



## **APT PACKAGING LTD**

Gut No. 76, village Pangra, Paithan Road, Tq. Paithan,  
Dist Aurangabad, Maharashtra state of India -431106  
Website:- [WWW.aptpackaging.in](http://WWW.aptpackaging.in) Cont:- +91-9960100449

**CIN:- L24100MH1980PLC022746**

To, BSE Ltd., 1 st Floor,  
New Trading Ring,  
Rotunda Bldg., P.J.Tower,  
Dalalstreet,  
MUMBAI - 400 023.

Date:- 09/12/2020

Dear Sir,

Ref: Regulation 34 of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015

Sub: Notice of 40th Annual General Meeting and Annual Report for the Financial Year 2019-20

We wish to inform that 40<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company will be held on Thursday, the 31<sup>st</sup> December, 2020 at 11:30 p.m. through Video Conferencing (VC)/Other Audio Visual Means (OAVM).

We enclose herewith Notice of 40th AGM and Annual Report for the FY 2019-20 for your records. The 40th AGM Notice and Annual Report are uploaded on the website of the LIPL (RTA) agent of Company at [www. https://instavote.linkintime.co.in](http://www.https://instavote.linkintime.co.in). Register of Members and Share Transfer Book of the Company will remain closed from 28<sup>th</sup> December, 2020 to 30<sup>th</sup> December, 2020 (both days inclusive) for the purpose of Annual General Meeting.

The cut-off date for reckoning voting of the members is 23<sup>rd</sup> December, 2020. The remote e-voting will be available from 27<sup>th</sup> December, 2020 (at 9:00 a.m. IST) and ends on 30<sup>th</sup> December, 2020 (at 5:00 p.m. IST). Voting at AGM is also available through e-voting.

Kindly note that the soft copies of the Notice and Annual Report 2019-20 is being dispatched to the members of the company through e-mail.

**Thanking you,**  
**Yours faithfully,**  
**For APT PACKAGING LIMITED**  
Sd/-  
**AUTHORISED SIGNATORY**

**40<sup>th</sup>**  
**ANNUAL**  
**REPORT**  
**2020**



**APT PACKAGING LTD**

# ***Company Information***

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## **BOARD OF DIRECTORS**

Shri Arvind Machhar, Managing Director (DIN: 00251843)

Shri Sandeep Machhar, Director (DIN: 00251892)

Shri Ghevarchand M Bothara, Independent Director (DIN: 01616919)

Shri Balaprasad H Tapdiya, Independent Director (DIN: 01295984)

Smt. Rupali Abhijeet Bothara, Independent Director (DIN: 03484957)

## **KEY MANAGERIAL PERSONNEL:-**

Shri Satish Sharma – Chief Financial Officer

## **AUDITORS**

M/s. Nikhil N. Loya & Co.  
Chartered Accountants,  
Aurangabad-431001

## **REGISTERED OFFICE**

Gut No. 72, Village Pharola,  
Post Beedkin, Paithan Road,  
Aurangabad Maharashtra – 431105  
Mobile : +91-9960100449  
CINNo. L24100MH1980PLC022746  
ISIN No.: INE046E01017 (Old)  
ISIN No.: **INE046E01025 (Temp)**  
E-Mail: [cmdoffice@aptpackaging.in](mailto:cmdoffice@aptpackaging.in)  
E-Mail [csoffice@aptpackaging.in](mailto:csoffice@aptpackaging.in)

## **REGISTRAR & SHARE TRANSFER AGENT**

Link Intime India Pvt. Ltd.  
C-101, Tower C, 247 Park,  
L.B.S. Marg, Vikhroli (W),  
Mumbai – 400 083  
Tel No. 022-49186000, 49186270  
Fax No.022-49186060  
E-Mail: [sharad.patkar@linkintime.co.in](mailto:sharad.patkar@linkintime.co.in)

## **BANKERS**

Punjab National Bank., Aurangabad  
Punjab National Bank, Haridwar

## **LOCATION OF PLANTS**

- i) Gut No 72, Village Pharola,  
Post Beedkin, Paithan Road,  
Aurangabad, Maharashtra  
Pin- 431105
- ii) Khasra No. 529, 5<sup>th</sup> KM Stone,  
Akbarpur (urd), Laksar Haridwar  
Dist. Haridwar (UT)

## **NOTICE OF Fortieth ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the fortieth Annual General Meeting of the Shareholders of APT Packaging Limited ("the Company") will be held on Thursday, December 31<sup>st</sup>, 2020 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM") to transact the following businesses:

### **I) ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as on 31<sup>st</sup> March 2020, Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and the report of the Auditor's and Board's Report thereon.
2. To appoint a director in place of Mr. Sandeep Machhar (DIN: 00251892) who retires by rotation and being eligible offers themselves for re-appointment.

### **II) SPECIAL BUSINESS**

3. **To consider and if thought fit, to pass with or without modification the following resolution as a Special resolution:-**

**"RESOLVED THAT**, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Rupali Bothara (DIN: 03484957), who was appointed as an Independent Director and who holds office of Independent Director up to 18<sup>st</sup> September, 2020 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office with effect from 19<sup>st</sup> September, 2020 to 18<sup>th</sup> September, 2025 for a second term of 5 (five) consecutive years on the Board of the Company."

4. **To consider and if thought fit, to pass with or without modification the following resolution as a Special resolution:-**

**"RESOLVED THAT**, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Gheverchand Bothara (DIN: 01616919), who was appointed as an Independent Director and who holds office of Independent Director up to 29<sup>th</sup> September, 2020 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office with effect from 30<sup>th</sup> September, 2020 to 29<sup>th</sup> September, 2025 for a second term of 5 (five) consecutive years on the Board of the Company."

5. **To consider and if thought fit, to pass with or without modification the following resolution as a Ordinary resolution:-**

**"RESOLVED THAT**, Considering the professional expertise and vast experience of M/s. Khandelwal Jain & Co, Chartered Accountants, Aurangabad in the field of Income tax, approval of the members be and are hereby granted for engaging the services of M/s. Khandelwal Jain & Co. and also the payment up to Rs.5,00,000/- (Rupees Five Lakhs Only) as professional fees with effect from 1<sup>st</sup> April, 2020".

“**FURTHER RESOLVED THAT**, Shri Arvind Machhar, Managing Director of the Company be and is hereby authorized to take appropriate actions in this regard and release the fees as approved above.”

**By Order of the Board**

**Date : 07/11/2020**  
**Place: Aurangabad**

**Sd/-**  
**Arvind Machhar**  
**Managing Director**  
**Din:- 00251843**

### **SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to the special businesses mentioned in this notice for the Twelveth Annual General Meeting of the Members of the Company:

#### **Item No.3 Reappointment of Mrs. Rupali A. Bothara (DIN: 03484957) as an Independent Director of the company for a second term of five years:-**

Mrs. Rupali Bothara (DIN: 03484957) was appointed as an Independent Director of the company in the financial year 2014-15 for the period starting from 10<sup>th</sup> February, 2015 and consequently regularized in the annual general meeting held on 21<sup>st</sup> September, 2015. As per the provisions of Section 149 of the Companies Act,2013 and the Rules made there under, an Independent Director can be reappointed for a second term of maximum 5 (five) years by obtaining approval of the shareholders by a way of special resolution and on disclosure of such reappointment in the Board's Report. Schedule IV of the Companies Act, 2013 provides for performance evaluation by the Board before extending the term of Independent Director. Mrs. Rupali Bothara has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act,2013 and Regulation 16(1)(b) of Listing Regulations and intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules 2014, to the effect that he is not disqualified under Sub-section(2) of Section 164 of the Companies Act 2013. In the opinion of the Board, Mrs. Rupali Bothara fulfils the conditions provided in the Act and the Rules made there under for reappointment as Independent Director and is independent of the management.

#### **A brief profile of the Independent Directors to be appointed is given below:**

Mrs. Rupali Abhijeet Bothara is a Bachelor of Commerce and also holds a Chartered Accountant Degree from the Institute of Chartered Accountant, Delhi and she is also the fellow member of the Institute. She is currently working as a partner at Khandelwal Jain & Co., Office No. 108-112, 1<sup>st</sup> Floor, City Pride building, Mondha Naka Signal, Jalna Road, Aurangabad. – 431001, Maharashtra India.

She has vast knowledge of Company Law Compliance Matters, formation, and legal compliances of LLP, Statutory, Internal, MVAT & Tax Audit of Public Sector Undertakings, Companies, Financial Institutions, Bank concurrent Audits Consultancy on Income Tax, Service Tax, Matters including Representation before Tax Authorities.

She has acted as a Chairman Position of Women Empowerment Committee of Aurangabad Branch of WIRC of ICAI and Treasurer of Jain International Women Organization (JIWO) and Member of Consumers Forum of LIC.

The Board of Directors and Nomination & Remuneration Committee are of the opinion that considering the vast experience, knowledge and the possession of relevant expertise by Mrs. Rupali Bothara (DIN: 03484957) his continued association would be of immense benefit to the Board and recommend the Resolution for your approval.

#### **Item No.4 Reappointment of Mr. Ghevarchand Bothara (DIN: 01616919) as an Independent Director of the company for a second term of five years.**

Mr. Ghevarchand Bothara (DIN: 01616919) was appointed as an Independent Director of the company in the financial year 2014-15 for the period starting from 30<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2020. As per the provisions of Section 149 of the Companies Act,2013 and the Rules made there under, an

Independent Director can be reappointed for a second term of maximum 5 (five) years by obtaining approval of the shareholders by a way of special resolution and on disclosure of such reappointment in the Board's Report. Schedule IV of the Companies Act, 2013 provides for performance evaluation by the Board before extending the term of Independent Director. Mr. Ghevarchand Bothara has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations and intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Director) Rules 2014, to the effect that he is not disqualified under Sub-section(2) of Section 164 of the Companies Act 2013. In the opinion of the Board, Mr. Ghevarchand Bothara fulfils the conditions provided in the Act and the Rules made there under for reappointment as Independent Director and is independent of the management. Brief background of Mr. Ghevarchand Bothara is exhibited in this document separately. The Board of Directors and Nomination & Remuneration Committee are of the opinion that considering the vast experience, knowledge and the possession of relevant expertise by Mr. Ghevarchand Bothara (DIN: 01616919) his continued association would be of immense benefit to the Board and recommend the Resolution for your approval.

None of the Directors/Key Managerial Personnel or their relatives except Mr. Ghevarchand Bothara and Mrs. Rupali Bothara (DIN:03484957) is concerned or interested financially or otherwise is in the said Resolution.

**Item No. 5 Sanction of professional fees to M/s. Khandelwal Jain & Company, Chartered Accountants firm, Aurangabad.**

Sh. G. M. Bothara and Mrs. Rupali Bothara, an Independent Director of the company are partners of Khandelwal Jain & Company, Chartered Accountants. Since, Sh. G. M. Bothara and Mrs. Rupali Bothara are providing professional services to company in a capacity of partner of said CA firm, any remuneration paid to the said firm will be violation of listing agreement. Further, as per the listing agreement the sanction is required from the Board of Directors and also from the members of the Company in their general meeting. Hence, the Board proposes to seek consent of the members of the Company by passing the aforesaid ordinary resolution. Apart from Sh. G. M. Bothara and Mrs. Rupali Bothara none of the other directors of the company are directly or indirectly concerned or interested in this resolution.

**ANNEXURE A**

**NOTES FOR MEMBERS' ATTENTION**

**1. VIRTUAL MEETING**

In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has *vide* its General Circular no. 20/2020 dated May 5, 2020 read with General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "meeting"), through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Members participating through the VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013 ("Act").

Further, the Securities and Exchange Board of India ("SEBI") *vide* its Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") has granted further relaxations to ensure the AGM is conducted effectively. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.

The deemed venue for the AGM will be place from where the Chairman of the Board conducts the meeting. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

## **2. ELECTRONIC COPY OF ANNUAL REPORT AND NOTICE OF ANNUAL GENERAL MEETING**

- a. In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories.
- b. Members may note that the Notice and Annual Report 2019-20 will also be available on the website of Link Intime India Private Limited (“LIPL”) i.e. [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in).

## **3. REGISTER TO RECEIVE COMMUNICATIONS ELECTRONICALLY**

Members who have not registered / updated their e-mail address or mobile number with the Company but wish to receive all communication (including Annual Report) from the Company electronically may register / update their e-mail and mobile numbers on [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in). Members are also encouraged to register / update their e-mail addresses or mobile number with the relevant Depository Participant.

## **4. STATEMENT UNDER SECTION 102 OF THE ACT**

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, which sets out details relating to special business to be transacted at the meeting forms part of this notice. Also, relevant details with respect of Directors seeking appointment/re-appointment at the AGM, in terms of regulations 26(4) and 36 of the SEBI Listing Regulations and clause 1.2.5 of Secretarial Standards on General Meetings, are set out in Annexure A, which also form part of this notice.

## **5. PROXY**

The 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. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

## **6. AUTHORISED REPRESENTATIVE**

Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting.

The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to Mr. Ganesh Palve, at [gaanesh1@gmail.com](mailto:gaanesh1@gmail.com) with a copy marked to the Chief Financial officer at [cmdoffice@aptpackaging.in](mailto:cmdoffice@aptpackaging.in) not less than 48 (forty eight) hours before the commencement of the AGM i.e. by 4:00 p.m. on Tuesday, December, 31<sup>st</sup>, 2020.

## **7. DOCUMENTS OPEN FOR INSPECTION**

Relevant documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Act, are uploaded on the website of the LIPL at: [www.instameet.linkintime.co.in](http://www.instameet.linkintime.co.in). Documents required to be kept open for inspection by the Members at the AGM in terms of the applicable laws, shall be made available on [www.instameet.linkintime.co.in](http://www.instameet.linkintime.co.in).

## **8. E-VOTING**

Pursuant to Section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of SEBI Listing Regulations and the MCA Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote, on the resolutions proposed to be passed at AGM, by electronic means.

The Company has engaged the services of LIPL to provide the remote e-voting facility on InstaVote and the e-voting system on the date of the AGM on InstaMeet. The Company has appointed Mr. Ganesh Palve (holding membership no. ACS 42980),



**REMOTE E-VOTING : IMPORTANT DATES**

Proprietor and Company Secretaries, to act as the Scrutinizer and to scrutinize the entire e-voting process (i.e. remote e-voting and e-voting at the AGM) in a fair and transparent manner.

**Cut-off date:-** : Friday, 27<sup>th</sup> November, 2020

(for determining the members eligible for dispatch of Annual Reports)

**Cut-off date:-** : Wednesday, 23<sup>rd</sup> December, 2020

[for determining the Members entitled the resolutions set forth in this notice]

**Remote e-voting period** **Commence from** : 9:00 a.m., Sunday, December 27, 2020

[During this period, members of the Company as on the cut-off date may cast their vote by remote e-voting]

**End at** : 5.00 p.m., Wednesday, December 30, 2020

[Remote e-voting module shall be disabled for voting thereafter by LIPL]

URL for remote e-voting

: [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in)

**REMOTE E-VOTING : PROCEDURE**

Step no.	For first time users of InstaVote Or shareholders holding shares in physical mode	For shareholders holding shares in demat form and existing user of InstaVote
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Open the internet browser and launch the URL: [www.instavote.linkintime.co.in](http://www.instavote.linkintime.co.in)

Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

**User ID:** Enter your User ID For members holding shares in demat account held with CDSL For members holding shares in demat account held with NSDL For members holding shares in physical form 16 digits beneficiary ID,8 Character DP ID followed by 8 digit client ID,Event Number [for fully paid-up (EVENT: 200413) or for partly paid-up shares (EVEN: NA)] followed by the Folio number



## **BOARD REPORT**

To,  
The Members of  
APT Packaging Limited

Dear Members,

The Directors are pleased to present their 40<sup>th</sup> Annual Report on the performance of the Company for the financial year ended on 31<sup>st</sup> March, 2020.

### 1. FINANCIAL PERFORMANCE:

(Amount in Lakh)

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations	1781.88	3092.71
Other Income	68.33	78.79
Total Revenue	1850.22	3171.51
Finance Cost	277.82	283.30
Depreciation and Amortization	222.61	241.30
Profit before Tax & Extraordinary items	22.25	(25.59)
Tax Expenses	--	--
Income Tax- Earlier Period	---	--
Provision for Tax (Including Deferred Tax)	--	--
<b>Profit/(Loss) after tax for the year</b>	<b>22.25</b>	<b>(25.59)</b>

### 2. OPERATIONS:-

Due to the decisions of the management to reduce the operations at Pharola-Plant gradually because of achieving operational efficiency and reduction in operational cost and also due to COVID-19 and subsequent lockdown overall sales revenue of the company have been adversely affected.

During the year under review company has achieved 1781.88 lakhs turnover against the previous year of Rs. 3092.71 lakhs. The company has earned profit of Rs. 22.25 Lakhs as against the previous year loss of Rs. (25.59) lakhs due to profit on sale of inoperative assets of the company.

### 3. ADOPTION OF IND AS:-

As decided in the board of directors meeting company has planning to adopt Indian Accounting Standards ("Ind AS") as soon as possible which is mandatory to the company being listed entity.

### 4. DIVIDEND:

During the year under review your Board of Directors does not recommend any dividend for the financial year 2019-20.

### 5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

**1. Conservation of Energy:** The Company has installed the advanced machineries which consumed lower energy than earlier. The company has replaced all the lights with LED lights and better process adopted for starting of plant to that the energy utilization will be minimum.

**2. Technology Absorption:** The Company has not carried any significant work on account of technology absorption.

**3. Foreign Exchange Earning and Outflow:** During the year company has earned 365.97 Lakhs as foreign exchange and total outflow was 4.41 Lakhs towards foreign currency travelling expenses and other charges.

### 6. DEPOSIT:

The Company has **not** accepted any deposits under section 73 of the Companies Act 2013 from the public during the year.

## **7. REMUNERATION TO EMPLOYEES:**

None of the directors, employees are getting the remuneration exceeding the prescribed limit under the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014; hence, the related information is not provided.

## **8. DIRECTORS RESPONSIBILITY STATEMENT:**

Your Directors wish to inform the members that the Audited Accounts containing Financial Statements for the year 2019-20 are in full conformity with the requirements of the Companies Act, 2013. They believe that the Financial Statements reflect fairly, the form and substance of transactions carried out during the year and present the Company's financial position and result of operations. These Statements are audited by the Statutory Auditors M/s. Nikhil N. Loya & Co., Chartered Accountants Aurangabad.:

- i) In the presentation of the financial statements, applicable Accounting Standards have been followed.
- ii) The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year.
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors had prepared the financial statements on a going concern basis; and
- v) That the Directors had laid down internal financial control system which is followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) 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.

## **9. DIRECTOR'S COMMENTS ON STATUTORY AUDITORS REPORT**

Reply to the disclaimers made by the statutory auditors in Point No. A) of IAR :- The management is of the opinion that the impact of adopting Ind AS would not be materially affect the financial result of the company as such and presently the shares of the company are suspended from trading due to procedural reasons. The company is pursuing with the Stock exchange for restoration of trading of shares of the company. In the meantime, the management of the company is planning to adopt the Ind AS as soon as possible. (Refer Note No. 34).

### **Reply to the disclaimers made by the statutory auditors in point No. B) of IAR:-**

Although the Extra-Ordinary General Meeting has approved the sale of both the Units at Pharola-Aurangabad and Laksar-Haridwar. But, Company's Management has decided to gradually reduce its operations at Pharola-Aurangabad and revamped the Capacity at Laksar-Haridwar plant for the reasons of achieving operational efficiency and reduction in the Cost of operations. In the meanwhile until such time sale of both the plants is not affected. The management therefore has decided the financial statement of the company for the year under consideration is prepared and presented on going concern basis.

### **Reply to the disclaimers made by the statutory auditors in point No C):-**

The communication from the management is in progress and considered the same is a long term with zero interest, reflected accordingly in the financial statement of the company. (Refer Note No. 31A(2)).

### **Reply to the disclaimers made by the statutory auditors in point no. D):-**

The management is of the opinion that due to stringent financial crises and in-ordinary delay in recovery from sundry debtors, there were delay in remitting the statutory fund to the respective authority and interest and installment to the bank. The management will take due care of its internal resources and also taking the corrective step to smoothing the function of the company.

## **10. AUDITORS:**

M/s. Nikhil N. Loya & Co, Chartered Accountants were appointed as the Statutory Auditors of the company under Section 139(1) of the Companies Act, 2013, for a period of 5 years in the 37<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September 2019. Board is recommended to ratify the appointment of statutory auditors for further one year subject to ratification by members in ensuing annual general meeting of the company.

## 11. RELATED PARTY TRANSACTIONS

The company had entered into certain transaction with the related parties in terms of the Sec 188 (1) of Companies Act, 2013, and Form AOC- 2 is attached with this report and form part of this report.

## 12. ABSTRACT OF ANNUAL RETURN

Extract of the annual return in Form No. MGT-9 is attached herewith.

## 13. BOARD OF DIRECTORS

The Board of directors consists of following directors:

SR	NAME OF DIRECTOR	DESIGNATION
01.	Arvind Krishnagopal Machhar	Managing Director
02.	Sandeep Bhagawatiprasad Machhar	Director
03.	Balaprasad Harinarayan Tapdiya	Independent Director
04.	Ghevarchand Motilal Boathara	Independent Director
05.	Rupali Abhijeet Bothara	Independent Director

During the year, the Board met on, 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 12<sup>th</sup> October, 2019, 7<sup>th</sup> November, 2019, 18<sup>th</sup> January, 2020 and 12<sup>th</sup> February, 2020. Further, there is no meeting is held by way of video conference but one postal ballot meeting was held on 31<sup>st</sup> March, 2020 and voting through electronic mode.

## 14. DECLARATION FROM INDEPENDENT DIRECTORS

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under the law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgment and without any external influence.

## 15. RISK MANAGEMENT

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

## 16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The detailed note regarding guarantees or investments in accordance with section 186 of the Companies Act, 2013 given in the annual report. The advances to an associates company; the same has been reported in the financial statement.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20.

No. of complaints received - Nil  
No. of complaints disposed off - Nil

## 18. INSURANCE:

All the properties of the Company including Plant & Machinery, Buildings, Vehicles wherever necessary and to the extent required have been adequately insured.

## **19. LISTING OF SHARES:**

During the year under review, company has received listing approval from BSE for the corporate action undertaken by the company in the year 2008 for 2763467 equity shares of Rs. 10/- each. Further company approached to BSE for approval of its final listing application for 25 lakhs equity shares of Rs. 10/- each. After approval of final application trading may be possible subject to further confirmation from CDSL.

## **20. DE-MATERIALIZATION PROCESS:-**

The amendment to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. According to said Regulation, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the above, on the request of the company CDSL issued (temporary) ISIN number against the Old ISIN number i.e INE046E01025 for the conversion of its physical shares into dematerialization which is yet not activated due to Corporate Action (CA) is under process. On activation of ISIN number the company will announce the same at BSE portal and it is advised to shareholders holding shares in physical form to convert their shares into Demat form from that date as early as possible. As on 31.03.2020, out of the total shares of 5263467 only 104219 shares have been dematerialized which are still in frozen mode due to corporate action with CDSL is under process. This amounts to only 1.9800% of the entire shares. You are advised to keep update with BSE site.

## **21. REPORT ON CORPORATE GOVERNANCE:**

As per listing application and regulation of SEBI your company on voluntary basis prepared a report on Corporate governance as required under the Listing Agreement with the Bombay Stock Exchange containing required details is enclosed and forms part of the report of the Board of Directors on voluntary basis.

## **22. RELATION WITH EMPLOYEES:**

The relation with the employees continued to be cordial during the year. The directors wish to place on record their sincere appreciation for the excellent team spirit with which they have worked for the progress of the Company.

## **23. ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, customers, vendors and members during the year under review. Your director also wish to place on record their deep sense of appreciation for the services rendered by executive, staff and workers.

## **24. APPRECIATION:**

The Directors place on record their appreciation of the services rendered by Banks and Government Authorities for their continued support.

**For and on behalf of the Board**

**Place: Aurangabad**

**Date: 07/11/2020**

**Sd/-**

**Arvind Machhar**

**Managing Director**

**DIN: 00251843**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') is annexed with this report.

### **Industries Structure and Development :-**

During the year under review overall performance of the company is decline and impacted due to pandemic COVID-19 in the last quarter as compared to previous year. Company is planning to mitigate from the pandemic situation with the help of various facilities from the government.

### **Opportunities :-**

Company is planning to focus on the reduction in overall cost and improve operational efficiency by augmenting and consolidating the resources.

**Threats:-**

Due to pandemic COVID-19 it is very difficult to sustain the business of the company in present and near future, it is very difficult to predict in view of uncertainties derived from COVID-19.

**Risk and Concern :-**

The situation like COVID-19 and frequent lockdown and un-lockdown by the government in near future it is difficult to predict the business of the company.

**For and on behalf of the Board**

**Place: Aurangabad**

**Date: 07/11/2020**

**Sd/-  
Arvind Machhar  
Managing Director  
DIN: 00251843**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto. Details of contracts or arrangements or transactions not at Arm's length basis:

Sr. No	Particulars	
1	Name of Related Parties	The details are disclosed in balance sheet
2	Relationship with related parties	
3	Nature of Contract/arrangement/transaction	
4	Duration of the contracts/ arrangements/ transaction	
5	Salient terms of the contracts or arrangements or transaction including the value, if any	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**Details of contracts or arrangements or transactions at Arm's length basis: Party wise details are as under:-**

1	Name of Related Parties	Ultra Beauty Care Pvt Ltd	Arpit Machhar	Nischint Machhar
2	Relationship with related parties	Related with Non-executive Directors	Son of Managing Director	Son of Managing Director
3	Nature of Contract/arrangement/transaction	Purchases	Salary	Salary
4	Duration of the contracts/ arrangements/ transaction	Continuous	Continuous Basis	Continuous Basis
5	Salient terms of the contracts or arrangements or transaction including the value, if any	As per the omnibus approval granted by the company Rs. 13.16 Lakh	As per Terms of Employment Salary Paid Rs.14.44 Lakh/-	As per Terms of Employment Salary Paid Rs.13.89/-Lakh
6	Date of approval by the Board	10/08/2017	01/07/2011	16/08/2011
7	Amount paid as advances, if any	Nil	Nil	Nil

**By Order of the Board**

**Place:- Aurangabad**

**Date:- 07<sup>th</sup> November, 2020**

**SD/-  
Arvind Machhar  
Managing Director  
DIN:- 00251843**

**Sd/-  
Sandeep Machhar  
Director  
DIN:- 00251892**

## ANNEXURE TO DIRECTORS' REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 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:

I	CIN	L24100MH1980PLC022746
II	Registration Date	24 <sup>th</sup> April-1980
iii	Name of the Company	APT PACKAGING LIMITED
iv	Category/Sub-Category of the Company	Public Company / Limited By Shares
V	Address of the Registered office and contact details	
	Address:	Gut No. 76, Village Pangara, Post Beedkin, Tq. Paithan, Dist. - 431005, 0240-6642011
	Town City:	Aurangabad
	State:	Maharashtra
	Pin Code:	431 005
	Country Name:	India
	Telephone (with STD Code):	+91-9960100449
	Fax Number:	-
	E-mail Address:	<a href="mailto:csoffice@aptpackaging.in">csoffice@aptpackaging.in</a>
	Website, if any:	<a href="http://www.aptpackaging.in">www.aptpackaging.in</a>
	Correspondence Address -1	Gut No. 72, Village Pharola, Post Beedkin, Tq. Paithan, Dist. - 431005, 0240-6642011
	Correspondence Address-2	Gut No. 72, Village Pharola, Post Beedkin, Tq. Paithan, Dist. - 431005, 0240-6642011
Vi	Whether Listed Company	Yes
Vii	Name and address of Registrar and Transfer Agent (RTA)	
	Name of RTA	Link Intime India Private Limited
	Address:	C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
	Town/City:	Mumbai
	State:	Maharashtra
	Pin Code:	400083
	Telephone:	+91-22-49186000
	Fax Number:	+91-22-49186060
	Email address:	<a href="mailto:Sharad.patkar@linkintime.co.in">Sharad.patkar@linkintime.co.in</a>

#### II. Principal Business Activities Of The Company

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

Sr No	Name and Description of main products/ services	NIC Code of the Product/ services	% to total turnover of the company
1	Manufacture of other plastics products	22209	100.00

#### III. Particulars of Holding, Subsidiary and Associate Companies - None

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/Subsidiary /Associate	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

#### III. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity) Category-wise SH

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change
	De - ma t	Physical	Total	% of Share	D e m at	Physical	Total	% of Share	
Promoter									

<i>Indian</i>									
Individual/ HUF	--	3170364	3170364	60.23	--	3170364	3170364	60.23	-
Central Govt	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Bodies Corp	--	648440	648440	12.32	--	648440	648440	12.32	--
Banks / FI	--	--	--	--	--	--	--	--	--
Director / Relative	--	0	0	0	--	0	0	0	--
Sub-total(A)(1):-	--	3818804	3818804	72.55	--	3818804	3818804	72.55	-
<i>Foreign</i>									
NRIs-Individuals	--	--	--	--	--	--	--	--	--
Other-Individuals	--	--	--	--	--	--	--	--	--
Bodies Corp.	--	--	--	--	--	--	--	--	--
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other....	--	--	--	--	--	--	--	--	--
Sub-total(A)(2):-	--	--	--	--	--	--	--	--	--
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change
	Dem at	Physical	Total	% of Share	De ma t	Physical	Total	% of Share	
Public Shareholding									
<i>Institutions</i>									
Mutual Funds	--	--	--	--	--	--	--	--	--
Banks / FI	--	900	900	0.02	--	900	900	0.02	--
Central Govt	--	--	--	--	--	--	--	--	--
State Govt(s)	--	--	--	--	--	--	--	--	--
Venture Capital Funds	--	--	--	--	--	--	--	--	--
Insurance Companies	--	--	--	--	--	--	--	--	--
FIIIs	--	--	--	--	--	--	--	--	--
Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
Others (specify)	--	403568	403568	7.67	--	403568	403568	7.67	--
Sub-total(B)(1)	--	404468	404468	7.67	--	404468	404468	7.67	--
2. Non Institutions									
Bodies Corp.		--	--	--		--	--	--	--
(i) Indian	--				--				--
(ii) Overseas									
Individuals	--				--				--
(i) Individual shareholders holding nominal share capital upto Rs.2 lakh	--	864536	864536	16.43	--	864536	864536	16.43	-
(ii) Individual shareholders holding nominal share capital in excess of Rs2 lakh	--	175659	175659	3.34	--	175659	175659	3.34	--
(i) Non Resident Indians	--	--	--	--	--	--	--	--	--
(ii) Trust	--	--	--	--	--	--	--	--	--
Sub-total(B)(2)	--	1040195	1040195	19.77	--	1040195	1040195	19.77	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	1444663	1444663	27.45	--	1444663	1444663	27.45	-



C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	5263467	5263467	100.00	--	5263467	5263467	100.00	--

iv. Share holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares
1.	Mr Arvind Machhar	464000	60.2262	--	464000	60.2262	
2.	Mrs Sunita Machhar	354100	8.8155	--	354100	8.8155	
3.	Sunil Machhar	346568	6.7275	--	346568	6.7275	
4.	Mrs Dimpi Machhar	312400	6.5844	--	312400	6.5844	
5.	Mrs Prema Machhar	310000	5.9353	--	310000	5.9353	
6.	Anil Machhar	231460	5.8897	--	231460	5.8897	
7.	Arvind Machhar	219108	4.3975	--	219108	4.3975	
8.	Mr Kiran Machhar	180000	4.1628	--	180000	4.1628	
9.	Mrs Sheetal Machhar	100000	3.4198	--	100000	3.4198	
10.	Arvind Machhar	80000	1.8999	-	80000	1.8999	
11.	Ravi Machhar	61738	1.5199	-	61738	1.5199	
12.	Nawneet Bhagwatiprasad Machhar	51572	1.1730	-	51572	1.1730	
13.	Mr Parv Machhar	50000	0.9798	-	50000	0.9798	
14.	Mr Sandeep Machhar	50000	0.9499	-	50000	0.9499	
15.	Mr Utsav Machhar	50000	0.9499	-	50000	0.9499	
16.	Suyog Machhar	42840	0.9499	-	42840	0.9499	
17.	Garv Machhar	37050	0.8139	-	37050	0.8139	
18.	Sandeep Machhar	36922	0.7039	-	36922	0.7039	
19.	Utsav Machhar	28690	0.7015	--	28690	0.7015	
20.	Mr Arpit Machhar	22000	0.5451	--	22000	0.5451	
21.	Suyog Machhar	19370	0.4180	-	19370	0.4180	
22.	Arpit Machhar	14934	0.3680	-	14934	0.3680	
23.	Sunil B Machhar	13936	0.2837	-	13936	0.2837	
24.	Parv Machhar	11598	0.2648	-	11598	0.2648	
25.	Mrs Prabha Machhar	10000	0.2203	=	10000	0.2203	
26.	Gautam Kabra	7872	0.1900	=	7872	0.1900	
27.	Sandeep Machhar Huf	7740	0.1496	-	7740	0.1496	
28.	O G Somani	6014	0.1471	--	6014	0.1471	
29.	Anil Machhar (Trustee Of Abm	4888	0.1143	-	4888	0.1143	
30.	Arpit Arvind Machhar	4100	0.0929	-	4100	0.0929	
31.	Saraswati Devi Machhar	3600	0.0779	-	3600	0.0779	
32.	Nawneet Machhar Huf	3300	0.0684	-	3300	0.0684	
33.	Sunil B Machhar (Trustee Of Sbm	3254	0.0627	=	3254	0.0627	
34.	Ravi Machhar (Trustee Of Rkm	2940	0.0618	=	2940	0.0618	
35.	Sunil Machhar Huf	2900	0.0559	=	2900	0.0559	
36.	Kiran Anil Machhar	2520	0.0551	=	2520	0.0551	
37.	Arvind Machhar	2400	0.0479	=	2400	0.0479	
38.	Kiran Machhar	2240	0.0456	=	2240	0.0456	
39.	Badal Mittal	2000	0.0426	=	2000	0.0426	
40.	Ankit Machhar	1950	0.0380	=	1950	0.0380	
41.	Master Garve Nawneet Machhar	1950	0.0370	=	1950	0.0370	
42.	Master Nishchint Machhar	1950	0.0370	=	1950	0.0370	
43.	Master Parva Ravi Machhar	1950	0.0370	=	1950	0.0370	
44.	Ravi Machhar Huf	1740	0.0370	=	1740	0.0370	
45.	Master Utsav Ravi Machhar	1690	0.0331	=	1690	0.0331	
46.	Anil Machhar Huf	1300	0.0321	=	1300	0.0321	
47.	Prema Ravi Machhar	1020	0.0247	=	1020	0.0247	
48.	Sheetal Machhar	800	0.0194	=	800	0.0194	
49.	Master Kanaiya Machhar	520	0.0152	=	520	0.0152	
50.	Gopikishan Machhar	228	0.0099	=	228	0.0099	
51.	Master Suyash (Arpit) Machhar	200	0.0043	=	200	0.0043	
52.	Rajendra J Darda	180	0.0038	=	180	0.0038	
53.	Nawneet Machhar	120	0.0034	=	120	0.0034	
54.	Mala Kabra	80	0.0023	=	80	0.0023	

55.	Sheetal Machhar	68	0.0015	=	68	0.0015	
56.	Jai Gopal Rajesh Kabra Huf	40	0.0013	=	40	0.0013	
57.	Kamal Kishore Jaigopal Huf	40	0.0008	=	40	0.0008	
58.	Sharmila Kabra	40	0.0008	=	40	0.0008	
59.	Sheel Kabra	22	0.0008	=	22	0.0008	
60.	Ashish Kabra	20	0.0004	=	20	0.0004	
61.	Abhishek Kabra	16	0.0004	=	16	0.0004	
62.	Manisha Kabra	8	0.0003	=	8	0.0003	
63.	Arpit Beneficial Trust	11600	0.2204	=	11600	0.2204	
64.	Ankit Beneficial Trust	1480	0.0281	=	1480	0.0281	
65.	Suyog Beneficial Trust	14920	0.2835	=	14920	0.2835	
66.	Utkarsh Beneficial Trust	13120	0.2493	=	13120	0.2493	
67.	Garv Beneficial Trust	6960	0.1322	=	6960	0.1322	
68.	Parv Beneficial Trust	2860	0.0543	=	2860	0.0543	
69.	Sunil Machhar (Trustee Of Sbm	2824	0.0537	=	2824	0.0537	
70.	Race Course Capital Markets	597500	11.3518	=	597500	11.3518	
	<b>Total</b>	<b>3821250</b>	<b>72.5995</b>		<b>3821250</b>	<b>72.5995</b>	

V. Change in Promoters' Shareholding (please specify, if there is no change) - No Change

Sr no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3821250	72.5995	3821250	72.5995
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	3821250	72.5995	3821250	72.5995

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	534979	10.1640	534979	10.1640
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year ( or on the date of separation, if separated during the year)	534979	10.1640	534979	10.1640

Vi Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	854678	16.23	854678	16.23
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	--	--	--	--
	At the End of the year	854678	16.23	854978	16.23

Vi. INDEBTEDNESS:-Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans Only	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount *	1297.04	1986.64	--	3283.68
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not	--	--	--	--
Total (i+ii+iii)	-	-	--	-
Change in Indebtedness during the financial year				
Indebtedness at the end of the financial year				
i) Principal Amount*	383.80	2083.65	--	2467.45
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	383.80	2083.65	-	2467.45

\*Inclusive of Interest \*\* Net off figure has been provided.

VIII Remuneration Of Directors And Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager (in Lakhs)

Sl.	Particulars of Remuneration	Name of MD/WTD/ Manager		Amount
		Arvind Krishnagopal Machhar		
1.	Gross salary	NIL	-	NIL
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
(c)	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--
5.	Others, please specify	--	--	--
	Total (A)	NIL	-	NIL

B. Remuneration to other directors: (in Lakhs)

Sl.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Independent Directors · Fee for attending board committee meetings ·Commission ·Others, please specify	Mr. G. M. Bothara 0.08/- - -	0.08/- - -
	Independent Directors · Fee for attending board committee meetings ·Commission ·Others, please specify	Mr. B. H. Tapdiya 0.05/- - -	0.05/- - -
	Independent Directors · Fee for attending board committee meetings ·Commission ·Others, please specify	Mrs. Rupali Bothara 0.05/- - -	0.05/- - -
	Total(1)	0.18/-	0.18/-
	Other Non-Executive Directors · Fee for attending board committee meetings ·Commission ·Others, please specify	Mr. Sandeep B. Machhar 0.03/- -- --	0.03/-
	Total(2)	0.03/-	0.03/-
	Total(B)=(1+2)	0.21/-	0.21/-
	Total Managerial Remuneration	--	--

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (in Lakhs)

Sl.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	C S	CFO	
		-		Satish Sharma	
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	3.20	3.20
	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission - as % of profit - others, specify...	-	-	-	-
	Others, please specify				
	Total	-	-	3.20	3.20

VI PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES: - There is no penalty or compounding of office on part of the Company as well as on the part of directors. Further, there is no punishment to the directors of the Company.

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty:- NIL			Punishment:- NIL		Compounding:- NIL
B. Directors					
Penalty:-NIL			Punishment:-NIL		Compounding:-NIL
C. Other Officers In Default					
Penalty:-NIL			Punishment :-NIL		Compounding :-NIL

## CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED

31<sup>ST</sup> MARCH, 2020

(As per SEBI (Listing Obligations and Disclosure Requirements) Regulations) 2015)

### 1. COMPANY'S PHILOSOPHY:

The Company believes that the code prescribes a minimum framework for governance of a business in corporate framework. The Company has set, as its mission, the implementation of a Corporate Governance system to ensure transparency, control, accountability and responsibility in all areas of operation by way of effective combination of dependent and independent Board members. Corporate Governance is considered as, to protect and achieve enhanced value for all its stakeholders i.e. shareholders, employees, customers and society in general.

### 2. BOARD OF DIRECTORS:

The Board of Directors of APT Packaging Limited consists of one executive director, One non-executive director of promoter and three non-executive independent directors who are acknowledged as leading professionals in their respective fields.

The constitution of Board is as under: (as on 31st March 2020)

Director	Category	No. of other Directorship	Membership Committees/ Chairmanship
Mr. Arvind Machhar	Promoter & Managing Director	4	0/1
Mr. Sandeep Machhar	Promoter & Non-Executive Director	3	1/0
Mr. Ghevarchand Bothara	Non-Executive Independent Director	1	2/2
Mr. Balaprasad Tapdiya	Non-Executive Independent Director	3	3/0
Mrs. Rupali Abhijeet Bothara	Non-Executive Independent Director	1	3/0

None of the director hold directorship in more than 15 companies, membership in committees of board in more than 10 companies and chairmanship of committees of board in more than 5 committees.

### BOARD MEETINGS

We decide about the Board meeting dates in consultation with all our Directors. Once confirmed by all the directors, notices of board meeting and committee are being sent to them. As a system, in most cases, information to Directors is submitted along with the agenda papers well in advance of the Board meeting. Inputs and feedback of Board Members are taken and considered while preparation of agenda and documents for the Board meeting. After the Board meeting, we have a formal system of follow up, review and reporting on actions taken by the management on the decisions of the Board and Committees of the Board.

### APPOINTMENT OF DIRECTORS

Your Board comprises of well-rounded and experienced executive as well as non-executive and professional directors. Each of these members brings the required skills, competence and expertise to the table, which in effect benefits the Company as a whole.

The Nomination and Remuneration Committee ensures that the candidates identified for appointment to the post of directors are not disqualified under Section 164 of the Companies Act, 2013 or any other applicable provisions of the said Act.

## ATTENDANCE OF DIRECTORS AT BOARD MEETING AND ANNUAL GENERAL MEETING

The Board of Directors of the Company met five times during the financial year, on the following dates:

Sr. No	Date	Board Strength	No of Directors Present
1	30/05/2019	5	5
2	14/08/2019	5	5
3	12/10/2019	5	5
4	07/11/2019	5	5
5	18/01/2020	5	5
6	12/02/2020	5	5

The attendance at the Board Meetings and Annual General Meeting are as under:

Name of Director	Attendance in Board Meeting	Attendance in AGM held on 30 <sup>th</sup> September 2019
Mr. Arvind Machhar	5	Yes
Mr. Sandeep Machhar	5	Yes
Mr. Ghevarchand M. Bothara	5	Yes
Mr. Balaprasad H. Tapdiya	5	Yes
Mrs. Rupali Abhijeet Bothara	5	Yes

### 3. AUDIT COMMITTEE:

The Company has formed audit committee under the provisions of Rule 6 of Companies (Meeting of Board and its Power) Rule 2014. The constitution of the committee is as under:-

Director	Designation	Category
Mr. Ghevarchand Bothara	Chairman & Member	Independent
Mr. Balaprasad Tapdiya	Member	Independent
Mrs. Rupali Abhijeet Bothara	Member	Independent
Mr. Arvind Machhar	Member	Executive-Promoter

#### Role of Audit Committee:-

- Oversight of financial reporting process.
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval.
- Evaluation of internal financial controls and risk management Systems
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.

During the year under review the Audit Committee met on 4 times which is as under:-

Sr. No	Date	Members Strength/Present Strength
1	28/05/2019	4/4
2	12/08/2019	4/4
3	06/11/2019	4/4
4	11/02/2020	4/4

### 4. NOMINATION AND REMUNERATION COMMITTEE:

a. Brief description of terms of reference: The Remuneration Committee comprising of Non-Executive Independent Directors, constitution of which is a non-mandatory requirement, was constituted by the Board during the year to recommend/review the Remuneration package of the Managing Director/ Whole-time directors/executive directors.

#### Role of Nomination and Remuneration Committee:-

Recommend to the board to setup and composition of the Board and its committees.

- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee familiarization programs.

b. Composition, Name of members & Chairperson: The Remuneration Committee comprises of following members:

Name	Designation	Category
Mr. Ghevarchand M Bothra	Chairman	Independent
Mr. Balaprasad H Tapdiya	Member	Independent
Mrs. Rupali Abhijeet Bothara	Member	Independent

During the year, one meeting of the committee was held as on 25 May, 2019.

During the year one meeting of Independent Directors held on 25<sup>th</sup> May, 2019. A separate meeting of independent directors i.e. Mr. Ghevarchand Bothara, Mr. Balaprasad Tapdiya and Mrs. Rupali Bothara, was held on 25<sup>th</sup> May, 2019 to, inter alia, to review the performance of non-independent directors and the Board as a whole; To assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board/Committee(s) that is necessary for the Board/ Committee(s) to effectively and reasonably perform their duties.

## 5. RISK MANAGEMENT COMMITTEE

The Board of directors has set up Risk Management Committee under the chairmanship of Mr. Arvind Machhar. Other member of the Committee is Mr. Ghevarchand Bothara. There is no formal meeting held during the year, however, both the members are regularly review the risk of the business and how to mitigate the same.

## 6. SHAREHOLDERS/INVESTORS GRIEVANCE REDRESSAL COMMITTEE:

**a. Name of Non-Executive Director heading the Committee:** The Investors Grievance Redressal Committee comprises two Non- executive Independent Directors and one promoter Non-executive Director. The Committee was headed by Mr Sandeep Machhar, Non- executive Director of the Company, Mr. Balaprasad Tapdiya and Mrs. Rupali Abhijeet Bothara are the members of the Committee.

**b. Name & designation of Compliance Officer:** Mr. Sandeep Machhar, Chairman of committee is the Compliance Officer. He is looking after/resolving the shareholders complaints/grievances.

**c. Role of Stakeholders Relationship Committee:-** •Transfer, transmission, split and consolidation of investors holding • Dematerialization/rematerialisation of shares • Non-receipt of dividends and other corporate benefits. • Replacement of lost/mutilated/stolen share certificates • Non-receipt of Annual Reports and change of addresses, etc.

**d. Number of shareholders complaints received so far:** During the financial year 2019-20, No complaints were received.

**Number of not solved to the satisfaction of shareholders:** Nil

**Number of pending complaints:** Nil

## GENERAL BODY MEETING:

The locations and time of the General Meetings held since inception of the Company are as follows:

GENERAL MEETINGS	DATE	TIME	VENUE	NO. OF SPECIAL RESOLUTIONS PASSED
Annual General Meeting	30/09/2019	11.00 am	Gut No. 72, village Pharola, Post Beedkin Dist Aurangabad – 431105	1
Annual General Meeting	29/09/2018	11.30 am	J-18, MIDC Industrial Area, Chikalthana, Aurangabad (MS)	2
Annual General Meeting	30/09/2017	11.00 am	J-18, MIDC Industrial Area, Chikalthana, Aurangabad (MS)	2
Annual General Meeting	24/09/2016	11.30 am	J-18, MIDC Industrial Area, Chikalthana, Aurangabad (MS)	2



## e) DISCLOSURES

- No transaction of material nature has been entered into by the Company with directors or management and their relatives, etc. that may have a potential conflict with the interest of the Company.
- There are certain financial transactions with its Promoters & Directors, which are not conflicting Company's interest. The details of such transactions have been shown in Note No.34 forming part of the financial statement for the year ended 31<sup>st</sup> March, 2020.
- There has been no instance of non-compliance by the Company on any matter related to capital markets as the shares of the Company are not yet listed.
- The Company has not established any mechanism as referred under Whistle Blower policy.
- The Company is in process of getting its shares listed on stock exchange and therefore, the Company has not complied with any mandatory as well as non-mandatory requirements.
- The Company has accounted for Gratuity & Leave encashment liability as per the actuarial valuation done by Independent Actuarial Valuer. The company has contributed almost all dues to Gratuity Fund created by Life Insurance Corporation

## 7. GENERAL INFORMATION TO SHAREOLDERS:

### - ANNUAL GENERAL MEETING

\* Day, Date and Time : Thursday, 31<sup>st</sup> December, 2020 11.30 am

\* Venue : Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM")

Book Closure Date : NA

Financial/Calendar Year : The Financial year of the Company is 1<sup>st</sup> April 2019 to 31<sup>st</sup> March, 2020.

Dividend Payment Date : No dividend is recommended for the year.

### Listing of Equity Shares on Stock Exchange:

The company has made application to Bombay Stock Exchange through its authorized consultant M/s. KCL, MP and the BSE approval was received for the 2763467 equity shares of Rs. 10/- each in the month of February, 2020 and further application for 25 lakhs equity shares of Rs. 10/- each is under process at BSE authority..

**Market Price Data: High, Low during each month in last financial year:** Not Applicable  
**Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.:** Not Applicable

### Registrar and Transfer Agents:

Link Intime India Pvt. Ltd., C-101, Tower C, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083; Ph. 022-49186000, 49186270

### Share Transfer System:

The Company has appointed Ms/ Link Intime India Private Limited, Mumbai as a Registrar & Share Transfer Agent to carry out the transfer related activities.

**Distribution Schedule as on 31<sup>st</sup> March, 2020\* is as given below:**

Share Holding of Nominal Value of Rs.10		Shareholders No.	% of Total	Share Amount Rs.	% of Total
From	To				
1	5,00	9954	97.8228	713886	13.5630
501	1,000	100	0.9828	68228	1.2963
1001	2,000	43	0.4226	65428	1.2431
2001	3,000	14	0.1376	35436	0.6732
3001	4,000	9	0.0885	31370	0.5960
4001	5,000	5	0.0491	22708	0.4314
5001	10,000	10	0.0983	69306	1.3167
10,001	*****	40	0.3931	4257105	80.8802
		<b>10175</b>	<b>100.000</b>	<b>5263467</b>	<b>100.0000</b>

\*There would be no change in the distribution schedule since SEBI circular for compulsory dematerialization of physical shares for getting transfer effect and presently ISIN of the company is inactive.

**Dematerialization of shares and liquidity:** 104219 shares (1.98 % of total number of shares) are kept in dematerialized form which is frozen mode by CDSL due to corporate action is under process. During the year no Demat / Re-mat request has been received.



**Outstanding GDRs / ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Applicable

**Plant Locations:**

- i) Gut. NO. 72, Village Pharola Post Beedkin, Paithan Road, Dist Aurangabad - 431105
- ii) Khasra 529, 5<sup>th</sup> KM Stone, Akbarpur (urd), Laksar Haridwar, Dist. Haridwar (UT)

**Address for correspondence:**

M/s APT Packaging Limited Office No. 251, Second floor, Golden City Center, Aurangabad-431006 Mob:- 9960100449 Email ID: [cmdoffice@aptpcakgingi.in](mailto:cmdoffice@aptpcakgingi.in)

**By order of the Board**

**Place: Aurangabad**

**Date: 07/11/2020**

SD/-

**Arvind Machhar  
Managing Director  
DIN: 00251843**

## SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial year ended 31<sup>st</sup> March, 2020

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

To,  
The Members,  
APT Packaging Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by APT Packaging Limited (hereinafter called 'the Company'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the APT Packaging 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial year ended on 31<sup>st</sup> March 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('The SEBI'):-
  - (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;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not relevant / not applicable, since there is no delisting of equity shares during the year).
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not relevant / not applicable, since there is no buyback of securities during the year)
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The following laws are specifically applicable to the Company in addition to laws mentioned above;
  - (a) Factories Act, 1948
  - (b) Contract Labour (Regulation and Abolition) Act, 1970 I have also examined compliance with the applicable clauses to the following:
    - (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act, 2013;

(ii) The Listing Agreements entered into by the Company with BSE Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- a. *Not furnishing of shareholding patterns and reconciliation of share Capital for whole year*
- b. *Non adoption of mandatory Indian Accounting Standards (Ind AS) .*
- c. *Non – furnishing of compliance certificate certifying maintaining physical & electronic transfer facility as per regulation 7.*
- d. *Non-submission of Voting Results as per Regulation 44.*
- e. *Non-maintenance of company website as per regulation 46.*
- f. *Not having whole time Company Secretary for the whole year.*
- g. *Delayed in conducting of internal audit of pharola unit for the first two quarters of the financial year 2019-2020 and compliance thereof.*
- h. *Not providing DN database as per SEBI Circular CIR/MRD/DP/10/2015 Dated June 05, 2015.*
- i. *Not providing option of dematerialization of shares as per SEBI Circular SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018, BSE Circular No. LIST/COMP/15/2018-19 dated 5<sup>th</sup> July, 2018.*

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors.

Adequate notice is given to all the directors to schedule the Board meetings, 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 meetings.

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

I further report that, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, during the period under review, there were following major actions which have been done in compliance with applicable statutory provisions;

1. The Company had obtained approval of the members by way of passing Special resolution in the Annual General Meeting held on 30<sup>th</sup> September, 2019 to re-appoint Mr Balaprasad Tapdiya as Independent Director for the period of five years.
2. The Company has obtained approval of the members by way of passing ordinary Resolution in the Annual General Meeting held on 30<sup>th</sup> September, 2019 to ratify the appointment of existing Statutory Auditors of the company for five years.
3. During the year under review company has passed three resolution through conducting postal ballot:-
  - The Company has obtained approval of the members by way of passing special Resolution through postal ballot (deemed Extra Ordinary General Meeting) held on 31<sup>st</sup> March, 2020 to Sale, dispose off and transfer its packaging tube processing Unit situated at Khasra No. 529, 5<sup>th</sup> KM Stone, Akbarpur (Urd), Laksar, Haridwar Road, Laksar, Dist. Haridwar (Uttarakhand), Pin-247663 ("Undertaking").
  - The Company has obtained approval of the members by way of passing special Resolution through postal ballot (deemed Extra Ordinary General Meeting) held on 31<sup>st</sup> March, 2020 to Sale, dispose off and transfer its packaging processing tube Unit situated at Gut No. 72, village Pharola, Post Beedkin, Dist Aurangabad – 431005 ("Undertaking").

- The Company has obtained approval of the members by way of passing special Resolution through postal ballot (deemed Extra Ordinary General Meeting) held on 31<sup>st</sup> March, 2020 to Shifting of the Registered Office of the Company from Gut No. 72, village Pharola, Dist Aurangabad, Maharashtra State of India – 431005 to Gut No. 76, village Pangra, Paithan Road, Tq. Paithan, Dist Aurangabad, Maharashtra state of India -431106.

4. Presently, company is *suspended from Bombay Stock Exchange due to procedural reason since 2008* and in the year 2017 company has made revocation application to Bombay Stock Exchange (BSE) for the re-listing of shares which is under process at BSE Authority. During the period under review company has received BSE approval for the 2763467 equity shares of Rs. 10/- each which is post corporate action capital of the company vide letter no. DCS/AMAL/PB/1688/2019-20 dated 27<sup>th</sup> February, 2020. Further, the application for 25 lakhs equity shares of Rs.10/- each is under process at BSE.

5. The old ISIN number i.e INE046E01017 of the company is still suspended and company has approached to CDSL for the issuance of new ISIN number. The Corporate Action (CA) is under process at CDSL and the preparation of this report company has reported CDSL has issued new ISIN number INE046E01025 (Temp) to the company for the corporate actions.

6. Delay in filling of outcome of Annual and Quarterly results of the previous year. Non-filing of Limited Review Report for the year.

We further report that, we have relied upon statutory audit report as provided by management of the company for compliance under Income Tax and other Indirect Taxation act and GST.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Ganesh Palve & Associates  
Company Secretaries**

**SD/-**

**Mr. Ganesh Palve  
(Proprietor)**

**FCS. No: 42980**

**CP No: 23264**

**UDIN:- A042980B001206274**

**Date: 11<sup>th</sup> November, 2020  
Place: Aurangabad**

**ANNEXURE A**

The Members,  
**APT PACKAGING LIMITED**  
**Gut no 76, Village Pangara, Paithan Road,**  
**Post Bidkeen, Dist Aurangabad**

Our report dated 11<sup>th</sup> November, 2020 is to be read along with this letter. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on such secretarial records bases on our audit.

We have followed the audit practices and processes as we considered appropriate to obtain reasonable assurance on the correctness and completeness of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements. We believe that the processes and practices we followed for this purpose provided a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of the financial records and books of accounts of the company.

Wherever required we have obtained Management representation with respect to compliance of laws, rules and regulations and of significant events during the year.

The compliance of the provisions of corporate and other applicable laws, rules and regulations is the responsibility of the management. Our examination was limited to the verification of secretarial records on test basis to the extent applicable to the company.

The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Ganesh Palve & Associates**

**SD/-**

**Mr. Ganesh Palve**  
**Company Secretaries**  
**(Proprietor)**

**FCS. No: 42980**

**CP No: 23264**

**UDIN:- A042980B001206274**

**Date: 11<sup>th</sup> November, 2020**

**Place: Aurangabad**

## Independent Auditors' Report

To the Members of APT Packaging Limited

Report on the standalone Financial Statements: Opinion

We have audited accompanying standalone financial statements of APT Packaging Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (excluding other comprehensive income) and the Cash Flow Statement for the year ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'standalone financial statement'). The statement of Other Comprehensive income and statement of changes in equity is not enclosed as the company is not adopted the Indian Accounting Standards (Ind AS).

In our opinion and to the best of our information and according to the explanations give to us, the aforesaid standalone financial statements give the information required the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India excluding the Ind AS, as prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended of the state of affairs of the company as at March 31, 2020 and its Profit and its Cash Flow, for the year ended on that date read with the observations' noted below:

### **Non adoption of mandatory Ind AS.**

- According to the provision of the act and the notification of the companies (Indian Accounting Standards) Rule, 2015 and (amendment) Rules, 2016, the company has to mandatorily adopt Indian accounting standards (Ind AS) with effect from 01.04.2017 instead of accounting standards adopted till the end of financial year 2016-17 being a listed company (although the listing is suspended since 2008 and the company is process to restore the listing). The company has not yet implemented the Ind AS and to that extent the preparation and presentation of these financial statements are not in compliance with the Ind AS. The exact impact of the same could not be measured and commented upon in view of insufficient record and information.
- The management is of the opinion that the impact of adopting Ind AS would not be materially affect the financial result of the company as such and presently the shares of the company are suspended from trading due to procedural reasons. The company is pursuing with the Stock exchange for restoration of trading of shares of the company. In the meantime, the management of the company is planning to adopt the Ind AS as soon as possible. (Refer Note No. 34)

### **Going Concern**

- The financial statements which indicate that the company has financial losses and its net worth has been substantially eroded i.e. 64.96% (Accumulated reserve and surplus (Loss) Rs.957.41 Lakhs and share capital Rs. 580.40 Lakhs). The company has earned net profit of Rs.22.25 Lakhs during the year. The company's current liabilities are Rs.1275.24 Lakhs exceeded the current assets is Rs.974.77 Lakhs as at balance sheet date. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a Going Concern.
- The company's ability to going concern may also affect as the Board of Directors of the company has decided to sellout both the co-extrude tube units situated at Pharola-Aurangabad-Maharashtra and Laksar-Haridwar- Uttarakhand to reduce the secured creditors and minimize the burden of interest/ financial cost as per the resolution passed in their meeting dated 18-01-2020 subject to approval of shareholders by paper ballot till 31.03.2020. This is the only business of the company at present. Hence the going concern ability of the company will get impacted.
- The financial statements of the company have been prepared on going concern basis.
- The management of the company is of the opinion that although the Extra-Ordinary General Meeting has approved the sale of both the Units at Pharola-Aurangabad and Laksar-Haridwar. But, Company's Management has decided to gradually reduce its

operations at Pharola-Aurangabad and revamped the Capacity at Laksar-Haridwar plant for the reasons of achieving operational efficiency and reduction in the Cost of operations. In the meanwhile until such time sale of both the plants is not affected. The management therefore has decided the financial statement of the company for the year under consideration is prepared and presented on going concern basis.

(Refer Note No. 38)

### **Inter-corporate deposits**

- We are unable to comment on the terms and condition as well as tenure (term) and rate of interest of inter corporate deposits showed at Rs.4.16 Crores.
  - The management has considered the same as long term with zero rate of interest.
- (Refer Note No. 31A(2))

### **Others**

- Some of the fixed assets net of depreciation / impairment reserve amounting to Rs.5.50 Lakhs have been discarded during the year and has been debited to Profit and Loss account. It does not have any impact on the profitability of the company. Under the head "Debit balances written off" instead of amortization/impairment / depreciation. The debit balances written off in P&L Account at Rs.17.88 Lakhs shall be read as Rs.12.38 Lakhs. Also, "Depreciation and amortization expenses shown at Rs.222.61 Lakhs shall be read as Rs. 228.11 Lakhs.
- The Statutory Liabilities shown under Other Current Liabilities is shown at Rs. -5.98 Lakhs Net off receivables and hence the negative figure. (Refer Note No.10)
- The outstanding balances of debtors, creditors, loans and advances including inter corporate deposit (taken and given), balance with statutory/fiscal authorities (Assets & Liabilities) subject to confirmations, reconciliation and consequent adjustment, if any.(Refer Note No. 42)
- The company has not made any estimation of uncertainties relating to Global Health Pandemic from COVID-19. (Refer Note No.46)

### **Basis for opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone 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 (ICAI) of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Contingent liabilities**

Claims against the Company not acknowledged as debts is disclosed in note 32 and 33 of the standalone financial statements. The existence and probability of payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities. Due to level of judgment required relating to estimation and presentation of contingent liabilities, this is considered to be a key audit matter. Auditor's Response Our audit procedures included, among others, assessing the appropriateness of the management's judgment in estimating the value of claims against the Company not acknowledged as debts as given in note 32 and 33. We have obtained details of completed tax assessments and



demands/claims as at 31 March 2020 from management. We assessed the completeness of the details of these claims through discussion with senior management personnel. We have also reviewed the outcome of the disputed cases at various forums. We have also assessed the appropriateness of presentation of the contingent liabilities in the standalone financial statements.

### **Information other than the standalone financial statements and auditor's report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board Report and Chairman's Statement but does not include the standalone financial statements and our report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

### **Management's responsibility for the standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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 Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The management of the company is planning to adopt the mandatory Ind AS from financial year started from 01.04.2020 instead of 01.04.2017 as specified and also to include the other comprehensive income and a statement of changes in equity accordingly.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibility for the audit of the standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 report to the related disclosures in the standalone 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 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other Legal and Regulatory requirements**

I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

II. 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 was 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 (excluding other comprehensive income) and the statement of cash flows dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended except adoption and implementation of Ind AS (refer note no. 35 – and remark under “Opinion” supra);
- e) On the basis of written representations received from the directors of the Company as on 31 March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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 the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Nikhil N. Loya & Co.**  
**Chartered Accountants**  
**FRN – 132280W**

**Sd/-**  
**CA Nikhil N. Loya**  
**Proprietor**  
**M.No. - 133562**  
**Date –**  
**Place – Aurangabad**  
**UDIN – 20133562AAAABH4267**

## ANNEXURE – ‘A’ TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure referred to in Independent Auditors’ Report to the members of the APT Packaging Limited on the standalone financial statements for the year ended 31 March 2020, we report that:

### 1) Fixed Assets:

a. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. A major portion of the fixed assets has been physically verified by the management in accordance with a phased program of verification adopted by the company. In our opinion, the frequency of verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies have been noticed on such verification.

c. As per the information and records made available, the title deeds of immovable properties are held in the name of the company.

d. As per the information and records made available to us all movable properties are held in the name of the company on 31.03.2020 except some of the vehicle which are held in the name of the director/Ex-director of the company.

Owner as per Road Transport Authority	Cost (rupees in lakhs)	Acc. Dep.	WDV
Director	64.55	58.01	6.54
Ex-Director	4.83	1.38	3.45
Total	69.38	59.39	9.99

e. There is disposal of Fixed Assets during the year which does not forms substantial part of the undertaking. Further the company is in process to sale its business undertakings assets / units which may have substantial part and impact on the company if entered into. The management is of the opinion that the company is in process to dispose of its assets to have distress the financial crunch and smooth functioning of the company.

### 2) Inventory:

a. As informed to us, the stock of finished goods, work-in-process and raw materials at all the units of the Company have been physically verified by the Management at regular intervals except for the goods lying with the third parties.

b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation the size of Company and the nature of its business.

c. On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of account.

### 3) Loans and Advances Given:

According to the information and explanations given by the management, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause iii (a) to (c) of the Order are not applicable to the Company.

### 4) Loans, Investments, and Guarantees:

In our opinion and according to the information and explanations given to us, the company has not made any loans, investments, guarantee and security according to the provisions of Sec 185 & 186 of the Companies Act, 2013. However, in view of the sanctioned scheme of Demerger and the order of Honorable BIFR for resulting company, the company has given Guarantees to banks and other creditors for their respective outstanding balances as on cutoff date i.e. 01.04.2007 if the resulting company fails to pay or shortfall to pay the same. As this is stipulated condition of the Sanctioned Scheme ordered by the BIFR, the same is not treated as prejudicial to the interest of the company. According to information and explanations given to us by the management there is outstanding balance payable of resulting company Machhar

Industries Limited at INR 00.00 Lakhs (Rs. 11.86 Lakhs) as on 31.03.2020 on account of Sales tax deferral.

#### 5) Deposits:

According to the information and explanations given by the management, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under with regard to the deposits accepted from the public are not applicable to the company for the year. The details of other deposits accepted by the company are as follows.

As per information and explanations given by the management to us, the company has accepted Inter Corporate Deposit (ICD) from group and Non-Group Companies as well as directors / promoters to maintain the balance according to the terms and conditions stipulated by the banker. The information related to these deposits is as mentioned below;

- a. The company has accepted an amount of Rs 30.00 Lakhs during the year as Inter Corporate Deposit (ICD) from Non Group Companies. The company has repaid Rs0.00 Lakhs. Total interest provided for the year is Rs 3.27 Lakhs. The Outstanding balance as on 31.03.2020 is INR 415.78 Lakhs.
- b. The company has accepted 193.38 Lakhs during the year as Inter Corporate Deposit (ICD) from Group Companies. The company has repaid INR 171.43 Lakhs. Total interest provided for the year is INR 14.51 Lakhs. The outstanding balance as on 31.03.2020 is INR190.31 Lakhs
- c. The company has accepted INR 198.03Lakhs from the Directors / Promoters and also repaid INR 82.21 Lakhs. Total Interest provided and paid for the year is INR 90.03 Lakhs. The outstanding balance as on 31.03.2020 is Rs 1077.33 Lakhs.
- d. According to the information and explanations given to us all deposits except INR 385.62 Lakhs ICD from non-group Companies (which is zero bearing interest) and 11.33 Lakhs from ICD from Group companies, are interest bearing at differential rates. Total interest on deposits is provided during the year at INR107.81 Lakhs (INR 17.78 Lakhs to ICD and INR 90.03 Lakhs to Director / Promoters).

We are unable to comment about the same as the necessary record is not available regarding rate of interest (ROI), Term and Tenure of renewal of such loan. There is no stipulation period for repayment of these deposits and according to the information and explanations given to us by the management all deposits are Long Term. The terms and conditions of these deposits are not prejudicial to the interest of the company.

#### 6) Cost Records

We have broadly reviewed the cost records maintained by the company prescribed by the Central government under section 148(1) of the Act and are the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of such records with a view to determine whether they are accurate or complete.

#### 7) Statutory dues

a. According to the records of the company, the company is not regular in depositing with the appropriate authorities undisputed statutory dues including Provident fund, Employees' State Insurance, customs, excise duty, income tax, sales tax, investors education and protection fund, Goods & Service Tax (GST), Custom Duty Cess, value added tax, cess and other statutory dues applicable except INR 29.23 Lakhs and deposited beyond six months are at Rs 60.15 Lakhs. The statements of Arrears of Statutory dues outstanding for more than six months and deposited beyond due dates exceeding six months are as under;

Type of Taxes	Amount in Lakhs (Not deposited within 6 months till 31.03.2020)	Amount in Lakhs (Deposited After 6 months but before 31.03.2020)
Property Tax	0.00	6.83
Sale Tax Deferment Dues	28.21	50.31
TDS Payable	0.57	0.92



Provident Fund	0.00	0.02
ESIC	0.35	2.07
Professional Taxes	0.10	0.00
GST	0.00	0.00
Total	29.23	60.15

b. As at 31st March 2020 according to the records of the company, the following are the particulars of disputed dues have not been deposited:-

Name of Statute	Disputed Liability in INR	Forum where dispute is pending
Sales Tax Govt. of Maharashtra – Setoff Disallowance for 2006-2007 and interest thereon (2.25 Lakhs + 2.22Lakhs).	04.47 Lakhs	Sales Tax Authority, Aurangabad (Appeal Dt. 01.10.2014)
Tax Deducted at Source	7.24 Lakhs and Interest thereon.	Before Assessing officer TDS, Income Tax Department.
Central Sales Tax – Haridwar	17.69 Lakhs	By commissioner of State (Sales) Tax Uttarakhand Haridwar (A.Y. 2015-2016)
Sales Tax Govt. of Uttarakhand, Haridwar	63.60 Lakhs	By commissioner of State (Sales) Tax Uttarakhand Haridwar (A.Y. 2015-2016)
Central Sales Tax – Haridwar	15.00 Lakhs	By commissioner of State (Sales) Tax Uttarakhand Haridwar (A.Y. 2016-2017)
Sales Tax Govt. of Uttarakhand, Haridwar	108.76 Lakhs	By commissioner of State (Sales) Tax Uttarakhand Haridwar (A.Y. 2016-2017)

8) Based on our Audit procedures and on the information and explanations given by the management in our opinion, the company has defaulted in depositing the installments and interest of the Punjab National Bank (the bank) totaling to INR 219.43 lakhs ranging from 22 days to 30 days, from 31 to 60 days Rs.86.10 lakhs and from 61 to 90 Days Rs 61.98 Lakhs) of loans or borrowing to a financial institution, bank, government or dues to debenture holders during the year in the balance sheet date.

9) According to the records of the Company, information and explanation given to us, there was no public offer or further public offer for the year under consideration. The company has obtained term loans during the year under audit and the same were applied for the purpose for which they are raised. As far as inter-corporate as well as other loans / deposits are concerned as mentioned under “Deposits” above, the terms did not specify the tenure of the loans / deposits hence unable to comments about long term / short term. The company has shown the same as long term loans / deposits.

10) During the course of our examination of the books records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have been informed of such case by the management.

11) According to the records of the company examined by us and information and explanations given to us, the company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sec.197 read with Schedule V to the Act.

12) In our opinion and according to the information and explanation given to us by the management, the Company is not a Nidhi company and hence the requirements under the Nidhi Rules, 2014 are not applicable.

13) In our opinion and according to the information and explanation given to us and based on our examination of the record of the company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act, 2013 where applicable and the details of such transactions have been disclosed in the standalone Financial Statements etc., as required by the applicable accounting standards.

14) In our opinion and according to the information and explanation given to us by the management, Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15) In our opinion and according to the information and explanation given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.

16) In our opinion and according to the information and explanation given to us by the management, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Nikhil N. Loya & Co.**  
**Chartered Accountants**  
**FRN – 132280W**

**Sd/-**  
**CA Nikhil N. Loya**  
**Proprietor**  
**M.No. - 133562**  
**Date –**  
**Place – Aurangabad**  
**UDIN - 20133562AAAABH4267**



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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') as referred to in paragraph under "Report on other Legal and Regulatory requirements" of our report of even date to the members of APT PACKAGING LIMITED on the standalone financial statements for the year ended on 31 March 2020.

We have audited the internal financial controls over financial reporting of APT Packaging Limited ('the Company') as of 31 March 2020 in conjunctions with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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. 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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 the 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, 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 31 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, *except non-conducting of internal audit of pharola unit for first two quarter (Turnover INR 253.80 Lakhs), not reconciling all the balances with respective statutory authorities and in particular GST for the Financial year 2018-19 and 2019-20 and other financial indiscipline i.e. irregularity in deposit of statutory dues as well as deposit of banks installments.*

The management is of the opinion that due to stringent financial crises and in-ordinary delay in recovery from sundry debtors resulted delay in remitting the statutory fund to the respective authority and interest and installment to the bank. The management will take due care of its internal resources and also taking the corrective step to smoothening the function of the company.

**For Nikhil N. Loya & Co.**  
**Chartered Accountants**  
**FRN – 132280W**

**Sd/-**  
**CA Nikhil N. Loya**  
**Proprietor**  
**M. No. - 133562**  
**Date – 20/08/2020**  
**Place – Aurangabad**  
**UDIN –20133562AAAABH4267**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Apt Packaging Limited.

We have examined the compliance of conditions of Corporate Governance by Apt Packaging Limited ('the Company'), for the year ended on 31 March 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### Management's Responsibility

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure 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 the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("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 issued by the ICAI.

### Opinion

Based on our examination, as above, and to the best of our information and explanations given to us and representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended 31 March 2020 **except**:

- a. *Not furnishing of shareholding patterns and reconciliation of share Capital.*
- b. *Non adoption of Indian Accounting Standards (Ind AS)*
- c. *Non – furnishing of compliance certificate certifying maintaining physical & electronic transfer facility as per regulation 7.*
- d. *Non-submission of Voting Results as per Regulation 44.*
- e. *Non-maintenance of company website as per regulation 46.*
- f. *Not having whole time Company Secretary.*
- g. *Non Conducting internal audit of pharola unit for the first two quarters of the financial year 2019-2020.*

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

### Restriction on Use

This certificate is addressed and provided to the members of the Company solely for the

purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

**For Nikhil N. Loya & Co.**  
**Chartered Accountants**  
**FRN – 132280W**

**CA Nikhil N. Loya**  
**Proprietor**  
**M.No. - 133562**  
**Date –20/08/2020**  
**Place – Aurangabad**

**APT PACKAGING LIMITED**  
**BALANCE SHEET AS AT 31.03.2020**

Rs. In Lakhs				
		NOTE	As at 31.03.2020	As at 31.03.19
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1)	<b>SHAREHOLDER'S FUNDS</b>			
	a) Share Capital	3	580.40	580.40
	b) Reserves and surplus	4	-957.41	-979.66
			-377.00	-399.25
2)	<b>NON-CURRENT LIABILITIES</b>			
	a) Long Term Borrowings	5	2,084.53	2,183.33
	b) Deferred Tax Liabilities	6	0.00	0.00
	c) Long Term Provision	7	52.84	59.71
			2,137.37	2,243.04
3)	<b>CURRENT LIABILITIES</b>			
	a) Short Term Borrowings	8	499.40	561.68
	b) Trade Payables	9	411.86	571.55
	c) Other Current Liabilities	10	356.55	681.71
	d) Short Term Provision	11	7.42	12.91
			1,275.24	1,827.86
	<b>TOTAL</b>		<b>3,035.61</b>	<b>3,671.65</b>
<b>II</b>	<b>ASSETS</b>			
1	<b>NON-CURRENT ASSETS</b>			
	(a) Fixed Assets	12		
	i) Tangible Assets		2,056.97	2,323.81
	b) Non-Current Investments	13	3.87	3.87
	c) Long Term Loans and Advances	--	0.00	0.00
	d) Other Non-Current Assets	14	0.00	1.28
			2,060.84	2,328.96
2	<b>CURRENT ASSETS</b>			
	a) Inventories	15	240.73	324.82
	b) Trade Receivables	16	458.44	648.29
	c) Cash and Cash Equivalents	17	37.86	32.31
	d) Short Term Loans and advances	18	35.61	29.61
	e) Other Current Assets	19	202.13	307.66
			974.77	1,342.69
	<b>TOTAL</b>		<b>3,035.61</b>	<b>3,671.65</b>

AS PER OUR REPORT ANNEXED  
FOR NIKHIL N LOYA & CO.  
FIRM REGISTRATION NUMBER 132280W  
CHARTERED ACCOUNTANTS

Sd/-  
ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843

SD/-

NIKHIL N LOYA  
PROPRIETOR  
M. NO. 133562  
Place:- Aurangabad  
Date:- 20/08/2020  
Udin:- 20133562AAAABH4267

Sd/-

SATISH SHARMA  
CHIEF FINACNIAL OFFICER

Sd/-

SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892

**APT PACKAGING LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020**

				Rs. In Lakhs	
		NOTE	As at 31.03.2020	As at 31.03.19	
<b>I</b>	<b>REVENUE</b>				
	Revenue from Operations Incl. of taxesRs.442.46(155.57)	20	1781.88	3092.71	
	Other Income	21	68.33	78.79	
	<b>TOTAL REVENUE</b>		<b>1850.22</b>	<b>3171.51</b>	
<b>II</b>	<b>EXPENSES</b>				
	Cost of Materials Consumed	22	549.18	1126.84	
	Changes in Inventories of Finished Goods and Work-in-Progress	23	58.33	-31.27	
	Employee Benefits Expenses	24	263.17	417.88	
	Finance Cost	25	277.82	283.30	
	Depreciation and Amortization Expenses	26	222.61	241.30	
	Other Expenses	27	802.96	1197.93	
	<b>TOTAL EXPENSES</b>		<b>2174.07</b>	<b>3235.99</b>	
<b>III</b>	<b>Profit / (Loss) Before Exceptional &amp; Extraordinary Items and Tax</b>		<b>-323.85</b>	<b>-64.49</b>	
	Prior Period Income/(Expenses)	28	25.39	38.88	
<b>IV</b>	<b>Exceptional Items - Profit on sale of Fixed Assets</b>	29	<b>320.72</b>	<b>0.00</b>	
<b>V</b>	<b>Profit / (Loss) Before Tax</b>		<b>22.25</b>	<b>-25.60</b>	
<b>VI</b>	<b>Tax Expenses</b>		<b>0.00</b>	<b>0.00</b>	
<b>VII</b>	<b>Profit / (Loss)After Tax for the Year</b>		<b>22.25</b>	<b>-25.60</b>	
<b>VIII</b>	<b>Earning Per Share:</b>		<b>1.25%</b>	<b>-0.83%</b>	
	Par Value per Share Rs.10/-				
	a) Basic		0.43	-0.48	
	b) Diluted		0.43	-0.48	
<b>Refer Accompanying Notes to Financial Statements</b>					
	Significant Accounting Policies	1			
	Notes to Accounts	2			

AS PER OUR REPORT ANNEXED  
FOR NIKHIL N LOYA & CO.  
FIRM REGISTRATION NUMBER 132280W  
CHARTERED ACCOUNTANTS

Sd/-  
**ARVIND MACHHAR**  
MANAGING DIRECTOR  
DIN:- 00251843

Sd/-

Sd/-

Sd/-

NIKHIL N LOYA  
PROPRIETOR  
Place:- Aurangabad  
Date:- 20/08/2020  
Udin:- 20133562AAAABH4267

SATISH SHARMA  
CHIEF FINACNIAL OFFICER

**SANDEEP MACHHAR**  
DIRECTOR  
DIN:- 00251892

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2020**

(Rs. in Lakhs)

PARTICULARS		2019-2020	2018-2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
i)	Profit/Loss after Tax & Extra Ordinary Items	<b>22.25</b>	<b>(25.60)</b>
ii)	Profit on Sale of Assets	(320.72)	-
iii)	Depreciation & Impairment	222.61	241.30
iv)	Interest /Financial Charges	277.82	283.30
v)	Provision for Taxes	-	-
vi)	Interest /Dividend Received	(0.44)	(0.25)
	<b>Total</b>	<b>179.27</b>	<b>524.35</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES ADJUSTMENT</b>		<b>201.52</b>	<b>498.75</b>
i)	Trade and other Receivables	189.84	77.93
ii)	Change in other current assets	100.82	(20.37)
iii)	Inventories	84.09	(36.70)
iv)	Trade Payable	(281.74)	42.88
v)	Cash generated from operations	<b>294.54</b>	<b>562.50</b>
vi)	Interest paid/Financial Charges	277.82	283.30
<b>NET CASH FROM OPERATING ACTIVITIES (TOTAL A)</b>		<b>16.71</b>	<b>279.20</b>
<b>NET FLOW FROM INVESTMENT ACTIVITIES</b>			
i)	Purchase of Fixed Assets	44.24	(14.65)
iii)	Sale of Fixed Assets	320.72	-
	Sale of Investments	-	(0.78)
iv)	Interest/Dividend Received	0.44	0.25
<b>NET FLOW FROM INVESTMENT ACTIVITIES [TOTAL B]</b>		<b>365.39</b>	<b>(15.18)</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
i)	Proceeds From Long Term Financing	146.42	317.42
ii)	Proceeds From Short Term Financing	(62.28)	(134.85)
iii)	Payment of Long Term Borrowings	(324.56)	(380.62)
iv)	Payment of Deferral Credits - Net	(115.00)	(65.00)
v)	Deferred payment to Machine Suppliers - Net	(21.13)	0.41
vi)	Subsidy from Government Received	-	-
<b>NET FLOW FROM FINANCIAL ACTIVITIES [TOTAL C]</b>		<b>(376.55)</b>	<b>(262.63)</b>
<b>CLOSING BALANCE [ A+B+C ]</b>		<b>5.56</b>	<b>1.40</b>
	CASH AND CASH EQUIVALENT OPENING BALANCE	32.31	30.91
	CASH AND CASH EQUIVALENT CLOSING BALANCE	37.86	32.31
		5.55	1.39
	<b>Difference</b>	<b>(0.00)</b>	<b>(0.00)</b>

AS PER OUR REPORT ANNEXED  
FOR NIKHIL N LOYA & CO.  
FIRM REGISTRATION NUMBER 132280W  
CHARTERED ACCOUNTANTS

Sd/-  
NIKHIL N LOYA  
PROPRIETOR  
M. NO. 133562  
Place:- Aurangabad  
Date:- 20/08/2020  
Udin: 20133562AAAABH4267

Sd/  
SATISH SHARMA  
CHIEF FINANCIAL OFFICER

Sd/-  
ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843

Sd/-  
SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892



## **SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

### **1 HISTORY:**

a) Apt Packaging limited established in 1980 (earlier known as Anil Chemicals and Industries Limited till 19.06.2008) engaged in manufacturing of co extruded plastic tubes used for packaging. The facility was set up in the Aurangabad, Maharashtra in the year 1996 and a new unit has been put up in the state of Uttarakhand in the year 2010. The new unit is eligible for various incentives of excise, income tax and other for a period of 10 years. The chemical division of the Company was de-merged into a new Company in the year 2008. The Company earlier has been registered as a sick Company by Board for Industrial and Financial Reconstruction, New Delhi (BIFR) vide order dated 21.11.2013 now the a Sick Industrial company Act is repealed vide a notification date 25.11.2016 with effect from 01.12.2016. The company is a public limited company incorporated and domiciled in India and its registered office is at Aurangabad, Maharashtra. The company has its primary listing on Bombay Stock Exchange which is suspended due to procedural matter pending with it.

b) The separate financial statements (hereinafter referred to as "Financial Statements") of the company for the year ended 31st March 2020 were authorized for the issue by the board of Directors at their meeting held on 20th august 2020.

### **BASIS OF PREPARATION AND OTHERS SIGNIFICANT ACCOUNTING POLICIES:**

#### **a) General:**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for interest payable on government dues accounted on cash basis (Refer Note No.34) and certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 5 of the Companies (Indian Accounting Standards) Rules, 2015, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) except for application and implementation of Indian Account Standards (Ind AS )(Refer Note No.35 ). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **b) Use of Estimates:**

(i) The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage of completion which requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed tangible assets and intangible assets.

(ii) Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(iii) The financial statements are presented in Indian Rupees (RS.) with values rounded off to the nearest lakhs ('00000),except otherwise indicated Zero "0" denote amount less than a Lakh.

#### **c) Provision of Contingent Liabilities & Assets**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is

remote, no provision or disclosure is made

Contingent assets are neither recognized nor disclosed in the financial statements.

#### **d) Property, Plant and Equipments and right of use Assets**

##### **Tangible Assets**

i) Fixed Assets are stated at cost of acquisition net of Input GST, inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. As per the practice and on the basis of technical evaluation report expenses incurred on trial runs, know-how, development, modernization, de-bottlenecking of plant and equipment and adjustment arising from exchange rate variation relating to borrowings attributable to the fixed assets, are capitalized.

i) Depreciation and amortization.

Depreciation on tangible assets is provided on the straight-line method. The depreciation is provided based on useful life of the assets as prescribed in Part C of Schedule II of Companies Act, 2013 except in respect of the "Plant and Machineries" upto 31.03.2015 ( Class of Assets), whereas useful life is different than those prescribed in Part C of Schedule II Rates of depreciation for plant and machinery of the co-extruded tube is considered as continuous process plant.

For that class of assets, useful life of the assets has been estimated based on independent technical evaluation carried out by an external valuer competent to do such valuations. The Management believes that the useful life for the class of assets as mentioned above now represent the fair estimate of useful life hence the useful lives for these assets i.e. 10 to 18 years is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The useful life of the assets purchased from financial year 2015-2016 for the said class of assets has been applied as per Part C of Schedule II of the Companies Act 2013 considering continuous process plant, although it is run on shift basis being consistency followed since its inception. The depreciation for assets purchased / sold during the period is proportionately charged. The useful lives and residual values of tangible assets are reviewed periodically including at each financial year end.

iii) Depreciation on addition is being provided on pro-rata basis from following date of such additions

iv) Depreciation on assets sold, discarded or demolish during the year is being provided at their rates up to the date in which such assets are sold, discarded or demolished.

v) Normal depreciation is provided on addition on account of exchange variation of foreign currency loans in the following years.

vi) Plant & Machinery are considered as continuous process Plant.

vii) Premium on leasehold land has been amortized (written off) proportionately over the period of lease.

viii) The fixed assets specifically Land, Building and Plant & Machinery of the company have been valued from the approved valuer at a reasonable interval in order to comply with the requirement of AS-28. Impairment aspect of Fixed Assets for other assets, they are stated at residual value.

#### **Assets Held for Sale**

##### **Intangible Assets**

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use except for softwares purchased for computers. The cost of the softwares are debited to profit & loss account under the sub head miscellaneous expenditure in the year of purchase.

#### **e) Foreign Currency Transactions**

i) The transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary items denominated in foreign currency at year-end are translated at rates prevailing on the last day of the Financial Year.

ii) Foreign Currency Loans for acquisition of fixed assets are converted at the rate prevailing on the date of Balance Sheet. The fluctuation is adjusted in the cost of fixed assets.

(iii) Exchange difference in respect of the cost of fixed asset are capitalized whereas others are recognized in the statement of profit and Loss.

#### **f) Investments:**

Non current Investments are stated at cost and appropriate diminution except temporarily nature in the value of quoted investment is being provided for.

#### **g) Inventories:**

- i) Inventories are valued at lower of cost and net realizable value except packing material, stores & spares, semi finished goods and work in progress which are valued at cost.
- ii) Cost is computed on the basis of FIFO. In case of finished Goods and goods in process, cost includes material cost (at year end), labour and overhead expenses inclusive of depreciation.
- iii) Inventory verified, valued and certified by the management.

**h) Revenue Recognition**

- i) Sales are stated and recognized on dispatches at Gross value i.e. inclusive of all taxes and freight charged to customers.
- ii) Gross sales includes inter unit sale of finished and semi-finished goods. Inter unit transfers of raw materials, consumables, stores and spares are transferred at cost and adjusted against the respective purchases i.e. not included in sales.
- iii) Traded Goods (Inclusive of Transportation thereon) accounted on dispatch to customer basis on gross value and grouped under sales
- iv) Dividend and interest on investment are accounted for as and when right to receive basis accrued in favour of company.

**i) Cenvat (Modvat)/GST:**

Cenvat (Modvat)/GST/Service Tax Credit availed on fixed assets is adjusted to the cost of the asset. Other Cenvat (Modvat)/GST /Service Tax Credit availed is set off with the purchase cost. Cenvat of Service Tax availed is set-off with the respective services. Unutilized balance is shown under the head "Other Current Assets."

**j) Employees Benefits:**

- i) Contribution to the Provident Fund and ESIC is made monthly as per the provisions of the Provident Fund Act and ESIC Act.
- ii) The provision of Gratuity for employees and Directors are recognized and accounted for on the basis of Actuarial Valuation made by authorized assessor.
- iii) Leave encashment is determined on the basis of leave rules of the company and accounted on accrued basis.

**k) Government Grants:**

Grants in nature of project capital subsidy are credited to capital reserve. Government grants in the form of capital incentives/subsidy etc shall be accounted in the year of receipt as the receipt of the same could not be reasonably ascertainable / estimated in terms of time. The capital incentive received to be credited to capital reserves while other to be treated as revenue grants and accounted in the year of receipt.

**l) Misc. Expenditures:**

Misc. preliminary and preoperative expenses are written off over a period of five years.

**m) Prior period items etc.**

Prior period expenses/income, non-recurring and extra-ordinary items having material impact disclosed in financial statement separately.

**n) Cash flow statement:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

**o) Taxes on Income:**

Deferred tax is recognized on timing difference between the accounting income and taxable income for the year that originates in one period and is capable of reversal in one or more subsequent period. Such deferred tax is quantified using the tax rate and laws enacted or substantively enacted as on the Balance sheet date.

**p) Borrowing Costs:**

In case of period of construction / installation of the qualifying fixed assets is which takes more than a

year, borrowing costs that are directly attributable to the acquisition / construction of the are capitalized as part of respective asset, up to the date of acquisition / completion of construction. Other borrowing costs are recognized as expenses in the period in which they are incurred.

<b>NOTE NO.3:</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b> 1,00,00,000 Equity Shares of Rs.10 each	<b>1,000.00</b>	1,000.00
<b>ISSUED:</b> 60,36,417 (60,36,417) Equity shares of Rs.10/- each	<b>603.64</b>	603.64
<b>PAID UP:</b> *52,63,467 (52,63,467) Equity Shares of Rs.10/- each fully paid up. Add: Forfeited Shares 736248 (736248) Equity Shares of Rs. 10 each	<b>526.35</b> <b>54.06</b>	<b>526.35</b> <b>54.06</b>
<b>Total</b>	<b>580.40</b>	<b>580.40</b>

#### RECONCILIATION OF SHARE CAPITAL

Equity Shares	As at 31.03.2020		As at 31.03.19	
	No of Shares	Amount	No of Shares	Amount
At the beginning of the period	5263467	526.35	5263467	526.35
Fresh issue of shares during the period	0	0.00	0	0.00
Outstanding at the end of the period	5263467	526.35	5263467	526.35

#### Disclosure :

- 1) The Company has only one class of equity shares having a par value of ` 10/- per share. Each equity share carries one vote and is entitled to dividend that may be declared by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting.
- 2) No bonus and dividends have been paid out during last five years immediately preceding March 2020.
- 3) 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 in proportion to number of equity shares held by shareholders.
- 4) Details of Shareholders holding more than 5% Shares in the company.

Name	2019-2020		2018-2019	
	No. of Shares	%	No. of Shares	%
Mr. Arvind Machhar	765508	14.54	765508	14.54
Race Course Capital Market Ltd	597500	11.35	597500	11.35
Mrs. Sunita Machhar	354100	6.73	354100	6.73
Mrs. Dimpy Machhar	312400	5.94	312400	5.94
Mrs. Prema Machhar	310000	5.89	310000	5.89
Mr. Sunil Machhar	299714	5.69	299714	5.69

<b>NOTE NO.4: RESERVES AND SURPLUS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>1) CAPITAL RESERVES:</b>		
Capital Reserve - As per last Balance Sheet	548.22	548.22
Capital Incentives (Subsidy) - As per last Balance Sheet	83.23	83.23
Profit on Reissue of forfeited shares - As per last Balance Sheet	3.36	3.36
<b>Total Capital Reserves</b>	<b>634.80</b>	<b>634.80</b>
<b>2) SECURITIES PREMIUM RESERVE - As per Last Balance Sheet</b>	<b>480.90</b>	<b>480.90</b>

<b>3) PROFIT AND LOSS ACCOUNT</b>		
<b>Balance as per the last financial statements</b>	<b>-2,095.36</b>	<b>-2,069.76</b>
<b>Profit / (Loss) for the year</b>	<b>22.25</b>	<b>-25.60</b>
<b>Net surplus /(Deficit) in the statement of Profit and Loss</b>	<b>-2,073.11</b>	<b>-2,095.36</b>
<b>Total</b>	<b>-957.41</b>	<b>-979.66</b>
<b>NOTE NO.5: LONG TERM BORROWINGS</b>	<b>Long Maturities</b>	<b>Term Current Maturities</b>

	As at 31.03.2020	As at 31.03.19	As at 31.03.2020	As at 31.03.19
<b>SECURED LOANS</b>				
<b>1. TERM LOANS FROM BANKS:</b>				
a) Punjab National Bank Term Loan IC295	0.00	76.49	1.53	60.69
b) Punjab National Bank Term Loan IC301	11.63	64.25	54.68	63.80
c) Punjab National Bank Term Loan IC286	19.74	184.18	152.69	178.14
d) Punjab National Bank Term Loan IC8076	51.79	90.72	35.08	40.93
<b>UNDER VEHICLE FINANCE SCHEME</b>				
e) ICICI Bank Ltd. "Vehicle Loans"	0.00	0.00	0.97	0.00
f) PNB vehicle Loan "Vehicle I"	0.00	4.13	0.00	3.13
g) PNB vehicle Loan "Vehilce II"	1.79	0.00	1.05	0.65
<b>2. DEFERRED PAYMENT LIABILITIES</b>				
h) For acquisition of fixed assets - To Machine Supplier	0.00	0.00	0.00	21.13
<b>TOTAL SECURED LOANS</b>	<b>84.95</b>	<b>419.77</b>	<b>246.01</b>	<b>368.46</b>
<b>UNSECURED LOANS</b>				
<b>UNRELATED PARTY</b>				
i) Deferred Sales Tax liability	316.04	344.90	84.07	170.22
j) ICD from non promoter group Company	415.78	383.37		
<b>RELATED PARTY</b>				
k) Directors	1077.33	880.47		
l) ICD from Promoter Group Company	190.43	154.82		
<b>TOTAL UNSECURED</b>	<b>1999.58</b>	<b>1763.55</b>	<b>84.07</b>	<b>170.22</b>
<b>Grand Total</b>	<b>2084.53</b>	<b>2183.33</b>	<b>330.08</b>	<b>538.68</b>

Sr. No. Above

a. Primarily is secured by hypothecation of all the fixed assets of the company situated at Pharola Aurangabad, and Laksar Haridwar. The Loan is repayable in monthly installments of Rs 4.34 lacs monthly to be repaid up to 2020-2021 carrying an interest at the rate of 13.30% up to 05.04.2019 and after wards 13.75% p.a.

b. Primarily is secured by hypothecation of all the fixed assets of the company situated at Pharola Aurangabad, and Laksar Haridwar. The Loan is repayable in monthly installments of Rs 4.55lacs monthly to be repaid up to 2020-2021 carrying an interest at the rate of 13.30% up to 05.04.2019 and after wards 13.75% p.a.

c. Primarily is secured by hypothecation of all the fixed assets of the company situated at Pharola Aurangabad, and Laksar Haridwar. The Loan is repayable in monthly installments of Rs 12.72 lakhs

monthly to be repaid up to 2020-2021 carrying an interest at the rate of 13.30% up to 05.04.2019 and after wards 13.75% p.a.

d. Primarily is hypothecated with full values of machines, tools and spares etc purchased as per sanction, the term loan is repayable in 63 equated monthly installments of Rs 2.92 lacks to be repaid up to May 2022, the term loan carries the interest at the rate of 13.30% up to 05.04.2019 and after wards 13.75% p.a.

e. Secured by hypothecation of the vehicles acquired by utilizing the said loans in the name company and is repayable in equated monthly installments, due up to October 2021 and carries the rate of interest @ 8.85%

f. The loan was fully repaid in the financial year 2019-2020

g. Secured by hypothecation of the vehicles acquired by utilizing the said loans in the name company and is repayable in equated monthly installments, due up to November 2023 and carries the rate of interest 9.20% p.a.

h. Secured against the machine purchased from the machine supplier which is repayable immediately without any interest. The loan is in CHF currency, the loan has been completely waived off by the party vide their letter date 08.06.2020 and no dues certificate date 08.06.2020

i. This is as per incentive scheme of Government of Maharashtra for the co-ex tube unit of the company situated at Pharola. The repayment of each year of the deferred sales tax amount is to be made in five equal installments in 11th to 15th year, without any interest till the respective due dates. Thereafter it carries interest @ 18% p.a.

j. Rs 30.16 lacs carries the rate of interest at the rate 10%, balance at 0% as per mutual consent for 3 years i.e. financial year 2019-20,2020-21 & 2021-22.

k. Carry interest @ 10% p.a.

l. Rs 178.98 Lacs carries the rate of interest at the rate 9%, and balance at 0% as per mutual consent

<b>NOTE NO.6: DEFERRED TAX LIABILITY</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
a) The company is having carried forward losses as per books of accounts of Rs 2073.11Lacs as on 31.03.2020 and Rs1639.04 Lakhs upto Assessment Year 2019-20 (31.03.2019)as per the Income Tax Act 1961.	----	----
b) In view of the carried forward losses / unabsorbed depreciation in respect of past years both as per books and as per income tax, the company may not have the taxable income in the near future and hence, cumulative net deferred tax assets after deducting deferred tax liabilities have not been recognized by the company on prudence basis in accordance with the AS-22 issued by the ICAI. Similarly, net deferred tax asset for the current year have also not been recognized on prudence basis.	----	----
<b>NOTE NO.7: LONG TERM PROVISIONS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Provision for Employee benefit		
Provision for Gratuity (Non Funded)	38.21	44.09
Provision for Leave Encashment (Non-Funded)	14.63	15.62
<b>Total</b>	<b>52.84</b>	<b>59.71</b>

<b>NOTE NO.8: SHORT TERM BORROWINGS</b>	<b>As at 31.03.2020</b>	<b>31.03.2019</b>
Cash credit, packing credit, post shipment and ILC acceptance (secured)	499.40	508.81
Interest Accrued on the above		
Foreign currency buyer's credit loan (unsecured)		52.87
<b>Total</b>	<b>499.40</b>	<b>561.68</b>

**Disclosure:**

Cash credit, packing credit and working capital demand loan from bank are secured by hypothecation of all tangible movable assets both present and future including stock of raw materials, finished goods, goods in process, stores and trade receivables etc and is further secured by a second charge on the fixed assets at Laksar and Pharola. All the working capital limits from PNB as mentioned above are personally guaranteed by managing director and one director of the company. The cash credit facility availed carries the rate of interest at the rate of 13.30% up to 05.04.2019 and afterwards 13.45% p.a., packing credit and post shipment credit is



repayable on demand and carries interest rates of 6.50% as on 31.03.2020. The Interest on ILC Acceptance is between 12.50% to 15.00%.

<b>NOTE NO.9:TRADE PAYABLES</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Trade Payables for Materials and Services		411.86	571.55
<b>Total</b>		<b>411.86</b>	<b>571.55</b>
<b>NOTE NO.10: OTHER CURRENT LIABILITIES</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Advances from Customers		32.45	29.79
Creditors for capital goods		0.00	0.00
Interest Accrued but not due		0.00	0.00
Statutory Liabilities(Payable Rs.31.08 Lakhs - Receivable Rs.37.06 Lakhs )		-5.98	113.24
Current Maturities of Long-Term Debts		330.08	538.68
<b>Total</b>		<b>356.55</b>	<b>681.71</b>

<b>NOTE NO.11: SHORT TERM PROVISIONS</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Leave Travel Concession		2.30	3.37

<b>NOTE NO. 12:- FIXED ASSEST</b>							
<b>Tangible Assets</b>	<b>GROSS BLOCK</b>						<b>Balance as at 31-03-20</b>
	<b>Balance as at 01-04-19</b>	<b>Additio ns</b>	<b>Disposals/ Discarded</b>	<b>Effect of Foreign Currency Exchange Difference</b>	<b>Borrowing Cost Capitalization</b>		
(a) Land							
Freehold	128.32	0.00	1.40	0.00	0.00	0.00	126.92
Leasehold *	1.31	0.00	1.31	0.00	0.00	0.00	0.00
(b) Buildings - own use	852.60	0.00	133.87	0.00	0.00	0.00	718.73
(c) Plant and Equipment - owned	4494.58	86.29	85.67	-21.13	0.00	0.00	4474.08
(d) Furniture and Fixtures - owned	56.30	0.38	27.63	0.00	0.00	0.00	29.05
(e) Vehicles - owned	122.50	0.00	0.00	0.00	0.00	0.00	122.50
(f) Office equipment - owned	43.06	0.07	14.73	0.00	0.00	0.00	28.41
(h) Others - Computers Owned	32.34	0.00	0.00	0.00	0.00	0.00	32.34
							0
<b>Total</b>	<b>5731.02</b>	<b>86.75</b>	<b>264.61</b>	<b>-21.13</b>	<b>0.00</b>	<b>0.00</b>	<b>5532.03</b>
<b>Previous year</b>	<b>5716.50</b>	<b>17.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>5731.02</b>

Notes

: -1 There is NIL amount under the head acquisitions through business combinations, reclassified as held for sale, Revaluation increase, other adjustments during the year

2 Vehicles includes vehicles having gross block Rs. 69.25 Lacs held in the name of the Director(s) and one vehicle having gross block of Rs 4.83 lacs is held in the name of the Ex-Director



<b>NOTE NO.13 : NON CURRENT INVESTMENTS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>Unquoted Investments</b>		
1050 Shares of ` 10/- each fully paid up in Devgiri Nagri Sahakari Bank Ltd.	0.11	0.11
<b>Aggregate Amount of Un quoted Investments</b>	<b>0.11</b>	<b>0.11</b>
<b>Quoted Investments</b>		
<b>Mutual Funds</b>		
(a) UTI-Mastershare- Unit Scheme - 846 Unit of Rs 5/- each	0.06	0.06
(b) UTI - Equity Fund -Unit Scheme - 300 Unit of Rs 10/- each	0.06	0.06
<b>Equity Investments</b>		
(c) Dhar Cements Limited - 183 Equity Shares of ` 10/- each fully paid-up	0.02	0.02
(d) Titan Industries Limited - 3280 Equity Shares of ` 10/- each fully paid-up	0.03	0.03
(e) NirupSynchrome Limited - 5000 Equity Shares of ` 10/- each fully paid-up	2.30	2.30
(f) Maharashtra Explosives Limited - 3550 Equity Shares of ` 10/- each fully paid-up	1.08	1.08
(g) Astra Zeneca Pharma India Limited - 100 Equity Shares of ` 10/- each fully paid-up	0.03	0.03
(h) Sanchay Finvest Limited - 5000 Equity Shares of ` 10/- each fully paid-up	0.75	0.75
(i) Tata Sponge Iron Limited-650 Equity Shares of ` 10/- each fully paid-up	0.78	0.78
Less Provision for diminution in value of Quoted Investments	-1.33	-1.33
<b>Aggregate Amount of quoted Investments</b>	<b>3.76</b>	<b>3.76</b>
	<b>3.87</b>	<b>3.87</b>

The management of the company has Reinstated of 650 equity shares of Tata Sponge Iron Limited amounting of Rs 0.78 Lacks by crediting to profit and loss account under head other income which were earlier written off/adjusted on account of bad delivery in the year 1992 or so. The company has given indemnity for issuing of duplicate Shares Certificate in the Company's name during the financial year 2018-2019. The said shares are transferred in the name of company

Disclosure: Market Value of Quoted Investments (Except for those which are not in trade as on 31.03.2020)  
Rs. 56.07                      Rs. 56.03

<b>NOTE NO.14: OTHER NON CURRENT ASSETS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Advance to Suppliers for Capital goods	0.00	1.28
<b>Total</b>	<b>0.00</b>	<b>1.28</b>

<b>NOTE NO.15: INVENTORIES</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>Valued at Lower of Cost and net realisable value except stated other wise.</b>		
<b>(As certified by the Management)</b>		
<b>Raw Material</b>	<b>98.39</b>	<b>120.70</b>
<b>Finished &amp; Semi Finished goods</b>	<b>40.42</b>	<b>40.12</b>
<b>Work in Progress at cost</b>	<b>65.69</b>	<b>124.33</b>

<b>Packing Material at cost</b>		<b>7.34</b>	<b>9.74</b>
<b>Stores and Spares at cost</b>		<b>28.89</b>	<b>29.94</b>
<b>Total</b>		<b>240.73</b>	<b>324.82</b>
<b>NOTE NO.16: TRADE RECEIVABLES</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Unsecured	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>	<b>458.44</b>
(a) Outstanding for more than six months - Considered Good	91.31	68.04	<b>648.29</b>
(B) Outstanding Between 90 to 180 Days	94.43	138.77	
(b) Outstanding upto 90 Days	277.12	447.46	
Less: Provision for doubtful debts	4.41	5.98	
<b>Total</b>		<b>458.44</b>	<b>648.29</b>
<b>NOTE NO.17: CASH AND CASH EQUIVALENT</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>Cash on Hand</b>		<b>7.84</b>	<b>9.05</b>
<b>Balances with Banks</b>			
<b>In Current Account</b>		<b>7.19</b>	<b>2.61</b>
<b>In Fixed Deposits (Held with Scheduled Bank as Margin)</b>		<b>22.84</b>	<b>20.65</b>
<b>In EEFC Accounts</b>		<b>0.00</b>	<b>0.00</b>
<b>Total</b>		<b>37.86</b>	<b>32.31</b>
<b>NOTE NO.18: SHORT TERM LOANS AND ADVANCES</b>		<b>As at 31.03.20</b>	<b>As at 31.03.19</b>
(Unsecured and considered good)			
Advance to Suppliers for Raw Material, Consumables & Services		24.68	23.66
Advances recoverable in cash or in kind or for value to be received		10.93	5.95
<b>Total</b>		<b>35.61</b>	<b>29.61</b>
<b>NOTE NO.19: OTHER CURRENT ASSETS</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Pre-Paid expenses		1.25	0.87
TDS Receivables		4.48	0.65
VAT Receivables		35.62	77.29
RG-23-A, RG-23-C & Service Tax Unutilized Balance		0.00	72.49
Export Incentives Receivables		0.00	57.27
Excess Interest Charge by Bank-Refundable		35.64	37.24
Deposits with electricity boards, telephone, PLA etc.		125.14	61.84
<b>Total</b>		<b>202.13</b>	<b>307.66</b>
<b>NOTE NO.20: REVENUE FROM OPERATIONS</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>Sale of Manufactured Goods - co-extruded tubes</b>		<b>1,773.63</b>	<b>3,053.34</b>
<b>Sale of Scrap</b>		<b>8.26</b>	<b>11.50</b>

<b>Sale of Traded Goods</b>	<b>0.00</b>	<b>27.87</b>
<b>Total</b>	<b>1,781.88</b>	<b>3,092.71</b>

Disclosure:

Sales are stated at gross value inclusive of taxes and Freight. Sales includes inter unit transfer of finished and semi-finished goods amounting to Rs.50.07 Lakhs (Rs.243.03) Lakhs. Sale includes sale to related party Ultra Beauty Care Pvt Limited amount of Rs13.16 Lakhs

<b>NOTE NO.21: OTHER INCOME</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Dividend on shares	0.44	0.25
Interest on Bank Time Deposit & Others	1.43	1.72
Rent Receipt	0.00	0.00
Credit Balances Written Back	23.11	23.33
Export Incentives	16.19	31.30
Miscellaneous Income	23.47	24.62
Net Profit on Foreign Currency Transactions	3.69	-2.43
<b>Total</b>	<b>68.33</b>	<b>78.79</b>
<b>NOTE NO. 22: COST OF MATERIALS CONSUMED</b>	<b>As at 31.03.20</b>	<b>As at 31.03.19</b>
<b>POLYETHYLENE</b>		
<b>Opening Stocks</b>	<b>22.15</b>	<b>8.41</b>
<b>Add: Purchases</b>	<b>176.12</b>	<b>392.21</b>
<b>Less : Closing Stocks</b>	<b>8.46</b>	<b>22.15</b>
<b>Consumption</b>	<b>189.81</b>	<b>378.47</b>
<b>POLYPROPLENE</b>		
<b>Opening Stocks</b>	<b>4.10</b>	<b>3.90</b>
<b>Add: Purchases</b>	<b>141.76</b>	<b>221.31</b>
<b>Less : Closing Stocks</b>	<b>3.56</b>	<b>4.10</b>
<b>Consumption</b>	<b>142.30</b>	<b>221.12</b>
<b>Opening Stocks</b>	<b>23.18</b>	<b>22.16</b>
<b>Add: Purchases</b>	<b>30.91</b>	<b>45.52</b>
<b>Less : Closing Stocks</b>	<b>24.31</b>	<b>23.18</b>
<b>Consumption</b>	<b>29.78</b>	<b>44.50</b>
<b>LABELS</b>		
<b>Opening Stocks</b>	<b>4.78</b>	<b>10.07</b>
<b>Add: Purchases</b>	<b>87.01</b>	<b>182.35</b>
<b>Less : Closing Stocks</b>	<b>5.30</b>	<b>4.78</b>
<b>Consumption</b>	<b>86.49</b>	<b>187.63</b>
<b>INLAND BOUGHT OUT ITEMS</b>		
<b>Opening Stocks</b>	<b>15.70</b>	<b>21.84</b>
<b>Add: Purchases</b>	<b>0.00</b>	<b>153.06</b>
	<b>15.70</b>	<b>174.90</b>

<b>Less : Closing Stocks</b>	<b>0.00</b>	<b>15.70</b>
<b>Consumption</b>	<b>15.70</b>	<b>159.20</b>
<b>OTHER RAW MATERIALS</b>		
<b>Opening Stocks</b>	<b>49.56</b>	<b>49.79</b>
<b>Add: Purchases</b>	<b>92.29</b>	<b>114.25</b>
<b>Less : Closing Stocks</b>	<b>56.76</b>	<b>49.56</b>
<b>Consumption</b>	<b>85.09</b>	<b>114.48</b>
<b>TRADED GOODS</b>		
<b>Opening Stocks</b>	<b>0.00</b>	<b>0.00</b>
<b>Add: Purchases</b>	<b>0.00</b>	<b>21.45</b>
<b>Less : Closing Stocks</b>	<b>0.00</b>	<b>0.00</b>
<b>Consumption</b>	<b>0.00</b>	<b>21.45</b>
<b>Total Consumption</b>	<b>549.18</b>	<b>1,126.84</b>

Disclosure

The sale of inter unit raw materials of Rs.4.65 Lacs (Rs30.73 Lacs) adjusted in cost of materials consumed.

<b>NOTE NO.23: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS</b>	<b>As at 31.03.20</b>	<b>As at 31.03.19</b>
Opening Finished Goods	40.12	28.14
Closing Finished Goods	40.42	40.12
<b>Change in Finished Goods</b>	<b>-0.30</b>	<b>-11.98</b>
Opening Work-in-Progress	124.33	105.04
Closing Work-in-Progress	65.69	124.33
<b>Change in Work-in-Progress</b>	<b>58.63</b>	<b>-19.29</b>
<b>Net (Increase)/Decrease</b>	<b>58.33</b>	<b>-31.27</b>
<b>NOTE NO.24 : EMPLOYEE BENEFITS EXPENSES</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Salaries and Wages including Bonus	249.95	396.66
Contribution to P.F.	12.06	18.53
Employee welfare	1.17	2.69
<b>Total</b>	<b>263.17</b>	<b>417.88</b>

Disclosure:

The above Salaries and Wages include Directors Remuneration

<b>NOTE NO.25 : FINANCE COST</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
Interest on Term Loan	87.02	103.62
Interest on Working Capitals including acceptances and buyer credits	51.33	49.24
Interest on other borrowings	130.11	119.29
Bank Charges	9.36	11.16
<b>Total</b>	<b>277.82</b>	<b>283.30</b>

<b>NOTE 26 DEPRECIATION ON FIXED ASSETS</b>
---------------------------------------------

	Tangible assets	Accumulated depreciation and impairment					Net block		
		Balance as at	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Impairment losses recognised in statement of profit and loss - opening balance as on	Reversal of impairment losses recognised in Statement of Profit and Loss	Balance as at	Balance as at	Balance as at
					01-04-19		31-03-20	31-03-20	31-03-19
	(a) Land								
	Freehold	0.00	0.00	0.00	0.00	0.00	0.00	126.92	128.32
	Leasehold *	0.18	0.00	0.18	0.00	0.00	0.00	0.00	1.14
	(b) Buildings - own use	409.56	22.67	106.51	0.00	0.00	325.72	393.01	443.04
	(c) Plant and Equipment - owned	2742.10	199.16	17.78	57.35	0.00	2980.83	1493.24	1695.13
	(d) Furniture and Fixtures - owned	49.87	3.96	26.25	0.03	0.03	27.58	1.47	6.40
	(e) Vehicles - owned	80.97	7.16	0.00	0.00	0.00	88.13	34.37	40.85
	(f) Office equipment - owned	35.05	0.65	14.52	0.69	0.69	21.18	7.23	8.02
	(h) Others - Computers	31.42	0.20	0.00	0.00	0.00	31.62	0.72	0.92
	Total	3349.15	233.80	165.23	58.07	0.72	3475.06	2056.97	2323.82
	Add capital work in progress								
	Previous year	3107.84	242.93	1.62	58.07	0.00	3407.21	2323.81	2727.95

Notes

1	There is no amount under the head of eliminated on reclassification as held for sale and Loss and other adjustments
2	Depreciation have been charged on straight line method. Depreciation on additions and assets sold during the year has been charged proportionately
3	Premium paid on leasehold land written off proportionately

<b>NOTE NO.27 : OTHER EXPENSES</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>A. MANUFACTURING EXPENSES</b>		
Stores & Spares consumed (includes inter unit transaction of Rs 0.26 Lacks)	41.14	62.30
Power & Fuel	135.77	168.35
Repairs to Machinery	15.03	12.12
Packing Material consumed	51.92	102.13
Job work expenses	0.00	0.00
Contract Production Wages	115.92	149.49
<b>Subtotal</b>	<b>359.77</b>	<b>494.39</b>
<b>B. ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rates & Taxes	3.15	6.81
Rent	1.82	11.61
Insurance	6.23	4.16

<b>Payment to Statutory Auditors</b>		
Statutory Audit Fee	3.25	3.25
Quarterly Review fees	0.75	0.75
Reimbursement of expenses	0.11	0.48
Postage	2.65	2.35
Telephone	1.81	4.26
Vehicle running and Maintenance	7.76	15.06
Legal & Professional Charges	17.55	15.44
Penalty of late filing of TDS / TCS Returns	0.96	1.42
Travelling Expenses	32.00	42.02
Miscellaneous Expenditure	29.39	24.68
Debit Balance written off	17.88	4.59
Repairs to Building	0.00	0.15
Repair to other Assets	1.03	2.48
Security Expenses	12.48	16.18
Net Loss on Foreign Currency Transactions		
<b>Subtotal</b>	<b>138.83</b>	<b>155.69</b>
<b>C.SELLING AND DISTRIBUTION EXPENSES</b>		
Excise duty and sales tax / VAT and GST	235.93	396.82
Transportation Expenses	53.01	109.16
Other Sales expenses & disc. (Inclusive of Bad Debts written off Rs 16.74 Lakhs (Rs 3.85 Lakhs)	15.42	41.87
<b>Subtotal</b>	<b>304.36</b>	<b>547.85</b>
<b>Grand Total</b>	<b>802.96</b>	<b>1,197.93</b>

Stores and spares includes purchase of inter unit transfer Rs 0.74 Lacks (Rs 0.00)

<b>NOTE NO.28 PRIOR PERIOD ITEMS INCOME/EXPENSES</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>INCOME</b>		
Excess provision of gratuity and leave encashment written back	0.00	0.00
Excess Provision Written Back	0.00	0.00
	<b>41.62</b>	<b>47.11</b>
<b>EXPENSES</b>		
<b>Subtotal</b>	16.23	8.22
<b>INCOME/EXPENSES</b>	<b>25.39</b>	<b>38.88</b>
<b>NOTE NO.29 EXTRA-ORDINARY ITEMS</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.19</b>
<b>INCOME</b>		
Profit on sale of Fixed Assets	<b>320.72</b>	<b>0.00</b>
<b>INCOME/EXPENSES</b>	<b>320.72</b>	<b>0.00</b>

30. Segment Reporting: Broadly by all criteria the activities of the company fall in the segments as detailed below.

<b>Criteria</b>	<b>Segment</b>
Product base	1)Co-extruded Tube, 2) Traded Goods
Customer base	Domestic market/ overseas market

Geographical Area of Operation	Domestic market/ overseas market
Geographical area of assets location	Maharashtra, Uttarakhand

A. Primary Segment: Business segment

The operations of the company mainly fall within a single business segment i.e. Co-extruded tube segment. The financial data for segment reporting as follows. No business of Traded goods during the year.

		Co-extruded Tube Division 31.03.2020	Co-extruded Tube Division 31.03.2019
<b>Sr No</b>	<b>Particulars</b>		
	<b>Revenue</b>		
A	Sales	1781.88	3092.71
B	Profit/Loss Before Dep and Interest	201.86	499.00
C	Interest Expense	277.82	283.30
D	Depreciation & Impairment	222.26	241.30
E	Extra Ordinary Items	320.21	0.00
<b>F</b>	<b>Net Profit/Loss</b>	<b>22.15</b>	<b>(25.60)</b>
	<b>Other Information</b>		
G	Segmental Assets	5532.03	5731.02
H	Less Depreciation & Impairment	3475.06	3407.21
<b>I</b>	<b>Net Assets</b>	<b>2056.97</b>	<b>2323.81</b>
J	Segmental Liabilities	866.86	1261.16

B. Secondary Segment: Geographic Segment :- The geographic segment identified, as secondary segment is “Domestic Market” and “Export Market”.

	<b>PARTICULARS</b>	<b>TOTAL</b>	Co-extruded Tube Division
A	DOMESTIC	1386.10	2935.27
B	EXPORT	395.78	697.44
	<b>TOTAL</b>	<b>1781.88</b>	<b>3092.71</b>

Note:-

A) The Company has common assets for producing goods for Domestic Market and Overseas Market. Hence, separate figure for assets/additions to fixed assets are not furnished.

**31. Related Party Disclosure:**

**Amount in Lakhs**

<b>Director’s remuneration</b>				
<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	Arvind Machhar	Managing Director	0.00	34.42
<b>Salary to related persons:</b>				
<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	Arpit Machhar	Son of MD	14.44	14.14
2	Nischint Machhar	Son of MD	13.82	13.39
<b>Payment of professional fees and Purchases:</b>				
<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	Ultra Beauty Care Pvt Limited Sales/(Purchase)	Related Concern of Non-Executive Independent Director	13.16	13.50
<b>Interest provided / paid on unsecured loans from related:</b>				
<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	Arvind Machhar	Managing Director	58.37	64.38
2	Sandeep Machhar	Director	31.66	28.35
3	Race Course Capital Market Ltd	Promoters Group Company	13.45	12.52
4	Machhar Industries Limited	Promoters Group Company	1.06	0.00



<b>Outstanding unsecured loan from related Parties:</b>				
<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2018</b>
1	ArvindMachhar	Managing Director	626.17	587.76
2	SandeepMachhar	Director	451.16	292.70
3	Race Course Capital Market Ltd	Promoters Group Co	160.80	149.82
4.	Utsav Logistics Pvt Limited	Promoter Group Co	7.50	5.00
5.	Machhar Industries Limited	Promoter Group Co	18.18	0.00
6.	Machhar Packaging Services Pvt Ltd	Promoter Group Co	3.83	0.00

### 31A. Details of unsecured loan and interest provided from non-related parties

#### 1. Interest provided / paid on unsecured loans

<b>Sr. No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	KCL INFRA PROJECTS LTD	Promoters Non Group Company	3.27	2.95

#### 2. Outstanding unsecured loan from non-related parties

<b>Sr No.</b>	<b>Name of the Party</b>	<b>Relationship</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
1	Kaman Wala Housing construction Ltd	Inter Corporate deposit	20.00	00.00
2	Nirman Clothing Pvt Limited	Inter corporate Deposit	26.40	26.40
3	Zeme Real Rich Pvt Ltd	Inter corporate Deposit	46.34	46.34
4	Abhilasha Shoppers Pvt Ltd	Inter corporate Deposit	115.16	115.16
5	JRI Industrial and infrastructures	Inter corporate Deposit	97.22	97.22
6	KCL Infra Projects Limited	Inter corporate Deposit	30.16	27.22
7	Harishka trading Pvt Ltd	Inter corporate Deposit	12.50	12.50
8	Om Prakash Engineering	Inter corporate Deposit	5.00	5.00
9	GitcoVincom Pvt Ltd	Inter corporate Deposit	53.00	53.00

### 32. Contingent Liabilities/Assets

a. Claims not acknowledged as debts are on account of a suit filed against the company by M/s Food Fats and Fertilizers Ltd. on behalf of Apt Organic Chemicals Pvt. Ltd. in Mumbai High Court for the recovery of Rs.2.67 Lakhs (Rs.2.67 Lakhs). The company is contesting the same. The BIFR have ordered for repayment subject to withdrawal of suit.

b. Guarantee given by the Company for sales tax deferment dues of the resulting Company Machhar Industries Limited as per the sanctioned scheme ordered by BIFR Rs. 0.00 Lakhs (Rs. 11.86 Lakhs).

c. Bonds executed by the company in favour of Commissioner, Central Excise and Customs, Government of India for import of capital goods under the Export Promotion Capital Goods Scheme of the Government of India for import of capital goods Rs. 801.99Lakhs (Rs. 801.99 Lakhs). In the Opinion of Management, the export obligations as per the foreign trade policy of Government of India have been completed and submissions for obtaining Export Obligations Discharge Certificates have been made / and in process to made by the Company to the office of Director General of Foreign Trade, Mumbai. The company has obtained the said certificates up to F. Y. 2008-09.

d. In respect of demand raised by Sales Tax authority, Aurangabad for Rs.2.25 Lakhs for Sales Tax amount and Rs. 2.22 Lakhs for interest thereon for the FY 2006-2007.

e. In respect of demand raised by the State (Sales) Tax Uttarakhand and Central Sales Tax at Rs.81.29 Lakhs of Sales tax and Central Sales tax for F.Y. 2015-2016. The appeal is filled with appropriate authority and the management of company is quite hopeful in favorable result.

f. In respect of demand raised by the State (Sales) Tax Uttarakhand and Central Sales Tax at Rs.123.76 Lakhs of Sales tax and Central Sales tax for F.Y. 2016-2017. The appeal is filled with appropriate authority and the management of company is quite hopeful in favorable result.

g. The honorable civil court S. D. Aurangabad has passed the order on 13.09.2018 for recovery of Rs. 1.83 Lakhs along with interest @6% p.a. if not paid within 30 days in favour of Priti Engineering (Prop. Bharat Bansi Bhalerao) for various bills raised during the period 06-10-2012 to 21-03-2013. In the opinion of management, the demand is liable to be quashed, as the work done is already not up to the mark and rejected and in appeal for the same is filed before the Honorable High Court, Bombay at Aurangabad bench.

h. Interest demanded and charged the Punjab National Bank at Rs. 31.96 Lakhs for F.Y. 2018-19. In the Opinion of management, the same is not payable as it has been charged beyond the sanction rate. A representation has been made by the company to the bank for reversing the said excessive interest charged and shown as excess interest charge receivable in the financial statement of the company under the head Current Assets.

i. Indemnity given to Tata Sponge Iron Ltd for 650 Shares of that company booked at Rs 0.78 Lakhs in the books whose market value as on 31st March 2020 is Rs 4.60 Lakhs

j. In respect of Fiscal liabilities that may arise on account of non-observance of provisions of various fiscal statues, Companies Act, Value Added Tax and other related laws and interest / other charges chargeable on demands raised and not paid if any, amount is not ascertainable.

k. Estimated amount of contract remaining to be executed net of advances on capital account and not provided for Rs.0.00Lakhs (Rs.0.00 Lakhs)

l. The company has filed an application with NCTL for recovery of Rs10.78.lakhs (Rs 9.38 Lakhs original debt and interest and other claim of Rs 1.41 Lakhs), from M/s.Sheon Skin Care Pvt Limited.In the opinion of the management of the company, the recovery of entire amount is possible;hence no provision for bad and doubtful debts has been made. The entire accounting will be accounted on final result of the case.

33. The company has received notice from Income Tax Department regarding short payment and short deduction of TDS / TCS along with interest thereon up to financial year 2019-20 Rs.7.24 Lakhs

In the opinion of management of the company and on advice received by the company,the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

34. Non adoption of Indian AS (IndAS). The management is of the opinion that the impact of adopting Ind AS would not materially affects the financial result of a company as such. Further presently the shares of the company are suspended from trading due to procedural reasons. The company is pursuing with the stock exchange for restoration of trading of shares of the company. In the meantime, the management of the company decided to adopt the Ind AS as soon as possiblealthough it is mandatory from 01.04.2017

35. Considering the time lag between the assessment under various statutory laws, the management is of the opinion that, the interest and charges payable to various government and semi government authorities shall be accounted on paid basis instead of accrual basis from the financial year started on date 01.04.2015 onwards.

36. During the year under consideration the company has sold its fixed assets being land and building situated at J-17,18 Chikalthana MIDC Aurangabad and part of the land situated at Gut No. 72 Pharola, Aurangabad to reduce/repay the secured loan from the bank. In the opinion of the management of the company it is does not affect the going concern status of the company.During the year depreciation changed/amortized is at RS. 5.99 Lakhs.

The profit on the said sale of the fixed assets amount ofRS. 320.72 Lakhs credited to profit and loss statement under the sub head profit on sale Asset.

The provision for capital gain tax has not been made although the said profit is subject to Income Tax. The company is having unabsorbed business loss at RS. 1920.68 lakhs and Rs 639.04 Lakhs.

In the opinion of the management of the company, the said profit is eligible to be set off against the available brought forward business losses and unabsorbed depreciation with company and also the current business loss and depreciation. Hence no provision for taxation has been made. This view of the management of the company is also upheld by the Honorable Delhi High court in case of Assistant commissioner of Income Tax Vs Lavish Apartments Private Limited and the same is relied upon.

37. There is a waiver of Rs.35.82 Lakhs from supplier of plant and Machinery and stores and spares situated abroad during the year under consideration. Accordingly, Rs.21.13 Lakhs Deducted from the cost of that plant and machinery having consequential impact on depreciation and Rs. Credited to Rs 5.99 Lakhs in account. The impact of import duty etc is not recognized said the company is having of opinion that no impact will arises out of this transaction.

### **38. GOING CONCERN:**

The financial statements indicate that the company has financial losses and its net worth has been substantially eroded i.e. 64.96% (Accumulated reserve and surplus (Loss) Rs 957.41 Lakhs and share capital Rs 580.40 Lakhs). The company has booked the profit of Rs 22.25 Lakhs. The company's current liabilities of Rs 1275.24 Lakhs and Rs 974.77 Lakhs exceeded the current asset as at balance sheet date. These conditions indicate the existence of material uncertainty that may cast significant doubt about the company's ability to continue as a Going Concern

However, the financial statements of the company have been prepared on going concern basis, as the company has once again (Previously declared on 16.06.2011) declared as a "Sick Industrial Company" by the Board for Industrial and Financial Reconstruction (BIFR) as per hearing held on 10.10.2013 vide their order dated 20.11.2013. Consequential to the repellant of the said Act, the company has to register itself to National Company Law Tribunal (NCLT) within six months., but as asked, the relief from the banks was already granted by the Punjab National Bank to the company, therefore the management of the company decided not to registered with the NCLT. The company has profit in 3 financial year out of last 4 financial year although major contributions from the profit on sale of fixed assets.

The Extra-Ordinary General Meeting has approved the sale of both the Units at Pharola-Aurangabad and Laksar-Haridwar. But, Company's Management has decided to gradually reduce its operations at Pharola-Aurangabad and revamped the Capacity at Laksar-Haridwar plant for the reasons of achieving operational efficiency and reduction in the Cost of operations. In the meanwhile until such time sale of both the plants is not affected. The management therefore has decided the financial statement of the company for the year under consideration is prepared and presented on going concern basis.

39. The management of the company has Reinstated of 650 equity shares of Tata Sponge Iron Limited amounting of Rs 0.78 lacks by crediting to profit and loss account under head other income which were earlier written off/adjusted on account of bad delivery in the year 1992 or so, which is later cleared and transferred in the name of company.

The management of the opinion that the said shares belong to the company which were written of or adjusted due to bad delivery in earlier (Years) i.e. 1992 all so. The matter is now cleared and same is assets of the company. Further the original shares were either lost or misplaced hence an affidavit and indemnity have been given for any loss or claim by any other person in favour of Tata Sponge Iron Ltd. for issuing duplicate share certificate. Therefore the said shares are properly and lawfully reinstated during the financial year 2018-2019.

#### 40. Directors Remunerations:

(Rs. in Lakhs)

##### Directors Remunerations:

Particulars	M.D		W.T.D.		TOTAL	
	31.03.2020	31.03.2019	31.03.2020	31.03.2020	31.03.2020	31.03.2019
i. Salary	0.00	29.70	---	---	0.00	29.70
ii. Perquisites	0.00	4.50	---	---	0.00	4.50
iii. Leave Encashment	---	---	---	---	---	---
iv. Contribution to P.F.	0.00	0.22	---	---	0.00	0.22
<b>TOTAL</b>	<b>0.00</b>	<b>34.42</b>	<b>---</b>	<b>---</b>	<b>0.00</b>	<b>34.42</b>

41. Certain statutory requirements and records are in the process of their compilation / up-dation.

42. The outstanding balances of debtors, creditors, loans and advances including inter corporate deposit (taken and given), balance with statutory/fiscal liabilities (Assets & Liabilities) i.e. Sale Tax (VAT & CST), Excise & Service tax deposits/balance, income tax, Goods & Service Tax ( GST) subject to confirmations, reconciliation and consequent adjustment, if any. The differences as may be noticed on reconciliation are being accounted for and will be duly accounted for on completion thereof. In the opinion of the Management the ultimate difference will not be material.

#### 43. Employee Benefits

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the Accounting Standard are given below:

Defined Contribution Plans: Provident Fund

During the year, the Company has recognized the following amounts in the Profit & Loss Account

	<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
-	Employers Contribution to Provident Fund	12.06	18.53
-	Employers Contribution to Staff Welfare Fund	1.17	2.69

**Defined Benefit Plans**

The company has neither created fund nor contributed to Scheme framed by the Insurance Company for the defined benefit plans for the qualifying employees. The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit credit method with actuarial valuations being carried out at each balance sheet date.

In accordance with accounting Standard 15, actuarial valuation was done in respect of the aforesaid defined benefit plan of gratuity based on the following assumptions: -

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Discount Rate	6.75	7.75
Salary escalation rate	6.50	6.50
Expected rate of return on Plan Assets	-	-
Expected average remaining service of employee in the number of years	35	34

Disclosures for defined benefit plans based on Actuarial Reports as at 31st March 2020

a) Change in Present Value of Defined Benefit Obligation

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Present value of obligations at the beginning of the year	44.08	48.78
Current Service Cost	3.14	4.37
Interest Cost	3.42	3.78
Actuarial (Gain) / Loss	-1.67	-4.44
Benefit paid	-8.43	-8.43
<b>Present value of obligations at the end of the year</b>	<b>40.53</b>	<b>44.08</b>

b) Percentage of each category of plan assets to total fair value of plan assets as at 31st March 2020

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Obligation on the part of the Company	100%	100%

c) Net employee benefit expense (Recognized in employment cost) for the year ended on 31st March 2020

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Current Service Cost	3.13	4.38
Interest Cost	3.42	3.78
Expected return on plan assets	-	-
Net Actuarial (Gain) / Loss recognized in the year	-1.67	-4.42
Past Service cost	0.00	0.00
<b>Net Gratuity (income) / expense</b>	<b>4.88</b>	<b>3.74</b>

The liability for leave encashment and compensated absences as at year end is Rs.14.63Lakhs (Previous year liability Rs.15.62 Lakhs)

**44. Earnings Per Share:**

The basic and diluted EPS is calculated as under:

<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Profit/(loss) attributable to Equity Share Holders	22.15	25.60
Weighted average number of Equity Shares of Rs.10 Each	5263467	5263467

**45. Additional Information****A. RAW MATERIAL CONSUMED:**

NAME	QUANTITY (MT)		VALUE (RS.)	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
I) HDPE//LLDPE/LDPE/PP	289.89	549.56	332.11	637.12

**B. VALUE OF RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED DURING THE YEAR**

	As on 31.03.2020		As on 31.03.2019	
	Value (in Rs.)	%	Value (in Rs.)	%
<b>I) RAW MATERIAL</b>				
IMPORTED	0.00	0.00	114.91	10.38
INDIGENOUS	549.18	100.00	991.93	89.62
<b>TOTAL</b>			<b>1106.84</b>	<b>100.00</b>

**II) SPARE PARTS AND COMPONENTS**

IMPORTED	4.41	10.72	6.35	10.43
INDIGENOUS	36.74	89.28	54.51	89.57
<b>TOTAL</b>	<b>41.15</b>	<b>100.00</b>	<b>60.86</b>	<b>100.00</b>

**D. INCOME/ EXPENDITURE IN FOREIGN CURRENCY:-**

<b>EARNING / EXPENDITURE IN FOREIGN CURRENCY:</b>	<b>31/03/2020</b>	<b>31/03/2019</b>
I) EARNING IN FOREIGN EXCHANGE - EXPORTS ON FOB BASIS	365.97	694.74
II) EARNING IN FOREIGN EXCHANGE - SALE OF ASSETS	0.00	0.00
III) CIF VALUE OF IMPORTED MATERIAL	4.41	104.03
IV) EXPENDITURE IN FOREIGN CURRENCY TRAVELLING TECHNICAL, DRAWING & DESIGN	4.38	16.06
V) PAYMENT FOR INTEREST ON BUYERS CREDIT	0.00	0.00
VI) PAYMENT AGAINST CAPITAL EQUIPMENTS	0.00	1.28

**46. Estimation of uncertainties relating the global health pandemic from COVID-19**

The company has not made any estimates/ possible effects that may result from the pandemic relating to COVID-19 as well as the assumption relating to the possible future uncertainties in global economic conditions while preparing and presenting the Financial Statements for the year under consideration. The management of the company is of the opinion that it does not have any long-term effect on assets and liabilities as such and whatever the effect, if any, it will be accounted on actual happenings with the company.

**47. Notes for Earlier year Income / Expenses**

<b>Particulars</b>	<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>Income</b>		
Credit Balances Written Off	1.96	4.48
Excess Provision reversed	13.42	41.12
Statutory Dues reversed	26.24	0.72
Reinstatement of Asset	0.00	0.78
<b>Total</b>	<b>41.62</b>	<b>47.10</b>
<b>Expenses</b>		
Debit Balances Written Off	4.75	2.41
Excess Provision reversed	2.68	0.00
Statutory Dues reversed	8.80	5.82
<b>Total</b>	<b>16.23</b>	<b>8.22</b>

The management of the company after thorough assessment has Written Off / Written Back certain Expenses / Income in the Profit & Loss Account under "Prior Period Income / Prior Period Expenses" as well as "Debit Credit balances w/off"

48. Previous period figure have been regrouped and rearranged/recast wherever necessary. Figure in brackets related to previous year. All amounts appearing in the schedule are rupees in lakhs.

**AS PER OUR REPORT ANNEXED  
FOR NIKHIL N LOYA & CO.  
FIRM REGISTRATION NUMBER 132280W  
CHARTERED ACCOUNTANTS**

**Sd/-  
ARVIND MACHHAR  
MANAGING DIRECTOR  
DIN:- 00251843**

**Sd/-  
NIKHIL N LOYA  
PROPRIETOR  
M. NO. 133562  
Place:- Aurangabad  
Date:- 20/08/2020  
Udin: 20133562AAAABH4267**

**Sd/-  
SATISH SHARMA  
CHIEF FINACNIAL OFFICER**

**Sd/-  
SANDEEP MACHHAR  
DIRECTOR  
DIN:- 00251892**