

**48th
ANNUAL REPORT
2019-2020**



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

Ms. Shefali Chauhan

REGISTERED OFFICE

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

WEBSITE

www.perfectpac.com

STATUTORY AUDITORS

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

INTERNAL AUDITORS

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

BANKERS

Kotak Mahindra Bank

REGISTRAR AND SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd
D-153A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110020
Tel: 011-40450193-97
Email: 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 48th Annual General Meeting (AGM) of the Members of **Perfectpac Limited** will be held on **Tuesday the 29th day of September, 2020 at 12:00 Noon**, through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) 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, 2020, 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 Smt. Ruchi Vij (DIN: 01127918) as Non-Executive Independent Director on the Board of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act, Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Nomination and Remuneration Policy of the Company, Smt. Ruchi Vij (DIN: 01127918), who was appointed as an Independent Director of the Company for a term upto September 23, 2020 and who has submitted a declaration that she meets the criteria for independence as provided under the Act and Listing Regulations, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors vide resolution dated August 07, 2020 be and is hereby re-appointed as an Independent Director on the Board of the Company to hold office for a second term of 5 (Five) consecutive years with effect from September 24, 2020 to September 23, 2025.”

**By order of the Board
For Perfectpac Limited**

**Shefali Chauhan
Company Secretary
M. No.: 60229**

Registered Office:

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

Dated : August 07, 2020
Place : New Delhi

NOTES :

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the Annual General Meeting venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. 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 the 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) and 26 (4) 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.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. Attendance of the Members participating in the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Corporate Members are required to scan and send a certified true copy of the Board Resolution, pursuant to Section 113 of the Act, authorizing their representatives to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to contact@csrsm.com with a copy marked to the Company on complianceofficer@perfectpac.com.
6. Relevant documents as required by law and referred to in the accompanying Notice and in the Explanatory Statement shall be available for inspection through electronic mode. Members may write to the Company on complianceofficer@perfectpac.com for inspection of said documents and the same will also be available for inspection by the members during the AGM, upon login at NSDL e-voting system at www.evoting.nsdl.com.
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. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 22, 2020 to Tuesday, September 29, 2020 (both days inclusive) for the purpose of Annual General Meeting.
10. All shares 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

Email: admin@skylinerta.com

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

11. **Change of Address or Other Particulars**

Members are requested to intimate change, if any, in their name, address (with PIN Code), telephone/mobile numbers, E-mail ID, Permanent Account Number (PAN), nominations, mandate instructions, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC 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.

12. The Securities and Exchange Board of India has mandated the submission of 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.
13. 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.
14. 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 1, 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.
15. **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).
16. In compliance with the MCA Circulars and the Securities and Exchange Board of India ('SEBI') Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the 48th AGM along with the Annual Report for Financial Year 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited and Central Depository Services (India) Limited ('the Depositories').
17. 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.
18. 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.
19. The Notice of the AGM and the Annual Report for the Financial Year 2019-20 are also be available on the Company's website and Stock Exchange i.e. www.perfectpac.com, www.bseindia.com, and www.cse-india.com. The Notice is also available on www.evoting.nsd.com.
20. 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.

21. **Voting Options:**

The business set out in the Notice of the AGM may be transacted through electronic voting system or voting at AGM. 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:

A. 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 Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice.

- II. The remote e-Voting period commences at **9:00 A.M. (IST) on Saturday, September 26, 2020** and ends at **5:00 P.M. (IST) on Monday, September 28, 2020**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-off date **Wednesday, September 23, 2020** ("Cutoff date"), may cast their vote by remote e-Voting. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- III. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- IV. 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/> either on a Personal Computer or on a mobile.
- 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered
- 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 complianceofficer@perfectpac.com.
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. In case of any queries or grievances relating to e-Voting, you may contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, India through e-mail at evoting@nsdl.co.in / pallavid@nsdl.co.in or on Toll Free No.: 1800-222-990/Telephone No.: 022- 24994545 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.
 - b) For members whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:
 - i. Physical Holding:- Send a request to the Registrar and Share Transfer Agent at admin@skylinerta.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
Demat Holding:- Send a request to the Registrar and Share Transfer Agent at admin@skylinerta.com providing DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
 - ii. Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

B. Instructions for members for attending the AGM through VC/OAVM are as under:

- I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned as above to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- II. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at complianceofficer@perfectpac.com from **9:00 A.M. (IST)**

on Wednesday, September 23, 2020 and ends at **5:00 P.M. (IST) on Friday, September 25, 2020**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

- III. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- IV. Members who need assistance before or during the AGM, can contact Skyline Financial Services Private Limited on lokesh@skylinerta.com or contact Mr. Lokesh Sharma, Mobile Number 9910026709.

Other Instructions:

1. 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. A person who is not a member as on the Cut-off date should treat this Notice for information purpose only.
2. Please note that the Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
3. 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 voting during AGM in a fair and transparent manner.
4. 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.
5. 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 authorized by him 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.
6. Members may also write to the Company Secretary of the Company at the address: complianceofficer@perfectpac.com or contact at telephone no. 011-26441018.

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 R K Rajgarhia	Smt. Ruchi Vij
Director Identification Number (DIN)	00141766	01127918
Date of Birth	August 14, 1938	May 06, 1968
Age	82 Years	52 Years
Nationality	Indian	Indian
Date of first Appointment on Board	April 01, 1973	February 12, 2015
Qualification	B. Com	Graduate in Botany honours
Brief resume including experience, expertise in specific functional areas	<p>Shri Rajendra Kumar Rajgarhia is having experience of 59 years in Investment activities, financing activities, strategic Planning in capital budgeting and overall decision.</p> <p>He is being appointed as a Director on the Board of the Company since 1973. During the term of his office, the Company has made a steady growth and strengthened its financial position as evidenced in the financial results.</p> <p>Shri Rajendra Kumar Rajgarhia is having over 3 decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.</p>	<p>Smt. Ruchi Vij is having around 24 years of work experience in the field of finance. She joined the Board of the Company on February 12, 2015 as a Woman Director and as Non Executive Independent Director on September 24, 2015.</p>
Terms & Conditions for appointment/re-appointment	On-reappointment he is liable to be retire by rotation	As an Independent Director of the Company to hold office for a second term of 5 (five) consecutive years from September 24, 2020 to September 23, 2025 and shall not be liable to retire by rotation.
Details of Remuneration/ Remuneration last drawn	He is eligible to receive sitting fee for attending the Board	She is eligible to receive sitting fee for attending the Board
Shareholding in Perfectpac Limited (No. & %)	Nil	Nil
List of Directorships held in other Companies	<ul style="list-style-type: none"> - APM Industries Limited - Rajgarhia Leasing and Financial Services Pvt. Ltd. 	<ul style="list-style-type: none"> - SUN India Finlease Private Limited

Members/Chairman of Committees in Perfectpac Limited	- Member in Nomination and Remuneration Committee	- Member in Audit Committee - Member in Stakeholders Relationship Committee - Member in Nomination and Remuneration Committee - Member 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	Nil
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	None
Number of Meetings of the Board attended during the year	Disclosed in the Corporate Governance Report forming part of Annual Report.	Disclosed in the Corporate Governance Report forming part of Annual Report.

EXPLANATORY STATEMENT

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

Item to Special Business

Item No. 3

Pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and applicable provisions of the Listing Regulations (including any statutory modification or re-enactment thereof for the time being in force), Smt. Ruchi Vij (DIN: 01127918) was appointed as Independent Director of the Company to hold office upto September 23, 2020.

Based on the reports of performance evaluation, Smt. Ruchi Vij has effectively and efficiently discharged her duties, roles and responsibilities during her tenure as Independent Director of the Company. Accordingly, Nomination and Remuneration Committee (the 'NRC Committee') has recommended the re-appointment of Smt. Ruchi Vij as Independent Director of the Company for a period of 5 (five) consecutive years starting from September 24, 2020 to September 23, 2025 to the Board of Directors.

In view of the reports of performance evaluation and on recommendations of the NRC Committee, the Board of Directors is of the opinion that her continued association, being Independent Director will immensely benefit the Company and would enable the board to discharge its functions and duties effectively.

In opinion of the Board of Directors, Smt. Ruchi Vij fulfil the conditions for re-appointment as Independent Director as specified in the Act, the rules made thereunder and the Listing Regulations and are independent of the Management.

Smt. Ruchi Vij has given her consent to act as Director. She has also given declarations to the effect that she is not disqualified from being appointed as Directors in terms of Section 164 of the Act and that she meets the criteria of Independence as specified under Section 149 of the Act and the Listing Regulations. Also gave declaration that her name was included in the



CIN No.: L72100DL1972PLC005971

data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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

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

None of the Directors or Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this Special Resolution.

**By order of the Board
For Perfectpac Limited**

**Shefali Chauhan
Company Secretary
M. No.: 60229**

Registered Office:

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

Dated : August 07, 2020

Place : New Delhi

BOARD'S REPORT

To
The Members
Perfectpac Limited,

The Board of Directors are pleased to present the 48th (Forty Eighth) Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2020.

1. FINANCIAL SUMMARY**(Rs. in Lakhs)**

Particulars	2019-20	2018-19
Total Revenue	7354.55	7761.31
Total Expenses	6993.47	7370.58
Profit Before Tax	361.08	390.73
Less: Tax (including deferred tax)	(100.22)	(100.65)
Profit for the period	260.86	290.08
Other Comprehensive Income	(2.37)	(4.63)
Total comprehensive profit for the year	258.49	285.45
Paid up equity Share Capital (Face Value of Rs. 10/- per Share)	133.26	133.26
Basic and diluted EPS	19.58	21.78

2. STATE OF COMPANY AFFAIRS & OPERATIONS

Our Company operates in one business segment - packaging. During the financial year 2019-20, total revenue was Rs. 7,354.55 lakhs as against Rs. 7,761.31 lakh during the previous year. Profit before tax was at 361.08 lakh as against 390.73 lakh in the previous year. Profit after Tax for the year under review was at 260.86 lakh against 290.08 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. COVID-19

The operation and the financial results of the Company during the quarter and year ended March 31, 2020 were marginally impacted due to the shutdown of the Company's plants under the lockdown announced by the state/ central Government after the outbreak of Covid-19 pandemic in March, 2020. The Company has since resumed its operations since April, 2020 conforming to the guidelines of the Government. All necessary precautions relating to Hygiene, Sanitization, social distancing, care and protection of the employees would continue to be followed.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, Plants and Equipment, Inventories, Receivables and Other Current Assets. In developing the assumptions relating to the possible future uncertainties in the economic condition because of this pandemic, the Company as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed analysis on the assumptions used and based on current indicators of Future Economic conditions, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the Business operations for at least another 12 months. Given the uncertainty because of COVID-19, the final impact of the Company's assets in future may differ from that estimated as at the date of approval of these Financial results.

5. TRANSFER TO RESERVES

No transfer to reserve has been done in Financial Year 2019 – 20. The Company proposes to retain the entire amount of profits in the Profit and Loss Account.

6. 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.

7. 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 2019-20.

8. CAPITAL STRUCTURE

Authorised Share Capital

The Authorised Share Capital of the Company as at March 31, 2020 was Rs. 3,25,00,000.

Paid up Share Capital

The Paid-up share capital as at March 31, 2020 stands at Rs. 1,33,19,000/- comprising of 13,31,900 equity shares of Rs. 10/- each fully paid up.

9. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

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

10. 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 to the members in the ensuing AGM. 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 48th AGM.

Mrs. Apeksha Jain, Company Secretary and Compliance Officer, has resigned from the Company with effective from November 30, 2019. In order to fill the vacancy caused due to the resignation of Mrs. Apeksha Jain, the Board in its Meeting held on February 01, 2020 has appointed Ms. Shefali Chauhan as the Company Secretary and Compliance Officer and also designated her as Key Managerial Personnel of the Company.

Further, the term of appointment of Smt. Ruchi Vij, Independent Director will be expired on September 23, 2020. Accordingly, based on the reports of performance evaluation and recommendation of Nomination and Remuneration Committee, the Board has, at its meeting held on August 07, 2020, re-appointed, Smt. Ruchi Vij, as Independent Director of the Company to hold office for a second term of 5 (five) consecutive years, starting from September 24, 2020 to September 23, 2025, subject to approval of members of the Company at the ensuing AGM.

Declaration by Independent Directors

All Independent Directors have given declaration that they meet the criteria of independence as provided under Section 149 read with Schedule IV of the Act and Regulation 16 of the SEBI Listing Regulations, 2015 and have also complied with the code of conduct of Directors and Senior Management. Also gave declaration that their name was included in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs under Rule 6 (3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

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 2019-20, 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.

11. 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.

12. 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 2019-20 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, 2020. The Secretarial Audit Report is attached as Annexure-1 to this report and contains a qualification which is mentioned in said Report.

The Board has re-appointed M/s. RSM & Co., Company Secretaries (ICSI Firm Registration No.: P1997DE017000), as Secretarial Auditors of the Company for FY 2020-21.

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 2020-21.

13. 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, 2020 and of the profit and loss of the Company for the year ended March 31, 2020;
- 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,

Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2019-20; 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.

14. 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, 2020. 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.

15. 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.

16. 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.

17. 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 2019-20

The Annual Report on CSR Activities undertaken by Company during the financial year 2019-20, is annexed as **Annexure-2** which forms part of this Report.

18. COMMITTEES OF BOARD

The Company has the following committees of the Board of Directors as on March 31, 2020 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

19. 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 2020-21 for all its listed securities to the Stock Exchanges.

20. NOMINATION AND REMUNERATION POLICY

The Company has implemented an Appointment and Remuneration Policy pursuant to the provisions of Section 178 of the Act and Regulation 19 read with Schedule II, Part D of the Listing Regulations. Salient features of the Policy and other details have been disclosed in the Corporate Governance Report, attached to this Report.

21. 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 2019-20 were in the ordinary course of business and on arm's length basis. No material RPTs were entered into during FY 2019-20 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. 36 to the Financial Statements which sets out the Related Party disclosures.

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

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

23. 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-4** 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 48th Annual General Meeting.

24. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on March 31, 2020 in Form No. MGT – 9 is attached as **Annexure-5** to this Report. Additionally, your Company has also placed a copy of annual return for the financial year 2018-19 on its website at <http://www.perfectpac.com/pdf/Policies/Annual%20Return%202018-19.pdf>

25. CORPORATE GOVERNANCE

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

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the SEBI Listing Regulations, 2015, is attached to this Report as **Annexure-6**. A certificate from the auditor 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, 2020. 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.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year 2019-20, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to this Report as **Annexure-7**.

27. VIGIL MECHANISM/WHISTLE BLOWER POLICY

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

28. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

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

29. MATERIAL CHANGES AND COMMITMENTS

No material change or commitment has occurred after the close of the Financial Year 2019-20 till the date of this Report, which affects the financial position of the Company.

30. COMPLIANCE WITH SECRETARIAL STANDARDS

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

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

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.

32. 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.

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

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

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

33. 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.

34. 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.
- Disclosure made to the Stock Exchange are promptly uploaded on the website of the Company for information of the Investors.

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

35. 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.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

For and on behalf of the Board

Registered Office:

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

CIN: L72100DL1972PLC005971

Tel: 011-26441018

Email: complianceofficer@perfectpac.com

Website: www.perfectpac.com

Place : New Delhi

Date : August 07, 2020

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

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

To

The Members

PERFECTPAC LIMITED

910, CHIRANJIV TOWER 43

NEHRU PLACE, NEW DELHI-110019

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

Based on our verification of the **PERFECTPAC LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2020 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, 2020 according to the provisions of :-

1. The Companies Act, 2013 ("the Act") and rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the audit period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014, **(Not applicable to the Company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **(Not applicable to the Company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar and Transfer Agent during the audit period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period).** and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. We further report that, 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 compliance with the applicable clauses of Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except as under.
- The Company has late submitted quarterly compliance report on Corporate Governance for the quarter ended on 31st March, 2019 and the Company has paid the fine of 20,000/- plus GST @18% on 07.01.2020.
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

CS SUMAN PANDEY
Partner
FCS: 7606 | COP No.: 8404
UDIN: F007606B000557837

Place : Delhi
Dated : August 07, 2020

ANNEXURE-1

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

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable Laws, rule and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company

For RSM & CO.
Company Secretaries

CS SUMAN PANDEY
Partner
FCS: 7606 | COP No.: 8404
UDIN: F007606B000557837

Place : Delhi
Dated : August 07, 2020

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, 2020 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: 3,59,91,788**

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	7,19,836
Unspent amount carry forward from previous Financial year 2018-19	-
Total CSR Expenditure to be spent in the Financial year 2019-20	7,19,836

5. **Details of CSR spend during the Financial Year 2019-20**

- (a) The Total amount to be spent for the financial year was Rs. 7,19,836 and the Company has spent Rs. 2,00,000.
- (b) Amount unspent, vis-à-vis prescribed CSR expenditure as per Section 135(5) of the Act : 5,19,836

(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)	-	50,000	50,000	Direct
2	Helpage India	Clause(i) promoting health care including preventive health care	New Delhi	-	1,50,000	1,50,000	Direct
Total Expenditure				-	2,00,000	2,00,000	

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.

The Company has not spent the CSR fund fully because suitable project could not be identified and later due to spread of Covid-19 pandemic, there is delay in identification of suitable project. The unspent amount will be incurred in the financial year 2020-21.

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

Place : New Delhi
Date : August 07, 2020

Rajendra Kumar Rajgarhia
Chairman of the Company
DIN 00141766

Sanjay Rajgarhia
Chairman of CSR Committee
DIN 00154167

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

A. CONSERVATION OF ENERGY

- i) **Steps taken or impact on conservation of energy:** The Company is taking concentrated steps to optimize use of energy. It is committed to transform energy conservation into a strategic business goal. It is putting best endeavor to reduce energy consumption in all its operations and activities.
- ii) **Steps taken by the company for utilizing alternate sources of energy :**
Survey has been conducted for Solar Power Generation System. Plan to be finalised in the Management Meeting.
- iii) **Capital investment on energy conservation equipments:** Rs. 3,00,000.00 (Automatic power factor controller).

B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

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

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

C. FOREIGN EXCHANGE EARNINGS AND OUTGO.

Total foreign exchange used and earned during the year:

Used : Rs. 5,90,40,575 (Capital Investment)

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 2019-20, the percentage increase in remuneration of Managing Director, CFO and Company Secretary during the financial year 2019-20 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	47.73:1	28.76
2	Shri Mohinder Nagpal	Chief Financial Officer	2.89:1	7.46
3	Ms. Shefali Chauhan*	Company Secretary	1.52:1	-
4	Ms. Apeksha Jain*	Company Secretary	1.29:1	-

Note:

- a) **Ms. Shefali Chauhan was appointed on February 01, 2020 as Company Secretary and Compliance Officer of the Company in place Ms. Apeksha Jain who has resigned w.e.f November 30, 2019.*
- 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 2019-20 was 6%;
- (iii) Total number of employees of the Company as on 31st March 2020 was 102.
- (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

Place: New Delhi
Date: August 07, 2020

Rajendra Kumar Rajgarhia
Chairman
DIN: 00141766

EXTRACT OF ANNUAL RETURN**FORM NO. MGT-9****AS ON THE FINANCIAL YEAR ENDED MARCH 31, 2020**

[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	Company Limited by shares/ Indian Non-Government Company.
Address of the registered office and contact details	910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019 Telephone: (011)- 26441018 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 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	Category of Shareholders	No. of Shares held at beginning of the Year (April 01, 2019)				No. of Shares held at end of the Year (March 31, 2020)				% Change During The Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoters									
(1)	Indian									
a)	Individual HUF	638250	0	638250	47.92	638250	0	638250	47.92	0.00
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)	976774	0	976774	73.34	976774	0	976774	73.34	0.00
(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)	976774	0	976774	73.34	976774	0	976774	73.34	0.00
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	8415	1943	10358	0.78	4384	1943	6327	0.48	(0.30)
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	134525	158014	292539	21.96	146358	148726	295084	22.16	0.20
ii)	Individual shares holders having nominal share capital Excess of Rs. 1 Lakh	43569	0	43569	3.27	43469	0	43469	3.26	(0.01)
c)	Others									
i)	HUF	5876	0	5876	0.44	6940	0	6940	0.52	0.08
ii)	Non Resident Indian	1694	70	1764	0.13	2450	70	2520	0.19	0.06
iii)	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
iv)	Clearing Members	200	0	200	0.02	0	0	0	0.00	(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	34	0	34	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	194313	160027	354340	26.60	197322	157018	354340	26.60	0.00
	Total Public Shareholding (B)=(B)(1)+(B)(2)	194313	160813	355126	26.66	197322	157804	355126	26.66	0.00
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)	1171087	160813	1331900	100.00	1174096	157804	1331900	100.00	0.00

(ii) Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2019)			Shareholding at the end of the year (March 31, 2020)			% 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	611938	45.94	-	611938	45.94	-	0.00
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	976774	73.34	-	976774	73.34	-	0.00

(iii) Change in Promoter's Shareholding

S. No.	Name of the Shareholder	Shareholding at the beginning of the Year (April 01, 2019)		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
NIL									

(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, 2019)		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	Rajendra Dhirajlal Gandhi (HUF)	4000	0.30	-	-	-	4000	0.30
2	Fourth Axis Advisors LLP	3754	0.28	13-09-19	Sale	(100)	3654	0.27
				08-11-19	Sale	(1001)	2653	0.20
				15-11-19	Sale	(500)	2153	0.16
				27-12-19	Sale	(548)	1605	0.12
				03-01-20	Sale	(1605)	0	0
3	Rajesh Garg	6894	0.52	05-04-19	Sale	(3728)	3166	0.24
				24-05-19	Purchase	3728	6894	0.52
				07-06-19	Sale	(3728)	3166	0.24
				28-06-19	Purchase	3728	6894	0.52
				05-07-19	Sale	(3728)	3166	0.24
				23-08-19	Purchase	3728	6894	0.52
				04-10-19	Sale	(3728)	3166	0.24
				29-11-19	Purchase	3728	6894	0.52
				06-12-19	Sale	(3728)	3166	0.24
				31-12-19	Purchase	3728	6894	0.52
				03-01-20	Sale	(3728)	3166	0.24
				07-02-20	Purchase	3728	6894	0.52
4	Parveen Garg	8287	0.62	05-04-19	Sale	(2421)	5866	0.44
				24-05-19	Purchase	2421	8287	0.62
				07-06-19	Sale	(2421)	5866	0.44
				28-06-19	Purchase	2421	8287	0.62
				05-07-19	Sale	(2421)	5866	0.44
				23-08-19	Purchase	2421	8287	0.62
				04-10-19	Sale	(2421)	5866	0.44
				29-11-19	Purchase	2421	8287	0.62
				06-12-19	Sale	(2421)	5866	0.44
				31-12-19	Purchase	2421	8287	0.62
				03-01-20	Sale	(2421)	5866	0.44
				07-02-20	Purchase	2421	8287	0.62
5	Suresh Dindayal Khatri	5250	0.39	-	-	-	5250	0.39
6	Al. Valliammai	5990	0.45	-	-	-	5990	0.45
7	Bhavna Govindbhai Desai	26690	2.00	-	-	-	26690	2.00
8	Raju Bhandari	16879	1.27	31-05-19	Sale	(100)	16779	1.26
				31-08-19	Sale	(16150)	629	0.05
				06-09-19	Purchase	16150	16779	1.26
9	Neetu Tolani	4805	0.36	-	-	-	4805	0.36
10	Sundeep Arjun Karna	0	0.00	08-11-19	Purchase	650	650	0.05

					Purchase	73	723	0.05
					Purchase	68	791	0.06
					Purchase	59	850	0.06
					Purchase	1505	2355	0.18
					Purchase	44	2399	0.18
					Purchase	90	2489	0.19
					Purchase	600	3089	0.23
					Purchase	1	3090	0.23
					Purchase	680	3770	0.28
					Purchase	130	3900	0.29
					Purchase	95	3995	0.30
					Sale	(236)	3759	0.28
					Sale	(30)	3729	0.28
					Sale	(8)	3721	0.28
11	Madhuben Dhirajjal 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, 2019)		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	611938	45.94	-	-	-	611938	45.94
2	Shri Mohinder Nagpal	-	-	30-08-2019	Purchase	100	100	0.01
				06-09-2019	Purchase	84	184	0.01

(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	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
Change in Indebtedness during the financial year				
- Addition	48.08	-	-	48.08
- Reduction	41.77	-	-	41.77
Net Change	6.31	-	-	6.31
Indebtedness at the end of the financial year				
i) Principal Amount	81.20	-	-	81.20
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.57	-	-	0.57
Total (i + ii + iii)	81.77	-	-	81.77

(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	55.50
	(b) Value of perquisites u/s 17(3) Income Tax Act, 1961	41.52
	(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	97.02
	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	0.60	0.60	-	1.20
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (1)	0.60	0.60	-	1.20
2.	Other Non-Executive Directors				
	- Fee for attending board committee meetings	-	-	0.45	0.45
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
	Total (2)	-	-	0.45	0.45
	Total (1)+(2)	0.60	0.60	0.45	1.65
	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)	Mrs. Apeksha Jain (Company Secretary)*	Ms. Shefali Chauhan (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	1.24	0.36	5.61
	(b) Value of perquisites u/s 17(3) Income Tax Act, 1961	4.47	0.50	0.15	5.12
	(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	8.48	1.74	0.51	10.73

*Mrs. Apeksha Jain has resigned w.e.f. November 30, 2019.

**Ms. Shefali Chauhan has appointed w.e.f. February 01, 2020.

(VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020

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 07, 2020

ANNEXURE - 6**CORPORATE GOVERNANCE REPORT**

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 re-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, 2020	September 23, 2025

Note:- Members shall be considering re-appointment of Smt. Ruchi Vij as an Independent Director for second term for a period of five consecutive years effective from September 24, 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 2019-20, the Board met five times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 14, 2019
2.	August 10, 2019
3.	November 01, 2019
4.	November 25, 2019
5.	February 01, 2020

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, 2020 and attendance at the Board Meetings held during the Financial Year ended March 31, 2020 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	4	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, 2020 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 (Listed)	Public (Unlisted)	Private	Chairman-ships	Member-ships	
Shri Rajendra Kumar Rajgarhia	1	-	1	-	-	APM Industries Limited (Executive Director)
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;
- 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

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 Meeting

Independent Directors met on February 01, 2020, 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, 2020. 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.

(i) 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.

(j) Chart setting out the skills/expertise/competence of the board of directors

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

In the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. However, the absence of a mark against a 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	✓	✓	–	–	✓	✓

(k) Confirmation of Independence

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

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>

(l) Number of share held by Board of directors as on March 31, 2020

Details of the shareholding held by Board of Directors as on March 31, 2020 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

Recommendations made by these Committees have been accepted by the Board. 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. Recommend appointment and remuneration of Cost Auditors;
24. Any other role as prescribed by the Companies Act, 2013 and the SEBI Listing Regulations, 2015.

(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 2019-20, the Committee met four times i.e. on May 14, 2019; August 10, 2019;

November 01, 2019 and February 01, 2020.

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. Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance;
4. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors;
5. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
6. To devise a policy on Board diversity;
7. To formulate and recommend to the Board policies relating to the remuneration for:
 - a. Directors;
 - b. Key Managerial Personnel; and
 - c. Other Employees of the Company;
8. To recommend remuneration payable to Managing Directors and Whole-time Directors;
9. To review and recommend nature of services rendered by any Director in other capacity and requisite qualification thereof;
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 2019-20 the Committee met twice i.e. on August 10, 2019 and February 01, 2020. 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	2	2
Shri Rajendra Kumar Rajgarhia, Member	2	1
Smt. Ruchi Vij, Member	2	2

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

(i) Terms of reference:

The role of Committee is:

1. 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. Shefali Chauhan*, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of SEBI Listing Regulations, 2015.

**Ms. Shefali Chauhan was appointed on February 01, 2020 as Company Secretary and Compliance Officer of the Company in place Mrs. Apeksha Jain who has resigned w.e.f November 30, 2019*

(iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. During the FY 2019-20 the Committee met twice i.e. on May 14, 2019 and November 01, 2019. 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	1	1

(iv) Investors' Grievances/Complaints

During the FY 2019-20, No complaint was pending as on March 31, 2020.

(v) Transfers, Transmissions etc. approved

During the FY 2019-20, the Company has resolved 16 cases (involving 736 equity shares) of of transmission. There were no complaints pending as on March 31, 2020.

The Company had 2460 shareholders as on March 31, 2020.

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 or as may be delegated to the Committee by the Board, from time to time

(ii) Composition

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

(iii) Meetings, Quorum and Attendance

During the FY 2019-20, the Committee met two times i.e., on May 14, 2019 and August 10, 2019.

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 Companies Act and the SEBI Listing Regulations, 2015, 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 after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and, its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board

members, Senior Management and Key Managerial Personnel, etc. 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 Managing Director during financial year 2019-20 are as under:-

Name of Director	Basic Salary	Benefits/Allowances/ Perquisites	Pension/PF	Total
Shri Sanjay Rajgarhia	55,50,000	41,51,684	6,66,000	103,67,684

(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, 2020 and the sitting fees received by him. 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, 2020 are as follows:

Name of Director	Board Meetings	Committee Meetings	Total
Shri Rajendra Kumar Rajgarhia	45,000	-	45,000
Shri Harpal Singh Chawla	60,000	-	60,000
Smt. Ruchi Vij	60,000	-	60,000

(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	Yes	No
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
2018-2019 (47 th AGM)	September 26, 2019	3.00 PM	The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoopur, P.O. Fatehpur Beri, New Delhi - 110074
2017-2018 (46 th AGM)	August 08, 2018	11:30 AM	The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoopur, P.O. Fatehpur Beri, New Delhi - 110074
2016-2017 (45 th AGM)	September 18, 2017	11:30 AM	The Executive Club, Dolly Farms & Resorts Pvt. Ltd., 439, Village Shahoopur, P.O. Fatehpur Beri, New Delhi - 110074

(b) Special resolution passed during last three AGMs:

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

AGM	Special Resolution Passed
47 th AGM	Re-appointment of Shri Sanjay Rajgarhia (DIN 00154167) as Managing Director on the Board of the Company.
46 th AGM	Re-appointment of Shri Harpal Singh Chawla (DIN 00025492) as Non Executive and Independent Director of the Company.
45 th AGM	<ol style="list-style-type: none">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.

(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2019-20

No special resolution was through Postal Ballot during the Financial Year 2019-20

(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 along with 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) **Financial Results:** The quarterly, half yearly and annual 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 also posted on the website of the Company i.e. www.perfectpac.com.
- (b) **Newspaper Advertisement:** The quarterly, half yearly and annual financial results published in the leading newspapers i.e 'Pioneer' and regional newspapers like 'Pioneer'.
- (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 for Directors and Senior Management

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

The Company has also implemented Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code. Report on dealing in the shares of the Company by the Designated Persons is placed before the Chairman of the Audit Committee and the Board.

(c) Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information (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 www.perfectpac.com

(e) Policy for Preservation of Documents

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

(f) Archival Policy

The Company has adopted an Archival Policy, that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the 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 www.perfectpac.com

(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>

No material Related Party Transaction was entered into during FY 2019-20.

(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://www.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 www.perfectpac.com

(j) Nomination and Remuneration Policy

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

The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The 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. 36 of Notes to the Financial Statements in the Annual Report.
- (b) The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years except late filing of Corporate Governance Report for the quarter ended on March 31, 2019. Fine was imposed by Stock Exchange i.e. BSE and said penalty paid by the Company.
- (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. 28 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.
- (h) During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.

10. GENERAL SHAREHOLDERS' INFORMATION

(a) Date, Time and venue for 48th Annual General Meeting

As per notice of 48th 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 2020-21 is as follows:

Item	Tentative Dates*
First Quarter Results	August 14, 2020
Second Quarter Results	November 13, 2020
Third Quarter Results	February 12, 2021
Audited Annual Results for the year	May 28, 2021

* 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, 2020 as per Notice of 48th Annual General Meeting.

(d) Listing

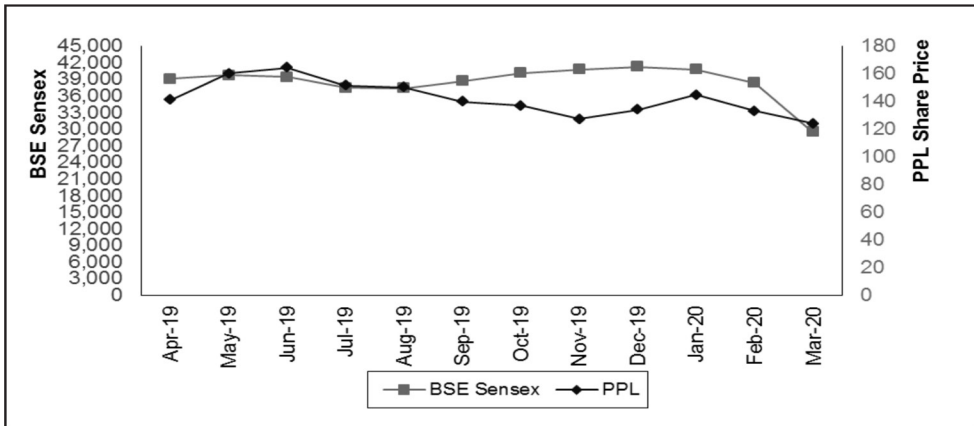
The name of the Stock Exchange at which the securities of the Company are listed and the respective scrip code are as under:

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	026097

(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 2019-20 is given hereinafter: (Amount in Rs.)

Month	High Price	Low Price
April, 19	159.70	140.00
May, 19	170.00	134.65
June, 19	168.00	144.40
July, 19	169.40	135.50
August, 19	164.00	150.00
September, 19	160.00	137.05
October, 19	153.80	131.10
November, 19	158.55	125.10
December, 19	134.25	120.70
January, 20	144.50	124.55
February, 20	151.70	126.45
March, 20	136.10	123.65

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

(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

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 Securities Exchange Board of India (SEBI) vide SEBI (Listing Regulations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 dated June 8, 2018 and press release, PR No.: 51/2018 dated December 3, 2018, has amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, whereby transfer of securities of a listed company would not be processed unless the securities are held in dematerialized form. The said regulations shall be effective from April 1, 2019 and all the shares lodged for transfer thereafter shall be in dematerialized form only.

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, 2019 and March 31, 2020 have been duly submitted to the Stock Exchange.

(j) Credit Ratings

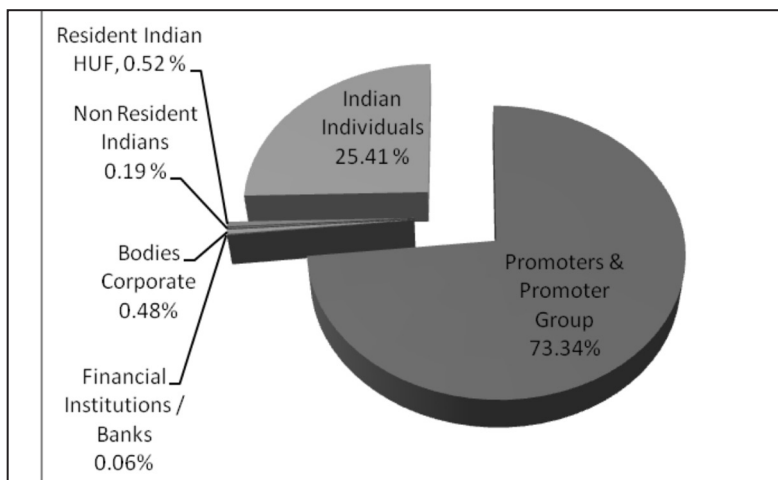
The CRISIL vide its letter dated December 06, 2019 has reaffirmed the credit rating assigned to the Company on the Bank Facilities. The long term credit rating has been reaffirmed as CRISIL BBB-/Stable. The short term credit rating has been reaffirmed as CRISIL A3

(k) Distribution of shareholding as on March 31, 2020**(i) Value wise**

Shareholding of Nominal Value	Shareholders		Shareholding	
	Number	Percentage	Amount in (Rs.)	Percentage
Upto 5000	2370	96.34	1957370	14.7
5001 to 10000	56	2.28	411790	3.09
10001 to 20000	13	0.53	176910	1.33
20001 to 30000	7	0.28	181030	1.36
30001 to 40000	2	0.08	77210	0.58
40001 to 50000	2	0.08	94050	0.71
50001 to 100000	4	0.16	264210	1.98
Above 100000	6	0.24	10156430	76.26
Total	2460	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	6327	0.48
3	Non-Resident Indians	2520	0.19
4	Resident Indian HUF	6940	0.52
5	Indian Individuals	338553	25.41
	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

Mrs. Suman Pandey, 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 Statutory Auditors

The Company has obtained a Certificate from Statutory Auditors confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the 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). 1174096 equity shares of the Company were in dematerialized form as on March 31, 2020. 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) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

(q) Location of Plant

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

(r) Registered Office and Address for Correspondence

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

(s) 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 2020 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 07, 2020

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, 2020.

For and on behalf of the Board

Place : New Delhi
Dated : August 07, 2020

Sanjay Rajgarhia
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

For RSM & CO.
Company Secretaries

CS SUMAN PANDEY
PARTNER
FCS NO. 7606, C.P. NO. 8404
UDIN : F007606B000557804

Dated: 07.08.2020
Place: New Delhi

ANNEXURE - C**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, 2020 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, 2020, 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}

Place : New Delhi
Dated : June 25, 2020

CA Samir Vaid
Partner
Membership No. 091309
UDIN : 20091309AAAACQ3588

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 2019-20 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 and on behalf of the Board

Place : New Delhi
Date : June 25, 2020

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 labor, 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.

There is Disruption and Uncertainty in Business due to Covid-19 pandemic. The company's operations were marginally impacted due to exposure to the pandemic, reduced productivity due to employee stress and impact on emotional wellbeing while under local lockdowns or quarantines.

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. 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 2019-20 was Rs. 361.08 lakhs as against Rs. 390.73 lakhs in the year 2018-19. Your Directors are expecting further improvement in the performance of the Company in coming years.

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. 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 2020 stood at 9.46% as compared to financial year 2019 at 11.42%

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 07, 2020

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, 2020, 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, 2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, 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 29 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}

Place : New Delhi
Dated : June 25, 2020

CA Samir Vaid
Partner
Membership No. 091309
UDIN : 20091309AAAACR6063

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 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 : June 25, 2020

CA Samir Vaid

Partner

Membership No. 091309

UDIN : 20091309AAAACR6063

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, 2020 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

CA Samir Vaid
Partner
Membership No. 091309

Place : New Delhi
Dated : June 25, 2020

BALANCE SHEET AS AT 31st MARCH, 2020

(Rupees in lakhs)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3(a)	1,340.03	914.02
(b) Capital work-in-progress	3(a)	-	60.79
(c) Intangible assets	3(a)	6.77	0.36
(d) Right-of-use assets	3(b)	82.14	75.15
(e) Financial Assets			
(i) Loans	4	35.50	27.65
(f) Other non-current assets	5	5.40	17.25
2 Current assets			
(a) Inventories	6	692.60	735.03
(b) Financial Assets			
(i) Trade receivables	7	1,104.09	1,267.23
(ii) Cash and cash equivalents	8(a)	41.08	11.62
(iii) Other balances with banks	8(b)	41.03	-
(c) Current Tax Assets (net)	9	3.63	5.58
(d) Other current assets	10	204.97	185.64
Total Assets		<u>3,557.24</u>	<u>3,300.32</u>
EQUITY AND LIABILITIES			
1 Equity			
a) Equity Share Capital	11	133.26	133.26
b) Other Equity	12	2,624.62	2,366.13
Liabilities			
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	58.81	34.58
(ii) Lease liabilities		6.87	-
(iii) Other financial liabilities	14	10.13	10.13
(b) Deferred tax liabilities (net)	15	75.63	45.13
(c) Other Non Current Liabilities	16	2.93	2.33
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	181.65	128.47
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	40	13.47	28.48
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		356.01	432.67
(iii) Lease liabilities		1.41	-
(iv) Other financial liabilities	18	75.76	96.90
(b) Provisions	19	6.87	10.16
(c) Other current liabilities	20	9.82	12.08
Total Equity and Liabilities		<u>3,557.24</u>	<u>3,300.32</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

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

Shefali Chauhan
 Company Secretary
 (M.No.: A60229)

PLACE : NEW DELHI
Dated : June 25, 2020

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2020
(Rupees in lakhs)

Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I Revenue from Operations	21	7,328.37	7,750.24
II Other Income	22	26.18	11.07
III Total Income (I+II)		<u>7,354.55</u>	<u>7,761.31</u>
IV EXPENSES			
Cost of materials consumed	23	5,042.68	5,488.57
Purchases of Stock-in-Trade		-	2.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(15.32)	(6.20)
Employee benefits expense	25	744.49	703.13
Finance costs	26	38.58	51.81
Depreciation and amortization expense	27	162.12	148.88
Other expenses	28	1,020.92	982.39
Total Expenses		<u>6,993.47</u>	<u>7,370.58</u>
Profit before tax		<u>361.08</u>	<u>390.73</u>
V Tax expense:			
Current		69.21	117.56
Income tax relates to earlier years		0.51	0.84
Deferred tax		30.50	(17.75)
VI Profit for the year (IV-V)		<u>260.86</u>	<u>290.08</u>
VII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(2.37)	(4.63)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income		<u>(2.37)</u>	<u>(4.63)</u>
VIII Total Comprehensive Income (VI+VII)		<u>258.49</u>	<u>285.45</u>
IX Earning Per Equity Share	35		
Basic (Rs.)		19.58	21.78
Diluted (Rs.)		19.58	21.78
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 : June 25, 2020

for and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Harpal Singh Chawla
Director
(DIN 00025492)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Mohinder Nagpal
Chief Financial Officer

Shefali Chauhan
Company Secretary
(M.No.: A60229)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

(Rupees in lakhs)

A. EQUITY SHARE CAPITAL

As at April 1, 2019	133.26
Changes in equity share capital	-
As at March 31, 2020	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 1,2018	99.89	146.80	1,832.48	1.51	2,080.68
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
Profit for the year	-	-	260.86	-	260.86
Other Comprehensive income for the year	-	-	-	(2.37)	(2.37)
Total comprehensive Income for the year	-	-	260.86	(2.37)	258.49
Balance as at March 31,2020	99.89	146.80	2,383.42	(5.49)	2624.62

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 : June 25, 2020

for and on behalf of the Board

Rajendra Kumar Rajgarhia
Chairman
(DIN 00141766)

Harpal Singh Chawla
Director
(DIN 00025492)

Sanjay Rajgarhia
Managing Director
(DIN 00154167)

Mohinder Nagpal
Chief Financial Officer

Shefali Chauhan
Company Secretary
(M.No.: A60229)

STATEMENT OF AUDITED CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2020**(Rupees in lakhs)**

	Year ended 31.03.2020	Year ended 31.3.2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax Exceptional & Extraordinary items	361.08	390.73
Add Exceptional items	-	-
Adjustments for:		
Other Comprehensive Income	(2.37)	(4.63)
Depreciation	162.12	148.88
(Profit)/loss on sale of fixed Assets & Assets Discarded (Net)	9.18	8.01
Interest Paid	38.58	51.81
Interest received	(2.04)	(2.87)
Dividend received ³	-	-
Operating Profit before working capital changes	566.55	591.93
Adjustments for:		
Trade and Other Receivables	149.76	59.09
Inventories	42.43	(13.16)
Trade Payable and Other Liabilities	(69.33)	(40.71)
Cash Generated from Operations	689.41	597.15
Direct Taxes Paid (including deferred tax)	(100.22)	(100.65)
Cash Flow before extraordinary items	589.19	496.50
Extraordinary Items	-	-
Net Cash from Operating Activities	589.19	496.50
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets, Including capital work in progress	(571.64)	(103.13)
Purchase of Investments	-	-
Sale of Fixed Assets	30.75	15.21
Interest received	2.04	2.87
Net Cash used in Investing Activities	(538.85)	(85.05)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Repayments of Long Term Borrowings	(41.77)	(42.66)
Net proceeds of Long Term Borrowings	48.08	32.73
Net proceeds of Short Term Borrowings	53.18	(383.14)
Dividend & Dividend Tax Paid	-	-
Payment of Lease liability	(0.76)	-
Interest Paid	(38.58)	(51.81)
Net Cash from Financing Activities	20.15	(444.88)
Net Increase in Cash and Cash Equivalents (A+B+C)	70.49	(33.44)
Cash and Cash Equivalents as at 1st April, Opening Balance	11.62	45.06
Cash and Cash Equivalents as at 31st March, Closing Balance	82.11	11.62
Note: Figures in brackets represent outflow.		

Components of Cash and Cash Equivalents	As at 31.03.2020	As at 31.3.2019
Cash in Hand	5.07	5.60
Balance with Banks in Current Accounts on Deposit Accounts (with original maturity within 12 months)	36.01 41.03	6.02 -
Total	82.11	11.62
See accompanying notes to the financial statements	1 to 42	

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

for and on behalf of the Board

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 : June 25, 2020**

NOTES FORMING TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020**1. Corporate Information**

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

2. Significant Accounting Policies

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

(a) Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act) including the rules notified under the relevant provisions of the Companies Act, 2013.

(b) Basis for Preparation & Presentation

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

(c) Property, Plant and Equipment-Tangible Assets

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

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

Depreciation Method and Estimated Useful Life

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

(d) Intangible Assets and Amortization

Intangible assets are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated

amortization and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

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

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

Amortization Method and Estimated Useful Life

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

(e) Impairment of Non-financial assets.

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

(f) Leases

The Company has adopted Ind AS 116 w.e.f. 01.04.2019. As lessee for lease with a term of more than 12 months, the Company recognises a 'right-of-use' asset at cost for the lease term at the commencement date and a lease liability representing its obligation to make future lease payments. The 'Right-of-use' asset is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of 'right-of-use' asset. The lease payment is discounted using the lessee's incremental borrowing rate as there is no interest rate implicit in the lease. Short term lease and lease of low value is treated as expense on straight line basis or other systematic basis over the lease term

(g) Financial Instruments

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

i. Financial Assets

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

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

Impairment:

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

De-Recognition:

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

Income Recognition:

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

ii. Financial Liabilities:

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

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

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

De-Recognition:

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

(h) Inventories

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

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

(i) Revenue

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

(j) Foreign Currency Transactions

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

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from

the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss.

(k) Cash and Cash Equivalents

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

(l) Income Tax

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

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

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

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

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

Deferred income tax assets and liabilities are set off 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) Exceptional Items

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

(p) Provisions and Contingent Liabilities

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

(q) Rounding of Amounts

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

(r) Dividends

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

(s) Borrowing Cost

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

(t) Use of Estimates and Critical Accounting Judgements

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

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

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

(u) Recent Indian Accounting Standards(Ind AS)

Ministry of Corporate Affairs notifies new Standards or amendments to the existing Standards. There is no such notification which would be applicable from April, 2020.

(Rupees in lakhs)

NOTE-3 (a) Property, Plant and Equipment

FIXED ASSETS DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK		
	Cost As at 01.04.2019	Additions during the year	Deductions/Re- irement during the year	Cost As at 31.03.2020	As at 01.04.2019	For the year	Deductions/Re- irement during the year	As At 31.03.2020	As At 31.03.2019
Tangible Assets									
Buildings	272.59	-	-	272.59	32.56	11.08	-	228.95	240.03
Plant & Equipments	781.17	508.72	31.14	1,258.75	304.74	106.44	15.77	863.34	476.43
Furniture & Fixtures	4.71	0.60	-	5.31	1.73	0.45	-	3.13	2.98
Office Equipments	25.00	15.74	-	40.74	9.47	5.96	-	25.31	15.53
Electrical Installations and Fittings	4.80	3.52	-	8.32	1.48	0.16	-	6.68	3.32
Vehicles	269.90	95.62	50.97	314.55	95.32	34.73	26.40	210.90	174.58
Computers	3.60	1.23	-	4.83	2.45	0.66	-	1.72	1.15
TOTAL	1,361.77	625.43	82.11	1,905.09	447.75	159.48	42.17	1,340.03	914.02
Intangible Assets									
Computer Software	1.43	7.00	-	8.43	1.07	0.59	-	6.77	0.36
TOTAL	1.43	7.00	-	8.43	1.07	0.59	-	6.77	0.36

Capital Work in progress

Plant & Machinery - Under Installation	-	-	-	-	-	-	-	-	42.63
Vehicle - Under Installation	-	-	-	-	-	-	-	-	18.16
	-	-	-	-	-	-	-	-	60.79

NOTE-3(b)

Right-of-use assets	78.12	9.04	-	87.16	2.97	2.05	-	82.14	75.15
TOTAL	78.12	9.04	-	87.16	2.97	2.05	-	82.14	75.15
	79.55	16.04	-	95.59	4.04	2.64	-	88.91	75.51
TOTAL	1,441.32	641.47	82.11	2,000.69	451.79	162.12	42.17	1,428.94	989.53
Previous Year	1432.71	42.34	33.73	1,441.32	313.42	148.88	10.51	989.53	

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

	As at 31st March, 2020	As at 31st March, 2019
4 Loans		
Loans Receivables considered good-Unsecured		
Security Deposits		
a) Related Party*	0.53	-
b) Others	34.97	27.65
	<u>35.50</u>	<u>27.65</u>
*Security against rent given to Managing Director		
5 Other non-current assets		
<u>Unsecured considered good:</u>		
Capital Advances	-	12.79
Advances other than capital advances		
Advances to Employees	2.07	4.44
Prepaid Expenses	3.33	0.02
	<u>5.40</u>	<u>17.25</u>
6 Inventories		
<u>(As taken, valued & certified by the Management) - At cost or net realisable value, whichever is lower except waste at estimated realisable value)</u>		
i) Raw materials	450.14	516.03
ii) Work in progress	5.05	3.75
iii) Finished goods	74.25	59.53
iv) Stores, Spares & Loose Tools	161.49	153.35
v) Others-Waste & scrap	1.67	2.37
	<u>692.60</u>	<u>735.03</u>
7 Trade Receivables (Unsecured)		
(a) Trade Receivables considered good	1,104.09	1,267.23
(b) Trade Receivables which have significant increase in Credit Risk	-	-
(c) Trade Receivables-credit impaired	-	-
	<u>1,104.09</u>	<u>1,267.23</u>
8 (a) Cash and cash equivalents		
Balances with Banks:		
(i) In Current accounts	36.01	6.02
(ii) Cash on Hand (as certified)	5.07	5.60
	<u>41.08</u>	<u>11.62</u>
8 (b) Other balances with banks		
Bank deposits with original maturity upto 12 months (Including interest accrued)	41.03	-
	<u>41.03</u>	<u>-</u>
9 Current tax assets (net)		
Advance income tax (net of provision)	3.63	5.58
	<u>3.63</u>	<u>5.58</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Rupees in lakhs)

	As at 31st March, 2020	As at 31st March, 2019
10 Other current assets		
Unsecured considered good		
Advances other than capital advances		
Advances against supply of goods & services	45.58	34.44
Insurance claim receivable	35.75	35.75
Advances to employees	11.89	10.57
Prepaid Expenses	6.22	9.66
Advances with Government Authorities	105.53	95.22
	<u>204.97</u>	<u>185.64</u>
11 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 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, 2020		As at 31st March, 2019	
	No. of Sahes	% held	No. of Sahes	% held
SANJAY RAJGARHIA	611,938	45.94	611,938	45.94
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, 2020		As at 31st March, 2019	
	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, 2020

(Rupees in lakhs)

	As at 31st March, 2020	As at 31st March, 2019
12 Other Equity		
Securities Premium		
As per last Balance Sheet	99.89	99.89
General Reserve		
As per last Balance Sheet	146.80	146.80
Retained Earnings		
As per last Balance Sheet	2,122.56	1,832.48
Profit for the year	<u>260.86</u>	<u>290.08</u>
	2,383.42	2,122.56
Other comprehensive income		
As per last Balance Sheet	(3.12)	1.51
Ind AS Adjustments	<u>(2.37)</u>	<u>(4.63)</u>
	<u>2,624.62</u>	<u>2,366.13</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.

13 BORROWINGS - NON CURRENT**Secured Term Loans**

from banks	16.26	33.50
from others	<u>42.55</u>	<u>1.08</u>
	<u>58.81</u>	<u>34.58</u>

STATEMENT OF SECURITIES GIVEN AND TERMS OF REPAYMENT OF LOANS AS AT 31.03.2020

Banker's Name	Non Current	Current	Security given	Instalments Outstanding	Maturity	Rate of Interest %
Secured term loans from Banks						
ICICI Bank Limited	1.60	6.31	Against Vehicle	15	June 2021	9.37
Kotak Mahindra Bank Limited	4.78	3.72	Against Vehicle	26	May 2022	9.01
Kotak Mahindra Bank Limited	-	2.69	Against Vehicle	9	Dec 2020	10.35
Kotak Mahindra Bank Limited	9.88	4.50	Against Vehicle	35	Feb 2023	9.31
Total	<u>16.26</u>	<u>17.22</u>				
Secured Term Loans from a Company						
Kotak Mahindra Prime Limited	-	1.07	Against Vehicle	9	Dec-20	9.98
Daimler Financial services India Pvt Ltd	<u>42.55</u>	<u>4.10</u>	Against Vehicle	43	October 23	10.75
Total	<u>42.55</u>	<u>5.17</u>				

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Rupees in lakhs)

	As at 31st March, 2020	As at 31st March, 2019
14 OTHER FINANCIAL LIABILITIES		
Deposits from Vendors	10.13	10.13
	<u>10.13</u>	<u>10.13</u>
15 Deferred Tax Liabilities (Net)		
Deferred Tax Liability:		
Difference between Book Depreciation and Depreciation under the Income Tax Rules	75.63	45.13
	<u>75.63</u>	<u>45.13</u>
Deferred Tax Liabilities	75.63	45.13
Deferred Tax Liabilities (Net)	75.63	45.13
16 Other Non Current Liabilities		
Advances from Employees against Cars	2.93	2.33
	<u>2.93</u>	<u>2.33</u>
17 Borrowings		
Loans repayable on demand:		
Secured		
From banks*	181.65	128.47
	<u>181.65</u>	<u>128.47</u>
* Secured by first and exclusive hypothecation charge on all existing and future receivables, current assets, moveable assets, moveable fixed assets and equitable mortgage of factory Land and Building and also secured by way of personal guarantee of Managing Director of the company.		
18 Other Financial Liabilities		
Current maturity of long term debt		
From Banks	17.22	39.13
From Others	5.17	1.18
Interest accrued	0.57	0.41
Others:		
Accrued salaries and benefits	29.90	46.30
Creditors for Capital Goods	22.90	9.88
	<u>75.76</u>	<u>96.90</u>
19 Provisions		
Provision for Employee Benefits	6.87	10.16
	<u>6.87</u>	<u>10.16</u>
20 Other Current Liabilities		
Revenue received in advance	0.07	1.47
Statutory dues	9.75	10.61
	<u>9.82</u>	<u>12.08</u>
	Year ended 31st March, 2020	Year ended 31st March, 2019
21 Revenue From Operations		
Sale of Products	7,088.70	7,485.53
Sale of Services	2.94	3.71
Other operating revenues		
Sale of waste & Scrap	236.73	261.00
	<u>7,328.37</u>	<u>7,750.24</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**(Rupees in lakhs)**

	Year ended 31st March, 2020	Year ended 31st March, 2019
22 Other Income		
Interest	2.04	2.87
Liabilities & Provisions written back	9.79	5.84
Bad Debts recovered	13.00	0.05
Net gain on Foreign Currency Transactions & Translation	1.35	-
Other Non Operating Income	-	2.31
	<u>26.18</u>	<u>11.07</u>
23 Cost of Materials Consumed		
Raw Materials	5,042.68	5,488.57
	<u>5,042.68</u>	<u>5,488.57</u>
24 Changes In Inventories Of Finished Goods, Work-In-Progress and Stock In Trade		
Stock at the beginning 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>
Stock at the end of the year		
Finished Goods	74.25	59.53
Work in Progress	5.05	3.75
Others- Waste & Scarp	1.67	2.37
	<u>80.97</u>	<u>65.65</u>
	<u>(15.32)</u>	<u>(6.20)</u>
25 Employee Benefit Expense		
Salary, Wages, Allowances and Bonus	660.45	624.43
Contribution to Provident and Other Funds	31.25	29.75
Staff Welfare Expenses	52.79	48.95
	<u>744.49</u>	<u>703.13</u>
26 Finance Costs		
Interest expense	30.63	43.05
Other Borrowing cost	7.95	8.76
	<u>38.58</u>	<u>51.81</u>
27 Depreciation and Amortisation Expense		
Depreciation on Property, Plant & Equipment	159.48	148.64
Depreciation on Right of use assets	2.05	-
Amortisation on Intangible Assets	0.59	0.24
	<u>162.12</u>	<u>148.88</u>
28 Other Expenses		
Consumption of stores and spares	353.22	330.49
Power, fuel, water & utilities	262.05	252.32
Payment to the Auditors:		
Statutory Audit	2.00	2.00
For Other Services	0.24	0.30
	<u>2.24</u>	<u>2.30</u>
Forwarding Expenses (Net)	94.84	100.08
Repairs and Maintenance	60.80	79.99
Miscellaneous Expenses	245.77	208.60
Net Loss on Foreign Currency Transactions & Translation	-	3.46
Corporate Social Responsibility Expenses (Refer Note 34)	2.00	5.15
	<u>1,020.92</u>	<u>982.39</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Rupees in lakhs)

CONTINGENT LIABILITIES	As at 31st March, 2020	As at 31st March, 2019
29 CONTINGENT LIABILITIES & COMMITMENTS		
(To the extent not provided for)		
a) Outstanding Capital Commitment (Net of Advances)	-	29.69
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	252.79	126.06
e) Disputed Income Tax	0.21	0.21

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

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

32 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.37.93** /- Lakhs (Rs. 32.22/- Lakhs).

The Company has adopted Ind AS 116 on "Leases" with effect from 01.04.2019. There is no impact on transition in retained earnings of the Company as the leases in existence at the date of adoption of Standard were short term in nature

33 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, 2020	Year Ended 31st March, 2019
Provident Fund	26.81	23.68
Employees State Insurance	4.95	6.23

(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, 2020	Year Ended 31st March, 2019
------------------------------	--------------------------------	--------------------------------

A) Reconciliation of opening and closing balances of obligation.

a) Present value of obligation as at Opening date	69.03	55.03
b) Current Service Cost	4.10	3.20
c) Interest Cost	5.02	5.69
d) Actuarial (Gain)/Loss	2.17	5.11
e) Benefits Paid	1.60	-
f) Present value of obligation as at Closing date	78.72	69.03

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**(Rupees in lakhs)**

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
B) Change in Plan Assets (Reconciliation of opening and closing balances)		
a) Fair Value of Plan Assets as at opening date	58.87	53.96
b) Expected return on Plan Assets	4.28	4.32
c) Actuarial (Gain)/Loss	0.20	(0.48)
d) Contributions	10.16	1.07
e) Benefits Paid	1.60	-
f) Fair Value of Plan Assets as at Closing date	71.91	58.87
C) Reconciliation of fair value of assets and obligations		
a) Present Value of Obligation as at Closing date	78.72	69.03
b) Fair value of Plan Assets as at Closing date	71.91	58.87
c) Liability recognized in the Balance Sheet	6.81	10.16
D) Expense recognized during the year		
a) Current Service Cost	4.10	3.20
b) Interest Cost	5.02	5.69
c) Expected return on Plan Assets	4.28	4.32
d) Difference plan fund size	(0.40)	0.96
e) Actuarial (Gain)/Loss	2.37	4.63
f) Expense recognized during the year	6.81	10.16
E) Assumptions		
a) Discount Rate (Per Annum)	7.25%	7.50%
b) Interest Rate (Per Annum)	7.27%	7.43%
c) Estimated Rate of return on Plan Assets (Per Annum)	7.27%	7.43%
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.		
34 The detail of Corporate Social Responsibility		
		(Rupees in Lakhs)
a) CSR amount required to be spent as per Section 135 of the Companies Act 2013 read with schedule VII thereof by the Company during the year	7.20	5.14
b) Amount of shortfall of previous year		
(i) Construction/acquisition of any assets		
- in cash	-	-
- yet to be paid in cash	-	-
(ii) On purposes other than (i) above		
Promotion of Health care	-	1.00
Homes for orphans	-	0.50
Promoting Education	0.50	1.00
Eradicating hunger and malnutrition among children	-	1.00
Facilities for senior citizens	1.50	1.00
Prime Minister's Relief Fund	-	0.65
	<u>2.00</u>	<u>5.15</u>
Shortfall/(Excess)	5.20	(0.01)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Rupees in lakhs)

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

35 Earnings Per Share (EPS)

	(Rupees in Lakhs)	
- Profit attributable to the Equity		
Share Holders (Rs.) (A)	260.86	290.08
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)	19.58	21.78

36 Related Party Disclosures under Ind AS 24

a) List of Related Parties (As identified by the Management)

i) Enterprises owned or significantly influenced by key management personnel or their relatives :-

Orient Syntex (Prop.APM Industries Limited), Essvee Fiscal LLP., Rajgarhia Leasing & Financial Services Pvt. Ltd., Faridabad Paper Mills Pvt Ltd.

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

b) Transactions with Related Parties

(Rupees in Lakhs)

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

Remuneration to Managing Director & KMP *	-	97.02
	(-)	(75.35)
Directors sitting fees	-	1.65
	(-)	(1.20)
Interest Paid	-	-
	(0.31)	(1.93)
Salary & Allowances	-	30.52
	(-)	(28.91)
Rent Paid	-	3.02
	(-)	(1.44)
Security Given	-	0.53
	(-)	(-)
Electricity	-	0.06
	(-)	(-)

* Excluding Gratuity

ii) UNSECURED LOANS

Accepted	-	-
	(30.45)	(110.00)
Repaid	-	-
	(30.45)	(110.00)

iii) Amount payable-KMP

	-	6.44
	(-)	(3.82)

Note: In respect of above parties there is no provision for doubtful debts as on 31.03.2020 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, 2020

- 37 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.
- 38 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.

39 Covid-19

The Company has considered the possible effects that may result from the pandemic related to Covid-19 on the carrying amounts of receivables, inventories, property plant & equipment and intangible assets on the basis of evaluation at current indicators of future economic condition. The company expects to recover the carrying amount of such asset & does not anticipate any impairment to these financial & non-financial assets

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)

	2019-20	2018-19
(i) Principal amount remaining unpaid	13.47	28.48
(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	–	–

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

(Rupees in lakhs)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
Current tax on taxable income for the year	69.21	117.56
Tax adjustments relating to earlier years	0.51	0.84
Total Current tax expense	69.72	118.40
Deferred tax		
Deferred tax charge/credit	30.50	(17.75)
MAT credit (taken)/utilized	-	-
Total deferred income tax expense/(benefit)	30.50	(17.75)
Income Tax expense reported in the statement of Profit and Loss	100.22	100.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
ii) Recognized in Other Comprehensive Income

(Rupees in lakhs)

Items that will not be reclassified to Profit or Loss	Year ended March 31, 2020	Year ended March 31, 2019
Remeasurement of defined benefit plans	(2.37)	(4.63)
Tax Expense	-	-
Net of Tax	(2.37)	(4.63)

iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2020

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Enacted income tax rate in India applicable to the company	27.820%	27.820%
Accounting profit before Income Tax	361.08	390.73
Current tax expense on profit before tax expense at the enacted income tax rate in India	100.45	108.70
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowable in income Tax	12.30	4.46
Income exempted from taxes	-	(0.12)
Others	(12.53)	(12.39)
Total income tax expense/(credit)	100.22	100.65

b) The movement in deferred tax liability during the year ended March 31, 2020

Particulars	As at April 1, 2019 Deferred Tax Liability	Recognised in statement of Profit & Loss	Recognised in Other Compre- hensive Income	As at March 31, 2020 Deferred Tax Liability
Depreciation	45.13	30.50	-	75.63
Total	45.13	30.50	-	75.63

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, 2020	As at March 31, 2019
Financial assets at fair value		
Loans	35.50	27.65
Other Non Current Assets	5.40	-
Cash and cash equivalents	41.08	11.62
(iii) Other balances with banks	41.03	-
Trade receivables	1,104.09	1,267.23
Total financial assets	1,227.10	1,306.50
Financial liabilities at fair value		
Borrowings (Including Interest accrued)	263.42	203.77
Security Deposits received	10.13	10.13
Trade payables	369.48	461.15
Creditors for capital goods	22.90	9.88
Lease Liabilities	8.28	-
Total financial liabilities	674.21	684.93

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**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, 2020	Gross Carrying Amount	Expected Credit Losses	Carrying amount of trade receivables (net of expected credit losses)
Not due	675.78	–	675.78
Past due 0-180 days	411.71	–	411.71
Past due 180 and more days	16.60	–	16.60
Total	1,104.09	–	1,104.09

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
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, 2020	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	262.85	262.85	240.46	22.39
Trade payables and other payables	441.90	441.90	441.90	-
Security deposits	10.13	10.13	-	10.13

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

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, 2020

(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, 2020	As at March 31, 2019
	USD	USD
Financial Assets		
Other receivable	16425	27164
Financial Liabilities		
Trade payables	27894	2116
Net Exposure	(11469)	25048

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 : June 25, 2020

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

Shefali Chauhan
Company Secretary
(M.No.: A60229)

 **perfectpac limited**

