PLC005971

STOCK EXCHANGE

BSE Limited
Calcutta Stock Exchange Limited

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NOTICE

NOTICE is hereby given that the 47th Annual General Meeting (AGM) of the Members of **Perfectpac Limited** will be held on **Thursday the 26th day of September, 2019 at 03:00 P.M.**, The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110074 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, 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.

SPECIAL BUSINESS

3. **To Re-appoint Shri Sanjay Rajgarhia (DIN: 00154167) as Managing 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 **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 ('Act') and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) 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), approval of the Members of the Company be and is hereby accorded for the re-appointment of Shri Sanjay Rajgarhia (DIN 00154167), as Managing Director on the Board of the Company with effect from July 01, 2019 upto June 30, 2024 and payment of remuneration for a period of three years w.e.f. 01.07.2019 as per the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to Board of Directors (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) to alter, modify and revise such terms of appointment and remuneration subject to the limit of Rs. 1.32 Crores per annum which includes allowances, perquisites and other benefits.

RESOLVED FURTHER THAT the Board of Directors or any Key Managerial Personnel of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

By order of the Board

Registered Office:

910, Chiranjiv Tower,
43-Nehru Place, New Delhi-110019
CIN: L72100DL1972PLC005971
Tel: 011-26441015-17
Fax: 011-26441018
Email: complianceofficer@perfectpac.com
Website: www.perfectpac.com

Apeksha Jain
Company Secretary
Membership No. 39096

Dated : August 10, 2019

Place : New Delhi

NOTES :

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
Information pursuant to provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Item No. 2, is annexed to this notice.
Further, the information and facts as specified in the Regulations 36(3) of 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 for Item No. 3 has been given in the respective explanatory statement annexed to this notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent of the total share capital of the Company. Members holding more than 10% of the total share capital of the Company carrying voting rights may appoint one person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing a proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of meeting. A proxy form is annexed herewith.
3. Corporate Members intending to send their authorised representative(s) to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. All the documents referred to in the Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
Further, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
5. Members /Proxies /Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
6. Members of the Company had approved the appointment of M/s. VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N) for term of five consecutive years, as the Statutory Auditors at 45th Annual General Meeting (here in after referred as 'AGM') which is valid till 50th AGM of the Company. In accordance with Companies (Amendment) Act, 2017, made effective from May 7, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM. Hence, the appointment of M/s. VSSA & Associates, Chartered Accountants has not been placed for ratification as Statutory Auditors before the members at ensuing AGM.
7. In case of joint holders attending the AGM, 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.
8. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(4) of Companies (Share Capital and Debentures) Rules, 2014, members of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, members holding shares in physical form, desirous of availing this facility may submit nomination in Form SH-13 to RTA of the Company. In respect of shares held in dematerialised form, the nomination form may be filed with the concerned Depository Participant.
9. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 (three) days written notice is given to the Company.
10. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 19, 2019 to Thursday, September 26, 2019** (both days inclusive) for the purpose of Annual General Meeting.

11. All share and dividend related correspondence may be sent to RTA at the following address:

Skyline Financial Services Private Limited

D-153 A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020

Tel: 011-40450193-97

Fax: 011-26812682-83

Email: admin@skylinerta.com

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

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:

- RTA of the Company in respect of shares held in physical form; and
- The Depository Participants in respect of shares held in electronic form.

13. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or RTA.
14. The Securities and Exchange Board of India vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who holds securities of the Company in physical form, to furnish to the Company / its Registrar and Transfer Agent, the details of their valid Permanent Account Number (PAN) and bank account. To support the SEBI's initiative, the Members are requested to furnish the details of PAN and bank account to the Company or RTA. Members are requested to send duly filled form along with (a) self-attested copy of PAN card of all the holders; and (b) original cancelled cheque leaf with names of shareholders or bank passbook showing names of members, duly attested by an authorised bank official.
15. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Members can contact the Company or Company's Share Transfer Agent, Skyline Financial Services Private Limited for assistance in this regard.
16. **Green Initiative** – Members who are yet to register/ update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode. Members holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at admin@skylinerta.com or complianceofficer@perfectpac.com.
Member holding shares in dematerialized form may get email address registered/updated by providing E-mail ID to their Depository Participant(s).
17. Notice of the AGM (along with Attendance Slip, Proxy Form and Route Map) and the Annual Report for the Financial Year 2018-19 are being sent electronically to the members whose E-mail IDs are registered with the Company / Depository Participant(s) unless any member has requested for a physical copy of the same. For members who have requested for physical copy or who have not registered their email address, physical copies of the Notice and Annual Report are being sent through permitted mode.
18. Queries on the Annual Report and operations of the Company, if any, may please be sent to the Company at least seven days prior to the date of the AGM so that answers may be provided at the Meeting.
19. With a view to serving the Members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company or RTA to consolidate their holdings in one folio.

20. The Notice of the AGM and the Annual Report for the Financial Year 2018-19 are also be available on the Company's website www.perfectpac.com. The Notice is also available on www.evoting.nsdl.com.
21. 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.

22. **Voting Options:**

The business set out in the Notice of the AGM may be transacted through electronic voting system or Polling Paper. The Company is providing facility for voting by electronic means. Information relating to remote e-Voting facility and voting at the AGM is given below:

Voting through electronic means-

- I. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the SEBI Listing Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (the 'ICSI'), the Company is pleased to provide facility to the members to exercise their right to vote using an electronic voting system from a place other than venue of the Meeting ("**remote e-Voting**") in respect of all resolutions proposed to be considered at the 47th AGM to be held on Thursday, September 26, 2019 at 03:00 P.M. The Company has engaged services of National Securities Depository Limited (hereinafter referred as "**NSDL**") to provide remote e-Voting facility of casting the votes by the members.
- II. The facility for voting through Polling Paper ("Poll") shall also be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the Meeting through Poll at the AGM.
- III. The shareholders can opt for only one mode of voting i.e. remote e-Voting or Poll at the meeting. In case of voting by both the modes, vote cast through remote e-Voting will be considered final and voting through Poll at the Meeting will not be considered. The members who have cast their vote by remote e-Voting may also attend the Meeting but shall not be entitled to cast their vote again.
- IV. The remote e-Voting period commences at **9:00 A.M. (IST) on Monday, September 23, 2019** and ends at **5:00 P.M. (IST) on Wednesday, September 25, 2019**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date **Thursday, September 19, 2019** ("Cutoff date"), may cast their vote by remote e-Voting. No remote e-Voting shall be allowed beyond the aforesaid date and time and remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The instructions for remote e-Voting are as under:
 - a) Members whose email address is registered with the Company / Depository Participant will receive an e-mail from NSDL. Open e-mail and open PDF file viz.; "Remote e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your User ID and Password for remote e-Voting. Please note that the password is an initial password. Members are requested to go through the following steps to cast votes through remote e-Voting.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

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

Details on Step 1 is mentioned below:

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

- i.) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
- ii.) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- iii.) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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.

iv.) Your User ID details will be as per details 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 folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v.) Your password details 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. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 1. 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. 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'.
 2. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi.) 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, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii.) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

- viii.) Now, you will have to click on “Login” button.
- ix.) After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

- i.) After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- ii.) After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- iii.) Select “EVEN” of the Company for which you wish to cast your vote.
- iv.) Now you are ready for e-Voting as the Voting page opens.
- v.) 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.
- vi.) Upon confirmation, the message “Vote cast successfully” will be displayed.
- vii.) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- viii.) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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, to the Scrutinizer by e-mail contact@csrsm.com to 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.: 1800-222-990 or send a request at evoting@nsdl.co.in.
4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the AGM through Polling Paper. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.
5. Please note that the members who have exercised their right to vote through electronic means as above shall not be eligible to vote by way of Polling Paper at the AGM. Votes cast under Poll taken together with the votes cast through remote e-Voting shall be counted for the purpose of passing of resolution(s). No voting by show of hands will be allowed at the AGM.
6. 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 remote e-Voting and Poll process in a fair and transparent manner.
7. The Chairman shall, at the end of discussion on the resolutions placed at the AGM on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of Polling Paper for all those members/ proxies who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

8. The Scrutinizer shall after the conclusion of voting at the AGM, would first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Board who shall countersign the Scrutinizer's Report. The result shall be declared by the Chairman or a person as authorised by him in writing.
9. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.perfectpac.com and on the website of NSDL immediately after declaration of result by the Chairman or a person so authorised and the results shall also be communicated to the Stock Exchanges. The results shall be displayed at the Registered Office at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019.
10. In case of any queries or grievances relating to e-Voting, you may contact Mr. Nipul Shah, Assistant Manager, NSDL, Trade World, 'A' Wing, 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 / Telephone No.: 022-24994738 OR Mr. Virender Kumar Rana, Director, Skyline Financial Services Pvt Ltd., D-153A, 1st floor, Okhla Industrial Area, Phase-I, New Delhi-110020, India through e-mail at admin@skylinerta.com or on Telephone No.: 011-40450193-97.
11. Members may also write to the Company Secretary of the Company at the address: complianceofficer@perfectpac.com or contact at telephone no. 011-26441015-17.
 - b) For Members whose e-mail address is not registered with the Depository Participants(s) or who had requested a physical copy shall follow the below mentioned steps:
 - i. Initial password is provided at the bottom of the Attendance Slip for the Meeting.
 - ii. Please follow Steps 1 and 2 as explained above, to cast your vote.
 - iii. The voting rights of Members shall be proportionate to their share of the paid-up capital of the Company as on the cut-off date i.e. **Thursday, September 19, 2019**. Any person becoming Member of the Company after the dispatch of the Notice convening 47th AGM and holding shares as on the cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.co.in or admin@skylinerta.com.

ANNEXURE TO THE NOTICE
DETAILS OF DIRECTOR 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. 3
Name of the Director	Shri Rajendra Kumar Rajgarhia	Shri Sanjay Rajgarhia
Director Identification Number (DIN)	00141766	00154167
Date of Birth	14/08/1938	21/02/1963
Age	80 Years	56 Years
Nationality	Indian	Indian
Date of first Appointment on Board	01/04/1973	01/07/1979
Qualification	Graduate	B.Com (H)
Experience	58 Years	31 Years
Nature of his expertise in specific functional areas	Investment decision, financing activities, strategic Planning in capital budgeting and overall decision.	Overall Management, In depth knowledge in paper and packaging industry, Financial activities and Investment decision.
Terms & Conditions for appointment/ re-appointment	As per the Companies Act, 2013	As per the Companies Act, 2013
Details of Remuneration	Nil	As per the explanatory statement
Remuneration last drawn	Nil	As per the explanatory statement
Shareholding in Perfectpac Limited (No. & %)	Nil	611938 (45.94%)
List of Directorships held in other Companies	-APM Industries Limited -Rajgarhia Leasing and Financial Services Pvt. Ltd.	Faridabad Paper Mills Private Limited - APM Finvest Limited -Rajgarhia Leasing and Financial Services Pvt. Ltd. - Indian Corrugated Case Manufacturers Association
Members / Chairman of Committees in Perfectpac Limited	- Member in Nomination and Remuneration Committee	- Member in Audit Committee -Member in Stakeholders Relationship Committee -Chairman in Corporate Social Responsibility Committee

Members / Chairman of in other Public Companies	- Member in Nomination and Remuneration Committee, APM Industries Limited - Chairman in Corporate Social Responsibility Committee, APM Industries Limited	- Member in Audit Committee, APM Finvest Limited -Member in Stakeholders Relationship Committee, APM Finvest Limited
Relationship with other directors	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	Shri Sanjay Rajgarhia being son of Shri R. K. Rajgarhia, Chairman, is related to him. He is not related to any other Director and KMP of the Company
Number of Meetings of the Board attended during the year	Four	Five

EXPLANATORY STATEMENT

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

Item to Special Business

Item No. 3

Shri Sanjay Rajgarhia was re-appointed as Managing Director pursuant to provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 by the members of the Company at the 42nd Annual General Meeting held on September 29, 2014 for a period of 5 years w.e.f. July 01, 2014 and his term has expired on June 30, 2019.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had re-appointed Shri Sanjay Rajgarhia in its meeting held on August 10, 2019, subject to approval of Members at the ensuing Annual General Meeting. Considering the increased activities, responsibilities and contribution of Shri Sanjay Rajgarhia in the development and growth of the Company, consent of the Members is being sought for the re-appointment of Shri Sanjay Rajgarhia as Managing Director of the Company for further period of 5 years w.e.f. July 01, 2019 to June 30, 2024 and payment of remuneration upto Rs. 1.32 Crore per annum for a period of 3 (Three) years from July 1, 2019 to June 30, 2022, pursuant to the provisions of Sections 197 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force), read with Schedule V to the Companies Act, 2013.

Subject to the provisions of the Companies Act, 2013, the consent of the Shareholders is being accorded that the above remuneration shall be minimum remuneration payable to Managing Director in the event of absence or inadequacy of profits in any financial year during his tenure as Managing Director.

The Board of Directors or any committee thereof may alter/vary the terms and conditions of the appointment of such Managing Director including increase/variation in remuneration, from time to time, provided that the aggregate of the above salary, allowances, perquisite, variable pay and other benefits shall not exceed Rs. 1.32 Crores per annum.

The Board recommends this resolution for the approval of the members as Special Resolution.

STATEMENT OF PARTICULARS
(PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)
REMUNERATION OF MANAGING DIRECTOR

I. GENERAL INFORMATION

S. No.	Particulars/Subject	Information									
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									
4.	Financial performance based on given indicators	Financial Year 2018-19 <table border="1" style="margin-left: 20px;"> <tr> <td>Total Revenue</td> <td>:</td> <td>Rs 7761.31 Lakhs</td> </tr> <tr> <td>Profit before Tax</td> <td>:</td> <td>Rs 390.73 Lakhs</td> </tr> <tr> <td>Profit after Tax</td> <td>:</td> <td>Rs 290.08 Lakhs</td> </tr> </table>	Total Revenue	:	Rs 7761.31 Lakhs	Profit before Tax	:	Rs 390.73 Lakhs	Profit after Tax	:	Rs 290.08 Lakhs
Total Revenue	:	Rs 7761.31 Lakhs									
Profit before Tax	:	Rs 390.73 Lakhs									
Profit after Tax	:	Rs 290.08 Lakhs									
5.	Foreign Investments or collaborations, if any.	The Company has not made any foreign investments and neither entered into any foreign collaborations.									

II. INFORMATION ABOUT THE APPOINTEE

S. No.	Information															
1.	Background details Shri Sanjay Rajgarhia, aged 56 years, he is commerce graduated and had more than 31 years of rich industrial experience and managerial experience. He has been associated with the Company for the last 30 years in different capacities and has been the Managing Director for the last 25 years. He is one of the promoter, industrialist and Managing Director and main contributor to the growth and development of the Company. 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.															
2.	Past Remunerations The remuneration drawn during the past two years is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Financial Year</th> <th>Basic Salary (in Rs)</th> <th>Perquisite / Allowances (in Rs)</th> <th>PF (in Rs)</th> <th>Total Salary (in Rs)</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>32,25,000</td> <td>25,43,666</td> <td>3,87,000</td> <td>61,55,666</td> </tr> <tr> <td>2018-19</td> <td>40,50,000</td> <td>34,85,094</td> <td>4,86,000</td> <td>80,21,094</td> </tr> </tbody> </table>	Financial Year	Basic Salary (in Rs)	Perquisite / Allowances (in Rs)	PF (in Rs)	Total Salary (in Rs)	2017-18	32,25,000	25,43,666	3,87,000	61,55,666	2018-19	40,50,000	34,85,094	4,86,000	80,21,094
Financial Year	Basic Salary (in Rs)	Perquisite / Allowances (in Rs)	PF (in Rs)	Total Salary (in Rs)												
2017-18	32,25,000	25,43,666	3,87,000	61,55,666												
2018-19	40,50,000	34,85,094	4,86,000	80,21,094												

3.	Recognition or awards	-
4.	Job Profile and his suitability	<p>Shri Sanjay Rajgarhia is the Managing Director of the Company and is looking after all the overall activities of the Company and management and the Company has been seeing steady growth during his tenure.</p> <p>Shri Sanjay Rajgarhia is looking after all day to day activities of the Company. Despite of the difficult economic situation in the country, the Company has seen growth in the Financial Year 2018-19 due to his untiring and continuous efforts. The Company is able to achieve the net profit of Rs 290.08 Lakh in the financial year 2018-19 and Rs. 256.93 lakhs in the previous financial year 2017-18.</p>
5.	Remunerations proposed	<p>(a) Basic Salary: Rs. 5,00,000/- (Rupees Five Lakhs) per month with such increase as may be decided by the Board of Directors (which includes any Committee thereof) from time to time, but subject to maximum salary of Rs 6,00,000 (Rupees Six Lakhs) per month.</p> <p>(b) Perquisites and allowances: In addition to the salary, Shri Sanjay Rajgarhia shall also be entitled to the perquisites and allowances like house rent allowance, rent free furnished accommodation, house maintenance allowance, gas, electricity, water and furnishing at residence, medical reimbursement, leave travel allowance, use of Company car with driver, telephone at residence, Internet, Membership Fees of maximum of 2 clubs, contribution to provident fund, superannuation fund, payment of gratuity, at the end of tenure and such other perquisites and allowances in accordance with the rules of the Company. The nature and breakup of the perquisites and allowances will be determined in accordance with schemes/policies/rules of the Company or may be decided by the Chairman of the Company or by the Board of Directors from time to time.</p>
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.
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 with any managerial personnel except as detailed in the Note no. 37 of Notes to Accounts.

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 of the Company. There is no specific reason for inadequate profits. His 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.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Shri Sanjay Rajgarhia as Managing Director of the Company w.e.f. July 01, 2019 upto June 30, 2024.

Shri Sanjay Rajgarhia being son of Shri Rajendra Kumar Rajgarhia, Chairman of the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Special Resolutions set out at Items No. 3 of the Notice for approval by the Members.

By order of the Board

Registered Office:

910, Chiranjiv Tower,
43-Nehru Place, New Delhi-110019
CIN: L72100DL1972PLC005971
Tel: 011-26441015-17
Fax: 011-26441018
Email: complianceofficer@perfectpac.com
Website: www.perfectpac.com

Apeksha Jain
Company Secretary
Membership No. 39096

Dated : August 10, 2019

Place : New Delhi

BOARD'S REPORT

To
The Members
Perfectpac Limited,

The Board of Directors are pleased to present the Forty Seventh Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2019.

1. FINANCIAL SUMMARY

(Rs. in Lakhs)

S.No.	Particulars	2018-19	2017-18
1.	Total Revenue	7761.31	8211.08
2.	Total Expenses	7370.58	7824.75
3.	Profit Before Tax	390.73	386.33
4.	Less: Tax (including deferred tax)	(100.65)	(129.40)
5.	Profit for the period	290.08	256.93
6.	Other Comprehensive Income	(4.63)	0.33
7.	Total comprehensive income for the year	285.45	257.26
8.	Paid up equity Share Capital (Face Value of Rs. 10/- per Share)	133.26	133.26
9.	Basic and diluted EPS	21.78	19.29

2. STATE OF COMPANY AFFAIRS & OPERATIONS

Our Company operates in one business segment - packaging. During the financial year 2018-19, total revenue was Rs 7,761.31 lakhs as against Rs. 8,211.08 lakh during the previous year. Profit before tax was at 390.73 lakh as against 386.33 lakh in the previous year. Profit after Tax for the year under review was at 290.08 lakh against 256.93 lakh in the previous year.

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. TRANSFER TO RESERVES

No transfer to reserve has been done in Financial Year 2018 – 19. The Company proposes to retain the entire amount of profits in the Profit and Loss Account.

5. EXPANSION AND MODERNIZATION

The Company continues to modernize its plant and machinery and adding balancing equipment. This would enable the Company to improve productivity and widen its product range and improve the quality of its products.

6. DIVIDEND

With a view to conserve resources, your Directors propose to plough back the profits in the business of the Company. Accordingly, the Board of Directors has not recommended any dividend for the financial year 2018-19.

7. CAPITAL STRUCTURE

Authorised Share Capital

The Authorised Share Capital of the Company as at March 31, 2019 was Rs. 3,25,00,000/-.

Paid up Share Capital

The Paid-up share capital as at March 31, 2019 stands at Rs. 1,33,19,000/- comprising of 13,31,900 equity shares of Rs. 10/- each fully paid up.

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 R K 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. Brief resume of Shri R K Rajgarhia with other details as stipulated in Regulation 36(3) of the SEBI Listing Regulations, 2015, are provided in the Notice convening the 47th AGM.

Shri Sanjay Rajgarhia, Managing Director completed his term as Managing Director on June 30, 2019. 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 approved the re-appointment of Shri Sanjay Rajgarhia as Managing Director for a further term w.e.f. July 01, 2019 up to June 30, 2024, subject to the approval of the members of the Company by Special Resolution.

Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations, 2015.

Annual Performance Evaluation of the Board

A statement on annual evaluation by the Board of its performance and performance of its Committees as well as Individual Directors forms part of the Corporate Governance Report attached to this report.

Meetings of the Board

During the FY 2018-19, five (5) meetings of the Board of Directors were held. The details of Board 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

During the financial year, the Company has not accepted any deposits within the meaning of Section 73 & 76 of the Companies Act, 2013, read with the Rules made thereunder, and therefore, no amount of principal or interest on deposit was outstanding as of the Balance Sheet date.

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), were appointed as the Company's Statutory Auditors by the shareholders at their 45th AGM held on September 18, 2017, for a period of five years i.e. till the conclusion of 50th AGM. The appointment of Auditors was required to be ratified by Members at every Annual General Meeting.

In accordance with the Companies (Amendment) Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM. Hence, the appointment of M/s. VSSA & Associates, Chartered Accountants has not been placed for ratification as Statutory Auditors before the members at ensuing AGM.

The reports of Statutory Auditors on Financial Statements for the financial year 2018-19 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 Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. RSM & Co., Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2019. The Secretarial Audit Report is attached as **Annexure-1** to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

Internal Auditor

In terms of provisions of Section 138 of the Companies Act, 2013, the Board of Directors has re-appointed M/s Sapra Sharma & Associates, LLP (Firm Registration No. 002682N), as Internal Auditors of the Company, for the financial year 2019-20.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2019 and of the profit and loss of the Company for the year ended March 31, 2019;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; the Directors have prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively, and
- the Directors had 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 Company has adequate internal control systems in place, and also has reasonable assurance on authorizing, recording and reporting transactions of its operations. The Company has a well-placed, proper and adequate internal controls environment, commensurate with its size, scale and complexities of its operations. The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. Internal control systems are an integral part of your Company's Corporate Governance structure. These have been designed to provide reasonable assurance with regard to inter-alia **a.** recording and providing reliable financial and operational information; **b.** complying with the applicable statutes; **c.** safeguarding assets from unauthorized use; **d.** executing transactions with proper authorization, and ensuring compliance with corporate policies **e.** Prevention and detection of Frauds / errors; **f.** Continuous updating of IT systems. The Company's management has assessed the effectiveness of the Company's internal control over financial reporting as of 31st March, 2019. Your Company has appointed M/s Sapra Sharma & Associates LLP (Chartered Accountants) to assess the effectiveness of internal financial controls of the Company. The Company's internal financial controls were adequate and operating effectively.

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 ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.

16. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility ('CSR') Committee

In compliance with the requirements of Section 135 of the Companies Act, 2013 read with the applicable rules made there under, the Company has a duly constituted CSR Committee. The details of the Committee are provided in the Corporate Governance Report of the Company, which forms part of the Annual Report.

CSR Policy

The contents of the CSR Policy of the Company as approved by the Board on the recommendation of the CSR Committee is available on the website of the Company and can be accessed through the web link: <http://perfectpac.com/pdf/Policies/CSR%20Policy.pdf>

CSR initiatives undertaken during the financial year 2018-19

The Annual Report on CSR Activities undertaken by Company during the financial year 2018-19, is annexed as **Annexure-2** which forms part of this Report.

During the financial year 2018-19, the Company has spent Rs. 5,15,000/- on CSR activities.

17. COMMITTEES OF BOARD

The Company has the following committees of the Board of Directors and the details pertaining to such committees are mentioned in the Corporate Governance Report, which forms part of the Annual Report.

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

18. LISTING OF SECURITIES

As on the date of this report, the Company has its Equity Shares listed on the BSE Limited and Calcutta Stock Exchange Limited. The Company has paid the Annual Listing Fees for the financial year 2019-20 for all its listed securities to the Stock Exchanges.

19. NOMINATION AND REMUNERATION POLICY

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Policy is enclosed in **Annexure-3** as a part of this report in compliance with Section 134(3) of the Companies Act, 2013.

The Nomination and Remuneration Policy of the Company also is available on the website of the Company at http://perfectpac.com/pdf/Policies/Nomination_and_Remuneration_Policy.pdf.

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 nature. All RPTs are placed before the Audit Committee for review and approval.

All RPTs entered into during FY 2018-19 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2018-19 by the Company as defined in the Policy on RPTs. 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-4** to this Report.

22. PARTICULARS OF EMPLOYEES

Disclosure with respect to the remuneration of Directors and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, is annexed as **Annexure-5** which forms part of this Report.

In terms of the second proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company upto the date of the 47th Annual General Meeting.

23. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a), the extract of the Annual Return as on March 31, 2019 in Form No. MGT – 9 is attached as **Annexure-6** to this Report. Additionally, your Company has also placed a copy of annual return for the financial year 2017-18 on its website at <http://perfectpac.com/pdf/Policies/Annual%20Return%202017-18.pdf>.

24. CORPORATE GOVERNANCE

As a responsible corporate citizen, the Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules & regulations prescribed by various regulatory authorities, has taken all necessary steps to conform in line with the continuously progressing governance demands.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015, is attached to this Report as **Annexure-7**. A certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the SEBI Listing 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, 2019. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

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

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2018-19, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report as **Annexure-8**.

26. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees by adopting Whistle Blower Policy which is available on the website of the Company and web link thereto is <http://perfectpac.com/pdf/Policies/Vigil%20mechanis-whistle%20blower%20policy.pdf>

27. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

Details of loans, guarantees/ securities and investments along with the purpose for which the loan, guarantee or security is proposed to be utilized by the recipient have been disclosed in Notes to the Financial Statements.

28. MATERIAL CHANGES AND COMMITMENTS

No material change or commitment has occurred after the close of the Financial Year 2018-19 till the date of this Report, which affects the financial position of the Company.

29. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company confirms compliance with the applicable requirements of Secretarial Standards 1 and 2.

30. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors, pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board was evaluated by the entire Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated after seeking inputs from the Committee members on the basis of criteria such as the composition of Committees, effectiveness of Committee meetings, etc. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5th January 2017.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company after taking into account the views of Executive Directors and Non-Executive

Directors, was evaluated. The Board and the NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the Board meeting that followed the meeting of the Independent Directors and meeting of the NRC, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

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 women executive working in the Company. The Company's Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

Further, the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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 endeavour to improve investor services, your Company has taken the following initiatives:

- An Investors Section on the website of the Company (www.perfectpac.com) has been created.
- There is a dedicated e-mail id complianceofficer@perfectpac.com for sending communications to the Company Secretary.

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

34. ACKNOWLEDGMENTS

Your Directors acknowledge with gratitude the cooperation and assistance received from the Central and State Government Authorities. Your Directors thank the Shareholders, Financial institutions, Banks/ other Lenders, Customers, Vendors and other business associates for the confidence reposed in the Company and its management and look forward to their continued support. The Board places on record its appreciation for the dedication and commitment of the employees at all levels, which has continued to be our major strength. We look forward to their continued support in the future.

For and on behalf of the Board

Registered Office:

910, Chiranjiv Tower, 43-Nehru Place, New Delhi-110019

CIN: L72100DL1972PLC005971

Tel: 011-26441015-17

Fax: 011-26441018

Email: complianceofficer@perfectpac.com

Website: www.perfectpac.com

Place : New Delhi

Date : August 10, 2019

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019**

[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

The Members

PERFECTPAC LIMITED

CIN:L72100 DL1972 PLC 005971

Registered Office: 910 Chiranjiv Tower,

43, Nehru Place,

New Delhi 110 019

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, 2019 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, 2019 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) Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent applicable;
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018 (Not applicable to the Company during the Financial Year 2018-2019);
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
 - (d) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not applicable to the Company during the Financial Year 2018-2019);
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Financial Year 2018-2019);
 - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Financial Year 2018-2019);
 - (g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Financial Year 2018-2019);

- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;
- (i) The Depositories Act 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, to the extent applicable;
- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with client to the extent to securities issued;
- (k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulation, 2009 to the extent applicable.

Circulars/guidelines issued thereunder and based on the above examination, I hereby report that, during the Review Period:-

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ Circulars guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1.	Compliance as per Regulation 30 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	Late submission by the Company	Late submission of disclosure of Board Meeting dated 26.05.2018 and Board meeting dated 11.08.2018 by 15 to 20 minutes.
2.	Submission of voting result of AGM as per Regulation 44(3) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015	Late submission by the Company	Submission of voting result of AGM were delayed by 4-5 hours
3.	Compliance as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.	Non adoption on time	The Company has adopted the Revised (Code of Practices and Procedures and Code of Conduct to Regulate, Monitor and Report Trading in Securities and Fair Disclosure of Unpublished Price Sensitive Information' (Revised Code) in Compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 in the board meeting dated 14 th May, 2019. The revised code was effective from 1 st April, 2019.

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
 - (c) No actions taken against the listed entity/its promoters/ directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued.
6. We further report that, we relied on the representation made by the Company and its officer for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company;
7. 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.

8. We have also examined the compliances with the applicable regulations to the following:-
(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

9. 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.

10. We further report that during the audit period, there were no instances of :-

- (i) Public / Rights / Preferential Issue of Shares / Debenture / Sweat Equity;
- (ii) Redemption / Buy-back of Securities;
- (iii) Merger / Amalgamation / Reconstruction etc.;

This report is to be read with our letter of even date which is annexed as “**Annexure-1**” and form an integral part of this report.

For RSM & CO.
Company Secretaries

Place : New Delhi
Dated : August 10, 2019

CS RAVI SHARMA
Partner
FCS NO. 4468, C. P. NO. 3666

ANNEXURE-1

The Members

PERFECTPAC LIMITED

CIN : L72100DL1972PLC005971

Regd Office: 910, Chiranjiv Tower,

43, Nehru Place,

New Delhi 110 019

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**

Place : New Delhi
Dated : August 10, 2019

**CS RAVI SHARMA
Partner
FCS NO. 4468, C. P. NO. 3666**

ANNEXURE - 2

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's Corporate Social Responsibility Policy ("CSR Policy"), including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs

Corporate Social Responsibility ("CSR") 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:

- Adoption of CSR Policy which has been placed on the Company's website www.perfectpac.com the web link for the same is <http://perfectpac.com/pdf/Policies/CSR%20Policy.pdf>.
- While implementing CSR projects, the Company shall give priority to the area around its manufacturing locations in India.
- The Committee approved the following CSR activities which are in line with Schedule VII to the Act:
 - (a) Promoting Education
 - (b) Promotion of Health Care
 - (c) Running of Charitable Trust
 - (d) Eradicating Hunger and Malnutrition
 - (e) Contribution to the Prime Ministers Relief Fund

2. Composition of CSR Committee

The Composition of the Committee of as on March 31, 2019 are as follows:-

S. No.	Name	Designation
1.	Shri Sanjay Rajgarhia	Chairman
2.	Shri Harpal Singh Chawla	Member
3.	Smt. Ruchi Vij	Member

3. Average Net Profit of the Company for last three financial years: 2,56,83,196

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above):

As per the provisions of Section 135 of the Companies Act, 2013, read with the rules framed there under, the corpus amount to be spent by the Company on CSR activities shall be at least 2% of the average net profits of the Company for the preceding three financial years, mentioned as below:-

Particulars	Amount (Rs.)
Prescribed CSR Expenditure	5,13,664
Unspent amount carry forward from previous Financial year 2017-18	-
Total CSR Expenditure to be spent in the Financial year 2018-19	5,13,664

5. Details of CSR spend during the Financial Year 2018-19

- (a) The Total amount to be spent for the financial year was Rs. 5,13,664 and the Company has spent Rs. 5,15,000.
- (b) Amount unspent, vis-à-vis prescribed CSR expenditure as per Section 135(5) of the Act : Nil

(c) Manner in which the amount spent during the year is detailed below:

Amount (in Rs.)

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Project or Program (1) Local area or other; (2) Specify the State and district where projects or program was undertaken	Amount outlay or (Budget) Project or program wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programmes (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent direct or through implementing agency
1	National Association for the Blind	Clause(i) promoting health care including preventive health care	Faridabad (Haryana)	-	1,00,000	1,00,000	Indirect/ through National Association for the Blinds
2	Samarpan Foundation for construction of Homes for orphans	Clause (iii) Homes for orphans	New Delhi	-	50,000	50,000	Indirect/ Samarpan Foundation
3	Promotion of Education in Vedanta Institute	Clause(ii) promoting education	New Delhi	-	1,00,000	1,00,000	Indirect/ Vedanta Institute Delhi
4	Eradicating hunger, poverty and malnutrition in CRY NGO	Clause(i) promoting health care including preventive health care	New Delhi	-	1,00,000	1,00,000	Indirect/ CRY- Child Rights and You
5	Helpage India	Clause(i) promoting health care including preventive health care	New Delhi	-	1,00,000	1,00,000	Indirect/ Helpage India
6	Prime Minister National Relief Fund	Clause(viii) promoting health care including preventive health care	New Delhi	-	65,000	65,000	Direct/ Prime Minister's National Relief Fund
Total Expenditure				-	5,15,000	5,15,000	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board's Report.

Not Applicable

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee confirms that the implementation and monitoring of the CSR policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Place : New Delhi
Date : August 10, 2019

Rajendra Kumar Rajgarhia
Chairman of the Company
DIN 00141766

Sanjay Rajgarhia
Chairman in CSR Committee
DIN 00154167

NOMINATION AND REMUNERATION POLICY

SCOPE

This Policy aims to ensure that the persons appointed as Directors, Key Managerial Personnel and Senior Management 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.

This Policy has been developed and implemented by the Nomination and Remuneration Committee and is applicable to Directors, Key Managerial Personnel, Senior Management and other employees of the Company.

This Policy is in compliance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part- D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and applies to the following categories of Directors and employees of the Company:

Part I - Key managerial Personnel

Part II - Non Executive Directors / Independent Directors

Part III - Senior Management and other Employees

DEFINITIONS

- (a) "Act" means the Companies Act, 2013 read with the rules, clarifications, circulars and orders issued thereunder from time to time including any modification or re-enactment thereof.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Independent Director" means an Independent Director of the Company appointed in pursuance of the Act and Listing Regulations.
- (d) "Key Managerial Personnel" or "KMP" means person(s) appointed as such in pursuance of Section 203 of the Act.
- (e) "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (f) "NRC" means Nomination and Remuneration Committee of the Board, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations.
- (g) "Other Employees" means all the employees of the Company other than the Key Managerial Personnel and the Senior Management.
- (h) "Rules" means the rules framed under the Act.
- (i) "Senior Management" shall mean the personnel of the Company designated as Senior Management in accordance with the definition laid down under Explanation to Section 178 of the Act and Regulation 16(1)(d) of the Listing Regulations.

Unless the context otherwise provides, terms not defined herein and used in this Policy, shall bear the same meaning as prescribed under the Act, the Listing Regulations or any other relevant law.

Where an employee is a Key Managerial Personnel as well as holds a Senior Management Position (such as CFO, CS, etc.), his/her terms of appointment shall be governed by both Part I and Part III of this Policy and in the event of any conflict, the stricter clause shall prevail.

GENERAL QUALIFICATION AND ATTRIBUTES FOR ALL DIRECTORS

The prospective Director:

- Should be a reasonable person with integrity and ethical standards.
- Should meet the requirements of the Act, the Listing Regulations and other applicable laws for the time being in force.

- Should have the requisite qualifications, skills, knowledge, experience and expertise relevant or useful to the business of the Company. The relevant experience could be in areas of management, human resources, sales, administration, research, Corporate Governance, manufacturing, international operations, public service, finance, accounting, strategic planning, risk management, supply chain, science and technology, marketing, law or any other area considered necessary by the Board/NRC.
- Should be a person who is capable of balancing the interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
- Is expected to:
 - a. Uphold ethical standards of integrity and probity.
 - b. Act objectively and constructively while exercising his/her duties.
 - c. Exercise his/her responsibilities in a bonafide manner in the interest of the Company.
 - d. Devote sufficient time and attention for informed and balanced decision making.
 - e. Not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
 - f. Not abuse his/her position to the detriment of the Company or its shareholders or to gain direct or indirect personal advantage or advantage for any associated person.
 - g. Avoid conflict of interest, and in case of any situation of conflict of interest, make appropriate disclosures to the Board.
 - h. Assist the Company in implementing the best corporate governance practices.
 - i. Exhibit his/her total submission to the limits of law in drawing up the business policies, including strict adherence to and monitoring of legal compliances at all levels.
 - j. Have ability to read and understand the financial statements.
 - k. Protect confidentiality of the confidential and proprietary information of the Company.

NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient/ satisfactory for the concerned position.

COMPLIANCES

The terms/ process of appointment/ re-appointment and remuneration of the Directors and other employees covered under this Policy shall be governed by the provisions of the Act, Rules, Listing Regulations, other applicable laws and policies and practices of the Company.

DISCLOSURES

Disclosure about this Policy shall be made in compliance with the applicable laws.

REVIEW / AMENDMENT

Based on the recommendation of the NRC, the Board may amend, abrogate, modify or revise any or all clauses of this Policy in accordance with the Act, Listing Agreement and/or any other applicable law or regulation.

This revised Nomination and Remuneration Policy has been approved by the Board on August 10, 2019 on recommendation of Nomination and Remuneration Committee (NRC). It shall be effective immediately.

PART I – KEY MANAGERIAL PERSONNEL

Part I of this Policy comprises of two parts as under:

PART A - Managing Directors / Whole-Time Directors (“EDs”)

PART B - Chief Financial Officer, Company Secretary and other KMPs

PART A- MANAGING DIRECTORS / WHOLE-TIME DIRECTORS (“EDs”)

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as EDs.
- The remuneration payable to the EDs is commensurate with their qualification, experience and capabilities and takes into account the past performance and achievements of such ED. A suitable component of remuneration payable to the EDs is linked to their performance, performance of the business and the Company.
- The remuneration payable to the EDs is comparable with the remuneration paid to the EDs of other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIFIC QUALIFICATIONS AND ATTRIBUTES

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Director satisfies the criteria set out under the applicable law including the Act and the Listing Regulations for eligibility to be appointed as ED.

PROCESS OF APPOINTMENT AND REMOVAL

Appointment

NRC shall identify suitable persons for appointment and recommend their appointment to the Board along with the terms of appointment and remuneration. The Board will consider recommendations of NRC and approve the appointment and remuneration, subject to approval of the shareholders of the Company.

Removal

Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, code of conduct and/ or policies of the Company, NRC shall recommend to the Board his/her removal from the services of the Company.

COMPONENTS OF REMUNERATION/INCREMENTS

Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/Gratuity/ Superannuation/Leave encashment, etc.) and other benefits as per policy of the Company.
- Commission to Managing Director(s) based on the net profits of the Company and variable pay to Whole-Time Director(s) based on the performance of the individual, business and the Company as a whole.
- No Sitting Fee shall be payable for attending the meetings of the Board or committees thereof.
- Any other incentive as may be applicable.

Managing Directors

Normally, the remuneration to be paid to the Managing Director(s) payable during the tenure of their appointment is determined by the shareholders of the Company. Therefore, no prescribed increment will be given in salary, allowances and in the commission during their tenure of appointment. However, the actual amount of remuneration may vary from year to year on account of re-imburement claims and variation in profit-linked commission.

Whole-Time Director

Annual increment will be granted by the Board on recommendation of NRC, based on the performance of the individual, performance of the business and the Company as a whole.

The Board and the shareholders of the Company may approve changes in the remuneration from time to time.

PART B - CHIEF FINANCIAL OFFICER, COMPANY SECRETARY AND OTHER KMPs**OBJECTIVES**

- Identify persons who possess appropriate qualifications, experience and attributes for appointment as Chief Financial Officer (“CFO”), Company Secretary (“CS”) and other Key Managerial Personnel (“KMPs”).
- The remuneration payable to CFO, CS and KMPs is commensurate with his/ her qualification, experience and capabilities and takes into account the past performance and achievements of such individual. Remuneration payable to them is comparable with the remuneration paid to persons performing the same or similar roles in other companies which are similar to the Company in terms of nature of business, size and complexity.
- A suitable component of their remuneration is linked to his/ her performance, performance of the business and the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Have requisite qualification and experience as may be relevant to the task he/ she is expected to perform.

NRC/ Board has the discretion to decide whether qualification, expertise, experience and attributes possessed by the person are sufficient/ satisfactory for the concerned position.

PROCESS OF APPOINTMENT AND APPROVAL**Appointment**

- Appointment of KMPs (including terms and remuneration) shall be approved by the Board.
- Upon the NRC recommending the appointment of the CFO to the Audit Committee, the Audit Committee shall approve the appointment of CFO and recommend the same to the Board for approval after assessing the qualifications, experience, background, etc.
- Where a KMP is in Senior Management, the appointment (including terms and remuneration) shall be recommended by NRC to the Board for its approval.

Removal

- Where KMP is subjected to any disqualification(s) mentioned in the Act, Rules or under any other applicable law, rules and regulations, Code of Conduct and/ or Policies of the Company, the Board may remove such KMP from the services of the Company.
- Where KMP is in Senior Management, his/her removal shall be recommended by NRC to the Board for its approval.

ELEMENTS/COMPONENTS OF REMUNERATION

Remuneration and other perquisites/ facilities (including loans/ advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Any other incentive as may be applicable.

ANNUAL APPRAISEL AND INCREMENT

Appraisal and increment of KMPs who are designated as Senior Management Employees shall be recommended by NRC for approval of the Board. For other KMPs, appraisal and increment shall be done by the Managing Director / Whole-time Director in consultation with the Chairman. The following shall be taken into account for appraisal and increment:

- Individual's performance against Key Performance Indicators.
- The performance of:

- a) individual;
 - b) business function handled by the individual; and
 - c) Company.
- The prevalent rate of increments given by companies of similar nature of business and size.
 - The criticality of the individual to the Company in his capacity as a Key Managerial Personnel.

PART II – NON-EXECUTIVE DIRECTORS/ INDEPENDENT DIRECTORS

OBJECTIVES

- Identify persons who meet the criteria for independence, if required, as set out under the Act and the Listing Regulations and possess appropriate qualifications, experience and attributes for appointment to a Company of our size.
- The remuneration payable to the Non-executive / Independent Directors takes into account the contributions of the Director to the performance of the Company. Remuneration payable to them is fair and reasonable and comparable with the remuneration paid by other companies which are similar to the Company in terms of nature of business, size and complexity.

SPECIAL QUALIFICATIONS AND ATTRIBUTES FOR INDEPENDENT DIRECTOR

In addition to the qualifications and attributes specified in 'General Qualifications and Attributes' above, the prospective Independent Director should meet the requirements of Schedule IV to the Act and the Listing Regulations.

PROCESS FOR APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment and recommend their appointment to the Board. The Board will consider recommendations of NRC and accordingly, approve appointment and remuneration of Non-executive and/or Independent Directors subject to approval of the shareholders of the Company.
- The appointment of Independent Directors shall be formalized in accordance with the applicable laws.

Removal

- Where the appointee is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and / or Policies of the Company, NRC shall recommend to the Board for removal of the appointee from directorship of the Company.

ELEMENTS / COMPONENTS OF REMUNERATION

- Variable remuneration - Commission - As a % of the net profits of the Company as approved by the Board and/ or shareholders of the Company.
- Sitting fees for attending meetings of the Board and Committees thereof as recommended by NRC and approved by the Board and reimbursement of expenses for participation in the meetings of the Board and other meetings.

PART III – SENIOR MANAGEMENT & OTHER EMPLOYEES

OBJECTIVES

- Identify persons who possess appropriate qualifications, experience and attributes for appointment in the Senior Management and Other Employees category.
- Remuneration payable to the Senior Management and other employees is commensurate with their qualification, experience and capabilities and takes into account their past performance and achievements. Remuneration payable to them is comparable with the remuneration paid to employees at the same level in other companies which are similar to the Company in terms of nature of business, size and complexity.
- Depending on the level of the employee, a suitable component of remuneration is linked to performance of such individual employee, the performance of the business and the Company as per the HR Policy of the Company.

QUALIFICATIONS AND ATTRIBUTES

- Should be a reasonable person with integrity and ethical standards.
- Senior Management: Should have the requisite qualification and experience as may be relevant to the task he / she is expected to perform.

NRC has the discretion to decide whether qualification, expertise, experience and attributes possessed by a person are sufficient / satisfactory for the concerned Senior Management position.

- Other Employees: Qualification, expertise, experience and attributes will be determined by the Management as per the HR Policy of the Company.

PROCESS FOR APPOINTMENT AND REMOVAL

Appointment

- NRC shall identify suitable persons for appointment in the Senior Management and recommend to the Board their appointment alongwith the terms of appointment and remuneration.
- The Board will consider recommendation of NRC and approve the appointment alongwith the terms of appointment and remuneration.
- Appointments to positions other than the Senior Management will be made as per the Company's HR policy.

Removal

- Where an employee in the Senior Management is subjected to any disqualification(s) mentioned in the Act, Rules or under any other law, rules and regulations, Code of Conduct and/ or Policies of the Company, the Board may remove such employee from the services of the Company, on recommendation of NRC.
- In case of other employees, the Management of the Company may terminate the services of such employee as per HR Policy of the Company.

ELEMENTS / COMPONENTS OF REMUNERATION

Remuneration and other perquisites/ facilities (including loans/ advances) shall be governed by the policies and practices of the Company from time to time. Remuneration shall consist of:

- Fixed remuneration including perquisites and allowances, retiral benefits (like Provident Fund/ Gratuity/ Superannuation/Leave encashment, etc.) and other benefits as per policy of the Company.
- Variable remuneration based on the performance of the individual, the function and the Company as a whole.
- Any other incentive as may be applicable.

ANNUAL APPRAISAL AND INCREMENT

Appraisal and increment for the Senior Management shall be recommended by NRC for approval of the Board and for other employees, by the Senior Management or any other appropriate authorities after taking into account the following:

- Individual's performance against Key Performance Indicators.
- The performance of the:
 - a) individual;
 - b) business function handled by the individual; and
 - c) Company.
- The prevalent rate of increments given by the companies of similar nature of business and size.
- The criticality of the individual to the Company in his capacity as a member of the Senior Management or other employee category.

ANNEXURE - 4

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

A. CONSERVATION OF ENERGY

The Company is taking concentrated steps to optimize use of energy and reduce the consumption per unit of production.

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total foreign exchange used and earned during the year:

Used : Rs. 402.28 lakhs

Earned : Nil

PARTICULARS OF EMPLOYEES

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

Part-A

- (i) The Ratio of remuneration of each Executive Director to the median remuneration of Employees of the Company for the financial year 2018-19, the percentage increase in remuneration of Managing Director, CFO and Company Secretary during the financial year 2018-19 and Comparison on the Remuneration of KMP against performance of the Company :-

S. No.	Name of Director/ KMP	Designation	Ratio of Remuneration of each Director to median remuneration of employees	% increase in Remuneration
1	Shri Sanjay Rajgarhia	Managing Director	46.53	11.24
2	Shri Mohinder Nagpal	Chief Financial Officer	4.89	0.58
3	Ms. Apeksha Jain*	Company Secretary	1.60	-

Note:

- a) * Ms. Apeksha Jain appointed as Company Secretary and Compliance Officer on May 10, 2018.
- b) The Non-Executive Directors of the Company are entitled for sitting fees. The ratio of remuneration and percentage increase for Non-executive Directors remuneration is therefore not considered for the purpose above.
- (ii) The percentage increase in the median remuneration of employees in the Financial Year 2018-19 was 7 %;
- (iii) Total number of employees of the Company as on 31st March 2019 was 122.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The remuneration paid to the managerial personnel differ due to mix of fix and variable pay components.
- (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 Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi
Dated : August 10, 2019

EXTRACT OF ANNUAL RETURN**FORM NO. MGT-9****AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2019**

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

I. REGISTRATION AND OTHER DETAILS

CIN	L72100DL1972PLC005971
Registration Date	07/02/1972
Name of the Company	Perfectpac Limited
Category / Sub-Category of the Company Address of the registered office and contact details	Company Limited by shares / Indian Non-Government Company. 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 Telephone: (011)- 26441015-17, E-mail: complianceofficer@perfectpac.com
Whether listed company	Yes, listed on BSE Limited & Calcutta Stock Exchange Limited
Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase -1, New Delhi – 110 020 Telephone: 011-40450193-97, Fax: 011-26812683, E-mail: admin@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Name and Description of main Products / Services	NIC Code of the Product / service	% to total turnover of the company
Corrugated Fiberboard Containers	17021	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the company	CIN/GLN	Holding / subsidiary/ Associate	% of shares held	Applicable Section of the Companies Act, 2013
Not Applicable				

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Shareholding

S. No	No. of Shares held at beginning of the Year (April 01, 2018)				No. of Shares held at end of the Year (March 31, 2019)				% Change During The Year	
	Category of Shareholders	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total		% of Total Shares
A	Promoters									
(1)	Indian									
a)	Individual HUF	638058	0	638058	47.91	638250	0	638250	47.92	0.01
b)	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	338524	0	338524	25.42	338524	0	338524	25.42	0.00
e)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (1)	976582	0	976582	73.32	976774	0	976774	73.34	0.02
(2)	Foreign									
a)	NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b)	Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoters (A)	976582	0	976582	73.32	976774	0	976774	73.34	0.02
B	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b)	Banks/FI	0	786	786	0.06	0	786	786	0.06	0.00
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
j)	Any Other Foreign	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	0	786	786	0.06	0	786	786	0.06	0.00

(2) Non-Institutions										
a) Bodies Corporate										
i) Indian	8776	1993	10769	0.81	8415	1943	10358	0.78	(0.03)	
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00	
b) Individuals										
i) Individual shares holders having nominal share capital upto Rs. 1 Lakh	111533	180366	291899	21.92	134525	158014	292539	21.96	0.04	
ii) Individual shares holders having nominal share capital Excess of Rs. 1 Lakh	43936	0	43936	3.30	43569	0	43569	3.27	(0.03)	
c) Others										
i) HUF	7025	0	7025	0.53	5876	0	5876	0.44	(0.09)	
ii) Non Resident Indian	831	70	901	0.07	1694	70	1764	0.13	0.06	
iii) Foreign National	0	0	0	0.00	0	0	0	0.00	0.00	
iv) Clearing Members	2	0	2	0.00	200	0	200	0.02	0.02	
v) Trust	0	0	0	0.00	0	0	0	0.00	0.00	
vi) Foreign Bodies-DR	0	0	0	0.00	0	0	0	0.00	0.00	
vii) NBFC Registered With RBI	0	0	0	0.00	34	0	34	0.00	0.00	
Sub-Total (B)(2)	172103	182429	354532	26.62	194313	160027	354340	26.60	(0.02)	
Total Public Shareholding (B)=(B)(1)+(B)(2)	172103	183215	355318	26.68	194313	160813	355126	26.66	(0.02)	
C) Shares Held By Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00	
D) IEPF	0	0	0	0.00	0	0	0	0	0	
Grand Total(A)+(B)+(C)+(D)	1148685	183215	1331900	100.00	1171087	160813	1331900	100.00	0.00	

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2018)			Shareholding at the end of the year (March 31, 2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sanjay Rajgarhia	611746	45.93	-	611938	45.94	-	0.01
2	Pooja Rajgarhia	21712	1.63	-	21712	1.63	-	0.00
3	Anjali Harlalka	4600	0.35	-	4600	0.35	-	0.00
4	Faridabad Paper Mills Private Limited	200277	15.04	-	200277	15.04	-	0.00
5	Essvee Fiiscal LLP	138247	10.38	-	138247	10.38	-	0.00
	Total	976582	73.32	-	976774	73.34	-	0.01

(iii) Change in Promoter's Shareholding

S. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2018)		Date	Reason	Increase/Decrease in Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Sanjay Rajgarhia	611746	45.93	13-04-18	Purchase	192	0.01	611938	45.94

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of ADRs):

S. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2018)		Date	Reason	Increase/ Decrease in Shareholding	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Darshan Garg	3828	0.29	31-03-19	Sale	(3428)	400	0.03
2	Rajendra Dhirajjal Gandhi (HUF)	4000	0.30	-	-	-	4000	0.30
3	Fourth Axis Advisors LLP	3754	0.28	-	-	-	3754	0.28
4	Rajesh Garg	1000	0.08	21-09-18	Purchase	1966	2966	0.22
				29-03-19	Purchase	200	3166	0.24
				31-03-19	Purchase	3728	6894	0.52
5	Parveen Kumar Garg	905	0.07	06-04-18	Purchase	4079	4984	0.37
				29-06-18	Sale	(4079)	905	0.07
				29-06-18	Purchase	4079	4984	0.37
				30-06-18	Sale	(4079)	905	0.07
				30-06-18	Purchase	4079	4984	0.37
				01-08-18	Sale	(4079)	905	0.07
				01-08-18	Purchase	4079	4984	0.37
				05-09-18	Sale	(4079)	905	0.07
				07-09-18	Purchase	4079	4984	0.37
				22-09-18	Sale	(4079)	905	0.07
				28-09-18	Purchase	4079	4984	0.37
				30-09-18	Sale	(4079)	905	0.07
				30-09-18	Purchase	4079	4984	0.37
				31-12-18	Sale	(4079)	905	0.07
				31-12-18	Purchase	4079	4984	0.37
				15-02-19	Purchase	1082	6066	0.46
				29-03-19	Sale	(200)	5866	0.44
				31-03-19	Purchase	2371	8237	0.62
6	Suresh Dindayal Khatri	5250	0.39	-	-	-	5250	0.39
7	AL. Valliammai	5990	0.45	-	-	-	5990	0.45
8	Bhavna Govindbhai Desai	26690	2.00	-	-	-	26690	2.00
9	Raju Bhandari	17246	1.29	06-04-18	Sale	(2)	17244	1.29
				13-04-18	Sale	(102)	17142	1.29
				20-04-18	Sale	(105)	17037	1.28
				04-05-18	Sale	(50)	16987	1.28
				11-05-18	Sale	(30)	16957	1.27
		-	-	18-05-18	Sale	(49)	16908	1.27
				25-05-18	Sale	(2)	16906	1.27
				08-06-18	Sale	(300)	16606	1.25
				15-06-18	Sale	(20)	16586	1.25
				22-06-18	Sale	(13)	16573	1.24

				13-07-18	Sale	(1)	16572	1.24
				20-07-18	Sale	(100)	16472	1.24
				21-09-18	Purchase	1002	17474	1.31
				28-09-18	Sale	(10)	17464	1.31
				05-10-18	Sale	(50)	17414	1.31
				26-10-18	Sale	(79)	17335	1.30
				02-11-18	Sale	(440)	16895	1.27
				07-12-18	Sale	(1)	16894	1.27
				11-01-19	Sale	(15)	16879	1.27
10	Neetu Tolani	5350	0.40	18-05-18	Sale	(309)	5041	0.38
				06-07-18	Sale	(110)	4931	0.37
				24-08-18	Sale	(26)	4905	0.37
				16-11-18	Sale	(100)	4805	0.36
11	Madhuben Dhirajlal Gandhi	3000	0.23	-	-	-	3000	0.23

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2018)		Date	Reason	Increase/ Decrease in Shareholding	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Shri Sanjay Rajgarhia	611746	45.93	13-04-18	Purchase	192	611938	45.94

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	85.99	-	-	85.99
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.53	-	-	0.53
Total (i + ii + iii)	86.52	-	-	86.52
Change in Indebtedness during the financial year				
- Addition	32.73	140.45	-	173.18
- Reduction	43.83	140.45	-	184.28
Net Change	(11.10)	-	-	(11.10)
Indebtedness at the end of the financial year				
i) Principal Amount	74.89	-	-	74.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.41	-	-	0.41
Total (i + ii + iii)	75.30	-	-	75.30

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

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Shri Sanjay Rajgarhia Managing Director
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	40.50
	(b) Value of perquisites u/s 17(3) Income Tax Act, 1961	34.85
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-
2.	Stock Options	-
3.	Sweat Equity	-
4.	Commission - as% of net profits - others	-
5.	Others	-
	Total	75.35
	Ceiling as per the Act	Remuneration to Managing Director is approved as per Schedule V of the Companies Act, 2013

B. Remuneration to Other Directors

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Independent Directors		Other Non-Executive Director	Total Amount
		Shri Harpal Singh Chawla	Smt. Ruchi Vij	Shri R K Rajgarhia	
1.	Independent Directors				
	- Fee for attending Board / Committee Meetings	0.40	0.40	-	0.80
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	0.40	0.40	-	0.80
2.	Other Non-Executive Directors				
	- Fee for attending board committee meetings	-	-	0.40	0.40
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (2)	-	-	0.40	0.40
	Total (1)+(2)	0.40	0.40	0.40	1.20
	Ceiling as per the Act	As per the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Mohinder Nagpal (CFO)	Ms. Apeksha Jain (Company Secretary)	Total Amount
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.01	1.66	5.67
	(b) Value of perquisites u/s 17(3) Income Tax Act, 1961	3.88	0.66	4.54
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as% of net profits - others	-	-	-
5.	Others	-	-	-
	Total	7.89	2.32	10.21

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2019

Type	Section of the Companies Act, 2013	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other officers in default					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi
Dated : August 10, 2019

CORPORATE GOVERNANCE

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations" or "SEBI (LODR) Regulations, 2015") is given herein below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Perfectpac Limited philosophy on Corporate Governance is to conduct its business in a manner which is ethical and transparent with all stakeholders of the Company. The Company believes in providing a structure that works for the benefit of everyone concerned, by ensuring that the Company adheres to ethical standards, laws and best practices. The Company's policy on Corporate Governance is to make it a way of life by, inter alia, adopting standard Corporate Governance practices through continual improvement of internal systems and satisfaction of customers and shareholders. The Company in its approach to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to conform with the continuously progressing governance demands.

2. BOARD OF DIRECTORS**(a) Composition**

The Board 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 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 dates of appointment and tenure of the existing Independent Directors are given below:

S. No.	Name of Independent Director	Date of appointment/ re-appointment	Date of completion of tenure
1.	Shri Harpal Singh Chawla	April 01, 2019	March 31, 2024
2.	Smt. Ruchi Vij	September 24, 2015	September 23, 2020

The letters of 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 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. During the financial year 2018-19, the Board met five times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 26, 2018
2.	August 11, 2018
3.	November 03, 2018
4.	February 09, 2019
5.	February 26, 2019

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

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/ respective Committee in its next Meeting.

Composition of the Board of Directors as on March 31, 2019 and attendance at the Board Meetings held during the Financial Year ended March 31, 2019 and at the last Annual General Meeting ('AGM') are given in table below:

Name and Designation	Category	Attendance at the Meeting	
		Board Meeting	Last AGM
		Attended	Attended
Shri Rajendra Kumar Rajgarhia Chairman	Non-Executive	4	No
Shri Sanjay Rajgarhia Managing Director	Executive and Promoter	5	Yes
Shri Harpal Singh Chawla Director	Non-Executive and Independent	5	Yes
Smt. Ruchi Vij Director	Non-Executive and Independent	5	No

(d) Other Directorships

The number of Directorships in other bodies corporate including the names of listed entities in which they are a Director and memberships/chairmanships of Board Committees as on March 31, 2019 are as given in table below:

Name of Director	No. of directorship in other Bodies Corporate*		No. of Chairmanship / Membership of Committees**		Directorship in other listed entities (category of Directorship)
	Public	Private	Chairmanships	Memberships	
Shri Rajendra Kumar Rajgarhia	1	1	-	-	APM Industries Limited (Executive)
Shri Sanjay Rajgarhia	1	2	-	4	APM Finvest Limited (Executive Director)
Shri Harpal Singh Chawla	1	6	2	-	-
Smt. Ruchi Vij	-	1	-	2	-

*Excluding Perfectpac Limited, Section 8 Companies and Limited Liability Partnerships.

**Pursuant to Regulation 26 of Listing Regulations, membership of Audit Committees and Stakeholders Relationship Committees of Indian Public Limited Companies, whether listed or not have been considered. Committees of Perfectpac Limited are also included.

(e) Relationship between directors

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;
- 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;
- Minutes of Board Meetings of unlisted subsidiary company(s);
- Statement of significant transactions or arrangements made by unlisted subsidiary companies;
- 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) Board Process

In sync with its policy of environmental preservation, the Company sends documents relating to Board and Committee meetings, including agenda papers and supplementary documents, to the Directors at least 7 days before the meetings.

Important decisions taken at the Board/ Committee meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report (ATR) on the decisions of the previous meeting(s) is placed at the next meeting of the Board/ Committee.

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.

(h) Independent Directors

The term "Independent Directors" has been defined under Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the disclosures received from the Independent Director, the Board has confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Companies Act, 2013, read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and are Independent of the management.

The Company has complied with the provisions with respect to appointment and term of Independent Directors which are consistent with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities, code of conduct etc. The terms and conditions of appointment are available on the website of the Company at www.perfectpac.com. The web link for the same is <http://perfectpac.com/pdf/Policies/Terms%20for%20Appointment%20of%20ID.pdf>.

(i) Independent Directors Meeting

Independent Directors met on February 09, 2019, without the attendance of Non-Independent Directors and members of the management of the Company. The Independent Directors, inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, also reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; for the Financial Year ended March 31, 2019. 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 its duties.

(j) Familiarisation Programme for Independent Directors

In Compliance with the Regulation 25 (7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarises its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, Legal updates, etc. 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 web link for the same is http://perfectpac.com/pdf/Familiarisation_Programm/Familiarisation%20Programme%202018-19.pdf

(k) Key Board qualifications, expertise and attributes

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 members name does not necessarily mean the member does not possess the corresponding qualification or skill.

Directors	Area of Expertise					
	General Management and Business Operations	Financials	Leadership	Human Resource Management	Board service and Governance	Sales and Marketing
Shri Rajendra Kumar Rajgarhia Chairman	✓	✓	✓	✓	✓	✓
Shri Sanjay Rajgarhia Managing Director	✓	✓	✓	✓	✓	✓
Shri Harpal Singh Chawla Independent Director	✓	✓	–	✓	✓	✓
Smt. Ruchi Vij Independent Director	✓	✓	✓	–	✓	–

(l) Number of share held by Board of directors as on March 31, 2019

Details of the shareholding held by Board of Directors as on March 31, 2019 are given in the table below:

Name of directors	Number of Shares	% of shareholding
Shri Rajendra Kumar Rajgarhia	Nil	Nil
Shri Sanjay Rajgarhia	611938	45.94
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 the meetings of all Committees of the Board are placed quarterly at Board meetings for noting.

Major Committees are:

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

The Company Secretary officiates as the Secretary of the Committees. Detailed 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.

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 of 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 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 judgment 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 and monitoring, with the management, the statement of uses/ application of funds raised through an issue/ public offers (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, if any, 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 thereon;
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 wholetime 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(s);
23. Review of appointment, removal and terms of reference of Chief Internal Auditor;
24. Recommend appointment and remuneration of Cost Auditors;
25. Any other role as prescribed by the Companies Act, 2013 and the SEBI Listing Regulations, 2015.
26. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments existing as on the date of coming into force of this provision.

(ii) **Composition**

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

Invitees:

The representatives of Statutory Auditors and Internal Auditors, Chief Financial Officer 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 120 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 FY 2018-19, the Committee met four times i.e. on May 26, 2018; August 11, 2018;

November 03, 2018 and February 09, 2019.

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	4	4
Shri Sanjay Rajgarhia, Member	4	4
Smt. Ruchi Vij, Member	4	4

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 SEBI 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. To formulate criteria for performance evaluation of independent directors and the Board and to carry out evaluation of every director's performance;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
5. To devise a policy on Board diversity;
6. 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;
7. To recommend remuneration payable to Managing Directors and Whole-time Directors;
8. To review and recommend nature of services rendered by any Director in other capacity and requisite qualification thereof;
9. To discharge the roles envisaged under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
10. To recommend the board, all remuneration, in whatever form, payable to senior management."
11. Any other role as may be prescribed by law, from time to time.

(ii) Composition

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

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the FY 2018-19 the Committee met thrice i.e. on May 26, 2018, August 11, 2018 and February 26, 2019. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater, including 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	3	3
Shri Rajendra Kumar Rajgarhia, Member	3	3
Smt. Ruchi Vij, Member	3	3

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees, 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. To resolve the grievances of the security holders' complaints like non-transfer of securities, non-receipt of annual report, non-receipt of dividends/interest, 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. 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
5. The Committee shall perform all such other functions as may be prescribed under The Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and/or any other law for the time being in force, including any statutory amendments, modifications made there under.

(ii) Composition

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

Compliance Officer

Ms. Apeksha Jain, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations, 2015.

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the FY 2018-19 the Committee met twice i.e. on May 26, 2018 and November 03, 2018. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is greater.

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*	-	-

* Reconstitution of Committee on May 14, 2019 and nominated as the member effective from May 14, 2019. During her tenure as the member of the Committee, no meeting has been held.

(iv) Investors' Grievances/Complaints

During the FY 2018-19, No complaint was pending as on March 31, 2019.

(v) Transfers, Transmissions etc. approved

During the FY 2018-19, the Company has resolved 118 cases (involving 14261 equity shares) of transfer and 17 cases (involving 2847 equity shares) of transmission. There were no complaints pending as on March 31, 2019.

The Company had 2481 shareholders as on March 31, 2019.

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:

1. 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;
2. To recommend the amount of expenditure to be incurred on the activities referred in the CSR Policy and review the same;
3. To monitor the CSR Policy including CSR projects/programmes;
4. Any other role as may be prescribed by law, from time to time.

(ii) Composition

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

(iii) Meetings, Quorum and Attendance

During the FY 2018-19, the Committee met two times i.e., on May 26, 2018 and August 11, 2018.

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

4. PERFORMANCE EVALUATION AND ITS CRITERIA

Pursuant to the provisions of the Act, the SEBI Listing Regulations, 2015 and the Performance Evaluation Policy of the Company, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaire.

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 on the parameters such as demonstration of effective leadership, contribution to the Board's work, communication with the Board, 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. Nomination, Remuneration and Compensation

Committee also carried out the performance evaluation of the individual Directors. 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 Chairman and Managing Director during financial year 2018-19 are as under:-

Name of Director	Basic Salary	Benefits/Allowances/ Perquisites	Pension/PF	Total
Shri Sanjay Rajgarhia	40,50,000	34,85,094	4,86,000	80,21,094

As on March 31, 2019, Shri Sanjay Rajgarhia held 611938 equity shares in the Company.

(b) Remuneration to Non-Executive Directors

The Non-Executive Directors, except Shri Rajendra Kumar Rajgarhia, do not have any material pecuniary relationship with the Company. Shri Rajendra Kumar Rajgarhia's pecuniary relationship to the Company is limited to the extent of his shareholding which is Nil as on March 31, 2019 and the sitting fees received by him. He may also be deemed to have some pecuniary interest with respect to transactions of sale and purchase of materials with the Companies in which he is a director, brief details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards. The Non-Executive Directors are paid sitting fees for the Board/Committee Meetings attended by them and are not paid remuneration in any other form.

The details of sitting fees to the other Non- Executive Directors for year ended March 31, 2019 are as follows:

Name of Director	Board Meetings	Committee Meetings	Total
Shri Rajendra Kumar Rajgarhia	40,000	-	40,000
Shri Harpal Singh Chawla	40,000	-	40,000
Smt. Ruchi Vij	40,000	-	40,000

(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 as approved by the Board and members. The criteria have been defined in the Appointment and Remuneration Policy of the Company. The criteria are also displayed on Company's website. The web link for the same is <http://perfectpac.com/pdf/Policies/Remuneration%20criteria%20NEDs.pdf>

(d) Details of Service Contracts, Notice Period, etc. of all the Directors for the financial year

Name of Director	Contract Period (Tenure)	Service Contract	Notice Period	Severance fees, if any
Shri Sanjay Rajgarhia	01.07.2019 to 30.06.2024 (Managing Director)	Yes	No	As decided by the management
Non Executive Directors other than Independent Directors	None-The Non Executive Directors other than Independent Directors, liable to retire by rotation, get re-appointed as per the provisions of Articles of Association of the Company and the applicable provisions of Companies Act, 2013	No	No	None

6. GENERAL BODY MEETINGS**(a) The details of the last three Annual General Meetings (AGM) of the Company are as follows:**

Financial Year	Date	Time	Location
2017-2018 (46th AGM)	August 08, 2018	11:30 AM	The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110074
2016-2017 (45th AGM)	September 18, 2017	11:30 AM	The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110074
2015-2016 (44th AGM)	September 19, 2016	11:30 AM	New Delhi Y.M.C.A. Tourist Hostel, Gate No. 1, Jai Singh Road, New Delhi-110001

(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
46th AGM	Re-appointment of Shri Harpal Singh Chawla (DIN 00025492) as Non Executive and Independent Director of the Company
45th AGM	1. Payment of Remuneration to Shri Sanjay Rajgarhia (DIN: 00154167) as Managing Director of the Company. 2. Renewal of borrowing limit of the Company under Section 180 (1) (c) of the Companies Act, 2013. 3. Renewal of Creation of charge / mortgage etc. on Company's movable or immovable properties in terms of Section 180(1)(a) of the Companies Act, 2013.
44th AGM	To keep Register and Index of Members at other place.

(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2018-19

Postal Ballot Notice dated February 26, 2019, in respect of the following matters:

Mr. Ravi Sharma [M. No. 4468] partner of RSM & Co., Company Secretaries in whole- time practice, Scrutinizer appointed by the Board had submitted his report containing the following result of the postal ballot (physical as well as e-voting).

Particulars of Resolution	Type of Resolution	No. of Votes polled	No. of Votes- in favour	No. of Votes- in against	No. of invalid votes
Continuance of Directorship of Shri Rajendra Kumar Rajgarhia (DIN: 00141766) as Non-Executive & Non-Independent Director of the Company	Special Resolution	344016	344016	0	0

(d) Whether any Special Resolution(s) are proposed to be passed through Postal Ballot

Special Resolutions as may be necessary under the Act/SEBI Listing Regulations, 2015 would be passed through Postal Ballot.

(e) Procedure for Postal Ballot

- The notices containing the proposed resolutions and explanatory statements thereto are sent to the registered postal/email addresses of all shareholders of the Company alongwith a Postal Ballot Form and a postage pre-paid 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/Managing Director of the Company, who on the basis of the report announces the results.
- 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) **Quarterly Results:** The quarterly financial results are regularly submitted to the Stock Exchanges where the securities of the Company are listed i.e BSE Limited and Calcutta Stock Exchange Limited.
- (b) **Newspaper Advertisement:** The quarterly and annual financial results published in the leading newspapers i.e 'Pioneer' and regional newspapers like 'Pioneer' and are simultaneously displayed on the website of the company i.e www.perfectpac.com.
- (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) The Investor Relations department of the Company regularly interacts with current and prospective investors and capital market intermediaries (brokers) who either invest in Company stocks and/or encourage investors to do the same. Investor Relations Department responds to all requests from investors and analysts, through calls/emails, with respect to the business profile and financial performance of the Company. The published results are shared after the Board meeting by uploading on the company's website for all interested stakeholders.
- (e) Annual Report is emailed to such shareholders whose email ids are registered with the Company/ Depositories.

8. CODE AND POLICIES CONDUCT

The Company has established the following salient codes and policies:

(a) Code of Conduct

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. The web link of the same is http://perfectpac.com/pdf/code_of_conduct/For%20Directors%20and%20Senior%20Management.pdf.

(b) Code of Conduct for 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.

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. The Code of Conduct is posted on the Company's website. The web link of the same is http://perfectpac.com/code_of_conduct.html

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

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of UPSI with a view to facilitate prompt, uniform and universal dissemination of UPSI. The web link for the same is http://perfectpac.com/pdf/code_of_conduct/Fair%20Disclosure%20of%20UPSI.pdf

(d) Policy for Determination of Events and Information

The Company has adopted a Policy for Determining Materiality of Events and Information for the purpose of making disclosure to the Stock Exchanges. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchanges. The Policy is displayed on the Company's website. The web link of the same is http://perfectpac.com/pdf/Policies/Policy_on_materiality_of_events.pdf

(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. The web link for the same is <http://perfectpac.com/pdf/Policies/Policy%20on%20preservation%20of%20documents.pdf>.

(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 SEBI Listing Regulations, 2015. 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. The web link of the same is <http://perfectpac.com/pdf/Policies/Policy%20on%20preservation%20of%20documents.pdf>.

(g) 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>.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

(h) Whistle Blower Policy

Company has 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. The web-link for the same is: <http://perfectpac.com/pdf/Policies/Vigil%20mechanis-whistle%20blower%20policy.pdf>

(i) Corporate Social Responsibility (CSR) Policy

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

(j) Nomination and Remuneration Policy

The Company's policy on appointment and remuneration of the Directors, Key Managerial Personnel and other employees is attached. The web link for the same is http://perfectpac.com/pdf/Policies/Nomination_and_Remuneration_Policy.pdf.

9. DISCLOSURES

- (a) There are no materially significant transaction with the related parties viz. Promoters, Director or the Management, or 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.
- (c) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d) 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, as amended from time to time.
- (e) Pursuant to Schedule VI, Regulation 39 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and erstwhile Clause 5A of SEBI Listing Agreements, the Company had already sent reminder letters to those shareholders whose shares are remaining unclaimed and lying with the Company/ Registrars and Share Transfer Agents.

- (f) Details of total fees paid to Statutory Auditors are provided in Note No. 29 of financial Statements forming part of Annual Report.
- (g) During the year under review, the Company did not raise any proceeds through a public issue, rights issue and/or preferential issue.

10. GENERAL SHAREHOLDERS' INFORMATION**(a) Date, Time and venue for 47th Annual General Meeting**

As per notice of 47th 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 2019-20 is as follows:

Item	Tentative Dates*
First Quarter Results	August 10, 2019
Second Quarter Results	November 14, 2019
Third Quarter Results	February 14, 2020
Audited Annual Results for the year	May 30, 2020

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

(c) Book Closure Dates

Book Closure date for the financial year ended March 31, 2019 as per Notice of 47th Annual General Meeting.

(d) Listing

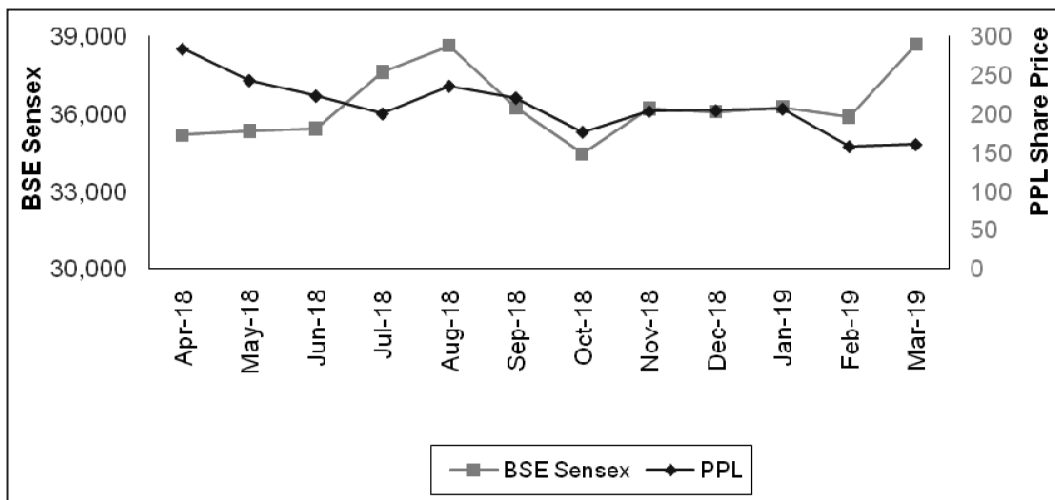
The name of the Stock Exchange at which the securities of the Company are listed and the respective scrip code are as under:

Name of the Stock Exchange	Security Listed	Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	526435
Calcutta Stock Exchange Limited 7, Lyons Range, Dalhousie, Kolkata-700001	Equity Shares	26097

(e) Market Price Data

Monthly high/low of market price of the Company's equity shares (of '10' each) traded on the Stock Exchange (BSE) during 2018-19 is given hereinafter: (Amount in Rs.)

Month	High Price	Low Price
April, 18	312.40	222.20
May, 18	297.80	233.20
June, 18	259.80	222.85
July, 18	232.90	194.30
August, 18	265.25	192.10
September, 18	259.80	204.75
October, 18	214.90	176.30
November, 18	230.50	172.00
December, 18	209.90	172.10
January, 19	218.00	190.05
February, 19	201.00	144.65
March, 19	168.00	145.50

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

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

(g) Compliance Officer

Ms. Apeksha Jain, 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 011-26441015 and e-mail id is "complianceofficer@perfectpac.com".

(h) Registrar and Share Transfer Agent

For share related matters, members are requested to correspond with the Company's 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

Stakeholders Relationship Committee is authorised to approve transfer of shares. In order to expedite the process of share transfers, the Board has delegated the power to the Company Secretary of the Company. Share transfers which are received in physical form, are processed and the share certificates are returned within a period of 15 days from the date of receipt subject to the documents being valid and complete in all respects. The dematerialised shares are transferred directly to the beneficiaries by the depositories.

The Company has complied with the requirements of Regulation 40 read with Schedule VII of the SEBI Listing Regulations, 2015 with respect to all formalities of transfers or transmissions of share.

The Company obtains a half- yearly compliance certificate from a Company Secretary in Practice as required under Regulation 40(9) of the SEBI Listing Regulations, 2015 and file a copy of the said Certificate with the Stock Exchange.

Pursuant to Regulation 7(3) of the SEBI Listing Regulations, 2015, Compliance Certificate duly signed by the Compliance Officer and the authorized representative of the Company's RTA viz. Skyline Financial Services Private Limited confirming that all activities in relation to both physical and electronic share transfer facility are being maintained by the RTA for the half year ended September 30, 2018 and March 31, 2019 have been duly submitted to the Stock Exchanges.

(j) Credit Ratings

The Company has obtained rating from CRISIL during the financial year 2018-19. The Credit Rating is BBB-.

(k) Distribution of shareholding as on March 31, 2019

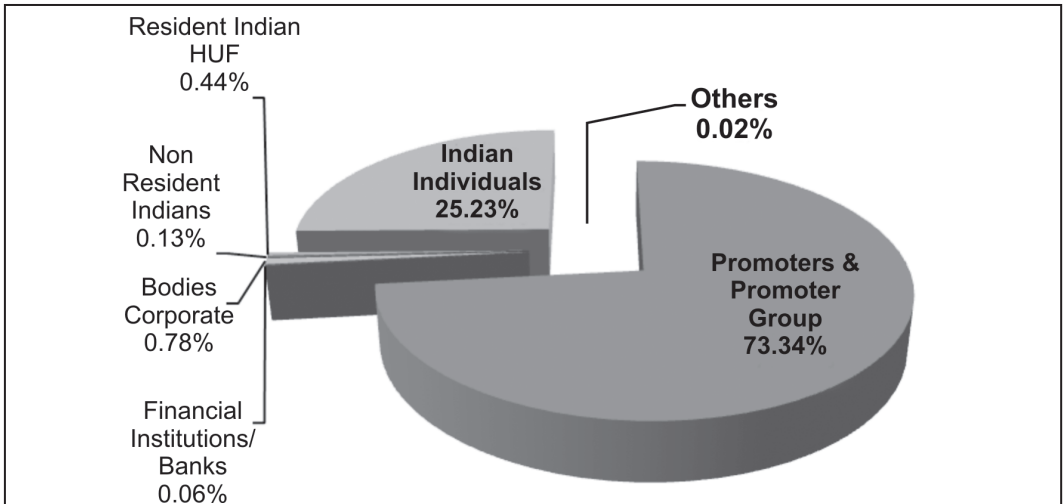
(i) Value wise

Shareholding of Nominal Value	Shareholders		Shareholding	
	Number	Percentage	Amount in (Rs.)	Percentage
Upto 5000	2392	96.41	2015850	15.14
5001 to 10000	58	2.34	418650	3.14
10001 to 20000	11	0.44	150370	1.13
20001 to 30000	6	0.24	141400	1.06
30001 to 40000	2	0.08	77540	0.58
40001 to 50000	2	0.08	94050	0.71
50001 to 100000	4	0.16	263710	1.98
Above 100000	6	0.25	10157430	76.26
Total	2481	100	13319000	100

(ii) Category wise

S. No.	Category	No. of Shares	Shareholding as a % of total number of shares
A	Promoter & Promoter Group	976774	73.34
B	Public Shareholding		
1	Financial Institutions/ Banks	786	0.06
2	Bodies Corporate	10358	0.78
3	Non-Resident Indians	1764	0.13
4	Resident Indian HUF	5876	0.44
5	Indian Individuals	336108	25.23
6	others	234	0.02
	Total	1331900	100

Graphical Presentation of Shareholding



(l) 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.

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

Mr. Ravi Sharma, Partner of RSM & Co., Company Secretary in Practice, has issued a certificate as required under the Listing regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority . The certificate is enclosed as **Annexure-B**

(n) Compliance Certificate from the Practicing Company Secretary

The Company has obtained a Certificate from Mr. Ravi Sharma, Partner of M/s RSM & Co., Company Secretary in Practice confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the SEBI Listing Regulations, 2015. The Certificate is attached as **Annexure-C**.

(o) (i) Dematerialization of Shares

The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 1171087 equity shares of the Company were in dematerialized form as on March 31, 2019. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE759I01016**.

(ii) Liquidity

The shares of the Company are listed on BSE Limited and Calcutta Stock Exchange Limited, which provide sufficient liquidity to the investors.

(p) Location of Plant

Plot No. 1B/1C, Udyog Vihar, Greater Noida (U.P.)-201306

(q) Registered Office and Address for Correspondence

Perfectpac Limited

910, Chiranjiv Tower, 43, Nehru Place,

New Delhi-110019

Tel: 011-26441015-17

Email:- complianceofficer@perfectpac.com

Website:- www.perfectpac.com

(r) Corporate Identification Number (CIN)

L72100DL1972PLC005971

11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE SEBI LISTING REGULATIONS, 2015**(a) Mandatory Requirements**

The Company has complied with mandatory requirements relating to corporate governance as prescribed in SEBI Listing Regulations, 2015.

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

The status of adoption of non-mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the SEBI Listing Regulations, 2015 is given below:

(i) The Board

The Chairman is Non-Executive Director.

(ii) Shareholders' Rights

As the quarterly and half-yearly performance are published in the newspapers and are posted on the Company's website, the same are not being sent separately to each household of the shareholders.

(iii) Modified Opinion(s) in Audit Report

The Company's financial statement for the financial year ended March 2019 does not contain any modified opinion.

(iv) Reporting of Internal Auditor

Internal Auditor reports to the Audit Committee.

CEO/CFO Certification

In compliance with Regulation 17(8) read with Schedule II(B) of the SEBI Listing Regulations 2015, 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.

Investor Services

In an endeavour to give best possible service to investors, the Company has taken the following initiatives:

- Emailing Annual Report and Notice of Annual General Meeting to shareholders, whose e-mail IDs are available.
- User friendly Investor Section on the website of the Company www.perfectpac.com.
- A dedicated e-mail ID viz. complianceofficer@perfectpac.com for sending communications to the Company Secretary & Compliance Officer. Members may lodge their complaints or suggestions on this e-mail ID as well.
- Further, quarterly and annual financial results of the Company are also uploaded on the website of the Company for the benefit of the shareholders and public at large.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi
Dated : August 10, 2019

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 of the Company for the year ended March 31, 2019.

For and on behalf of the Board

Sanjay Rajgarhia
Managing Director

Place : New Delhi
Dated : August 10, 2019

ANNEXURE - B

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, 2019 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 RAVI SHARMA
PARTNER
FCS NO.4468, C.P. NO. 3666

Dated: August 10, 2019
Place: New Delhi

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members of
PERFECTPAC LIMITED

1. We have examined the compliance of conditions of Corporate Governance by PERFECTPAC LIMITED for the year ended 31st March 2019, as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 ("Listing Regulations").
2. The Compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RSM & CO.
Company Secretaries
FRN.P1997DE017000

Place : New Delhi
Dated : August 10, 2019

RAVI SHARMA
Partner
FCS NO. 4468, C. P. NO. 3666

ANNEXURE - D

CERTIFICATE OF CEO/CFO

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

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2018-19 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. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. 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 Perfectpac Limited

Place : New Delhi
Date : August 10, 2019

Mohinder Nagpal
Chief Financial Officer

Sanjay Rajgarhia
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS*[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 various types of industry. 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. It also controls the size and quantity of the content.

b) OPPORTUNITIES & THREATS

The packaging industry is going through the most substantial transformation in many years. Companies have realized that packaging needs to add value to the product in order to stand out among competition.

A recent study shows that consumer are more inclined toward purchasing products online, which is increasing the demand for packaging to protect goods from shock, vibration, and other damaging effects of shipping and handling. Increasing e-commerce sector is one of the main drivers and supports gains for packaging products.

The key challenges that the packaging industry is facing today include credit availability, lack of skilled labour, lack of regulatory clarity in packaging, insufficient consumer awareness of sustainable packaging and uncertainty about green packaging materials.

The lack of local availability of prime raw material for the paper mills and their dependence on imports for the same can sometimes lead to sharp fluctuation in paper prices, depending upon the international scenario.

c) SEGMENT-WISE PERFORMANCE

The Company is a single product Company and hence, segment-wise or product-wise performance is not provided.

d) OUTLOOK

Your Company was able to deliver satisfactory working results in the Current Financial year as compared to previous financial year. Our 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. Moreover highly favorable demographic patterns in India such as increasing working age population, growing disposable income, growth in middle class, ongoing urbanization and changing lifestyles etc will further drive the growth of packaging industry in India.

e) RISKS & CONCERNS

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 Risk Management Policy to identify and access 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.

f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has appointed M/s Sapra Sharma & Associates, LLP (Chartered Accountants), an outside agency as its Internal Auditors, who conduct internal audit for various activities. The Company has developed adequate internal control system commensurate to its size and business. The reports of Internal Auditors are submitted to the Audit Committee which further reviews the adequacy of Internal Control System.

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 2018-19 was Rs. 390.73 lakhs as against Rs. 386.33 lakhs in the year 2017-18. Your Directors are expecting for more improvement in the performance of the Company in the next financial year.

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

The Company attaches importance to the dignity of employee irrespective of position and highly values the cultural diversities of employees. Human Resource is valued as an extremely important and strategic resource and your Company believes in employee empowerment across the entire organization in order to achieve organizational effectiveness.

i) OVERVIEW OF THE COMPANY'S PERFORMANCE

The Company's performance has been satisfactory during the year with marginal growth profits over the previous year. The Management's focus is on improving the sales as well as operational efficiencies to boost the profitability of the Company.

j) LONG TERM AND SHORT TERM STRATEGY

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.

k) SIGNIFICANT CHANGES IN FINANCIAL RATIOS

There is no significant change in key financial ratios as if compared to the ratios of previous financial year.

l) CHANGE IN RETURN ON NETWORTH

The return on Net worth for the financial year 2019 stood at 11.42% as compared to financial year 2018 at 11.62%.

m) CAUTIONARY STATEMENT

Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

For and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
DIN : 00141766

Place : New Delhi
Dated : August 10, 2019

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

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, 2019 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 31, 2019, 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

Place : New Delhi
Dated : May 14, 2019

Partner
Membership No. 091309

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, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), 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 including the Ind AS, of the state of affairs of the Company as at 31st March, 2019 and its profit (including Other Comprehensive Income), 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.

Those 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 up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the 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 outway the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report), Order, 2016 ("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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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) 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.

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

CA Samir Vaid
Partner
Membership No. 091309

Place : New Delhi
Dated : May 14, 2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular program of physical verification of its fixed assets through which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the Company.
- ii. The inventories except goods in transit have been physically verified by the management at reasonable intervals during the year, and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 as per information and explanations given to us. Consequently the provisions of clauses 3(iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, in respect of investments, guarantees and security provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. As per information and explanations given to us, the Company has not accepted any deposits from the public under Section 73 to 76 of the Companies Act, 2013 and hence the provisions of clause 3 (v) of the Order are not applicable.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub section(1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- 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 Provident Fund, Employees' State Insurance, Income Tax, Custom Duty, Goods and Services 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 dues in respect of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Goods and Services Tax that have not been deposited with the appropriate authorities 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 defaulted in repayment of dues to banks. The company has not obtained any loan from financial institutions, Government nor has obtained any borrowings by way of debentures.
- ix. In our opinion and according to the information and explanations given to us, term loans have been applied for the purpose for which they were raised. The Company has not raised any monies by way of initial public offer or further public offer (including debt instruments).

- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- 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) 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 Ind AS Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) of the Order are not applicable to the Company.
- 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. 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.

For V S S A & Associates

Chartered Accountants

{Firm Registration No 012421N}

Place : New Delhi
Dated : May 14, 2019

CA Samir Vaid
Partner
Membership No. 091309

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, 2019 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 and both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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, 2019, 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}

Place : New Delhi
Dated : May 14, 2019

CA Samir Vaid
Partner
Membership No. 091309

BALANCE SHEET AS AT 31st MARCH, 2019

(Rupees in lakhs)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	989.17	1,118.69
(b) Capital work-in-progress	3	60.79	-
(c) Intangible assets	3	0.36	0.60
(d) Financial Assets			
(i) Loans	4	27.65	13.93
(ii) Other financial assets	5	-	1.10
(e) Other non-current assets	6	17.25	3.23
		<u>1,095.22</u>	<u>1,137.55</u>
2 Current assets			
(a) Inventories	7	735.03	721.87
(b) Financial Assets			
(i) Trade receivables	8	1,267.23	1,234.61
(ii) Cash and cash equivalents	9	11.62	45.06
(c) Current Tax Assets (net)	10	5.58	5.25
(d) Other current assets	11	185.64	304.31
		<u>2,205.10</u>	<u>2,311.10</u>
Total Assets		<u>3,300.32</u>	<u>3,448.65</u>
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	12	133.26	133.26
b) Other Equity	13	2,366.13	2,080.68
		<u>2,499.39</u>	<u>2,213.94</u>
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	34.58	44.51
(ii) Other financial liabilities	15	10.13	12.10
(b) Deferred tax liabilities (net)	16	45.13	62.88
(c) Other Non Current Liabilities	17	2.33	1.74
		<u>92.17</u>	<u>121.23</u>
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	128.47	511.61
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	40	28.48	7.77
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		432.67	473.23
(iii) Other financial liabilities	19	96.90	106.84
(b) Provisions	20	10.16	1.07
(c) Other current liabilities	21	12.08	12.96
		<u>708.76</u>	<u>1,113.48</u>
Total Equity and Liabilities		<u>3,300.32</u>	<u>3,448.65</u>

See accompanying notes to the financial statements 1 to 42

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

for and on behalf of the Board of Directors

Rajendra Kumar Rajgarhia
 Chairman
 (DIN 00141766)

Harpal Singh Chawla
 Director
 (DIN 00025492)

Sanjay Rajgarhia
 Managing Director
 (DIN 00154167)

CA Samir Vaid
 Partner
 M. No. : 091309

Mohinder Nagpal
 Chief Financial Officer

Apeksha Jain
 Company Secretary
 (M. No. 39096)

PLACE : NEW DELHI
Dated : May 14, 2019

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2019
(Rupees in lakhs)

Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I Revenue from Operations	22	7,750.24	8,184.67
II Other Income	23	11.07	26.41
III Total Income (I+II)		<u>7,761.31</u>	<u>8,211.08</u>
IV EXPENSES			
Cost of materials consumed	24	5,488.57	5,776.50
Purchases of Stock-in-Trade		2.00	–
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(6.20)	2.83
Excise Duty		–	122.58
Employee benefits expense	26	703.13	664.46
Finance costs	27	51.81	62.74
Depreciation and amortization expense	28	148.88	160.42
Other expenses	29	982.39	1,035.22
Total Expenses		<u>7,370.58</u>	<u>7,824.75</u>
Profit before tax		<u>390.73</u>	<u>386.33</u>
V Tax expense:			
Current		(117.56)	(135.39)
Income tax relates to earlier years		(0.84)	–
Deferred tax		17.75	5.99
VI Profit for the year (IV-V)		<u>290.08</u>	<u>256.93</u>
VII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(4.63)	0.50
(ii) Income tax relating to items that will not be reclassified to profit or loss		–	(0.17)
Total Other Comprehensive Income		<u>(4.63)</u>	<u>0.33</u>
VIII Total Comprehensive Income (VI+VII)		<u>285.45</u>	<u>257.26</u>
IX Earning Per Equity Share			
Basic (Rs.)		21.78	19.29
Diluted (Rs.)		21.78	19.29
See accompanying notes to the financial statements	1 to 42		

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

CA Samir Vaid
Partner
M. No. : 091309

PLACE : NEW DELHI
Dated : May 14, 2019

for and on behalf of the Board of Directors

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Harpal Singh Chawla
Director
(DIN 00025492)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Mohinder Nagpal
Chief Financial Officer

Apeksha Jain
Company Secretary
(M. No. 39096)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2019

(Rupees in lakhs)

A. EQUITY SHARE CAPITAL

As at April 1, 2018	133.26
Changes in equity share capital	–
As at March 31, 2019	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 1,2017	99.89	146.80	1,575.55	1.18	1,823.42
Profit for the year	–	–	256.93	–	256.93
Other Comprehensive income for the year	–	–	–	0.33	0.33
Total comprehensive Income for the year	–	–	256.93	0.33	257.26
Balance as at March 31,2018	99.89	146.80	1,832.48	1.51	2080.68
Profit for the year	–	–	290.08	–	290.08
Other Comprehensive income for the year	–	–	–	(4.63)	(4.63)
Total comprehensive Income for the year	–	–	290.08	(4.63)	285.45
Balance as at March 31,2019	99.89	146.80	2,122.56	(3.12)	2366.13

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 14, 2019

for and on behalf of the Board of Directors

Rajendra Kumar Rajgarhia
Chairman
Director
(DIN 00141766)

Harpal Singh Chawla
Director
(DIN 00025492)

Sanjay Rajgarhia
Managing
(DIN 00154167)

Mohinder Nagpal
Chief Financial Officer

Apeksha Jain
Company Secretary
(M. No. 39096)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

(Rupees in lakhs)

	Year ended 31.03.2019	Year ended 31.3.2018
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax Exceptional & Extraordinary items	390.73	386.33
Add Exceptional items	-	-
Adjustments for:		
Other Comprehensive Income	(4.63)	0.33
Depreciation	148.88	160.42
(Profit)/loss on sale of fixed Assets & Assets Discarded (Net)	8.01	0.43
Interest Paid	51.81	62.74
Interest received	(2.87)	(5.50)
Dividend received	-	-
Operating Profit before working capital changes	591.93	604.75
Adjustments for:		
Trade and Other Receivables	59.09	41.05
Inventories	(13.16)	(11.38)
Trade Payable and Other Liabilities	(40.71)	(255.73)
Cash Generated from Operations	597.14	378.69
Direct Taxes Paid (including deferred tax)	(100.65)	(129.40)
B Cash Flow before extraordinary items	496.50	249.29
Extraordinary Items	-	-
Net Cash from Operating Activities	496.50	249.29
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets, Including capital work in progress	(103.13)	(127.90)
Purchase of Investments	-	-
Sale of Fixed Assets	15.21	2.13
Interest received	2.87	5.50
Net Cash used in Investing Activities	(85.05)	(120.27)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of Long Term Borrowings	(42.66)	(41.49)
Net proceeds of Long Term Borrowings	32.73	-
Net proceeds of Short Term Borrowings	(383.14)	(75.76)
Dividend & Dividend Tax Paid	-	-
Interest Paid	(51.81)	(62.74)
Net Cash from Financing Activities	(444.88)	(179.99)
Net Increase in Cash and Cash Equivalents (A+B+C)	(33.44)	(50.97)
Cash and Cash Equivalents as at 1st April, Opening Balance	45.06	96.03
Cash and Cash Equivalents as at 31st March, Closing Balance	11.62	45.06
Note: Figures in brackets represent outflow.		

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 14, 2019

for and on behalf of the Board of Directors

Rajendra Kumar Rajgarhia
Chairman
Director
(DIN 00141766)

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Chief Financial Officer

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Director
(DIN 00025492)

Apeksha Jain
Company Secretary
(M. No. 39096)

Sanjay Rajgarhia
Managing
(DIN 00154167)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019**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) and Calcutta Stock Exchange Limited. 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.

(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. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

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. Leasehold Land and improvements are depreciated over the period of lease.
- iii. 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.
- iv. 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

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

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental expenses from operating leases are recognized on straight line basis over the term of the relevant lease.

(g) Financial Instruments, Financial Assets, Financial Liabilities and Equity 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. However, all other equity investments are measured at fair value, with value changes recognized through "Other Comprehensive Income."

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were 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. Dividend income is recognized in the Statement of Profit and Loss when the right to receive the same is established.

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 except on transactions entered into to hedge certain foreign currency risks.

(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) Taxes on income

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.

(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) Non Current Assets held for Sale

Non Current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non Current Assets are not depreciated or amortized while they are classified as held for sale.

Non Current Assets classified as held for sale are presented separately from the other assets in the Balance Sheet.

(p) 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."

(q) 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 reflects, 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.

(r) 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.

(s) 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.

(t) 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.

(u) 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, 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.

(Rupees in lakhs)

NOTE-3

FIXED ASSETS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	Cost As at 01.04.2018	Additions during the year	Deductions/ Retirement during the year	Cost As at 31.03.2019	As at 01.04.2018	For the year	Deductions/ Retirement during the year	As At 31.03.2019	As At 31.03.2018
Tangible Assets									
Leasehold Land	78.12	-	-	78.12	1.98	0.99	-	75.15	76.14
Buildings	272.59	-	-	272.59	21.48	11.08	-	240.03	251.11
Plant & Equipments	781.52	20.16	20.51	781.17	214.82	98.25	8.33	476.43	566.70
Furniture & Fixtures	4.43	0.29	0.01	4.71	1.31	0.43	0.01	2.98	3.12
Office Equipments	19.80	5.55	0.35	25.00	5.72	4.03	0.28	15.53	14.08
Electrical Installations and Fittings	4.80	-	-	4.80	1.19	0.29	-	3.32	3.61
Vehicles	266.76	16.00	12.86	269.90	64.38	32.83	1.89	174.58	202.38
Computers	3.26	0.34	-	3.60	1.71	0.74	-	1.15	1.55
TOTAL	1,431.28	42.34	33.73	1,439.89	312.59	148.64	10.51	989.17	1,118.69
Intangible Assets									
Computer Software	1.43	-	-	1.43	0.83	0.24	-	0.36	0.60
TOTAL	1.43	-	-	1.43	0.83	0.24	-	0.36	0.60
GRAND TOTAL	1,432.71	42.34	33.73	1,441.33	313.42	148.88	10.51	989.53	1,119.29
Previous Year	1305.22	130.04	2.55	1,432.71	152.97	160.42	-	1,119.29	-
Capital Work in progress									
Plant & Machinery - Under Installations									
	42.63								
Vehicle - Under Installations									
	18.16								

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**(Rupees in lakhs)**

	As at 31st March, 2019	As at 31st March, 2018
3 CAPITAL WORK-IN-PROGRESS		
Plant & Machinery - Under Installation	42.63	—
Vehicle - Under Installation	18.16	—
	<u>60.79</u>	<u>—</u>
4 LOANS		
Security Deposits	27.65	13.93
	<u>27.65</u>	<u>13.93</u>
5 OTHER FINANCIAL ASSETS		
Bank deposits with more than 12 months maturity	—	1.10
	<u>—</u>	<u>1.10</u>
6 OTHER NON-CURRENT ASSETS		
Unsecured considered good:		
Capital Advances	12.79	0.20
Advances other than capital advances		
Advances to Employees	4.44	2.49
Prepaid Expenses	0.02	0.54
	<u>17.25</u>	<u>3.23</u>
7 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	516.03	520.13
ii) Work in progress	3.75	3.50
iii) Finished goods	59.53	54.15
iv) Stores, Spares & Loose Tools	153.35	142.29
v) Others- Waste & scrap	2.37	1.80
	<u>735.03</u>	<u>721.87</u>
8 TRADE RECEIVABLES (Unsecured)		
(a) Trade Receivables considered good	1,267.23	1,234.61
(b) Trade Receivables which have significant increase in Credit Risk	—	—
(c) Trade Receivables-credit impaired	—	—
	<u>1,267.23</u>	<u>1,234.61</u>
9 CASH AND CASH EQUIVALENTS		
(a) Balances with Banks:		
In Current accounts	6.02	2.00
(b) Cash on Hand (as certified)	5.60	7.60
(c) Others:		
Bank deposits with maturity of 12 months or less	—	35.46
	<u>11.62</u>	<u>45.06</u>
10 CURRENT TAX ASSETS (NET)		
Advance income tax (net of provision)	5.58	5.25
	<u>5.58</u>	<u>5.25</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
11 OTHER CURRENT ASSETS		
Unsecured considered good		
Advances other than capital advances		
Advances against supply of goods & services	34.44	56.59
Insurance claim receivable	35.75	35.75
Advances to employees	10.57	12.16
Prepaid Expenses	9.66	6.88
Advances with Government Authorities	95.22	192.93
	<u>185.64</u>	<u>304.31</u>
12 SHARE CAPITAL		
Authorised Share Capital		
20,00,000 Equity Shares of Rs. 10 each	200.00	200.00
1,25,000 Preference Shares of Rs. 100 each	125.00	125.00
	<u>325.00</u>	<u>325.00</u>
Issued, Subscribed and Paid up		
13,31,900 Equity Shares of Rs. 10 each fully paid	133.19	133.19
Add: forfeited shares	0.07	0.07
	<u>133.26</u>	<u>133.26</u>

The Company has only one class of issued shares referred to as equity shares having a par value of Rs 10 each. Each holder of Equity Shares 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, 2019		As at 31st March, 2018	
	No. of Sahes	% held	No. of Sahes	% held
SANJAY RAJGARHIA	611,938	45.94	611,746	45.93
ESSVEE FISCAL LLP	138,247	10.38	138,247	10.38
FARIDABAD PAPER MILLS PRIVATE LIMITED	200,277	15.04	200,277	15.04

Reconciliation of the Equity shares outstanding

PARTICULARS	As at 31st March, 2019		As at 31st March, 2018	
	No. of Sahes	Rupees in Lakhs	No. of Sahes	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	1,331,900	133.19	1,331,900	133.19

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**(Rupees in lakhs)**

	As at 31st March, 2019	As at 31st March, 2018
13 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	1,833.99	1,576.73
Profit for the year	290.08	256.93
Other comprehensive income(Loss) for the year net of income tax	<u>(4.63)</u>	<u>0.33</u>
	<u>2,366.13</u>	<u>2,080.68</u>

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 till date, less transfer to General Reserve.
- (iv) **Other Comprehensive Income** : Other Comprehensive Income represents actual gain/loss on remeasurement of defined benefit obligations.

14 BORROWINGS**Secured Term Loans**

from banks	33.50	42.25
from others	1.08	2.26
	<u>34.58</u>	<u>44.51</u>

STATEMENT OF SECURITIES GIVEN AND TERMS OF REPAYMENT OF LOANS AS AT 31.03.2019

Banker's Name	Non Current	Current	Security given	Instalments Outstanding	Maturity	Rate of Interest %
Secured term loans from Banks						
Kotak Mahindra Bank Limited	-	2.89	Against Vehicle	9	Dec 2019	11.83
Kotak Mahindra Bank Limited	-	2.89	Against Vehicle	9	Dec 2019	11.83
Kotak Mahindra Bank Limited	-	3.65	Against Vehicle	10	Jan 2020	11.83
Kotak Mahindra Bank Limited	-	3.65	Against Vehicle	10	Jan 2020	11.83
HDFC Bank Ltd.	-	6.57	Against Vehicle	8	Nov 2019	10.25
HDFC Bank Ltd.	-	1.54	Against Vehicle	4	July 2019	9.50
HDFC Bank Ltd.	-	1.42	Against Vehicle	4	July 2019	9.50
ICICI Bank Limited	7.92	5.75	Against Vehicle	27	June 2021	9.37
Kotak Mahindra Bank Limited	8.50	3.40	Against Vehicle	38	May 2022	9.01
Kotak Mahindra Bank Limited	2.70	3.27	Against Vehicle	21	Dec 2020	10.33
Kotak Mahindra Bank Limited	<u>14.38</u>	<u>4.10</u>	Against Vehicle	47	Feb 2023	9.31
Total	<u>33.50</u>	<u>39.13</u>				
Secured Term Loans from a Company						
Kotak Mahindra Prime Limited	<u>1.08</u>	<u>1.18</u>	Against Vehicle	22	January 2021	9.98
Total	<u>1.08</u>	<u>1.18</u>				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
15 OTHER FINANCIAL LIABILITIES		
Deposits from Vendors	<u>10.13</u>	<u>12.10</u>
	<u>10.13</u>	<u>12.10</u>
16 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability:		
Difference between Book Depreciation and Depreciation under the Income Tax Rules	<u>45.13</u>	<u>62.88</u>
	<u>45.13</u>	<u>62.88</u>
Deferred Tax Liabilities	<u>45.13</u>	<u>62.88</u>
MAT Credit Entitlement	-	-
Deferred Tax Liabilities (Net)	<u>45.13</u>	<u>62.88</u>
17 OTHER NON CURRENT LIABILITIES		
Advance from Employees against Cars	<u>2.33</u>	<u>1.74</u>
	<u>2.33</u>	<u>1.74</u>
18 BORROWINGS		
Loans repayable on demand:		
Secured		
From banks*	<u>128.47</u>	<u>511.61</u>
	<u>128.47</u>	<u>511.61</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.		
19 OTHER FINANCIAL LIABILITIES		
Current maturity of long term debt		
From Banks	<u>39.13</u>	<u>40.40</u>
From Others	<u>1.18</u>	<u>1.07</u>
Interest accrued	<u>0.41</u>	<u>0.53</u>
Others:		
Accrued salaries and benefits	<u>46.30</u>	<u>41.11</u>
Creditors for Capital Goods	<u>9.88</u>	<u>23.73</u>
	<u>96.90</u>	<u>106.84</u>
20 PROVISIONS		
Provision for Employee Benefits	<u>10.16</u>	<u>1.07</u>
	<u>10.16</u>	<u>1.07</u>
21 OTHER CURRENT LIABILITIES		
Revenue received in advance	<u>1.47</u>	<u>3.04</u>
Statutory dues	<u>10.61</u>	<u>9.92</u>
	<u>12.08</u>	<u>12.96</u>
	Year Ended 31st March, 2019	Year Ended 31st March, 2018
22 REVENUE FROM OPERATIONS		
Sale of products		
Sale of Products	<u>7,485.53</u>	<u>7,792.34</u>
Sale of Services	<u>3.71</u>	<u>1.24</u>
Other operating revenues		
Sale of waste & Scrap	<u>261.00</u>	<u>391.09</u>
	<u>7,750.24</u>	<u>8,184.67</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**(Rupees in lakhs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
23 OTHER INCOME		
Interest	2.87	5.50
Profit on sale of fixed assets (Net)	—	1.16
Liabilities & Provisions written back	5.84	10.86
Bad Debts recovered	0.05	1.69
Net gain on Foreign Currency Transactions & Translation	—	7.19
Other Non Operating Income	2.31	0.01
	<u>11.07</u>	<u>26.41</u>
24 COST OF MATERIALS CONSUMED		
Raw Materials	5,488.57	5,776.50
	<u>5,488.57</u>	<u>5,776.50</u>
25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Stock at the beginning of the year		
Finished Goods	54.15	56.10
Work in Progress	3.50	2.70
Others- Waste & Scarp	1.80	3.48
	<u>59.45</u>	<u>62.28</u>
Stock at the end of the year		
Finished Goods	59.53	54.15
Work in Progress	3.75	3.50
Others- Waste & Scarp	2.37	1.80
	<u>65.65</u>	<u>59.45</u>
	<u>(6.20)</u>	<u>2.83</u>
26 EMPLOYEE BENEFIT EXPENSE		
Salary, Wages, Allowances and Bonus	624.43	593.01
Contribution to Provident and Other Funds	29.75	22.89
Staff Welfare Expenses	48.95	48.56
	<u>703.13</u>	<u>664.46</u>
27 FINANCE COSTS		
Interest expense	43.05	58.51
Other Borrowing cost	8.76	4.23
	<u>51.81</u>	<u>62.74</u>
28 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Property, Plant & Equipment	148.64	160.05
Amortisation on Intangible Assets	0.24	0.37
	<u>148.88</u>	<u>160.42</u>
29 OTHER EXPENSES		
Consumption of stores and spares	330.49	343.34
Power, fuel, water & utilities	252.32	253.58
Payment to the Auditors:		
Statutory Audit	2.00	2.00
For Other Services	0.30	0.17
	<u>2.30</u>	<u>2.17</u>
Forwarding Expenses (Net)	100.08	131.89
Repairs and Maintenance	79.99	78.43
Miscellaneous Expenses	208.60	224.61
Net Loss on Foreign Currency Transactions & Translation	3.46	—
Corporate Social Responsibility Expenses (Refer Note 35)	5.15	1.20
	<u>982.39</u>	<u>1,035.22</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in lakhs)

CONTINGENT LIABILITIES	As at 31st March, 2019	As at 31st March, 2018
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30 CONTINGENT LIABILITIES & COMMITMENTS

(To the extent not provided for)

a) Outstanding Capital Commitment (Net of Advances)	29.69	14.19
b) Interest on Local Area Development Tax recovery of which is stayed by Supreme Court of India.	1.83	1.83
c) ESIC demand excluding interest paid under protest Rs. 1.54 Lakhs (Rs. 1.54 Lakhs) being contested in appeal	3.09	3.09
d) Letter of credit outstanding	-	126.06
e) Disputed Income Tax	0.21	0.21
f) Disputed Sales Tax (Including interest) (Including NIL (Rs 7.91/-) deposited under Protest)	-	169.91

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. 32.22 Lakhs** (Rs. 23.26 Lakhs).

34 i) **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:-

(Rupees in lakhs)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Provident Fund	23.68	21.16
Employees State Insurance	6.23	6.02

(Disclosed in the statement of Profit & Loss as contribution to Provident and other Funds)

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

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

(Rupees in lakhs)

Gratuity Scheme Funded Plan:	Year Ended 31st March, 2019	Year Ended 31st March, 2018
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A) Reconciliation of opening and closing balances of obligation.

a) Present value of obligation as at Opening date	55.03	50.16
b) Current Service Cost	3.20	3.02
c) Interest Cost	5.69	2.98
d) Actuarial (Gain)/Loss	5.11	(0.50)
e) Benefits Paid	-	0.63
f) Present value of obligation as at Closing date	69.03	55.03

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**(Rupees in lakhs)**

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
B) Change in Plan Assets (Reconciliation of opening and closing balances)		
a) Fair Value of Plan Assets as at opening date	53.96	46.75
b) Expected return on Plan Assets	4.32	3.91
c) Actuarial (Gain)/Loss	(0.48)	–
d) Contributions	1.07	3.93
e) Benefits Paid	–	0.63
f) Fair Value of Plan Assets as at Closing date	58.87	53.96
C) Reconciliation of fair value of assets and obligations		
a) Present Value of Obligation as at Closing date	69.03	55.03
b) Fair value of Plan Assets as at Closing date	58.87	53.96
c) Liability recognized in the Balance Sheet	10.16	1.07
D) Expense recognized during the year		
a) Current Service Cost	3.20	3.02
b) Interest Cost	5.69	2.98
c) Expected return on Plan Assets	4.32	3.91
d) Difference plan fund size	0.96	(0.36)
e) Actuarial (Gain)/Loss	4.63	(0.50)
f) Expense recognized during the year	10.16	1.23
E) Assumptions		
a) Discount Rate (Per Annum)	7.50%	7.50%
b) Interest Rate (Per Annum)	7.43%	7.55%
c) Estimated Rate of return on Plan Assets (Per Annum)	7.43%	7.55%
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.

35 The detail of Corporate Social Responsibility Expenses (CSR) for the year are as follows :-**(Rupees in Lakhs)**

a) Gross Amount required to be spent by the Company during the year	5.14	1.18
b) Amount spent during the year on :		
(i) Construction/ acquisition of any assets	–	–
(ii) On purposes other than (i) above		
Promotion of Health care	1.00	0.60
Homes for orphans	0.50	–
Promoting Education	1.00	0.60
Eradicating hunger and malnutrition among children	1.00	–
Facilities for senior citizens	1.00	–
Prime Minister's Relief Fund	0.65	–
	5.15	1.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in lakhs)

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
--	--------------------------------	--------------------------------

36 Earnings Per Share (EPS)

	(Rupees in Lakhs)	
- Profit attributable to the Equity Share Holders (Rs.) (A)	290.08	256.93
Basic/Weighted average No. of Equity Shares outstanding (B)	13.32	13.32
- Nominal Value of Equity Shares (Rs.)	10	10
Basic/Diluted Earning Per Share (Rs.) (A/B)	21.78	19.29

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. RKR Foundation.

ii) Key Management Personnel and their Relatives:- Directors-Shri Sanjay Rajgarhia, Shri R.K. Rajgarhia, Relatives - Smt. Pooja Rajgarhia., Non Executive Directors - Shri Harpal Singh Chawla, Mrs. Ruchi Vij.

b) Transactions with Related Parties

(Rupees in Lakhs)

Nature of Transaction	Enterprises owned or significantly influenced by key Management Personnel	Key Management Personnel and their relatives
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 (i) **EXPENSES**

Remuneration to Managing Director *	-	75.35
	(-)	(57.69)
Directors sitting fees	-	0.40
	(-)	(0.40)
Interest Paid	0.31	1.93
	(4.21)	(5.49)
Salary & Allowances	-	28.91
	(-)	(23.03)
Rent Paid	-	1.44
	(-)	(1.44)
* Excluding Gratuity		

 ii) **UNSECURED LOANS**

Accepted	30.45	110.00
	(242.06)	(363.50)
Repaid	30.45	110.00
	(242.06)	(363.50)

 iii) **BALANCES AS ON 31-MARCH-2019**

Creditors	-	3.82
	(-)	(3.45)

Note: In respect of above parties there is no provision for doubtful debts as on 31.03.2019 and no amount has been written off or written back during the year in respect of debts due from/to them.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

- 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 Consequent to the introduction of Goods and Service Tax (GST) w.e.f. 1.7.2017, VAT/Sales Tax, Excise Duty etc. have been absorbed in the GST and accordingly the same is not recognized as part of Sales. This has resulted in lower reported sales in the current year in comparison to the sales reported under the pre-GST structure of indirect taxes. With the change in structure of indirect taxes, expenses are also being reported net of taxes.
- 40 **Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

(Rupees in lakhs)

	2018-19	2017-18
(i) Principal amount remaining unpaid	28.48	7.77
(ii) Interest due thereon remaining unpaid	–	–
(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	–	–

(Rupees in lakhs)

41. a) Tax Expense**i) Recognized in the Statement of Profit and Loss**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
Current tax on taxable income for the year	117.56	135.39
Tax adjustments relating to earlier years	0.84	–
Total Current tax expense	118.40	135.39
Deferred tax		
Deferred tax charge/credit	(17.75)	(5.99)
MAT credit (taken)/utilized	–	–
Total deferred income tax expense/(benefit)	(17.75)	(5.99)
Income Tax expense reported in the statement of Profit and Loss	100.65	129.40

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
ii) Recognized in Other Comprehensive Income

(Rupees in lakhs)

Items that will not be reclassified to Profit or Loss	Year ended March 31, 2019	Year ended March 31, 2018
Remeasurement of defined benefit plans	(4.63)	0.50
Tax Expense	-	(0.17)
Net of Tax	(4.63)	0.33

iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2019

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Enacted income tax rate in India applicable to the company	27.820%	33.063%
Accounting profit before Income Tax	390.73	386.33
Current tax expense on profit before tax expense at the enacted income tax rate in India	108.70	127.73
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowable in income Tax	4.46	2.43
Income exempted from taxes	(0.12)	(0.76)
Others	(12.40)	0.01
Total income tax expense/(credit)	100.65	129.40

b) The movement in deferred tax liability during the year ended March 31, 2019

Particulars	As at April 1, 2018 Deferred Tax Liability	Recognised in statement of Profit & Loss	Recognised in Other Compre- hensive Income	As at March 31 2019 Deferred Tax Liability
Depreciation	62.88	(17.75)	-	45.13
Total	62.88	(17.75)	-	45.13

42 a) Financial Instruments

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

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets at fair value		
Loans	27.65	13.93
Other Financial Assets	-	1.10
Cash and cash equivalents	11.62	45.06
Trade receivables	1,267.23	1,234.61
Total financial assets	1,306.50	1,294.70
Financial liabilities at fair value		
Borrowings (Including Interest accrued)	203.77	598.13
Security Deposits received	10.13	12.10
Trade payables	461.15	481.00
Creditors for capital goods	9.88	23.73
Total financial liabilities	684.93	1,114.96

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**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 counterparty 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 creditworthiness 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, 2019	Gross Carrying Amount	Expected Credit Losses	Carrying amount of trade receivables (net of expected credit losses)
Not due	685.71	–	685.71
Past due 0-180 days	560.98	–	560.98
Past due 180 and more days	20.54	–	20.54
Total	1,267.23	–	1,267.23

As at March 31, 2018	Gross Carrying Amount	Expected Credit Losses	Carrying amount of trade receivables (net of expected credit losses)
Not due	708.34	–	708.34
Past due 0-180 days	506.30	–	506.30
Past due 180 and more days	19.97	–	19.97
Total	1,234.61	–	1,234.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019
ii) Liquidity Risk
(Rupees in lakhs)

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.

As at March 31, 2019	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	203.36	203.36	168.78	34.58
Trade payables and other payables	541.90	541.90	531.18	10.72
Security deposits	10.13	10.13	–	10.13

As at March 31, 2018	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	597.62	597.62	553.11	44.52
Trade payables and other payables	561.61	561.61	559.87	1.74
Security deposits	12.10	12.10	–	12.10

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 has exposure to GBP, USD, EURO and other currencies. The Company has not hedged this foreign currency exposure.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rupees in lakhs)

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, 2019	As at March 31, 2018
	USD	USD
Financial Assets		
Other receivable	27164	–
Financial Liabilities		
Trade payables	2116	76451
Net Exposure	25048	(76451)

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 14, 2019

for and on behalf of the Board of Directors

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Harpal Singh Chawla
Director
(DIN 00025492)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Mohinder Nagpal
Chief Financial Officer

Apeksha Jain
Company Secretary
(M. No. 39096)

 **perfectpac limited**



CIN: L72100DL1972PLC005971

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

Tel: 011 - 26441015 - 17 Fax: 011 - 26441018, Email: complianceofficer@perfectpac.com, Website: www.perfectpac.com

ATTENDANCE SLIP

(47th Annual General Meeting September 26, 2019)

Folio No. / DP ID Client ID No.:	
Name of First named Member/ Proxy/Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the **47th Annual General Meeting** of the Company being held on Thursday, September 26, 2019 at 03:00 P.M. at The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi – 110074

.....
Signature of Shareholder/ Proxy present

E-VOTING PARTICULARS

EVEN (Remote e-voting Event Number)	User ID	Password/PIN

Note:

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting hall.
2. Member / proxy are requested to bring their identity card along with attendance / proxy form.
3. Authorised Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.

 **perfectpac limited**



CIN: L72100DL1972PLC005971

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

Tel: 011 - 26441015 - 17 Fax: 011 - 26441018, Email: complianceofficer@perfectpac.com, Website: www.perfectpac.com

PROXY FORM MGT-11

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

Name of the Member (s) :

Registered Address :

E- mail ID :

Folio No./DP ID-Client ID :

I / We, being the member(s) holding _____ shares of PERFECTPAC LIMITED, hereby appoint-

1. Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him;

2. Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him;

3. Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or failing him;

as my / our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the **47th Annual General Meeting** of the Company, to be held on Thursday, September 26, 2019 at 03:00 P.M. at The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi – 110074. I / We direct my / our proxy to vote on the resolution(s) in the manner as indicated below:

Resolution Number	Resolution (s)	Vote Optional (✓)		
		For	Against	Abstain
Ordinary Business				
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2019, 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.			
Special Business				
3.	To Re-appoint Shri Sanjay Rajgarhia (DIN: 00154167) as Managing Director on the Board of the Company			

Signed this _____ day of _____, 2019

Signature of the Shareholder: _____

Signature of Proxy holder(s) : _____

Affix Rs. 1
Revenue
Stamp

Notes:

- This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- A member entitled to attend and vote is entitled to appoint a proxy to attend and on poll, to vote instead of himself/ herself. A proxy need not be a member.
- Signature of member should be across a Revenue stamp of Rs. 1.
- It is optional to indicate your preference. If you leave the 'For', 'Against' or 'Abstain' columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.

 **perfectpac limited**

ROUTE MAP

47th Annual General Meeting

PERFECTPAC LIMITED

The Executive Club, Dolly Farms & Resorts Pvt. Ltd.,

439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi - 110074

Date : 26-09-2019 (Thursday) & Time : 3:00 P.M.

