

*Where legend and technology mingle*



*Annual Report 2019-2020*



**P G Foils Ltd.**



Founder Chairman - late Shri Parasraj G. Shah  
(18.8.1933 - 16.3.1982)

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## VISION

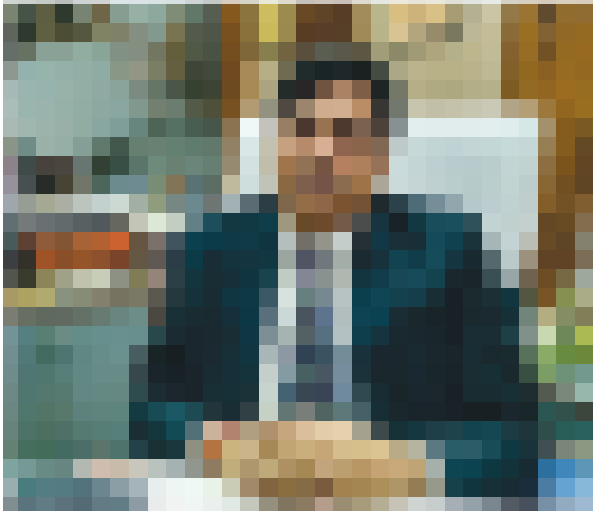


As supply chain members we strive to be strategic partners of our customers through innovations in aluminum foil packs and flexible packaging. Our success lies in adding to the competence of our customer through innovations in packaging.

## MISSION



Our mission is metamorphosis of PG Group into an integrated multifaceted manufacturing powerhouse- a dynamic packaging solutions provider to match the ever-changing market needs.



## **CHAIRMAN'S MESSAGE**

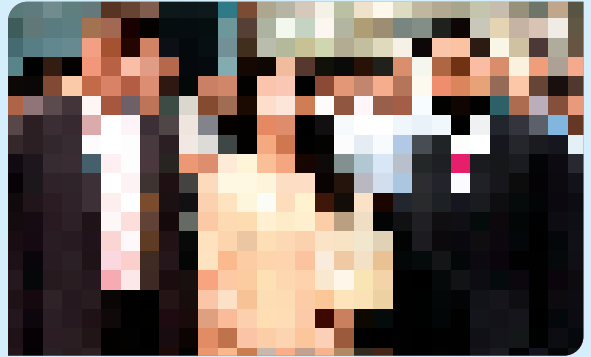
Dear Share Holder,

Behind success of every company is “The Team”. Relying upon one of the best professionals in the industry, we have a team who have dedicated all their lives to build PG Foils. Firstly, I would really like to thank all of them. with over 31 years of experience in the industry, we hold significantly a healthy reputation all over the Pharmaceutical Industry, by means of our ethical approach towards business. We focus on understanding needs of the customers & accordingly offer solutions for their packaging needs. Our ethical business approach towards the customers & market has allowed us to develop a strong name all over the country, which gives us an advantage over others & satisfies all our business associated family.

With a vision to become the World's largest Pharma Packaging Company, we at PG Foils are on the job to offer our customers finest of quality, products & services. Our experience starts from Marking & Coding to Blister Packaging machines to materials, we understand the requirements of our customers & offer finest solution to them with the best of our knowledge, belief & commitment. We are on the verge of expansion & are looking for strategic alliances with other companies to develop new products, businesses & markets, so as to offer finest solutions to the industry. Once again I would like to thank you very much to all our associates for their support for building PG Foils & we look forward for the same support for future.

Sincerely,

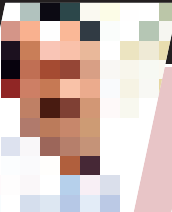
**Pankaj P Shah**  
Chairman



“ An ardent champion of ethical trade philosophy, Shah has always kept his customers at the top of the business value system and coined a mechanism to not only receive any grievance or complaint from that they are resolved in 24 hours anyhow. Shah also devised a custom of senior officials visiting the customers, big or small, on an annual basis ”

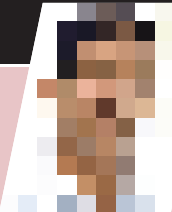


© PANKAJ P. SHAH AND SAHIL P. SHAH WITH THE PG FOILS TEAM



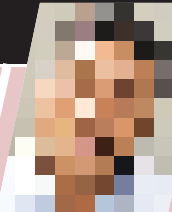
*I have been associated with the company for 36 years. It is absolutely a family atmosphere here and the MD is like a brother not a boss.*

**MR Jain,**  
Executive Director,  
Operations



*Having worked here for 35 years I have realized that we have all got amazing support by the MD towards all the employees. We have never felt like an employee here.*

**Suresh Jain, General Manager, Production and Planning**



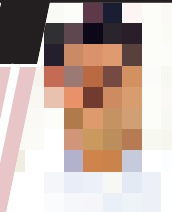
*A lot of importance is given to the employees here. I feel like this is my own company and work hard towards my work.*

**PK Mewara,**  
Head, Sales and Marketing



*The MD's guidance, support and understanding makes us believe that everything is achievable. This company has done wonders solely due to a positive*

**SR Jain, General Manager - Production**



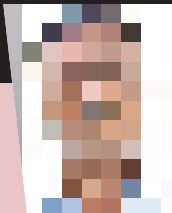
*The trust of the MD on us employees here is incredible. Working with him is like working with an elder brother.*

**Naveen Jain,**  
Chief Financial Officer



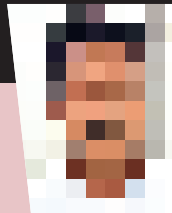
*There is always a friendly working and learning atmosphere here and an excellent understanding of the MD with the staff.*

**Ajit Singh,**  
Manager, Quality Control



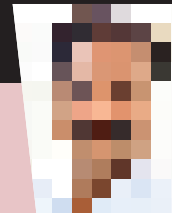
*The behaviour of the management with the employees is excellent and inspiring. We are considered partners instead of employees.*

**Arvind Sharma,**  
Manager, Rolling



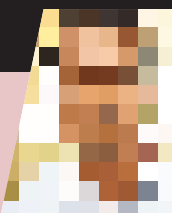
*The employees at PG foils are given full liberty. Their capabilities are trusted upon and they are readily heard.*

**Ashok Singh,**  
Manager, HR



*The facilities provided by the MD and owner here are marvelous. We get all the assistance and guidance from him.*

**HM Jain,**  
Manager, Finance



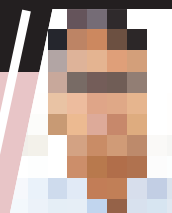
*Consciousness and desperation of MD for quality is tremendous. He is always open to suggestions and opinions.*

**Gautam Jain,**  
Manager,  
Import-Export



*An equal and unbiased importance is given to all the employees irrespective of their position. MD is a fatherly figure for all.*

**Bharat Singh,**  
Executive,  
Marketing



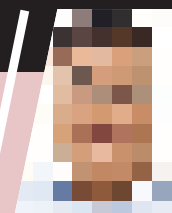
*The atmosphere here is so amicable that one cannot ever think of leaving the company. All needs are taken care of.*

**Roop Singh Charan,**  
Sales and Marketing



*It is the support of the MD to individual employees and culture of direct access to him by one and all and one has kept us intact as a family.*

**Ajay Mishra,**  
Purchase Officer



*Our company has a great reputation in the market. The MD is very caring and always encourages a discussion on issues.*

**Rajesh Singh,**  
Manager, Operations

**BOARD OF DIRECTORS**

Mr. Pankaj Raj Shah	Managing Director
Mr. Vimal Chand Dhadda	Independent Director
Mr. Sahil P Shah	Whole-time Director
Mrs. Sakshi Sahil Shah	Director
Mr. Narendrakumar Ambalal Porwal	Independent Director
Mr. Amit Aggarwal (w.e.f. 14th November, 2019)	Additional (Independent) Director
Mr. Udhan Kumar Chordia (till 25th October, 2019)	Independent Director
Mr. Arun Mohanlal Joshi (till 25th April, 2019)	Independent Director
Mr. Hemant Kumar Nema (till 26th April, 2019)	Independent Director

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Bhawana Songara (w.e.f. 13th August, 2019)

**STATUTORY AUDITORS**

M/s Sharma Ashok Kumar & Associates, Chartered Accountants, Pali

**SECRETARIAL AUDITORS**

M/s M Sancheti & Associates, Company Secretaries, Jaipur

**COST AUDITOR**

M/s Rajesh Goyal & Company, Cost Accountants, Jaipur

**BANKERS**

IDBI Bank Limited/ State Bank of India/ HDFC Bank Limited

**CIN**

L27203GJ1979PLC008050

**REGISTRAR & SHARE TRANSFER AGENT**

M/s. Big Share Services Pvt. Ltd, A-802 Samudra Complex, Near Classic Gold Hotel,  
Girish Cold Drink off C G Road, Ahmedabad - 380 009  
Tel.: 079-40024135 o Mobile: 09971542155  
Email: bssahd@bigshareonline.com

**REGISTERED OFFICE**

6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Gujarat)

**WORKS & HEAD OFFICE**

P.O.: -Pipalia Kalan, Dist.Pali, Rajasthan - 306 307  
Tel.: - 02937-287151-56 Fax:02937-287150 Mobile No.93516-00444  
e-mail:- pgfoils@pgfoils.in, pgfoils.investor@gmail.com

**SALES OFFICES**

MUMBAI	: 80, Neelam Building, 1st Floor, E Road, Marine Drive, Mumbai - 400 002 Tel.: -022-32428026, 32188889, 22813448 Fax:- 022-22813502 Mobile: 09702031458, e-mail :- mumbaisales@pgfoils.in
CHENNAI	: 22/1, "Kamala" Pycroft Garden Road, Nungambakkam , Chennai - 600 034 Mobile:- 093830-25913, e-mail :- pgf_chennai@pgfoils.in
AHMEDABAD	: 6, Neptune Tower, Ashram Road, Ahmedabad - 380 009 Tel.: - 079-26587606, 26584187, Fax:- 079-26584187 Mobile:- 093282-73642, e-mail :- pgf_ahm@pgfoils.in
DELHI	: 3058/3063, 1st Floor, D. B. Gupta Road, Pahar Ganj, Delhi-110 055 Tel.: - 011-23581034 Mobile:- 093501-72886, 093111-20685 e-mail :- gmvarma@pgfoils.in
BANGALORE	: No.43, 3rd Floor, Opposite Ganesh Temple, Near BRV Public School, 10th Main Road, Prashanthi Nagar, ISRO Layout, Bangalore - 560 078 Tele Fax:- 080-26664956, Mobile:- 093417-61014 e-mail :- pgf_blr@pgfoils.in
HYDERABAD	: House No.10-284/2,Vasanthapuri, Malkaj Giri, Hyderabad - 500 047 (A.P.) Tel.: - 040-23323576, 32577774 Mobile:- 099892-35735 e-mail :- pgflhyd@pgfoils.in
JAIPUR	: Mayur Apartment, Flat No. T-3&4, 40-41, Mahampura, Raj Bhawan Road, Civil Line, Jaipur Mobile No.9414405083
KOLKATA	: Kamalalaya Centre, 2ND Floor, Room No. 213, 156A, Lenin Sarani, Kolkata-700013, Mobile 93320-06400 e-mail :- sanjay@pgfoils.in



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that, the Forty-First Annual General Meeting ('AGM') of the Shareholders of **P G Foils Limited** ('the company') will be held on **Wednesday, 16th December, 2020 at 11:00 a.m.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the items of business mentioned below:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2020 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. PANKAJ P Shah (DIN: 00160558), who retires by rotation and being eligible, offers himself for reappointment:

### SPECIAL BUSINESS

3. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2021 and in this regard to consider and if thought fit, to pass the following resolution, which will be proposed as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of 25,000 /- per annum (Rupees Twenty Five Thousand only) plus taxes, as applicable and inclusive of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2021 to be paid to M/s Rajesh & Company, Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To approve the appointment of Mr. Amit Aggarwal (DIN: 08632934) who was appointed as an Independent Director on the Board of the Company, under Section 149, read with the Rules made thereunder and Schedule IV of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in that behalf, to consider and if thought fit to pass the following resolution, which will be proposed as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any modification or amendment thereof) for the time being in force, Mr. Amit Aggarwal (DIN: 08632934), being eligible and fulfilling the criteria of independence as provided in the Act and the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the term of 5 (five) consecutive years, on the Board of Company with effect from 14th November, 2019.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors  
For P G Foils Limited

Place : Pipalia Kalan,  
Date : 13th November, 2020

Bhawana Songara  
Company Secretary

### NOTES: GENERAL:

1. In view of the continuing restrictions on the movement of people at several places in the country, due to the outbreak of COVID-19, the Ministry of Corporate Affairs, Government of India ('MCA'), and the Securities and Exchange Board of India ('SEBI'), have allowed companies to conduct Annual General Meetings ('AGM') through video-conferencing ('VC') / other audio-visual means ('OAVM') during the calendar year 2020, without the physical presence of Members. This also addresses the health and safety of the Members.

This AGM is being convened in compliance with applicable provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder; provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'); the provisions of General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020; General Circular No.17/2020 dated 13th April, 2020 issued by the MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by SEBI, ('MCA and SEBI Circulars').

2. An Explanatory Statement pursuant to Section 102 of the Act, in respect of Item nos. 3 to 4 of the Notice set out above, is annexed hereto. The Board of Directors have considered and decided to include item nos. 3 to 4 as Special Business as they are unavoidable in nature. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, ('ICSI') in respect of Director seeking re-appointment at this AGM is annexed.
3. In accordance with the Secretarial Standard - 2 on General Meetings issued by the ICSI read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered office of the Company i.e. 6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Gujarat) which shall be the venue of the AGM. Since the AGM will be held through VC / OAVM.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In compliance with the provisions of Section 108 of the Act, read with the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Listing Regulations and MCA circulars, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in this Notice. The Company has appointed Central Depository Services (India) Limited ('CDSL') for facilitating voting through electronic means, as the authorized agency. The Members may cast their votes using an electronic voting system from a place other than the venue of the AGM ('remote e-voting'). The instructions for e-voting are enclosed with this Notice.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance slip are not annexed to this Notice.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Members through electronic mode during the AGM.  
The aforesaid documents along with documents referred to in the Notice will also be available electronically for inspection by the Members, without payment of any fees, from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, 16th December, 2020. Members seeking inspection of the aforementioned documents can send an email to [pgfoils@pgfoils.in](mailto:pgfoils@pgfoils.in)
8. The Members can join the AGM in the VC / OAVM mode 15 minutes

before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for minimum **1,000** members on 'first come first serve' basis. This will not include large Shareholders (Shareholders holding 2% or more equity shares), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.

9. Institutional / Corporate Shareholders intending to authorize their representatives to attend the meeting pursuant to Section 113 of the Act, are requested to email certified copy of the Board / governing body resolution / authorization etc. authorizing their representatives to attend and vote on their behalf at email IDs **pgfoils@pgfoils.in** with a copy marked to **evoting@cdslindia.com**.
10. The Company has listed its shares at:
  - a) BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

The listing fees of these Exchanges have been paid in time.

#### DISPATCH OF ANNUAL REPORT:

11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website **www.pgfoils.in**, websites of the Stock Exchanges i.e. BSE Limited at **www.bseindia.com**, and AGM notice is also available on **CDSL website i.e. www.evotingindia.com**.

#### DECLARATION OF RESULT:

12. The Board of Directors has appointed Mr. Manish Sancheti, Proprietor, M Sancheti & Associates, Company Secretaries as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
14. The result declared along with the Scrutinizer's Report shall be placed on the Company's website **www.pgfoils.in** and on the website of CDSL **www.evotingindia.com** immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

#### BOOK CLOSURE:

15. The Register of Members and Transfer Books in respect of Equity Shares of the Company will remain closed from **Thursday, 10th December, 2020 To Wednesday, 16th December, 2020** (both days inclusive) for the purpose of payment of dividend.

#### UNPAID DIVIDEND & TRANSFER TO IEPF ACCOUNT:

16. Pursuant to the provisions of Section 124 of the Act, unpaid/unclaimed dividend for the financial year 2010-2011 has been transferred by the company to the Investor Education Protection Fund ("IEPF") established by the Central Government.

In terms of the provisions of Section 125(5) of the Act, dividend which remains unpaid/ unclaimed for a period of seven years from the date of declaration will be transferred to the IEPF.

Further, in terms of the provisions of the Invest or Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), equity shares in respect of which dividend has not been paid or claimed for seven consecutive years of more from the date of declaration will also be transferred to an account viz. "Investor Education and Protection Fund Authority Ministry of Corporate Affairs", which is operated by the IEPF Authority pursuant to the IEPF Rules.

In compliance with the aforesaid Rules, the Company has already transferred equity shares for which dividend remained unpaid/unclaimed for a period of seven years from the date of declaration to the Investor Education and Protection Fund Authority Ministry of Corporate Affairs, after providing necessary intimations to the relevant shareholders. Details of unpaid/unclaimed dividend and such equity shares are uploaded on the website of the Company as well as that of the MCA. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the Investor Education and Protection Fund Authority Ministry of Corporate Affairs, respectively, pursuant to the IEPF Rules. Members can however claim both the unclaimed dividend amount and equity shares from the IEPF Authority by making applications in the manner provided in the IEPF Rules.

#### DEPOSITORY SYSTEM:

17. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 01st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company in case of any queries by sending email to **pgfoils@pgfoils.in**.

In terms of the Listing Regulations, it is mandatory to furnish a copy of PAN card to the Company in the following cases viz. deletion of name, transmission of shares and transposition of shares.

18. As per the provisions of Section 72 of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company at its registered office or can download the form from Company's website i.e. **www.pgfoils.in**. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
19. Members are requested to make all correspondence in connection with the shares held by them by addressing letters directly to the Company quoting their Folio number or their Client ID number with DP ID number, as the case may be.
20. Shareholders are requested to read the "Shareholders' Information" Section of the Annual Report for useful information.

#### PROCEDURE FOR JOINING AGM THROUGH VC / OAVM:

21. Member will be provided with a facility to attend the AGM through VC / OAVM through the CDSL e-voting system. Members may access the same at **https://www.evotingindiacom** under **shareholders/members** login by using the remote e-voting credentials. The link for VC / OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-voting system of CDSL.
22. Members are encouraged to join the Meeting through Laptops for better experience.
23. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
24. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
25. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at **pgfoils@pgfoils.in** during the period **Saturday, 12th December, 2020 at 09:00 A.M. to Tuesday, 15th December, 2020 at 05:00 P.M.**

The same will be replied by the company suitably.

26. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**VOTING THROUGH ELECTRONIC MEANS:**

**General Instructions**

1. Pursuant to Section 108 of the Act, read with the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, as amended from time to time, the Company is pleased to provide its Members the facility of remote e-voting to exercise their right to vote at the 41st AGM. CDSL will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.
2. The cut-off date for the purpose of determining the Members eligible for participation in remote e-voting (e-voting from a place other than venue of the AGM) and voting at the AGM through e-voting system is **5th December 2020** ('Cut-off Date').
3. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice, holds shares as on Cut-off Date, may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) with a copy marked to the Company on [pgfoils@pgfoils.in](http://pgfoils@pgfoils.in). However, if the Member is already registered with NSDL for remote e-voting, then he/she/it can use his/her/its existing User ID and password for casting the vote. Only a Member who is entitled to vote shall exercise his/her/its vote through e-voting and any recipient of this Notice who has no voting rights as on Cut-off Date should treat the same as intimation only.
4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **5th December, 2020 (Saturday)** only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
5. The Board has appointed CS Manish Sancheti, Practicing Company Secretary (M. No. FCS 7972 & C.P.No. 8997) and Proprietor of M/s. M Sancheti & Associates, Company Secretaries, Jaipur has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
6. The results once declared along with the Scrutinizer's Report shall be placed on the Company's website [www.pgfoils.in](http://www.pgfoils.in) and on website of CDSL [www.evotingindia.com](http://www.evotingindia.com) within forty-eight hours of conclusion of the AGM and will also be communicated to The BSE Limited, where the shares of the Company are listed.

Members are requested to carefully read the below mentioned instructions for remote e-voting before casting their vote.

- i. The voting period begins on **<Date and Time>** and ends on **<Date and Time>**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (**record date**) of **<Record Date>** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" module.
- v. Now enter your User ID
  - (i) For CDSL: 16 digits beneficiary ID,
  - (ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (iii) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to

[www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

- viii. If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant 'PG Foils Limited' on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on 'Forgot Password' & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned

## NOTICE OF ANNUAL GENERAL MEETING

copy of Aadhar Card) to **Company/RTA email id.**

### INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at their e-mail address viz. [man.sancheti@gmail.com](mailto:man.sancheti@gmail.com) and to the Company at the email address viz: [pgfoils@pgfoils.in](mailto:pgfoils@pgfoils.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

By Order of the Board of Directors  
For PG Foils Limited

Place : Pipalia Kalan  
Date : 13th November, 2020

Bhawana Songara  
Company Secretary  
Membership No.: A54416

### ANNEXURE - I

### DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE 41st ANNUAL GENERAL MEETING

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

#### ITEM NO. 2

<b>NAME OF DIRECTOR</b>	PANKAJ P SHAH DIN: 00160558
<b>Date of Birth</b>	15.07.1956
<b>Age</b>	64 Years
<b>Nationality</b>	Indian
<b>Qualification</b>	Bachelor Degree in Account
<b>Experience</b>	He has worked for 40 years in field foils and other aluminum related products.
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As per the Nomination, Remuneration Policy of the Company as displayed on the Company's website i.e. <a href="http://www.pgfoils.in">www.pgfoils.in</a>
<b>Last Remuneration Drawn</b>	12,60,000/-
<b>Date of first appointment on the Board</b>	12.07.1979
<b>No. of shares held in the Company</b>	225053
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Father in Law of Smt. Sakshi S Shah(Director) Father of Mr. Sahil P Shah(Whole Time Director)
<b>No. of Board Meetings attended/ held during Financial Year (2019-20)</b>	5 out of 5
<b>Directorships held in other companies</b>	6
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Share Holder Grievance Committee - Member Corporate Social Responsibility Committee - Member
<b>Committee position held in other listed companies</b>	NIL

#### ITEM NO. 4

<b>NAME OF DIRECTOR</b>	AMIT AGGARWAL DIN: 08632934
<b>Date of Birth</b>	01.03.1973
<b>Age</b>	47
<b>Nationality</b>	Indian
<b>Qualification</b>	Graduate in Accounts
<b>Experience</b>	He has worked for 10 years in field foils and other aluminum related products.
<b>Terms &amp; Conditions for Appointment/reappointment</b>	As per the Nomination, Remuneration Policy of the Company as displayed on the Company's website i.e. <a href="http://www.pgfoils.in">www.pgfoils.in</a>
<b>Last Remuneration Drawn</b>	
<b>Date of first appointment on the Board</b>	14.11.2019
<b>No. of shares held in the Company</b>	
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	
<b>No. of Board Meetings attended/ held during Financial Year (2019-20)</b>	2 out of 5
<b>Directorships held in other companies</b>	
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Audit Committee - Member Remuneration Committee - Member Share Holder Grievance Committee - Member
<b>Committee position held in other listed companies</b>	NIL



**Item No. 3**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021 at the remuneration of Rs. 25,000/- per annum plus out of pocket expenses, if any, incurred during the course of audit.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

**Item No. 4**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on Thursday, 14th November, 2019, have appointed Mr. Amit Aggarwal (DIN: 08632934), as an Independent Director of the Company not liable to retire by rotation, to hold office for a period of five consecutive years subject to consent by the Shareholders of the Company at the ensuing AGM.

The Company has received a declaration from Mr. Amit Aggarwal (DIN: 08632934) confirming that he meets the criteria of Independence as prescribed under the Act and Listing Regulations. Mr. Amit Aggarwal (DIN: 08632934) is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for the appointment of Independent Directors is available for inspection by the Members on the website of the Company www.pgfoils.in. Considering the current situation, the Company is not able to provide physical inspection of documents at its registered office upto the date of AGM.

The brief resume in relation to the experience, functional expertise, members on other Companies' Boards and Committees in respect of the appointment of Mr. Amit Aggarwal (DIN: 08632934) as an Independent Director, as required under the Listing Regulations as set out in this Notice.

Mr. Amit Aggarwal (DIN: 08632934) is not related to any other Director and Key Managerial Personnel of the Company.

The Board is of the opinion that it will be beneficial to the Company to avail his services as an Independent Director of the Company and recommends the Ordinary Resolution as set out in Item No. 4 of the Notice for approval of the Shareholders.

In the opinion of the Board, the Independent Director proposed to be appointed fulfills the conditions specified in the Act and the rules made thereunder and that the proposed director is independent of the management.

Save and except Mr. Amit Aggarwal (DIN: 08632934) and his relatives, to the extent of his shareholding interests, if any, in the Company, none of the other Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested in the said resolution.

This Explanatory Statement may also be regarded as a disclosure under the Listing Regulations.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The management of PG Foils Limited presents the analysis of performance of the company for the year 2019-2020 and its outlook for the future. The outlook is based on assessment of the current business environment. It may vary due to future economic and other developments.

**Industry Scenario**

Aluminium Foil, Food Packaging Foil Manufacturing Plant, Detailed Project Report, Profile, Business Plan, Industry Trends, Market Research, Survey, Manufacturing Process, Machinery, Raw Materials, Feasibility Study,

Investment Opportunities, Cost and Revenue, Plant Economics, Production Schedule, Working Capital Requirement, Plant Layout, Process Flow Sheet, Cost of Project, Projected Balance Sheets, Profitability Ratios, Break Even Analysis.

Aluminium plays a major role in the modern world through its innumerable forms of applications- from kitchen ware to electric conductors and from railway wagon to Apollo spacecraft. Because of its intrinsic and versatile properties of lightness, strength to weight ratio, corrosion resistance, electrical and thermal conductivity, non toxicity etc., a wide range of uses has opened up for this metal. Aluminium as a packaging material is unmatched owing to its light weight, hygienic and non-contamination which eventually results in longer shelf-life of end products.

Aluminium foil is a thin sheet of metal. As such it can be an absolute barrier to moisture, gases, odors, bacteria and moulds. The high reflectivity of aluminium ensures good protection against radiant heat, whilst its opacity is important in preventing deterioration of a very large range of foods and drinks which are affected by light. It is used for packaging and non packaging uses. The growth of this industry has been in the recent past, owing to the growing application of foil in a variety of products.

India is one of the key producers of aluminium foil in the region. Over 70% of aluminium foil used in India is for packaging applications. Pharmaceuticals followed by beverages, personal care and a wide range of food and non-food products, semi rigid containers and house foil are the principal applications of aluminium foil in India in the packaging sector. Indai is the biggest aluminium foil manufacturer in the country. Other major manufacturers include India Foils, Emco, PG Foils and Flex Art. Holding on to the emerging indicators and the future prospects, Hindalco has plans to increase its aluminum smelting capacity three-fold to 1.8 mntonne and alumina refining capacity four-fold to 6 mntonne annually. As a whole it is a good project for new entrepreneurs to invest.

**Future outlook**

Supply of Aluminium is in excess and any deficit can be imported at low rates of duty. Currently, the demand is stable while supply is in excess. Demand for aluminum is estimated to grow 6% - 8% per annum in view of the low per capita consumption in India.

Competition is primarily on quality and price, as being a commodity, differentiation is difficult. However, the recent spate of consolidation has reduced the competitive pressure in the industry. Further increasing value addition to aluminum products has helped some companies protect themselves from high volatilities witnessed in this industry.

**Operational performance**

Company achieved a Gross turnover excluding trading turnover of Rs. 210.98 Crores as against Rs. 231.76 Crores in the previous year and production for the year 6834.53 MT as against last year 7395.14 MT.

**Financial Performance**

Profit before tax for the year is Rs. 15.63 Crores compared to profit of Rs. 21.06 Crores in last year, lower, mainly due to loss of Rs. 3.28 Crores due to less claim allowed by insurance company towards fire in factory premises during F.Y. 2018-19 and loss of Rs. 5.23 Crores due to foreign currency fluctuation difference.

**Resources & Liquidity**

Company continues to maintain its conservative financial profile. Company Banked with IDBI Bank Limited for their working capital needs. Company has sufficient working capital limits of Rs. 115 Crores from IDBI Bank Ltd at concessional and extremely competitive interest rate. Presently Company is not availing any cash credit facility due to ample liquidity. Cash Flow for less than 2 years is adequate to extinguish its entire debts timely. Company made most of local purchases on cash basis at discounted rates but overseas purchases are on credit basis on cheaper interest rates under buyer's credit facility.

**Opportunities and outlook**

Company has opportunity to increase production and sales turnover due to acceptance of product by most of the major Pharma Companies in India & Bangladesh and close of few foil manufacturers in country. Company also sees opportunity in improvement in margin due to possibility of imposition of Anti-Dumping Duty.

**Threats**

Due to downfall in metal and grannual rates customers may ask for rate reduction and more import activities from China and other countries at

### Risks and Concerns

The Risk Management framework of your Company ensures regular review by management to proactively identify the emerging risks, to do risk evaluation and risk prioritization along with development of risk mitigation plans and action taken to minimize the impact of the risk. The framework requires that the Risk Management Committee be periodically informed about risk minimization procedures adopted by your Company. These processes are also periodically reviewed by management. The various risks, including the risks related to the economy, regulation, competition, technology etc., are documented, monitored and managed efficiently.

Your company faces risk with similar to those faced by companies operating in the non ferrous metal sector. The volatility of the primary metal LME linked price on account of fluctuation in \$ and LME continues to be a key issue and success or failure is linked on how effectively companies are able to manage their purchase to tide over these critical periods. The company is exposing to risk from fluctuations in foreign exchange as nearly 95% of foil stock purchase is linked with dollar rate. Profitability may also be affected on account of competition from existing and prospective manufactures of the same products and cheap import from China.

### Export

The company's contribution to foreign exchange earnings amounted to Rs. 2625.18 Lacs during the year under review and the total foreign exchange utilized by the company amounted to Rs. 3524.58 Lacs the details of which are provided in annexure to the director's report. Company is presently exporting to various countries and further trying to increase export to developed countries. Company already appointed a very senior professional for development of export market. Company is concentrating on Bangladesh foil market and expects to achieve almost 2/3rd foil market shares in years to come.

### Human Resources

The Human Resource philosophy and strategy of your Company is to attract and retain the best talent, be an employer of choice and create a holistic workplace environment, where employees get opportunities to realize their potential. Companies are judged on career growth prospects, rewards, work life balance, Performance evaluation and stability. Our standing here is a reflection of not just our employee's view but also of the larger Indian workforce which responded. Considering the long term business goals, your Company has ensured that the Human Resources strategy is in line with and complementary to the business strategy.

It is your company's belief that people are at the heart of corporate & constitute the primary source of sustainable competitive advantage. The trust of your company's human resource development efforts therefore is to create a responsive and market driven organization. Your company continues its focus on strengthening competitiveness in all its business. Your directors look forward to the future with confidence.

The company has followed a conscious policy of providing training to Management Staff through in-house and external programme, for upgrading personal and technical skills in relevant areas of functional disciplines.

### Internal Control System

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The internal controls cover operations, financial reporting, compliance with applicable laws and regulations, safeguarding assets from unauthorized use and ensure compliance Of corporate policies.

The Audit Committee of the Board of Directors also periodically reviews audit plans, external auditor observations and recommendations, significant risk area assessments and adequacy of internal controls.

### Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may constitute a "forward-looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic markets in which the Company operates, changes in the Government Regulations, tax laws and other statutes and other incidental factors.

## DIRECTOR'S REPORT

Dear Shareholders,

We have pleasure in presenting the 41st Annual Report, together with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020.

### FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	2019-20	2018-19
Total Revenue	23590.42	28580.02
Total Expenses	21233.54	26059.61
Profit/(Loss) before Depreciation, Tax and Extraordinary Items	2356.88	2520.41
Less: Depreciation	(464.99)	(414.58)
Profit/(Loss) before Taxation and Extraordinary Items	1891.89	2105.83
Add: Exceptional Items	(328.45)	0
Profit before Tax	1563.44	2105.83
Less: Current Tax	36.74	569.43
Less/(Add): Deferred Tax	29.74	(81.41)
Profit for the year	1496.96	617.81

### DIVIDEND AND TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve during the year. During the year Board of Directors did not declare any dividend and No final dividend was recommended by the Board.

### OPERATIONS (GENERAL REVIEW)

During the year your company achieved a Gross turnover excluding trading turnover of Rs. 210.98 Crores as against Rs. 231.76 Crores in the previous year.

Profit before tax for the year is Rs. 15.63 Crores compared to profit of Rs. 21.06 Crores in last year, lower, mainly due to loss of Rs. 3.28 Crores due to less claim allowed by insurance company towards fire in factory premises during F.Y. 2018-19 and loss of Rs. 5.23 Crores due to foreign currency fluctuation difference.

Exports have decreased to Rs. 2625.18 Lacs from Rs. 2856.34 Lacs in last year.

### ISO 9001-2008 CERTIFICATION

The company has been awarded below mentioned certificates:

- ISO 9001:2015 certificate on 22nd May, 2018 by BVQI.
- DMF Type III certificate on 28th October, 2011
- ISO - 15378 : 2017 (GMP) certificate on 29th April, 2019
- BIS certificate on 09th August, 2018
- IVM, Germany on 24th June, 2018

### Covid-19 impact

In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on March 22, 2020, which has impacted normal business operations of the Company. The health of the employees and workers became a priority; stoppage of operations for an uncertain period resulted in a large financial burden on the one hand and workforce idling on the other. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial results.

The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from that considered as at the date of approval of the financials results. The Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

### DIRECTORS

- Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company, Shri Pankaj P Shah is liable to retire by rotation at the forth coming Annual General Meeting and being eligible, offers himself for re-appointment.
- Further the Board of Directors appointed Shri Amit Aggarwal as an Additional Director in Board Meeting held on Thursday 14.11.2019

with subject to the approval of the members in the forthcoming annual general meeting.

- Further the Board of Directors approved resignation of Shri Udhan Kumar Chordia, Director (DIN 03334633) from the post of Director of the company w.e.f. 25.10.2019
- Further the Board of Directors approved resignation of Shri Arun Mohan Lal Joshi, Director (DIN 01148924) from the post of Directors of the company w.e.f. 25.04.2019 and of Shri Hemant Nema, Director (DIN 01750160) w.e.f. 26.04.2019

#### KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company:

SL. NO.	NAME OF PERSON	DESIGNATION
1.	PANKAJ P SHAH	MANAGING DIRECTOR
2.	SAHIL P SHAH	WHOLE TIME DIRECTOR
3.	NAVEEN KUMAR JAIN	CHIEF ACCOUNTS OFFICER
4.	BHAWANA SONGARA	COMPANY SECRETARY*

- Miss. Bhawana Songara appointed as Company Secretary w.e.f. 13.08.2019

#### FINANCE & ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2020. The noted to the Financial Statements adequately cover the standalone and consolidated Audited Statements and form an integral part of this report.

#### REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

#### RISK MANAGEMENT

Company follows a well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

#### AWARD & RECOGNITION

Our Beloved Shri Pankaj P Shah, Managing Director has been honored and awarded "Indian Leadership Award for Industrial Development" by All India Achievers Foundation, New Delhi & Manufacturer of the Year in Foil Industry of India by Times of India Group, Jaipur.

#### MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to SEBI (LODR) Regulations, 2015 Report on Management Discussion and Analysis is annexed separately.

#### INDUSTRIAL RELATIONS

The company continues to maintain cordial relation with its Workers, Supervisors & Officers in all divisions to enable it to achieve better performance.

#### DEMAT TRADING

As per the directives of The Securities and Exchange Board of India (SEBI), the Company's shares are being compulsorily traded in the dematerialization mode with effect from 2nd of April, 2001. Necessary agreements have been entered by the Company with NSDL, CDSL and with M/s BigShare Services Private Limited, who is registrar for transfer of shares (Demat and physical) of the company.

#### DIRECTORS RESPONSIBILITY STATEMENT

According to provision of Clause (c) sub-section (3) of section 134 of company act 2013 of your Directors would like to inform the members that the audited accounts for the financial year 31st March 2020 are in full conformity with the requirements of the Companies Act, 2013. The financial results are audited by the statutory auditors M/S Sharma Ashok Kumar & Associates, Chartered Accountants, Pali. . The Directors further confirm that:-

- The applicable accounting standards have been followed in the preparation of the Annual Accounts and proper explanations have been furnished, relating to material departures, if any;
- Accounting Policies have been selected and applied consistently

and reasonably, and prudent judgments have been made so as to give a true and fair view of the state of affairs of the Company as at 31st March 2020 and of the profit of the Company for the year ended on that date;

- Proper and sufficient care has been taken 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 detecting fraud and other irregularities.
- The annual account has been prepared on a going concern basis.

#### CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the requirement of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee was constituted. Details of CSR activities as required under Section 135 of the Companies Act, 2013 are given in Annexure 'B'

#### CORPORATE GOVERNANCE

It has been the Endeavour of your Company to follow and implement best practices in corporate governance, in letter and spirit. The following forms part of this Annual Report:

- Declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel;
- Management Discussion and Analysis Report;
- Report on Corporate Governance;
- Auditor's Certificate regarding compliance of conditions of corporate governance.

#### PARTICULARS OF LOAN, INVESTMENT & GUARANTEE

The company has complied with all the provisions of section 186 of companies' act 2013 in relation to Loan, Investment & Guarantee given by the company during the financial year ended 31st March 2020.

#### WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/Whistle Blower Policy. The policy provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

#### BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Compensation and Shareholder's/ Investor's Grievance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 & as per Regulation 22 SEBI (LODR) Regulations, 2015 Company have made a formal Vigil Mechanism Policy which provides detailed procedure to protect the interest of employees of the Company. Your Company has in place a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimization to those who avail of the mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism is available on your Company's [website www.pgfoils.in](http://www.pgfoils.in).

#### RELATED PARTY TRANSACTION

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 of companies act 2013 is furnished in Note no. 41 and is attached to this report.

#### INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has identified and documented all key internal financial controls, which impact the financial statements, as part of its Standard Operating Procedures (SOP). The SOPs are designed for all critical processes across all its plants and offices wherein financial transactions are undertaken. The financial controls are tested for operating effectiveness through ongoing monitoring and review process of the management and independently by the internal

auditors. In our view the internal financial controls, affecting the financial statements are adequate and are operating effectively.

#### DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill the entire requirement as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies act, 2013 and the relevant rules.

#### AUDITORS

M/s Sharma Ashok Kumar & Associates, Chartered Accountants, Pali the Auditors of the Company, to audit the accounts of the company for the Financial Year 2020-2021. As required under the provisions of the Section 139 of the companies' act 2013, the Company has obtained written confirmation from M/s Sharma Ashok Kumar & Associates, Chartered Accountants, Pali aware that their appointment if made would be in conformity with the limits specified in the Section.

#### AUDITOR'S REPORT

Observations in the Auditor's Report read with relevant notes forming part of the accounts are self-explanatory and give the required information.

#### COST AUDIT

M/s. Rajesh & Company, Cost Accountants, Jaipur have been appointed for auditing cost accounting records of the Company for the year ending 31st March, 2020. Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made there under, Members are requested to consider the ratification of the remuneration payable to M/s. Rajesh & Company, Cost Accountants, Jaipur.

The due date for filing of the Cost Audit Reports for the financial year 2019-20 was 30th September, 2020. The Company has filed the Reports with the Ministry of Corporate Affairs within due date.

The Company has received letter from Cost Auditor to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

#### SECRETARIAL AUDIT

During the year under review, M/S M Sancheti & Associates, Practicing Company Secretary who was appointed as the Secretarial Auditor of the Company has issued the audit report in respect of the secretarial audit of the Company for the financial year ended . The Secretarial Audit Report which forms a part of the Annual Report is self explanatory and requires no comments.

#### EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 as a part of this Annual Report as ANNEXURE 'C' and is also available on the Company' s website viz.

[www.pgfoils.in](http://www.pgfoils.in)

**Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

The Management does not perceive any material changes occurred subsequent to the close of the financial year as on March 31, 2020 before the date of report **Dated 11th November, 2020** affecting financial position of the Company in any substantial manner.

**Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are no significant and material orders passed by the Regulators/courts that would impact the going concern status of the Company and its future operations.

#### ACCEPTANCE OF DEPOSITS

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

#### PREVENTION OF SEXUAL HARASSMENT POLICY

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

During the year **2019-2020**, no complaints were received by the Company related to sexual harassment

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Information in accordance with the provision of the Clause (m) of sub-section (3) of section 134, read with Companies Disclosure of particulars in the report of Board of Directors Rules 2014, regarding conservation of Energy, Technology absorption & Foreign Exchange earnings and outgo is given in the Annexure "A" forming part of this report.

#### ACKNOWLEDGEMENTS

The Board gratefully acknowledges the understanding and support received by the Company from its employees. It also places on record its deep gratitude for the unstinted support the Company has received from the Banks, Institutions, the Central Government, the various State Governments and the local authorities during the year. Specific acknowledgement is also made for the confidence and understanding shown by the Members in the Company.

#### Registered Office:

6, Neptune Tower,  
Ashram Road,  
Ahmedabad - 380 009  
Place: Pipalia Kalan  
Date: November 11, 2020

Pankaj Raj Shah  
Managing Director  
DIN 00160558

By Order of the Board  
**For P G Foils Limited**

Sahil P Shah  
Director  
DIN 01603118

## ANNEXURE "A" TO DIRECTOR'S REPORT

STATEMENT OF PARTICULARS UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

### (A) CONSERVATION OF ENERGY

#### (1) POWER & FUEL CONSUMPTION

(a) ELECTRICITY	CURRENT YEAR	PREVIOUS YEAR
(a) Purchased ( Unit KWH)	7235663	8862018
Total Amount (Rs.)	62508448	73294539
Rate per unit (Rs.)	8.64	8.27
(b) Own generation		
(i) Through Diesel/ LDO Generator (Units)	N.A.	N.A.
Unit per liter of Diesel/LDO	N.A.	N.A.
Diesel/LDO Cost per liter	N.A.	N.A.
(ii) Through steam Turbine		
Generator Unit/Solar	2856320	2045166
(b) COAL	N.A.	N.A.
(c) FURNACE OIL		
Quantity(Liters)	N.A.	N.A.
Total amount ( ` In lacs)	N.A.	N.A.
Average rate (per liter)	N.A.	N.A.

### (d) OTHER/INTERNAL GENERATION

#### (2) CONSUMPTION PER UNIT OF PRODUCTION

Aluminum Foil including Poly coated		
Cable wrap & laminated flexible packaging		
Electricity	1059 Kwh Per MT	1219 Kwh Per MT
Furnace Oil	N.A.	N.A.

### (B) TECHNOLOGY ABSORPTION

Efforts made in technology absorption are mentioned in form "B"

### (C) FOREIGN EXCHANGE EARNING AND OUTGO

The company has made Export worth Rs 2625.18 Lacs during the year. Total foreign exchange utilized Rs. 3524.58 Lacs.

#### FORM "B"

#### FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION RESEARCH & DEVELOPMENT

Research and Development (R&D) and benefits derived thereon:

(1) Specific areas in which R&D carried out by the company :-

- Development of foil suitable for export mainly for Bangladesh.
- Manufacturing of thin & ultra thin gauge (light gauge) aluminum foil of finer thickness from 6 micron to 200 micron and in widths from 10mm to 1000 mm.
- Better control in process for improving quality of output
- Power audit for saving energy and cost.
- Development of imported foil substitute at new plant.
- Establishment of ultra modern quality control equipments.



- 2) Benefits derived as result of the above R&D:-
- Increase in export orders of Bangladesh & other countries
  - Maintaining competitive position in domestic market saving in power cost
  - Cost reduction in various consumables
  - Reduction in scrap percentage.
  - High Product Quality, one of the best in country.
  - Decrease in power consumption by 13.12%
- 3) Future plan of Action:-
- To achieve zero defect quality.
  - Development of ultra light gauge and other foils as substitute of cheaper imported foil.
  - To create unique product range using different specifications.

- 4) Expenditure on R & D:-  
Capital Expenditure as well as recurring expenditure incurred from time to time during the year on laboratory equipments, tools, spares, handling equipments and salaries of research personnel remain merged with various heads as per established accounting policy and expenditures incurred during the year under review on Research & Development are as follows :
- Capital Expenditure : NIL
  - Recurring expenditure : NIL
  - Total research & Development expenditure : NIL
  - Total R&D Expenditure as a percentage of total turnover : NIL

**Registered Office:**

Board  
6, Neptune Tower,  
Ashram Road,  
Ahmedabad - 380 009  
Place: Pipalia Kalan  
Date: November 13, 2020

By Order of the

**For P G Foils Limited**

Pankaj Raj Shah  
Managing Director  
DIN 00160558

## ANNEXURE "B"

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### 1. A brief outline of the Company's CSR Policy

PG Foils Ltd. (hereafter referred to as "the Company") is committed to fulfilling its responsibilities to society in a qualitative manner beyond statutory obligations in line with the time-honored record of ethics and responsibility of the PG Group which it belongs to. The Company views compliance as the bare minimum in terms of its Endeavour to be a good citizen in all three aspects of corporate life - environmental, social and economic.

The CSR vision of the Company is to become the most admired company of the region by doing business the ethical way and embed the ethos of a socially and environmentally responsible corporate citizen in its strategy and activities. Coupling its regular business with innovative and creative choices in CSR, the Company Endeavors to contribute meaningfully to nation building.

#### 2. CSR Committee

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR Committee comprises of One Independent Director, WTD and MD. The members of the CSR Committee are:

- Pankaj P Shah, Chairman
- Vimal Chand Dhadda
- Sahil P Shah

#### 3. Our Objectives

Our broad objectives, as stated in our CSR Policy, include:

- Making a positive impact on society through economic development and reduction of our resource footprint.
- Taking responsibility for the actions of the Company while also encouraging a positive impact through supporting causes concerning the environmental, communities and our stakeholders.

#### 4. Focus Area

Health Care Activity in Local Area

**The Financial Details as sought by the Companies Act, 2013 for FY.2020 are as follows:**

#### 5. Average net profit of the Company for last three financial years

Average Net Profit - **Rs 206097035.00**

#### 6. Prescribed CSR Expenditure (2% of the amount as in item 2 above)

The Company was required to spent - **Rs 4121941.00**

#### 7. Details of CSR Spend during the Financial Year

a. Total amount spent during the Financial Year - **Rs 4122000.00**

b. Amount unspent, if any - Not Applicable

c. Manner in which the amount is spent during the Financial Year **2019- 2020** is detailed below

S.No.	CSR Project / Activity	Sector (Schedule VII)	Projects or Programs (1) Local Area (2)State & District	Amount outlay (Budget) project or program wise	Amount spent (1) Direct expenditure	Cumulative expenditure upto the reporting period	Direct or through implementing agency
1	Health Care Activity	Health Care	Local Area	4122000.00	4122000.00	4122000.00	Agency

#### 8. Reasons for falling short of the required spend

Not Applicable

#### 9. Responsibility Statement of the CSR Committee

Through this Report, the Company seeks to communicate its commitment towards CSR to the Ministry of Corporate Affairs. The implementation of our CSR Policy is in compliance with the CSR objectives and policies as laid down in this report. The Board of the Company and the CSR Committee is responsible for the integrity and the objective of all the information provided in the disclosure above. All the projects reported have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. We have undertaken and implemented these projects with careful consideration and these projects are aligned with our vision as provided in our CSR Policy. In line with the requirements of the Companies Act, 2013, we have also constituted monitoring mechanisms to ensure the projects go on smoothly as planned.

**For P G Foils Limited**  
**(Pankaj P Shah)**  
**Chairman, CSR Committee**

**EXTRACT OF ANNUAL RETURN**

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

i	CIN	L27203GJ1979PLC008050
ii	Registration Date	07-11-1979
iii	Name of the Company	PG FOILS LIMITED
iv	Category/Sub-category of the Company	Company Having Share Capital
v	"Address of the Registered office & contact details"	6, Neptune Tower, Ashram Road, Ahmedabad, 380009 (Gujarat) Tel. No. 079 - 26587606
vi	Whether listed company	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	"M/S Bigshares Services Pvt. Ltd., A-802 Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink off C G Road, Ahmedabad – 380 009 Tel. :- 079-40024135 M.No. 09971542155"

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Aluminium Foils	C7	100%

**III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

The Company has no holding, subsidiary and associate company

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	327058	30400	357458	4.41	327058	29000	356058	4.39	-0.02
"b) Central Govt. or State Govt."	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	4081166	0	4081166	50.32	4329972	0	4329972	53.39	3.07
d) Bank/Fl - -	-	-	-	-	-	-	-	-	-
e) Any other - -	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL: (A) (1)</b>	<b>4408224</b>	<b>30400</b>	<b>4438624</b>	<b>54.73</b>	<b>4657030</b>	<b>29000</b>	<b>4686030</b>	<b>57.78</b>	<b>3.05</b>
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>"Total Shareholding of Promoter</b>									
<b>(A) = (A)(1) + (A)(2)</b>	<b>4408224</b>	<b>30400</b>	<b>4438624</b>	<b>54.73</b>	<b>4657030</b>	<b>29000</b>	<b>4686030</b>	<b>57.78</b>	<b>3.05</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
C) Central govt	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>									
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	828661	191001	1019662	12.57	561962	182800	744762	9.18	-3.39
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakhs	1069646	350710	1420356	17.51	1062043	205757	1267800	15.63	-1.88
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	612054	375000	987054	12.17	639450	375000	1014450	12.51	0.34
c) Others (specify)									
CLEARING MEMBER	9148	0	9148	0.11	11270	0	11270	0.14	0.03
Non Resident Indians (NRI)	2500	95900	98400	1.21	0	21400	21400	0.26	-0.95
NON RESIDENT INDIANS(REPAT)	61131	0	61131	0.75	3646	0	3646	0.04	-0.71
NON RESIDENT NON REPARIATES	4894	0	4894	0.06	0	0	0	0	0
HUF	70731	0	70731	0.87	74153	0	74153	0.91	0.04
MARKET MAKER	0	0	0	0	58062	0	58062	0.72	0.72
IEPF	0	0	0	0	228427	0	228427	2.82	2.82
<b>SUB TOTAL (B)(2):</b>	<b>2658765</b>	<b>1012611</b>	<b>3671376</b>	<b>45.27</b>	<b>2639013</b>	<b>784957</b>	<b>3423970</b>	<b>42.22</b>	<b>-3.05</b>
<b>"Total Public Shareholding(B) = (B)(1) + (B)(2)"</b>	<b>2658765</b>	<b>1012611</b>	<b>3671376</b>	<b>45.27</b>	<b>2639013</b>	<b>784957</b>	<b>3423970</b>	<b>42.22</b>	<b>-3.05</b>
<b>"C. Shares held by Custodian for GDRs &amp; ADRs"</b>									
<b>Grand Total (A + B + C)</b>	<b>7066989</b>	<b>1043011</b>	<b>8110000</b>	<b>100.00</b>	<b>7296043</b>	<b>813957</b>	<b>8110000</b>	<b>100.00</b>	<b>0</b>

<b>(ii) SHARE HOLDING OF PROMOTERS</b>								
S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares	
1	PREM FOILS LIMITED	353000	4.35	0	353000	4.35	0	0.00
2	FOILS INDIA LAMINATES (P) LTD	1151639	14.20	0	1401639	17.28	0	3.08
3	MADRAS ALUCON PRIVATE LTD	452687	5.59	0	452687	5.59	0	0.00
4	PIPALIA CABLES AND WIRES PVT LTD	1591999	19.63	0	1591999	19.63	0	0.00
5	PREM ALUCON PRIVATE LTD	419641	5.18	0	419647	5.18	0	0.00
6	PANKAJ P SHAH	225053	2.77	0	225053	2.77	0	0.00
7	MANJU PANKAJRAJ SHAH	101305	1.25	0	101305	1.25	0	0.00
8	JINENDRA COMMERCIAL COMPANY PRIVATE LTD.	111000	1.37	0	111000	1.37	0	0.00
9	NEETAL P SHAH	15000	0.18	0	15000	0.18	0	0.00
10	PALAK P SHAH	14000	0.17	0	14000	0.17	0	0.00
11	AYUSH A SHAH	1400	0.02	0	0	0.00	0	-0.02
12	PREM CABLES PRIVATE LIMITED	1200	0.01	0	0	0.00	0	-0.01
13	SAHIL P SHAH	700	0.01	0	700	0.01	0	0.00
	<b>Total</b>	<b>4438624</b>	<b>54.73</b>	<b>0</b>	<b>4686030</b>	<b>57.78</b>	<b>0</b>	<b>3.05</b>
<b>(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)</b>								
S. No.		Share holding at the beginning of the Year		Cumulative Share holding 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	4438624	54.73					
	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)	247406	3.05					
	At the end of the year	4686030	57.78					
<b>(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)</b>								
S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year				
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company			
1	MIRACLE FOILS PRIVATE LIMITED	733573	4.4214	733573	4.4214			
2	SANGEETHA S	27340	0.3400	425120	5.2400			
3	SHAREKHAN LTD	250133	3.0843	1534	0.0200			
4	SYNCHEM CHEMICALS INDIA PVT LTD	100000	1.2330	100000	1.2330			
5	PG WAREHOUSING COMPANY PRIVATE LIMITED	93909	1.1579	93908	1.1579			
6	JINENDRA COMMERCIAL COMPANY PVRIVATE LIMITED	77300	0.9531	77300	0.9531			
7	RIDDHI SIDDHI GLUCO BIOLS LIMITED	65753	0.8108	65753	0.8108			
8	BHAVESH SHAH	45502	0.5611	45502	0.5611			
9	KANCHAN SUNIL SINGHANIA	40000	0.4932	40000	0.4932			
10	NIRVI KETAN VAKHARIA	36979	0.4621	0	0.0000			
11	IEPF	0	0.00	228427	2.8200			
<b>v) Shareholding of Directors &amp; KMP</b>								
S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Share holding at the end of the year				
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company			
1	PANKAJ P SHAH	225053	2.7750	225053	2.7750			
2	SAHIL P SHAH	700	0.0086	700	0.0086			
3	VIMAL CHAND DADDHA	1000	0.0100	1000	0.0100			
4	UDHAN KUMAR CHORDIA	0	0.0000	0	0.0000			
5	ARUN MOHAN LAL JOSHI	0	0.0000	0	0.0000			
6	SAKSHI S SHAH	0	0.0000	0	0.0000			
7	NARENDRA AMBALAL	10422	0.1285	10422	0.1285			
8	NAVEEN KUMAR JAIN	0	0.0000	0	0.0000			

<b>v) INDEBTEDNESS</b>					
<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>					
		<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
Indebtness at the beginning of the financial year					
i) Principal Amount		579521477	332382402	0	911903879
ii) Interest due but not paid		278165	0	0	278165
iii) Interest accrued but not due		0	0	0	0
<b>Total (i+ii+iii)</b>		<b>579799642</b>	<b>332382402</b>	<b>0</b>	<b>912182044</b>
Change in Indebtedness during the financial year					
Additions		632936739	0	0	632936739
Reduction		0	279929911	0	279929911
<b>Net Change</b>		<b>632936739</b>	<b>279929911</b>	<b>0</b>	<b>353006828</b>
Indebtedness at the end of the financial year					
i) Principal Amount		1212458216	52452491	0	1264910707
ii) Interest due but not paid		0	0	0	0
iii) Interest accrued but not due		0	0	0	0
<b>Total (i+ii+iii)</b>		<b>1212458216</b>	<b>52452491</b>	<b>0</b>	<b>1264910707</b>
<b>vi) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
<b>A.Remuneration to Managing Director, Whole time director and/or Manager:</b>					
<b>S.No.</b>	<b>Particulars of Remuneration</b>	<b>Name of the MD/WTD/Manager</b>			<b>Total Amount</b>
1	<b>Gross salary (Yearly)</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	<b>PANKAJ P SHAH</b> 1260000	<b>SAHIL P SHAH</b> 1200000	<b>SAKHSI S SHAH</b> 600000	30,60,000
2	Stock option				
3	Sweat Equity				
4	Commission as % of profit others (specify)				
5	Others, please specify				
	<b>Total (A)</b>	<b>1260000</b>	<b>1200000</b>	<b>600000</b>	<b>3060000</b>
Ceiling as per the Act					
<b>B. Remuneration to other directors:</b>					
<b>S.No</b>	<b>Particulars of Remuneration</b>	<b>Name of the Directors</b>			<b>Total Amount</b>
	There was no remunation to other directors				
<b>C. Remuneration To Key Managerial Personnel Other Than Md/manager/wtd</b>					
<b>Sl.No</b>	<b>Particulars of Remuneration</b>	<b>Name of the CFO &amp; CS</b>			<b>Total Amount</b>
1	<b>Gross salary (Yearly)</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	<b>NAVEEN KUMAR JAIN</b> 486000	<b>BHAWANA SONGARA</b> 91355		577355
2	Stock option				
3	Sweat Equity				
4	Commission as % of profit others (specify)				
5	Others, please specify				
	<b>Total (A)</b>	<b>486000</b>	<b>91355</b>		<b>577355</b>
Ceiling as per the Act					
<b>vii) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES</b>					
<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/ Punishment/ Compounding fees imposed</b>	<b>Authority (RD/NCLT/ Court)</b>	<b>Appeall made if any (give details)</b>
There were no Penalty/ Punsihment/ Compounding of offence for the year ended 31.03.2020					

**Form No. MR-3**

**YEAR ENDED 31st MARCH 2020**

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

To

The Members

P G FOILS LIMITED

6, Neptune Tower, Ashram Road

Ahmedabad, Gujarat - 380009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by P G FOILS LIMITED having Corporate Identification Number L27203GJ1979PLC008050 (hereinafter called the 'Company') for the audit period covering the financial year ended on 31st March 2020 (the 'audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed, soft copy as provided by the Company and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; We hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (vi) As per representation received from the Company there are no other laws which specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India during the audit period;

During the audit period, the Company has complied with the provisions of the Acts, Rules, Regulations and Bye-laws mentioned above, except following;

1. Post of Compliance officer/Company Secretary of the Company has been filled after a gap of 10 months from the casual vacancy and Ms. Bhawana, has been appointed as Compliance officer/Company Secretary on 14.08.2019
  2. Company has transferred shares to IEPF for which the dividend has remained unpaid or unclaimed for a consecutive period of seven years; however e-form IEPF - 4 for the reporting of the same is not filed till closer of the financial year.
  3. Form IEPF-2 (Statement of unclaimed and unpaid amounts) which is required to be filed within 90 days of Annual General Meeting is not filed till closer of the financial year.
- During the period under review, provisions of the following regulations were not applicable to the Company:
- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during Audit Period)
  - (b) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during Audit Period)
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during Audit Period)
  - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during Audit Period)
  - (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998; (Not applicable to the Company during Audit Period)

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2020 as under:

- I. Two Executive Directors;
- II. Three Non-Executive Independent Directors; and
- III. One Non- Executive Non -Independent Director (Woman Director)

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate Notice is given to all directors to schedule the Board 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 meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the audit period.

We 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.

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

1. Issue of Preferential Allotment/Right Shares/ Debentures/ Sweat Equity Two Preferential Allotment resolutions initiated by the Company dated 28.06.2018 (resolution passed in Extra-ordinary General Meeting of same date) and 28.09.2018 (resolution passed in Annual General Meeting of the same date) are to be roll back due to non-fulfillment of requirements and observation made by the Bombay Stock Exchange.
2. Redemption/ buy-back of securities.
3. Merger/ Amalgamation/ Reconstruction etc.
4. Foreign Technical Collaborations.

For M Sancheti & Associates  
Company Secretaries  
ICSI Unique Code: I2010RJ24700

Jaipur, November 17, 2020  
UDIN:F007972B001237189

Manish Sancheti  
Proprietor  
FCS 7972 & CP 8997  
PR 834/2020

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

**'ANNEXURE A'**

To

The Members

P G FOILS LIMITED

6, Neptune Tower, Ashram Road

Ahmedabad, Gujarat - 380009

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

1. The compliance of provisions of all laws, rules, regulations, standards applicable to P G FOILS LIMITED (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For M Sancheti & Associates  
Company Secretaries  
ICSI Unique Code: I2010RJ24700

Jaipur, November 17, 2020  
UDIN:F007972B001237189

Manish Sancheti  
Proprietor  
FCS 7972 & CP 8997  
PR 834/2020

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To  
The Members  
P G FOILS LIMITED  
6, Neptune Tower, Ashram Road  
Ahmedabad, Gujarat - 380009

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of P G FOILS LIMITED having CIN: L27203GJ1979PLC008050 and having registered office at 6, Neptune Tower, Ashram Road, Ahmedabad, Gujarat 380009 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	PANKAJ RAJ SHAH	00160558	17.01.2009
2.	VIMAL CHAND DHADDA	00937400	16.05.1995
3.	SAHIL P SHAH	01603118	11.08.2007
4.	SAKSHI SAHIL SHAH	07129888	27.03.2015
5.	NARENDRAKUMAR AMBALAL PORWAL	08066542	12.02.2018
6.	AMIT AGGARWAL	08632934	14.11.2009

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

For M Sancheti & Associates  
Company Secretaries  
ICSI Unique Code: I2010RJ24700

Jaipur, November 17, 2020  
UDIN: F007972B001237189

Manish Sancheti  
Proprietor  
FCS 7972 & CP 8997  
PR 834/2020

## CORPORATE GOVERNANCE REPORT

### COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

The PG Group is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Our governance practices are a product of self-desire reflecting the culture of the trusteeship i.e., deeply ingrained in our value system and reflected in our strategic thought process. At a macro level, our governance philosophy rests on five basic tenets viz., Board accountability to the Company and the shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosures.

The Company, as a continuous process, strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance with various Corporate Governance Codes.

### CODE OF CONDUCT & ETHICS

Company's Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

### BOARD OF DIRECTORS

The Board comprises of eminent persons with considerable experience in diverse fields.

**The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:**

NAME OF THE DIRECTOR	SKILL/EXPERTISE/COMPETENCE
SHRI PANKAJ P SHAH (MANAGING DIRECTOR)	Qualification: MBA degree in Finance from IIM - Ahmedabad Mr. Pankaj P Shah is Promoter of the Company. He had rich experience in the various business activities ranging from manufacturing, fabrication, trading, distribution of Aluminium Foils and its Products.
SHRI SAHIL P SHAH (WHOLE TIME DIRECTOR)	Qualification: MBA degree in Marketing from Seneca College of Business, Canada He takes care of procurement, production of our Company and provides strategic inputs to the administration for better materials, new designs and development of our products. He also heads the marketing affairs related Export of Products.
SMT. SAKSHI S SHAH (WOMEN DIRECTOR)	Qualification: MBA degree in Management from Amity University- Jaipur She is actively engaged in the administrative and operational affairs of the company and responsible for business development of the company.
SHRI VIMAL CHAND DHADDA (INDEPENDENT DIRECTOR)	He is having about 20 Years of experience in the field of Management and customer relationship.
SHRI AMIT AGGARWAL (ADDITIONAL DIRECTOR)	He is having about 10 years of experience in the field of Marketing

## CORPORATE GOVERNANCE REPORT

SHRI NARENDRA KUMAR AMBALAL PORWAL (INDEPENDENT DIRECTOR)	He is having about 10 Years of experience in the field of investment and financial management.
Mr. Udhan Kumar Chordia (till 25th October, 2019)	He is having about 15 Years of experience in the field of Marketing Sector.
Mr. Arun Mohanlal Joshi (till 25th April, 2019)	He is having about 12 Years of experience in the field of manufacturing and production activities of foils industry.
Mr. Hemant Kumar Nema (till 26th April, 2019)	He is having 15 Years of experience in the field of Marketing sector.

The Company has a policy of having optimum combination of executive and non executive directors, to ensure the independent functioning of the Board. The Board consists of Six members, Three of whom are independent directors. None of the Directors on the Board is a Member of more than ten committees and chairman of more than five committees across all the Companies in which they are directors. All necessary disclosures regarding the directorship have been made by the directors. The members on the Board have adequate experience, expertise and skills necessary for efficiently managing the affairs of the company.

Names and categories of directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting held on **27th September 2019**, and also the number of directorship in other committees is as follows:

Name	Category	No. of Board Meetings attended During the year	AGM Attended	No. of directorship in other companies in India	No. of Committee positions in other companies*	
					Chairman	Member
Shri Pankaj P Shah	Promoter & Managing Director	5	Attended	6	NIL	NIL
Shri Sahil P Shah	Executive & Whole Time Director	5	Attended	7	NIL	NIL
Shri Vimal Chand Dhadda	Independent & Non-Executive	5	Attended	1	NIL	NIL
Smt. Sakshi S Shah	Non Executive, Non Independent	5	Attended	1	NIL	NIL
Shri Udhan Kumar Chordia	Independent & Non-Executive	2	Not Attended	5	NIL	NIL
Shri Arun Mohan Lal Joshi	Independent & Non-Executive	0	Not Attended	2	NIL	NIL
Shri Narendra Kumar Ambalal Porwal	Independent & Non-Executive	5	Attended	NIL	NIL	NIL
Shri Amit Aggarwal	Independent & Non-Executive	2	Not Attended	NIL	NIL	NIL
Shri Hemant Nema	Independent & Non-Executive	0	Not Attended	NIL	NIL	NIL

### Note

- \* Only two Committees viz., the Audit Committee and the Shareholders'/Investors' Grievance Committee have been considered for this purpose.
- Shri Sahil P Shah has been re-appointed as Director by the Members at Annual General Meeting Held on 27th September, 2019.
- Shri Udhan Kumar Chordia, Director (DIN 03334633) has resigned from the post of Director of the company w.e.f. 25.10.2019 and Board has approved the same.
- Shri Amit Aggarwal has been appointed as Additional Director in Board Meeting held on Thursday 14.11.2019 with subject to the approval of the members in the forthcoming annual general meeting.
- Mr. Hemant Kumar Nema, Director (DIN 01750160) has resigned from the post of Director of the company w.e.f. 26th April, 2019 and Board has approved the same.
- Mr. Arun Mohanlal Joshi, Director (DIN 01148924) has resigned from the post of Director of the company w.e.f. 25th April, 2019 and Board has approved the same.

### Pursuant to good Corporate Governance the Independent Directors on Board

- Apart from receiving Sitting Fees, if any, Directors are do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management & associates which may affect independence of the Director.
- Are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or an executive during the preceding three years of the:
  - Statutory audit firm or the internal audit firm that is associated with the Company.
  - Legal firm(s) and consulting firm(s) that have a material association with the company.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

### Information Supplied to the Board

The Board has complete access to all information with the Company, inter-alia, the following information is regularly provided to the Board as a part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meeting:

- Quarterly results for the Company.
- Quarterly report on receivables and recovery efforts made.
- Minutes of the meetings of the audit committee and other committees of the Board.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Any significant development in human resources.
- Compliance status of various regulatory, statutory or listing requirements and shareholders service such as payment of dividend, share transfer, etc.

### Meeting of Board

- Five Board Meetings were held during the Financial Year ended 31st March, 2020 on 30th May, 2019, 13th August 2019, 14th November 2019, 10th January, 2020 and 14th February 2020.
- The maximum gap between any two Board meetings was less than 120 days.
- Shri Pankaj P Shah, Shri Sahil P Shah, Smt. Sakshi S Shah, Shri Narendra Kumar Porwal, and Shri Vimal Chand Dhadda, attended the last Annual General Meeting of the company held on 27th September 2019.

### AUDIT COMMITTEE

The Audit Committee has been mandated with the same terms of reference as specified in Regulation 18(1) of Listing Regulation. The terms of reference also conform to the requirements of Section 177 of the Companies act 2013.



## CORPORATE GOVERNANCE REPORT

The Audit Committee functions with the following objectives:

- To provide directions and oversee comprehensively the operations of the internal & external audit functions and financial reporting
- To review the internal control systems with special emphasis on the accounting system, its quality and its effectiveness in terms of follow up.
- To approve the draft of advertisement for publishing in the newspaper in terms of requirement of listing agreements.
- To discuss and approve the budget of the company for all its division along with capital expenditure Budget.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The composition, names of members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

S. No.	Name of Members	Capacity	No. of Meetings Attended
1.	Shri Vimal Chand Dhadda	Chairman	4
2.	Shri Udhan Kumar Chordia	Member	2
3.	Shri Sahil P Shah	Member	4
4.	Shri Amit Aggarwal	Member	1

- The Committee meets Four times during the Financial Year ended 31st March, 2020 on 30th May 2019, 13th August 2019, 14th November 2019 and 14th February 2020.
- Shri Udhan Kumar Chordia, Member of the committee has resigned from the post of member of the committee w.e.f. 25.10.2019 and committee has approved the same and committee has been reconstituted on 10.01.2020 due to resignation of Shri Udhan Kumar Chordia. All Members of the Audit Committee are financially literate.
- The Chairman of the Audit Committee and Shri Sahil P Shah attended the last Annual General Meeting ("AGM") held on 27th September 2019.

### REMUNERATION COMMITTEE

- Terms of reference: - The committee was formed to review and approve, inter-alia, the recommendation for appointment of Managing Director/Whole Time Director/Senior Management personnel and their compensation package, annual increments, incentives, additional perquisites etc.
- Composition: - The Committee comprises three Non-executive Independent Directors. The Committee meet one time on 05th February 2020 during the year and the attendance of members at the meeting was as follows:

Name of Member	Status	No. of Meeting attended
Shri Udhan Kumar Chordia	Chairman	NIL
Shri Vimal Chand Dhadda	Chairman	1
Shri Amil Aggarwal	Member	1
Shri Narendra Kumar Ambala Porwal	Member	1

- Details of Remuneration paid to Directors for the year 2019-20

Name of Director	Salary	Perquisite
Shri Pankaj P Shah	1,05,000/- P.M.	Nil
Shri Sahil P Shah	1,00,000/- P.M.	Nil
Shri Sakshi S Shah	50,000/- P.M.	Nil

- Shri Udhan Kumar Chordia, Member of the committee has resigned from the post of Chairman of the committee w.e.f. 25.10.2019 and committee has approved the same and committee has been reconstituted on 10.01.2020 due to resignation of Shri Udhan Kumar Chordia.

### SHAREHOLDERS/INVESTORS GREIVANCE COMMITTEE

The committee is consisting of four members:

S. No.	Name of Members	Capacity	No. of Meetings Attended
1.	Shri Vimal Chand Dhadda	Chairman	4
2.	Shri Pankaj P Shah	Member	4
3.	Shri Amit Aggarwal	Member	1
4.	Shri Udhan Kumar Chordia	Member	1
5.	Smt. Sakshi S Shah	Member	4

The committee looks into the matters relating to investor grievances viz, transfer and transmission of shares in the physical form, issue of duplicate certificates, non-receipt of dividend, non-receipt of Balance Sheet and other shareholder related issues.

The committee meets Four times during Financial Year ended 31st March, 2020 on 30th May 2019, 13th August 2019, 14th November 2019 and 14th February 2020. Number of shareholders complaint received and resolved during the year was nil and no complaint was outstanding as on 31st March, 2020.

- Shri Udhan Kumar Chordia, Member of the committee has resigned from the post of member of the committee w.e.f. 25.10.2019 and committee has approved the same and committee has beenreconstituted on 10.01.2020 due to resignation of Shri Udhan Kumar Chordia.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the provisions of Section 135 of the Companies Act, 2013 (the Act), the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee) comprising of the following Directors as its members:-

The committee is consisting of three members:

S.No.	Name of Members	Capacity	No. of Meetings Attended
1.	Shri Pankaj P Shah	Chairman	1
2.	Shri Vimal Chand Dhadda	Member	1
3.	Shri Sahil P. Shah	Member	1

The committee meets on one time on 05th February 2020 during the year.

**Terms of reference:** - The committee was formed to maximize the company's overall impact on the society and all the stakeholders.

The Company has spent an adequate amount towards good health of the people, by spending the amount in improving hospital facilities for proper treatment of people as CSR activities as per the provision of new Companies Act, 2013.

### INDEPENDENT DIRECTORS MEETING

The Independent Directors meet on February 14, 2020 inter alia, to discuss:

- Evaluation of performance of Non-independent Directors. Audit Committee members and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the other independent Directors of the Company were present for this Meeting.



**GENERAL BODY MEETINGS  
DETAILS OF LAST THREE AGMs**

Year	AGM/EGM	Location	Date	Time
2017	38th AGM	The Orient Club, Kavi Nhanalal Marg, Ellisbridge, Ahmedabad - 380 006	25th September 2017	03.00 P.M.
2018	39th AGM	The Orient Club, Kavi Nhanalal Marg, Ellisbridge, Ahmedabad - 380 006	28th September 2018	11.30 A.M.
2019	40th AGM	The Orient Club, Kavi Nhanalal Marg, Ellisbridge, Ahmedabad - 380 006	27th September 2019	11.00 A.M.

**SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE AGMs**

- AGM on 25th September, 2017: No Special Resolutions were proposed.
  - AGM on 28th September, 2018: One Special Resolutions were proposed and approved.
  - AGM on 27th September, 2019: One Special Resolutions were proposed and approved.
- One Special Resolution was passed during the Financial Year 2018-19 through Postal Ballot and no Special Resolution is proposed to be conducted through Postal Ballot at the forthcoming AGM.

**AFFIRMATIONS AND DISCLOSURES:**
**1. Compliance with Governance Framework**

The Company is in compliance with all mandatory requirements under the Listing Regulation.

**2. Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during last year.**

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchange as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory Authority for non-compliance of any matter related to the capital markets during the last three financial years.

**3. Disclosure of Accounting Treatment**

In the preparation of the Financial Statement, the Company has followed the Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

**4. Non-mandatory requirements**

Adoption of Non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.

**5. Commodity price risks/Foreign Exchange Risk and Commodity hedging activities**

The Raw material of the Company is imported regularly, as per purchase guidelines of the company. The Company's performance may get impacted in case of substantial change in prices of raw material or foreign exchange rate fluctuations. The Company does not undertake commodity hedging activities. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

**6. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). - Not Applicable.**
**7. A certificate from a Company Secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

The certificate of Company Secretary in practice is annexed herewith as a part of the report.

**8. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year: - Not Applicable**
**9. Total fees of all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 35 to the Standalone Financial Statements.

**10. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The details of number of complaints filed and disposed of during the year and pending as on March 31, 2020 is given in the Director's Report.

**DETAILS OF NON-MANDATORY (DISCRETIONARY) REQUIREMENTS**
**Non-mandatory (discretionary) requirements under Regulation 27 of the Listing Regulations**

The status of compliance with the non-mandators requirements of the Listing Regulations is provided below:

- The board**

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

- Shareholders rights**

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchange and updated on the website of the Company.

- Modified opinion(s) in Audit Report**

There are no modified opinions in audit report.

- Reporting of Internal Auditor**

In accordance with the provisions of section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly Internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action

**THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)**

SR. NO.	PARTICULARS	REGULATIONS	BRIEF DESCRIPTIONS OF THE REGULATIONS COMPLIANCE	STATUS (YES/NO/N.A.)
1.	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	N.A.
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	Yes
		17(7)	Minimum information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	N.A.
		17(10)	Performance Evaluation	Yes

2.	Audit Committee 18(1)	Composition of Audit Committee & Presence of the chairman of the Committee at the Annual General Meeting 18(2) Meeting of Audit Committee 18(3) Role of Committee and Review of information by the Committee	Yes Yes Yes
3.	Nomination and Remuneration Committee	19(1) & (2) Composition of Nomination and Remuneration Committee 19(3) Presence of the Chairman of the Committee at the Annual General Meeting 19(4) Role of the Committee	Yes Yes Yes
4.	Stakeholder Relationship Committee	20(1), (2) & (3) Composition of Stakeholder Relationship Committee 20(4) Role of the Committee	Yes Yes
5.	Risk Management Committee	21(1), (2) & (3) Composition of Risk Management Committee 21(4) Role of the Committee	N.A. N.A.
6.	Vigil Mechanism	22 Formulation of Vigil Mechanism for Directors and Employees	Yes
7.	Related Party Transaction	23(1), (5), (6), (7) & (8) Policy for Related Party Transaction 23(2) & (3) Approval including omnibus approval of Audit Committee for all Related Party Transaction and review of transaction by the Committee 23(4) Approval for Material Related Party Transaction	Yes Yes Yes
8.	Subsidiaries of the Company	24(1) Composition of Board of Directors of Unlisted Material Subsidiary 24(2), (3), (4), (5) & (6) Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	N.A. N.A.
9.	Obligations with respect to Independent Directors	25(1) & (2) Maximum Directorship and tenure 25(3) Meeting of Independent Directors 25(4) Review of Performance by the Independent Directors 25(7) Familiarization of Independent Directors	Yes Yes Yes Yes
10.	Obligations with respect to Directors and Senior Management	26(1) & (2) Memberships and Chairmanship in Committees 26(3) Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel 26(4) Disclosure of shareholding by Non-executive Directors 26(5) Disclosure by Senior Management about potential conflicts of interest	Yes Yes Yes Yes
11.	Other Corporate Governance Requirements	27(1) Compliance of Discretionary Requirements 27(2) Filing of Quarterly Compliance Report on Corporate Governance	Yes Yes
12.	Disclosure on Website of the Company	46(2)(b) Terms and condition of appointment of Independent Directors 46(2)(c) Composition of various committees of Board of Directors 46(2)(d) Code of conduct of Board of Directors and Senior Management Personnel 46(2)(e) Details of establishment of Vigil Mechanism/ Whistle Blower Policy 46(2)(f) Criteria of making payments to Non-executive Directors 46(2)(g) Policy on dealing with Related Party transactions 46(2)(h) Policy for determining Material Subsidiaries 46(2)(i) Details of familiarisation programmes imparted to Independent Directors	No No No Yes No No No No

## DISCLOSURES

### 1. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS

The related party disclosures are provided in notes to account forming part of the Balance Sheet. However in the opinion of the Board these transactions may not have any potential conflict with the interest of the Company at large.

### 2. STATUTORY COMPLIANCE, PENALTIES AND STRICTURES

There has been no non-compliance or penalties or strictures imposed on your company by any of the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### 3. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of the Familiarisation Programme for Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company at [www.pgfoils.in](http://www.pgfoils.in)

### 4. PERFORMANCE EVALUATION

The Committee shall carry out evaluation of performance of every Director (on yearly basis). The Committee shall identify evaluation criteria which will evaluate Directors based on the attendance/preparedness/participation/ performance at board meetings, professional conduct and independence etc. The appointment/re appointment/continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process. The Committee shall oversee the framework for performance evaluation of the Board and Independent Directors.

### 5. MEANS OF COMMUNICATION

Your Company's quarterly/half yearly results are communicated through newspapers in Indian Express and Financial Express. The said results are sent to Stock Exchanges where the shares of the company are listed.

Management discussion and analysis report forms part of this annual report, which is being posted to all shareholders of the company.

### 6. WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/Whistle Blower Policy. The policy provides a channel to the employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct policy. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

### 7. CODE OF CONDUCT

A revised Code of Conduct for the Board Members and Senior Management of the Company has been formulated. Requisite annual affirmations of compliance with the code have been made by the Directors and Senior Management of the Company.

**GENERAL SHAREHOLDER INFORMATION**
**41st Annual General Meeting:**

Date	16th December, 2020
Time	11:300 A.M.
Venue	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)
<b>Financial Calendar (Tentative)</b>	
a. Results for the first quarter ending 30th June 2020	By 2nd Week of September, 2020
b. Results for the second quarter ending 30th September 2020	By 2nd Week of November, 2020
c. Results for the third quarter ending 31st December 2020	By 2nd Week of February, 2021
d. Results for the fourth quarter ending 31st March 2021	By end of May, 2021
e. Audited results for the year ended 31st March 2021	By end of May, 2021
d. Annual General Meeting for the year ending March 2021	By end of September, 2021
Date of Book Closure	From 10th December, 2020 to 16th December, 2020 (Both days inclusive)
Listing on Stock Exchange	Mumbai
Trade Code	526747 of BSE
Demat ISIN No.	INE 078 D 01012
Depository Connectivity	National Securities Depository Limited and Central Depository Services (India) Limited

**Stock Market Price Data**
**Bombay Stock Exchange (BSE)**

Month	High (Rs.)	Low (Rs.)
April, 2019	83.00	70.25
May, 2019	87.00	66.00
June, 2019	87.95	72.20
July, 2019	79.00	54.10
August, 2019	77.40	56.00
September, 2019	84.50	67.05
October, 2019	83.80	65.05
November, 2019	92.30	70.50
December, 2019	85.50	77.00
January, 2020	109.40	74.25
February, 2020	100.00	67.50
March, 2020	79.90	36.90

Company's shares are not actively traded and accordingly comparison with broad based indices such as BSE Sensex, CRISIL index etc. is not made.

**Share Transfer System**

The work relating to share transfers is being looked after by the RTA and share division office of company.

**Distribution of shareholding as on 31st March, 2020**

Sr. No.	Slab of shareholding	Number of Share Holders	% of Total Holders	No. of Shares	% of Shareholding
1	Up to 5000	5521	92.0167	638594	7.8742
2	5001 to 10000	244	4.0667	198324	2.4454
3	10001 to 20000	104	1.7333	159344	1.9648
4	20001 to 30000	40	0.6667	100733	1.2421
5	30001 to 40000	20	0.3333	72900	0.8989
6	40001 to 50000	14	0.2333	65814	0.8115
7	50001 to 100000	26	0.4333	193111	2.3811
8	100001 to 9999999999	31	0.5167	6681180	82.3820
	Total	6000	100.00	8110000	100.00

**Shareholding pattern as on 31st March, 2020**

Category	No. of shares	% of holding
CLEARING MEMBER	11270	0.14
CORPORATE BODIES	744762	9.18
CORPORATE BODIES (PROMOTER CO)	4329972	53.39
IEPF	228427	2.82
NON RESIDENT INDIAN	83108	1.02
PROMOTERS	225753	2.78
PUBLIC	2356403	29.06
RELATIVE OF DIRECTOR	130305	1.61
<b>Total</b>	<b>8110000</b>	<b>100.00</b>

**Dematerialization of shares**

Over 89.96% of the company's paid up equity share capital has been dematerialized up to 31st March, 2020.

**Plant Location :** P. O. - Pipalia Kalan, District- Pali, Rajasthan - 306 307

**INFORMATION REQUIRED UNDER SEBI (LODR) WITH RESPECT TO DIRECTOR SEEKING REAPPOINTMENT**

- Shri Pankaj P Shah, Managing Director is seeking reappointment at the forthcoming annual general meeting.
- Shri Amit Aggarwal , Additional Director is seeking to be appointed as Director in forthcoming annual general meeting.\

**PLANT LOCATIONS:** The Companies Manufacturing Plant is Located at P.O. Pipalia Kalan, Dist. Pali- 306307

**ADDRESS FOR CORRESPONDENCE**
**The Company Secretary,**

P G Foils Limited  
6, Neptune Tower,  
Ashram Road,  
Ahmedabad - 380 009  
Tel.:- 079-26587606, 32986262  
Fax: - 079-26584187  
Email: - pgfoils@pgfoils.in  
pgfoils.investor@gmail.com

**General Manager**

M/s. Bigshares Services Private Limited,  
A -802, Samudra Complex, Near Klastic Gold Hotel,  
Girish Cold Drink off CG Road,  
Ahmedabad - 380 009  
Tel.:- 079-40024134  
Fax: - 09971542155  
Email: - bssahd@bigshareonline.com.com  
bssahd1@bigshareonline.com

**DECLARATION**

All Board Members and Senior Management personnel have affirmed their compliance with the 'Code of Conduct for Members of the Board and Senior Management' for the period from 1st April, 2019 - 31st March, 2020 or in case of new joining, from the date of joining to 31st March, 2020 in terms of Regulation \17(5) of the LODR (Listing Obligation and Disclosure Requirements) Regulations, 2015 of SEBI.

**Registered Office:**

For P G Foils Limited  
6, Neptune Tower,  
Ashram Road,  
Ahmedabad - 380 009

**By Order of the Board**

Place: Pipalia Kalan  
Date: 30 June, 2020

Pankaj Raj Shah  
Managing Director  
DIN 00160558

Sahil P Shah  
Director  
DIN 01603118

**Certificate in pursuant to Regulation 17(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2020**

To

**The Board of Directors  
PG Foils Limited**

We the undersigned hereby certify that:

- We have reviewed the financial statements and the cash flow statement for the Financial Year 2019-20 and to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any fact or contain statements that might be misleading.
  - These statements together present a true and fair view of the Company's affairs and are in Compliance with existing accounting standards, applicable laws and regulations.
- There are to the best of our knowledge and belief, no transactions entered into by the company during the year 2019-2020 which are fraudulent, illegal or violative of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors and the Audit Committee:
  - Significant changes in internal control over financial reporting under the year,
  - Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements, and
  - Instances of significant fraud, if any, of which we have become aware and the involvement therein of the management or an employee having significant role in the company's internal control system over financial reporting.

Place: Pipalia Kalan  
Date: June 30, 2020

**For P G Foils Limited  
(Naveen Kumar Jain)  
CFO**

**Auditors' Certificate on Compliance of Conditions of Corporate Governance**

To the Members of P G Foils Limited

We have examined the compliance of the conditions of Corporate Governance by P G Foils Limited for the year ended 31st March 2020, as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('the Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of the Regulations.

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.

Place: Pipalia Kalan  
Date: June 30, 2020

**For Sharma Ashok & Associates,  
Chartered Accountants  
(FRN No. - 005848C)  
(CA Harish Agarwal)  
Partner  
Membership No. 403262**

### To The Members of P G Foils Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of P G Foils Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, 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 audit opinion on the standalone financial statements.

#### 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Sr. No. Key Audit Matter

##### 1 Revenue Recognition

Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably, recovery of the consideration is probable and when the control over the same is transferred to the customer, which is mainly upon delivery.

The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance

##### Auditor's Response

##### Principal Audit Procedures

- Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and testing thereof.
- Evaluating the design and implementation of Company's controls in respect of revenue recognition.

##### 2 Key Audit Matter

##### Foreign currency transactions :

The company is having substantial turnover in foreign currency. It hedges currency fluctuation through forward booking. Similarly imports are also hedged through forward booking. The company follows Ind AS - 109 for accounting of hedging transactions

##### Auditor's Response

##### Principal Audit Procedures:

Our audit approach and procedures were combination of test of

internal controls and substantive procedures which included the following:

- Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls related to forward booking.
- Assessed the appropriateness of the methodology used by the management for forward booking.
- Assessed the professional competence of the person engaged by management in foreign currency matters
- Assessed the reasonableness of assumptions in forward booking
- Based on our procedures, we also considered the adequacy of disclosures and compliance of Ind AS in standalone financial statement.

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 during the course of our 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 is responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities 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 controls.
- Obtain an understanding of internal financial controls 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

Note No. 48 to the financial statement which describes that FDR investment of Rs. 69.00 cr made by the company with Dhanlaxmi Bank Ltd had been misappropriated by various parties including the officials of the said bank . The case is under investigation with Competant Authority /Economic Offence wing , Mumbai . Seeking to the merit of the case will be in favour of company and it will be able to receive all sum misappropriated. Based on this, the company has not made provision.The final determination of the

said investment amount would depend upon the final decision of the appropriate authorities in future .Our opinion is not qualified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that :
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial
  - 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, as amended 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 (Refer to Notes on Account 37)
    - ii. The Company did not have any long term contracts including derivative contract for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order.

**For Sharma Ashok Kumar and Associates**  
Chartered Accountants  
Firm Registration No.005848C

Place: Pipalia Kallan  
Date: June 30, 2020

**Partner: CA Harish Agarwal**  
Membership No. 403262



(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of P G Foils Limited of even date)

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

We have audited the internal financial controls over financial reporting of P G Foils LIMITED ("the Company") as of March 31, 2020 in conjunction 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 Board of Directors of the Company 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. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or

fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sharma Ashok Kumar and Associates**

Chartered Accountants Firm Registration  
No.005848C

Place : Pipaliya Kallan

Date : June 30, 2020

**Partner: CA Harish Agarwal**

Membership No. 403262

## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of P G Foils Limited of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanation given to us and on the basis of our examination of the records of the company, physical verification of the inventory has been conducted at reasonable intervals by the management and discrepancies noticed which were not material in nature have been properly dealt with in the books of accounts..
- (iii) According to the information and explanation given to us, during the year the company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted during the year in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, however, we have not made a detailed examination of such cost records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, sales tax, GST, duty of customs, value added tax, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, undisputed dues in respect of value added tax which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

NAME	NATURE OF DUES	PEIROD OF WHICH RELATES	AMOUNT IN(RS)	INTERET IN(RS)	AMOUNT DEPOSITED
VAT ACT, 1994	DISALLOWANCE OF INPUT CREDIT	2014-15	16639943/-		3700000/-\
VAT ACT, 1994	DISALLOWANCE OF INPUT CREDIT	2015-16	5797700/-		1386000/-

b) According to the information and explanations given to us, there are no material dues of income tax, or sales tax, or service tax, or duty of custom, or duty of excise, or value added tax, or cess which have not been deposited with the appropriate authorities on account of any dispute except following:

NAME	NATURE OF DUES	PEIROD OF WHICH RELATES	AMOUNT IN (RS)	INTERET IN (RS)	AMOUNT DEPOSITED	FORUM WHICH IT IS PENDING
CUSTOM ACT,1962	SAFEGUARD DUTY & VALUATION	2009-10	12576869/-		9744034/-	STAY GRANTED IN HON'BLE HIGH COURT MUMBAI AND CASE STILL PENDING
INCOME TAX ACT, 1961	DIFFERENCE OF INCOME TAX	2016-17	5329282/-		NIL	APPEAL FILED BEFORE CIT APPEAL, AHMEDABAD
INCOME TAX ACT, 1961	DIFFERENCE OF INCOME TAX	2017-18	2135739/-		NIL	APPEAL FILED BEFORE CIT APPEAL, AHMEDABAD
VAT ACT, 1994	DISALLOWANCE OF INPUT CREDIT	2014-15	16639943/-		3700000/-	
VAT ACT, 1994	DISALLOWANCE OF INPUT CREDIT	2015-16	5797700/-		1386000/-	

- (viii) The Company has not defaulted in repayment of loan or borrowing to a financial institution or bank, government. There are no debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanation given to us, term loans raised during the year were applied for the purpose for which those were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For : Sharma Ashok Kumar and Associates**  
Chartered Accountants  
Firm's registration number: 005848C

Place: Pipalia Kallan  
Date: 30June, 2020

**(CA Harish Agarwal)**  
Partner  
Membership number: 403262



# BALANCE SHEET AS AT 31st MARCH 2020



Particulars	Note No.	Amount (In Lacs)	
		As at 31.03.2020	As at 31.03.2019
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	1 a)	3,686.62	3,894.89
Capital Work In Progress	1 b)	217.51	150.59
Right to Use Assets		17.75	-
Financial Assets			
i) Investments	2	1,742.85	1,508.40
ii) Loans	3	93.76	93.19
iii) Other Financial Assets	4	2.67	2.67
Other Non-current Assets	6	346.24	201.08
<b>Total Non Current Assets</b>		<b>6,107.40</b>	<b>5,850.82</b>
<b>CURRENT ASSETS</b>			
Inventories	7	3,930.83	3,130.03
Financial Assets			
i) Investments	8	15,303.23	12,278.82
ii) Trade Receivable	9	5,694.83	6,225.85
iii) Cash and cash equivalents	10	20.38	44.85
iv) Bank Balances other than (iii) above	11	192.97	118.20
v) Other Financial Assets	12	56.69	131.78
Other Current Assets	13	531.64	807.00
<b>Total Current Assets</b>		<b>25,730.57</b>	<b>22,736.53</b>
<b>Total Assets</b>		<b>31,837.97</b>	<b>28,587.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	14	811.61	811.61
Other Equity	15	15,606.52	14,128.31
<b>Total Equity</b>		<b>16,418.13</b>	<b>14,939.92</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
i) Borrowings	16	-	277.16
ii) Lease Liabilities		18.33	-
iii) Other Financial Liabilities	17	168.07	419.33
Deferred Tax Liabilities (Net)	5	178.37	154.99
Long Term Provision	18	56.29	56.02
<b>Total Non Current Liabilities</b>		<b>421.07</b>	<b>907.50</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
i) Borrowings	19	12,649.11	8,772.46
ii) Lease Liabilities		0.06	-
iii) Trade Payables	20		
a) total outstanding dues of micro enterprises and small enterprises		7.54	70.57
b) total outstanding dues of creditors other than micro enterprises and small enterprises		527.83	755.43
iv) Other Current Financial Liabilities	21	766.31	511.93
Other current liabilities	22	1,033.94	2,614.88
Short Term Provisions	23	13.98	14.67
Current Tax Liabilities ( Net)		-	-
<b>Total Current Liabilities</b>		<b>14,998.77</b>	<b>12,739.93</b>
<b>Total Equity and Liabilities</b>		<b>31,837.97</b>	<b>28,587.35</b>
<b>Significant Accounting Policies</b>			
The accompanying notes to the financial statements			
The Notes referred to above form an integral part of the Financial Statements			

As per our report of even date annexed  
**For Sharma Ashok Kumar & Associates**  
Chartered Accountants  
Reg. No. 005848C

**For and on behalf of the Board of Directors**

**CA Harish Agarwal**  
Partner  
Membership No.403262  
Place : Pipalia Kalan  
Date : 30.06.2020

**Pankaj P Shah**  
Managing Director  
DIN- 00160558

**Sahil P Shah**  
Whole Time Director  
DIN- 01603118

**Bhawana Songara**  
Company Secretary  
ACS NO. A54416

**Naveen Kumar Jain**  
Chief Financial Officer  
FCA NO. 414187

**STATEMENT OF PROFIT & LOSS**  
**FOR THE YEAR ENDED 31st MARCH, 2020**

Particulars	Note No.	For the year Ended 31st March, 2020 Amount (In Lacs)	For the year Ended 31st March, 2019 Amount (In Lacs)
<b>I REVENUE</b>			
Revenue from Operations	24	21,731.54	25,884.02
Other Income	25	1,858.89	2,696.00
<b>Total Income</b>		<b>23,590.42</b>	<b>28,580.02</b>
<b>II EXPENSES</b>			
Cost of Material Consumed	26	17,640.72	20,498.47
Purchase of Stock in Trade	28	412.69	790.61
Changes in inventories of Finished goods and Work in Progress	29	(425.29)	370.08
Employee Benefits Expense	30	1,468.82	1,557.21
Finance Cost	31	844.03	853.83
Depreciation & Amortization Expenses	32	464.99	414.58
Other Expenses	33	1,292.57	1,989.40
<b>TOTAL EXPENSES</b>		<b>21,698.54</b>	<b>26,474.19</b>
<b>III PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>1,891.89</b>	<b>2,105.83</b>
Exceptional Items (Net) (Refer note no. 27)	27	328.45	-
<b>Profit/(Loss) before tax (V-VI)</b>		<b>1,563.44</b>	<b>2,105.83</b>
<b>IV TAX EXPENSES</b>			
Current Tax	34	264.96	530.00
Tax of Earlier Year		(228.22)	39.43
Deferred Tax		29.74	(81.41)
<b>V PROFIT FOR THE YEAR AFTER TAX</b>		<b>1,496.96</b>	<b>1,617.81</b>
<b>VI OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
Items that will not be reclassified to profit or loss			
Actuarial Gain/(Losses) of defined benefit plans		(25.08)	30.69
Fair Value of Investment		(0.01)	0.06
Tax Impact on above		6.35	(10.66)
		<b>(18.74)</b>	<b>20.08</b>
<b>VII "Total Comprehensive income for the year (Comprising profit and other Comprehensive income for the year)"</b>		<b>1,478.22</b>	<b>1,637.89</b>
<b>VIII EARNING PER SHARE</b>			
<b>(Nominal value of shares - Rs 10, 31st March'2019- Rs 10)</b>			
Basic and dilutive	36	18.46	19.95
Significant Accounting Policies	A-C		
The accompanying notes to the financial statements	1-55		
The Notes referred to above form an integral part of the Financial Statements			
As per our report of even date annexed			
<b>For Sharma Ashok Kumar &amp; Associates</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants			
Reg. No. 005848C			
<b>CA Harish Agarwal</b>	<b>Pankaj P Shah</b>	<b>Sahil P Shah</b>	<b>Bhawana Songara</b>
Partner	Managing Director	Whole Time Director	Company Secretary
Membership No.403262	DIN- 00160558	DIN- 01603118	ACS NO. A54416
<b>Naveen Kumar Jain</b>	Chief Financial Officer		
	FCA NO. 414187		
Place : Pipalia Kalan			
Date : 30.06.2020			

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

<b>A EQUITY SHARE CAPITAL</b>		<b>Amount (In Lacs)</b>	
For the year ended 31.03.2019	<b>Balance as at 01.04.2018</b>	<b>Changes in Equity share capital during the year</b>	<b>Balance as at 31.03.2019</b>
	811.61	-	811.61
For the year ended 31.03.2020	<b>Balance as at 01.04.2019</b>	<b>Changes in Equity share capital during the year</b>	<b>Balance as at 31.03.2020</b>
	811.61	-	811.61

<b>B OTHER EQUITY</b>		<b>Amount (In Lacs)</b>						
<b>Particulars</b>	<b>Reserves and surplus</b>							
	<b>Security Premium</b>	<b>Capital Reserve</b>	<b>General Reserve</b>	<b>Retained Earnings</b>	<b>Fair Value of Investment</b>	<b>Remeasurement (Losses)/Gain on defined benefit plan</b>	<b>Total Other Comprehensive Income</b>	<b>Total Other Equity</b>
Balance as at 01.04.2018	1,944.47	58.03	1,272.49	9,215.48	(0.03)	-	(0.03)	12,490.45
Profit/(Loss) for the year	-	-	-	1,617.81	0.08	19.96	20.04	1,637.86
Interim Dividend and Tax there on				-			-	
<b>Balance as at 31.03.2019</b>	<b>1,944.47</b>	<b>58.03</b>	<b>1,272.49</b>	<b>10,833.29</b>	<b>0.05</b>	<b>19.96</b>	<b>20.01</b>	<b>14,128.31</b>
Balance as at 01.04.2019	1,944.47	58.03	1,272.49	10,833.29	0.05	19.96	20.01	14,128.31
Profit/(Loss) for the year	-	-	-	1,496.96	0.03	(18.77)	(18.74)	1,478.22
Interim Dividend and Tax there on				-			-	
<b>Balance as at 31.03.2020</b>	<b>1,944.47</b>	<b>58.03</b>	<b>1,272.49</b>	<b>12,330.25</b>	<b>0.08</b>	<b>1.20</b>	<b>1.28</b>	<b>15,606.52</b>

Note:- a) General Reserve has been created by transfer out of profit generated by the company and is available for distribution to shareholders.

b) Retained Earnings includes Rs 2273919 On account of fair value of certain class of property, plant & Equipment and is not available for distribution as dividend to shareholders.(i.e. Revaluation Reserve)

Significant Accounting Policies

A-C

The accompanying notes to the financial statements.

1-55

The Notes referred to above form an integral part of the Financial Statements

As per our report of even date annexed

**For Sharma Ashok Kumar & Associates**

**For and on behalf of the Board of Directors**

Chartered Accountants

Reg. No. 005848C

**CA Harish Agarwal**

**Pankaj P Shah**

**Sahil P Shah**

**Bhawana Songara**

**Naveen Kumar Jain**

Partner

Managing Director

Whole Time Director

Company Secretary

Chief Financial Officer

Membership No.403262

DIN- 00160558

DIN- 01603118

ACS NO. A54416

FCA NO. 414187

Place : Pipalia Kalan

Date : 30.06.2020

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

PARTICULARS	Amount (In Lacs)	
	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>(A) Cash flow from Operating Activities:</b>		
Net Profit before tax	1,563.44	2,105.83
<b>Adjustment for Non-cash Items</b>		
Depreciation	464.99	414.58
Provision Written Back	(35.23)	(7.80)
Dividend Received	(0.00)	(0.38)
Rent Received	-	(0.65)
Interest Income	(240.87)	(320.35)
Interest Expense	275.21	543.72
Loss by Fire	328.45	-
(Profit)/Loss on Foreign Fluctuations	522.92	287.70
(Profit)/Loss on Sale of Investments	(108.20)	(1.96)
(Profit)/Loss on Sale of Fixed Assets	(31.45)	(30.10)
Ind AS Adjustment due to Security Deposit	1.09	1.09
Ind AS Adjustment due to OCI	(25.08)	30.69
Ind AS Adjustment due to Foreign Exchange Fluctuation	150.22	(57.82)
Ind AS Adjustment due to Fair Valuation of Investment	(728.46)	(526.69)
<b>Operating Profit before Working Capital Changes</b>	<b>2,137.03</b>	<b>2,437.87</b>
Increase(Decrease) in Trade Payables	(290.61)	(848.11)
Decrease(Increase) in Inventories	(1,129.24)	3,547.28
Increase(Decrease) in Other Current Liabilities	(1,292.16)	1,134.19
Increase(Decrease) in Other Non-Current Liabilities	(251.25)	33.74
Decrease/(Increase) in Trade Receivables	531.02	420.19
Decrease(Increase) in Loans & Advances	(0.57)	0.00
Decrease(Increase) in other Non- Current Assets	12.66	(86.96)
Decrease(Increase) in other Bank Balance	0.00	5.47
Decrease(Increase) in other Current Assets	346.18	504.51
Increase(Decrease) in Provisions	(0.42)	3.40
<b>Cash Generated from Operations</b>	<b>62.64</b>	<b>7,151.60</b>
Direct taxes paid (net of refunds)	(195.65)	(717.26)
<b>Net Cash from Operating Activities</b>	<b>(133.01)</b>	<b>6,434.34</b>
<b>(B) Cash Flow from Investing Activities</b>		
(Purchases)/Sale of Fixed Assets	(291.68)	(441.36)
(Purchases)/Sale of Investments (Net)	(2,422.21)	(2,543.96)
Interest Received	245.13	283.00
Movement in Fixed Deposits	(74.77)	(1.38)
Rent Income	-	0.65
Dividend Income	0.00	0.38
<b>Net Cash used in Investing Activities</b>	<b>(2,543.52)</b>	<b>(2,702.68)</b>
<b>(C) Cash flow from Financing Activities :</b>		
Raising/(Repayment) of Short term Borrowings	3,876.63	(3,129.16)
Repayment of Lease Liabilities and Interest thereon	(1.54)	-
Exchange Fluctuation	(673.13)	(229.87)
Raising/(Repayment) of Long term Borrowings	(277.16)	1.16
Interest Paid during the year	(272.73)	(575.46)
<b>Net Cash(used in)/from Financing Activities</b>	<b>2,652.07</b>	<b>(3,933.33)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(24.47)</b>	<b>(201.67)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>44.85</b>	<b>246.52</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>20.38</b>	<b>44.85</b>
<b>A) RECONCILIATION STATEMENT OF CASH AND BANK BALANCES</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Cash and cash equivalents at the end of the year as per above	20.38	44.85
Add:Deposits with more than 3 months but less than 12 months maturity period	192.97	118.20
<b>Cash and bank balance as per balance sheet (refer note 10 &amp; 11)</b>	<b>213.35</b>	<b>163.05</b>

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2020

## B) DISCLOSURE AS REQUIRED BY IND AS 7

### Reconciliation of liabilities arising from financing activities

31st March, 2020	Opening Balance	Cash Flows	Non Cash Changes	Closing Balances
Short term secured borrowings	8,772.47	3,876.63	-	12,649.11
Long term secured borrowings	277.16	(277.16)	-	-
<b>Total</b>	<b>9,049.63</b>	<b>3,599.47</b>	-	<b>12,649.11</b>
31st March, 2019	Opening Balance	Cash Flows	Non Cash Changes	Closing Balances
Short term secured borrowings	11,901.62	(3,129.16)	-	8,772.47
Long term secured borrowings	276.00	1.16	-	277.16
<b>Total</b>	<b>12,177.62</b>	<b>(3,127.99)</b>	-	<b>9,049.63</b>

This is the Cash Flow Statement referred to in our report of even date.

**For Sharma Ashok Kumar & Associates**

Chartered Accountants

Reg. No. 005848C

**CA Harish Agarwal**

Partner

Membership No.403262

Place : Pipalia Kalan

Date : 30.06.2020

**Pankaj P Shah**

Managing Director

DIN- 00160558

**Sahil P Shah**

Whole Time Director

DIN- 01603118

**Bhawana Songara**

Company Secretary

ACS NO. A54416

**Naveen Kumar Jain**

Chief Financial Officer

FCA NO. 414187

**For and on behalf of the Board of Directors**

## NOTE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

### A. CORPORATE AND GENERAL INFORMATION

PG Foils Limited ("the Company") is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange SE). The registered office of Company is Situated at 6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Gujarat).The Company is a leading manufacturer/producer of Aluminium Foil in the various form. The financial statements of the company for the year ended 31st March 2020 were approved and authorized for issue by board of directors in their meeting held on " 30.06.2020"

### B. SIGNIFICANT ACCOUNTING POLICIES

#### STATEMENT OF COMPLIANCE

The Standalone Financial Statements have been prepared in accordance with Companies Act 2013, Indian Accounting Standard and complies with other requirements of law and were authorised for issue in accordance with a resolution of the Board of Directors of the company passed on 30.06.2020

### C. BASIS OF PREPARATION

a) The financial statements of the company are consistently prepared and presented under historical cost convention on an accrual basis in accordance with Ind AS except for certain financial assets and liabilities that are measured at fair values.

The company's functional currency and presentation currency is Indian Rupees (INR). All amounts disclosed in the financial statements and notes are in INR and all values are rounded to the nearest lakhs (INR 00,000) except when otherwise indicated.

#### b) Classification of Assets and Liabilities into current and Non-Current

The Company presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

##### As asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets including Deferred tax assets are classified as non-current.

##### A liability is treated as current when :

- it is expected to be settled in normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

##### All other liabilities including Deferred tax liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

#### c) Use of judgements, estimates and assumptions :

The preparation of the company's financial statements required management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment in the future periods in the carrying amount of assets or liabilities affected.

The following are the key assumptions concerning the future, and other other key sources of estimation uncertainty at the end of reporting period that may have significant risk of causing material adjustments to the carrying amounts of assets and liabilities with in :-

#### i) Estimation of uncertainty related to Global Health Pandemic from COVID-19

The Company has considered the possible effects that may result from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade Receivables. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the

## NOTE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

including Trade Receivables. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the pandemic, the Company as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the company and based on estimates the company expects that the carrying amount of financial assets will be recovered and the company do not expect any significant impact of COVID-19 on the company's financial statement as at the date of approval of these Financial Statements.

- ii) Lease:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In exercising whether the company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease or to exercise the option to terminate the lease. The company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.
- iii) Useful life of property, plant and equipment and intangible assets:** The company has estimated useful life of the Property, Plant and Equipment as specified in Schedule II to Companies Act 2013. However, the actual useful life for individual equipments could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternately, the equipment may continue to provide useful service well beyond the useful assumed.
- iv) Fair value measurement of financial instruments:** When the fair values of financial assets and financial liabilities cannot be measured based on quoted process in active market, the fair value is measured using valuation techniques including book value and discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not possible, a degree of judgement is required in establishing fair values.
- v) Impairment of financial and non-financial assets:** The impairment provisions for the financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the input for the impairment calculations, based on Company's past history, existing market conditions, technology, economic developments as well as forward looking estimates at the end of each reporting period.
- vi) Taxes:** Taxes have been paid / provided, exemptions availed, allowances considered etc. are based on the extent laws and the company's interpretation of the same based on the legal advice received wherever required. These could differ in the view taken by the authorities, clarifications issued subsequently by the government and court, amendments to statutes by the government etc.
- vii) Defined benefit plans:** Gratuity payable to employees is provided on the basis of premium paid under group gratuity scheme with Life Insurance Corporation of India.
- viii) Provisions:**
- (1) Provision for Leave encashment has been made on accrual basis on leave un-availed as on 31.03.2020.
  - (2) Service awards have been adjusted/accounted on the basis of completed months of service provided by employees.
- ix) Contingencies:** A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligations at the end of the reporting period. However, the actual liability could be considerably different.
- d) Property, Plant and Equipment**
- (i)** Property, plant and equipment situated in India comprising land other assets namely Building, Plant & Machinery, Office equipment etc, the company has elected to continue with the carrying value as its deemed cost on 1.4.2016 measured as per previous GAAP and use that carrying value as its deemed cost as on the transition date. The cost of Tangible assets comprises its purchase price, borrowing cost, any other cost directly attributable to bringing the assets into present location and condition necessary for it to be capable of operating in the manner intended by the Management, initial estimation of any de-commissioning obligations and finance cost.
- (ii) Depreciation**  
Depreciation on Fixed Assets is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on Fixed Assets is provided on Written Down Value Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013. Property, Plant & Equipment which are added/disposed off during the year the depreciation is provided on pro rata basis with reference to month of addition / deletion.
- (iii)** Component Accounting When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- (iv)** Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective fixed assets on completion of construction/erection.
- (v)** Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.
- (vi)** The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- e) Investment properties:**  
Investment properties consists of investments in land and buildings that are held to earn rental income or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business. Investment property is stated at cost less accumulated depreciation and impairment losses. Depreciation on building is provided over the estimated useful lives as specified in Schedule II to Companies Act, 2013. The Residual Life, useful lives and depreciation method of investment properties are reviewed, and adjusted on Prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.
- f) Intangible assets:**
- (i)** Intangibles assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis over a period of 10 years.
- ii) Software:-** Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Intangibles assets with indefinite useful lives (like goodwill, brands), if any are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If

not, the change in useful life from indefinite to finite life is made on prospective basis.

**g) (Research and development cost:**

**1) Research Cost:**

Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

**2) Development Cost:**

Development expenditure on new product is capitalised as intangible asset, if technical and commercial feasibility as per IND AS 38 is demonstrated.

**h) Inventories:**

- i) Raw materials, Packing materials, Stores and Spares and fuel are valued at lower of cost (on first in first out basis) and net realisable value.
- ii) Stock in process is valued at lower of cost (on first in first out basis) and net realisable value.
- iii) Finished goods and stock in trade are valued at lower of cost and net realisable value.
- iv) Scrap is valued at estimated realisable value.
- v) Export Goods in transit valued at sales value including freight there of.
- vi) Stock in transit valued at purchase price including clearing expenses, custom duty paid and incidental expenses thereto.
- vii) Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity
- viii) Net realisable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses

**i) Cash and cash equivalents:**

**i) Cash and cash equivalents are financial assets.** Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase and are carried at cost plus accrued interest.

**ii) Cash Flow Statement:** Cash Flow are reported using indirect method, whereby profit for the year is adjusted for effects of transactions of 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.

**iii) Bank Balances Other than above:** Dividend Escrow account balance, deposit with bank as margin money for guarantees issued by bank, deposits kept as security deposit for statutory authorities are accounted as bank balance other than cash and cash equivalent.

**i) Financial instruments:** A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the company becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

**1) Financial assets:**

Financial assets include trade receivable, cash and cash equivalents, derivative financial assets and also the equity debt instruments held. Initially all financial assets are recognised at amortised cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or Recognised in other comprehensive income (i.e. fair value through other comprehensive income).

- (a) Trade receivables:** Trade receivables are recognised initially at fair value and subsequently measured at amortized cost less credit loss/impairment allowances. Receivables that do not bear interest or bear below market interest rates and have an expected term of more than one year are discounted with the discount subsequently amortized to interest income over the term of the receivable. The estimated impairment losses are recognised in the Statement of Profit and Loss. Subsequent changes in assessment of impairment are recognized in the Statement of Profit and Loss as changes in estimates.
- (b) Loans, Debts & other financial assets:** Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.
- (c) Investment in equity shares and mutual funds:** Investment in equity securities and mutual funds are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Other Comprehensive Income. Any subsequent gain or loss for investment held for trading are recognized through Statement of Profit and Loss.
- (d) Investment in associates, joint venture and subsidiaries:** The Company's investment in subsidiaries and associates, joint venture are carried at cost except where impairment loss recognised.

**2) Financial liabilities:**

Financial liabilities such as loans and borrowings and other payables are recognized initially on the trade date, which is the date that the Company becomes a party to the contractual terms of the instrument. Financial liabilities other than fair valued through profit and loss are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss. The Company derecognizes a financial liability when its contractual obligations are settled or cancelled or expired.

- a) Financial liabilities at fair value through profit or loss:** It include financial liabilities held for trading and are designated such at initial recognition. Financial liabilities are held for trading if they are incurred for the purpose of repurchasing in near term and also include Derivatives that are not part of an effective hedge accounting in accordance with IND AS 109, classified as "held a for trading" and carried at fair value through profit or loss. Financial liabilities at fair value through profit or loss are measured at each reporting date at fair value with all the changes recognized in the Statement of Profit and Loss.
- b) Financial liabilities measured at amortised cost :** Post recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method ("EIR"). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in the Statement of Profit and Loss.
- c) Loans and Borrowings :** After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.
- d) Financial guarantee contracts:** As per IND AS -109 "Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.
- e) Initial recognition:** The date the company becomes a party to the irrevocable commitment is considered to be the date of initial recognition and Financial guarantee contracts are recognised as liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.
- f) Trade and other payables:** A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. Trade accounts payable and other non-derivative financial liabilities are in general measured at amortized cost using the effective interest method. Finance charges, including premiums payable on redemption or settlement, are periodically accrued using the effective interest method and increase the liabilities' carrying amounts unless they have already been settled in the period in which they were incurred.



- j) Impairment of non-financial assets:** At each reporting date, the company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any.
- Recoverable amount is determined:**
- In the case of an individual asset, at the higher of the Fair Value less cost to sell and the value in use; and
  - In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.
- Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the company estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.
- k) Foreign currency transactions:**
- i)** Functional and presentation Currency The functional and reporting currency of company is INR.
- ii) Transaction and Balances**
- 1) Currency Transactions denominated in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions.
  - 2) Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date.
  - 3) Profits and losses arising on exchange are included in the net profit or loss for the period. Pursuant to exemption given under IND AS 101 the company has continued the policy for accounting for amortization of exchange differences arising from translation of long-term foreign currency monetary items over the tenure of loan.
- 4) Non-Monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference.
- l) Revenue recognition:**
- 1) Sale of product and services:**
- 1) The company derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the company recognise revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the company expect to receive in exchange for their products or services. The company disaggregates the revenue based on nature of products / Geography."
  - 2) Amount disclosed as revenue are inclusive of Excise duty and net of Goods and Service Tax (GST), returns, discounts, rebates.
  - 3) Export sales are accounted for, on the basis of exchange rate of LEO Date (Let Export Order) of transactions and recognized as tand when Risk & Rewards are transferred
- ii) Revenue from other activities:** is recognized based on the nature of activity, when consideration can be reasonably measured. Revenue is measured at the fair value (excluding Goods and Services Tax) of the consideration received or receivable, taking into account contractually defined terms of payment.
- iii) Dividend income:** Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.
- iv) Interest income:**
- 1) For all Financial instruments measured at amortised cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.
  - 2) Interest reeivable from Trade Receivables are accounted on receipt basis.
- v) Export incentive:** Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled."
- vi) Units generated on Enercon wind power plant has been accounted on the basis of effective tariff rate in respective month. Units generated on Suzlon wind power plant has been accounted at contract price on accrual basis.**
- m) Government Grant**
- i) Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company has complied with all attached conditions.
  - ii) Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
  - iii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.
  - iv) In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of india, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfillment of associated export obligations.
- n) Employees Benefits:**
- i) Short term employee Benefit:** All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.
- ii) Defined Contribution Plan:** Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.
- iii) Defined Benefit Plan:** The Leave Encashment and Gratuity are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognised in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss Service costs comprising current service costs, gains and losses on curtailments and non-routine Settlements.



- Net interest income or expense.
- iv) **Long term Employee Benefit:** Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.
- v) **Termination benefits:** Termination benefits are recognised as an expense in the period in which they are incurred. The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:
  - (a) when the entity can no longer withdraw the offer of those benefits; and
  - (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.
- o) **Borrowing costs:**
  - i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.
  - ii) All other borrowing costs are recognised as expense in the period in which they are incurred.
- p) **Leases:**

The Company has applied IND AS 116 with effect from 1.4.2019. In accordance with IND AS 116, the Company recognises right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The right of use assets is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are tested for impairment whenever there is any indication that there carrying amounts may not be recoverable. Impairment loss, if any, is recognised in statement of profit and loss. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised- in-substance fixed lease payments, the company recognises amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Company recognises any remaining amount of the remeasurement in statement of profit and loss. The Company has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on straight line basis over lease term.
- q) **Taxes on income:**

Income Tax expenses comprise current tax expenses and the net change in the deferred tax asset or liabilities during the year. Current and Deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.
- i) **Current Tax:** The Company provides current tax based on the provisions of the Income Tax Act, 1961 applicable to the Company.
- ii) **Deferred Tax :** Deferred tax is recognised using the Balance Sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.<sup>9</sup> Pursuant to the Taxation Laws (Amendment) ordinance, 2019 issued by Ministry of Law & Justice (legislative department) in September, 2019 effective from April-2019, Company has opted to avail lower tax rate of 22% (without any tax benefits) instead of existing rate of 30%
- r) **Provisions, Contingent liabilities, Contingent assets and Commitments:**
  - i) **Provisions:** The Company recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the Company will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.
  - ii) **Contingent liability is disclosed in the case of:**
    - A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
      - A present obligation arising from past events, when no reliable estimate is possible:
      - A possible obligation arising from past events, unless the probability of outflow of resources is remote.
    - Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.
  - iii) **Other Litigation claims:** Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.
- iv) **Onerous contracts:** Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.
- v) **Contingent Assets :** Contingent Assets are not recognised but disclosed in the financial statements when an inflow of economic is probable
- s) **Exceptional Items:**

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.
- t) **Earnings per share:**

Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. In case there are any dilutive securities during the period presented, the impact of same is given to arrive at diluted earning per share. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder<sup>1</sup> and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**u) Segment accounting:**

The company's business falls within a primary business segment viz "Manufacturing and Trading of Aluminium Foil in various forms".

**v) Financial statement classification:**

Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the company classifies assets and liabilities as current

**w) Fair value measurement:**

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments there to. There is no such notification which would have been applicable from April 1st 2020.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1. PROPERTY, PLANT AND EQUIPMENTS

Amount (in Lacs)

Particulars	Agricultural Land	Buildings (Other Than Factory Buildings)	Building (Factory Building)	Plant & Machinery					Furniture & Fixtures	Vehicles	Office Equipment/ Computer	Total Tangible
				Unit No.1	Loading Machine	Unit No. 2	Wind Mill	Unit No.3				
<b>Gross Carrying Value as on 01.04.2018</b>	5.78	2,273.43	316.42	2,888.41	21.92	659.37	1,193.92	1,339.38	95.51	338.05	94.91	<b>9,227.09</b>
Addition	-	3.31		531.89	-	60.58	-	-	-	21.86	11.05	628.69
Deletions				118.64								118.64
<b>Gross Carrying Value as on 31.03.2019</b>	5.78	2,276.74	316.42	3,301.65	21.92	719.95	1,193.92	1,339.38	95.51	359.91	105.96	<b>9,737.14</b>
Accumulated Depreciation as on 01.04.2018	-	240.97	231.47	2,297.25	20.96	554.06	818.67	973.34	80.71	217.91	85.64	<b>5,520.98</b>
Depreciation for the period	-	72.57	8.85	162.81	-	20.88	47.64	52.22	2.64	42.52	4.44	414.58
Deductions/Adjustments				93.31								93.31
Accumulated Depreciation as on 31.03.2019	-	313.54	240.32	2,366.75	20.96	574.93	866.32	1,025.56	83.35	260.43	90.08	<b>5,842.25</b>
<b>Gross Carrying Value as on 01.04.2019</b>	5.78	2,276.74	316.42	3,301.65	21.92	719.95	1,193.92	1,339.38	95.51	359.91	105.96	<b>9,737.14</b>
Addition	-	0.41	20.86	38.90	-	59.76	-	1.38	-	130.20	15.70	267.21
Deletions	-	0.12		9.86				1.03				11.01
<b>Gross Carrying Value as on 31.03.2020</b>	5.78	2,277.03	337.28	3,330.69	21.92	779.71	1,193.92	1,339.73	95.51	490.11	121.66	<b>9,993.35</b>
Accumulated Depreciation as on 01.04.2019	-	313.54	240.32	2,366.75	20.96	574.93	866.32	1,025.56	83.35	260.43	90.08	<b>5,842.25</b>
Depreciation for the period	-	113.80	8.07	168.59	-	36.40	41.06	43.09	5.61	41.24	6.63	464.47
Deductions/Adjustments												-
Accumulated Depreciation as on 31.03.2020	-	427.34	248.39	2,535.34	20.96	611.33	907.37	1,068.65	88.96	301.67	96.71	<b>6,306.72</b>
<b>Net Carrying Value as on 31.03.2020</b>	5.78	1,849.70	88.88	795.35	0.97	168.38	286.54	271.08	6.56	188.44	24.95	<b>3,686.62</b>
<b>Net Carrying Value as on 31.03.2019</b>	5.78	1,963.20	76.09	934.90	0.97	145.02	327.60	313.82	12.16	99.48	15.87	<b>3,894.89</b>

**b) Capital work-in-progress includes :-**

	Opening 01.04.2019	Addition	Capitalised	Closing 31.03.2020
	150.59	73.96	7.04	217.51
<b>Total</b>	<b>150.59</b>	<b>73.96</b>	<b>7.04</b>	<b>217.51</b>

i) The company has elected to fair value certain class of property, plant & Equipment at transition date 01.04.2016 and resulting impact have been recognised on 01.04.2016.

ii) On Transition date i.e. 01.04.2016, the gross block of tangible assets was Rs 779956189, accumulated depreciation was Rs 497269747 and net book value was Rs. 282686442

iii) Security : Refer Note no. 16 & 19 for details of Assets Mortgaged

<b>2 NON CURRENT INVESTMENTS</b>		<b>Amount (In Lacs)</b>					
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>					
<b>a) Unquoted - At Amortised Cost</b>							
491592 Units of ICICI Prudential Venture Capital Fund Real Estate Scheme 1st	49.16	52.28					
940 Units of Indo Star Credit Fund	57.75	57.75					
900 Units of Earthcon Infracon Pvt.Ltd. NCD	900.00	900.00					
Walton Street Blacksoil Real Estate (Trust)	732.58	495.00					
<b>b) Unquoted - At Fair Value</b>							
Equity shares of Bikaner builders Private Ltd. Face value Rs.10/- each (22,500 Shares)	3.09	3.09					
<b>c) Quoted - At Fair Value</b>							
50 Nos.Dhan Laxmi Bank Ltd. Equity Shares	0.00	0.01					
20 Nos. Kotak Mahendra Bank Equity Shares	0.26	0.27					
<b>TOTAL INVESTMENT</b>	<b>1,742.85</b>	<b>1,508.40</b>					
Aggregate value of Unquoted Shares/Debt at amortised cost	1,739.49	1,505.03					
Aggregate value of Unquoted Shares/Debt at Fair Value	3.09	3.09					
Aggregate value of quoted Shares/Debt at Fair Value	0.26	0.28					
<b>Total Non- Current Investment</b>	<b>1,742.85</b>	<b>1,508.40</b>					
<b>3 Loan - Non Current (Unsecured Considered good unless otherwise specified)</b>		<b>Amount (In Lacs)</b>					
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>					
Security Deposits	93.76	93.19					
<b>Total</b>	<b>93.76</b>	<b>93.19</b>					
<p>Company has taken a flat in Mumbai for a period of 99 years lease from Mr. Sahil P Shah (Lessor) on monthly lease rent of Rs.2500/- which will be increased by 10% after the expiry of every 36 months from the date of agreement and company has deposited Rs.95,00,000/- as interest free security deposit with right to purchase the property on further payment of Rs.5,00,000/-. In the year 18-19 M/s MEC international Pvt. Ltd. has sold above mentioned lease property to Lessor. Company has executed a new lease agreement for unexpired period of lease with Lessor at same terms and conditions of as mentioned old lease agreement. This lease agreement has not been registered. The unexpired period to said lease is 84 years.</p>							
<b>4 Other Non Current Financial Assets (Unsecured Considered good unless otherwise specified)</b>		<b>Amount (In Lacs)</b>					
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>					
Earnest money deposit	2.67	2.67					
<b>Total</b>	<b>2.67</b>	<b>2.67</b>					
<b>5 Deferred Tax Liability/ (Assets)</b>		<b>As at 31 March 2020</b>					
<b>Particulars</b>	<b>Balance as at April 1 2019</b>	<b>Recognised in profit or (Loss)</b>	<b>Recognised in OCI</b>	<b>Net Deferred Tax</b>	<b>Deferred Tax Liability</b>	<b>Deferred Tax Assets</b>	
Property, plant and equipment and intangible assets	(37.74)	(11.41)	-	(49.16)		(49.16)	
Provision for defined benefit plan - P&L	(2.22)	(1.26)	-	(3.47)		(3.47)	
Provision for defined benefit plan & Investment - OCI	10.70	-	(6.35)	4.35	4.35		
Fair Value Gain on Investment & Others	184.25	42.41	-	226.66	226.66		
<b>Deferred Tax (Assets) / Liabilities</b>	<b>154.99</b>	<b>29.74</b>	<b>(6.35)</b>	<b>178.37</b>	<b>231.00</b>	<b>(52.63)</b>	
		<b>As at 31 March 2019</b>					
<b>Particulars</b>	<b>Balance as at April 1 2018</b>	<b>Recognised in profit or (Loss)</b>	<b>Recognised in OCI</b>	<b>Net Deferred Tax</b>	<b>Deferred Tax Liability</b>	<b>Deferred Tax Assets</b>	
Property, plant and equipment and intangible assets	(7.16)	(30.58)	-	(37.74)		(37.74)	
Provision for defined benefit plan - P&L	(8.56)	6.35	-	(2.22)		(2.22)	
Provision for defined benefit plan & Investment - OCI	0.04	-	10.66	10.70	10.70		
Fair Value Gain on Investment	241.42	(57.17)	-	184.25	184.25		
<b>Deferred Tax (Assets) / Liabilities</b>	<b>225.74</b>	<b>(81.41)</b>	<b>10.66</b>	<b>154.99</b>	<b>194.94</b>	<b>(39.96)</b>	
<b>Movement on the deferred tax account is as follows:</b>						<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31 March 2020</b>		<b>As at 31 March 2019</b>				
Balance at the beginning of the year	154.99		225.74				
(Credit)/ Charge to the statement of profit and loss	29.74		(81.41)				
(Credit)/ Charge to other comprehensive income	(6.35)		10.66				
<b>Balance at the end of the year</b>	<b>178.37</b>		<b>154.99</b>				

Particulars	Year Ended	
	31st March, 2020	31st March, 2019
<b>(a) Tax Expense</b>		
<b>Current Tax</b>		
Current Tax for the year	264.96	530.00
Adjustments for earlier year Taxes	(228.22)	39.43
<b>Total current tax expense</b>	<b>36.74</b>	<b>569.43</b>
<b>Deferred tax</b>		
Movement in Deferred Tax	29.74	(81.41)
Total deferred tax expense/(benefit)	29.74	(81.41)
<b>Tax Expense</b>	<b>66.48</b>	<b>488.02</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate</b>	<b>Amount (In Lacs)</b>	
<b>Tax Reconciliation</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
Profit before Tax	1,563.44	2,105.84
<b>Amount of Tax on applicable Tax rate @ 25.168% Including Special Tax Rate (PY-34.944%)</b>	393.49	734.49
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	140.99	288.37
Adjustments for earlier year Taxes	(228.22)	39.43
Other temporary changes in recognised deductible differences	29.74	(81.41)
Tax effect of amounts which are deductible (non taxable) in calculating taxable income:	(501.47)	(492.86)
<b>Current Tax</b>	<b>(165.47)</b>	<b>488.02</b>
<b>Current Tax at Special Rate</b>	<b>231.95</b>	-
<b>Income Tax Expense reported in the statement of Profit &amp; Loss</b>	<b>66.48</b>	<b>488.02</b>
The company has elected to exercise the option permitted under section 111BAA of Income Tax Act,1961 as introduced by Taxation laws (Amendment) Ordinance 2019. Accordingly,the company has recognised provision for current tax/deferred tax for the year ended 31st March 2020 and also remeasured its deferred tax liability on the basis of rate as prescribed in the said section.		
<b>6 Other Non-current Assets (Unsecured considered good unless otherwise specified)</b>		
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Prepaid expenses	90.88	94.02
Balances with government authorities [Refer note (i) below]	6.25	6.25
Advance Tax/tax deducted at source/ FBT Refundable (net of provision)	174.45	15.55
Advance for Capital Goods	74.65	85.26
<b>Total</b>	<b>346.24</b>	<b>201.08</b>
(i) Balances with government includes a sum of Rs.6,00,000/- was deposited by the company as pre-deposit of penalty as per directions given by the Custom Excise & Gold (control) Appellate New Delhi by order dated 03.02.2003 against total amount of penalty of Rs.25 lacs to be deposited by Shri Pankaj P. Shah(Managing Director) and Shri Ashok P. Shah(Ex-Director) of the company,the appeal has been dismissed by the tribunal.The company has filed an appeal before High Court. Matter is still pending.		
<b>7 Inventories</b>		
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
(a) Raw Materials & Production Stores		
With Jobber	-	-
At Plant	2,032.80	1,733.67
Goods In Transit (Import Goods)	-	-
(b) Work-in-progress	618.37	655.25
(c) Finished goods(Other than traded)		
At Plant	841.66	353.56
Goods In Transit (Export Goods)	-	115.24
With Jobber	-	-
(d) Packing Material & Consumables store	160.75	84.37
(e) Scrap	267.92	109.42
(f) Ingot	9.33	78.52
<b>Total</b>	<b>3,930.83</b>	<b>3,130.04</b>
(i) The company does not have any stock which is expected to be sold in more than 12 months		
(ii) Carrying amount of inventories (included above) Hpothecated. (Refer to note 19)		
(iii) For mode of valuation of Inventory please refer to note C(g)		

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

<b>8 Current Investment</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
<b>Quoted-At Fair Value</b>			
DSP Credit Risk Fund - Regular Plan Growth	-	897.00	
HDFC Credit Risk Debt Fund Direct - Growth	548.78	500.81	
Kotak Credit Risk Fund Growth Regular Plan	-	5,518.15	
Reliance Credit Risk Fund Growth Plan Growth Option	-	2,124.78	
ICICI Prudential Credit Risk Fund Growth	2,749.69	1,203.84	
IDBI Focused 30 Equity Fund	7.70	9.98	
IDBI Banking & Financial Services Fund	7.29	10.64	
IDBI Small Cap Fund A/C	6.48	9.63	
ABSL Credit Risk Fund - Growth Direct	-	501.30	
Axis Credit Risk Fund - Direct	898.25	851.58	
Franklin India Credit Risk Fund Direct	626.09	651.11	
IDFC Banking & PSU Debt Fund Regular Plan Growth	1,061.79	-	
Kotak Banking & Psu Debt Fund Growth	1,049.96	-	
L & T Triple ACE Bond Fund	529.71	-	
SBI Arbitrage Opportunities Fund	200.23	-	
SBI Magnum Medium Duration Fund Growth	2,112.71	-	
UTI Floater Fund Regular Growth Plan (Liquid Fund)	2,026.62	-	
Axis Banking & PSU Debt Fund Regular Plan - Growth	1,055.39	-	
HDFC Credit Risk Debt Fund - Regular Growth	2,422.55	-	
<b>Total</b>	<b>15,303.23</b>	<b>12,278.82</b>	
<b>Aggregate Value of Quoted Investment at Fair Value</b>	<b>15,303.23</b>	<b>12,278.82</b>	
(i) Carrying amount of investments (included above) pledged. (Refer to note 19)			
<b>9 Trade Receivable - Unsecured Considered Good</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
( Unsecured - Considered Good)			
Trade Receivable	5,694.83	6,225.85	
<b>Total</b>	<b>5,694.83</b>	<b>6,225.85</b>	
(i) Trade Receivables with a carrying value of Rs. 5694.83 Lacs and Rs. 6225.85 Lacs have been given as collateral towards borrowings as at 31st March 2020 and 31st March 2019 respectively (refer note 19 on borrowings)			
(ii) The Credit period given to customers range from 30 Days to 100 Days. For the existing customers based on their past records, the company fixes the credit limit as well as credit period. For new Customers, company generally supplies the good against advances.			
<b>10 Cash &amp; Cash Equivalents</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
Balances with banks in current accounts	15.19	40.95	
Cash on hand	5.20	3.90	
<b>Total</b>	<b>20.38</b>	<b>44.85</b>	
<b>11 Other Bank Balance - Current</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
Fixed Deposits including accrued interest thereon* (Refer note no 48)	177.06	102.29	
Unpaid Dividend account	15.91	15.91	
<b>Total</b>	<b>192.97</b>	<b>118.20</b>	
(i) *STDR of Rs. 7014820/- (Previous Year Rs. 7014820/-) pledged as security of Over Draft account)			
(ii) There are no amounts due and outstanding to be credited to the Investor Education and Protection fund as on 31.03.2020			
<b>12 Other Current Financial Assets (Unsecured considered good unless otherwise specified)</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
Interest Income Receivables	39.27	43.54	
Premium on Forward Contracts	-	57.82	
Advance to Employees	17.43	30.43	
<b>Total</b>	<b>56.69</b>	<b>131.78</b>	
<b>13 Other Current Assets (Unsecured considered good unless otherwise specified)</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
Export Entitlement Receivable	47.97	6.57	
Other Receivables	95.18	36.83	
Advances to suppliers and others	113.89	547.75	
Prepaid Expenses	20.13	15.18	
Balance with revenue authorities (Refer foot note i to ii below)	253.63	200.31	
Stock of Gas Cylinder	0.85	0.36	
<b>Total</b>	<b>531.64</b>	<b>807.00</b>	
Note:(i) Balances with Govt.Authorities includes Rs.97,44,034/- deposited against demand of Rs.1,25,76,869/- for safeguard duty. Liability for the balance amount has not been provided for, as the same has been appealed in Hon'ble High Court, Mumbai. Stay granted by Hon'ble High Court.			
(ii) CENVAT/GST Recoverable of Rs 22.57 Lacs (Pervious year Rs. 849.93 Lacs) includes in Balance with Govt. Authorities.			

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<b>14 Equity Share Capital</b>				
<b>(a) Authorised</b>				
<b>Particulars</b>	<b>No. of Shares</b>		<b>Amount In Lacs</b>	
	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>Equity Shares of Rs. 10 each</b>				
At the beginning of the period	1,50,00,000	1,50,00,000	1,500.00	1,500.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	1,50,00,000	1,50,00,000	1,500.00	1,500.00
<b>Grand Total</b>	<b>1,50,00,000</b>	<b>1,50,00,000</b>	<b>1,500.00</b>	<b>1,500.00</b>
<b>(b) Issued</b>				
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the period	81,21,600	81,21,600	812.16	812.16
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	81,21,600	81,21,600	812.16	812.16
<b>Total</b>	<b>81,21,600</b>	<b>81,21,600</b>	<b>812.16</b>	<b>812.16</b>
<b>Subscribed and Paid up</b>				
<b>Equity Shares of Rs. 10 each fully paid up</b>				
At the beginning of the period	81,10,000	81,10,000	811.00	811.00
Add: Additions during the period	-	-	-	-
Less: Reduction during the period	-	-	-	-
At the end of the period	81,10,000	81,10,000	811.00	811.00
<b>Total</b>	<b>81,10,000</b>	<b>81,10,000</b>	<b>811.00</b>	<b>811.00</b>
Add: Amount Originally Paid-up on Forfeited Shares (1300 Equity Shares subscribed but not fully paid-up)	-	-	0.61	0.61
<b>Total</b>	<b>81,10,000</b>	<b>81,10,000</b>	<b>811.61</b>	<b>811.61</b>
<b>(c) Details of shareholders holding more than 5% shares in the company</b>				
Name of the Shareholder				
1 Pipalia Calbes & Wires Pvt. Ltd	15.92	15.92	19.61	19.61
2 Foils India Laminates Pvt. Ltd	14.02	11.52	17.28	14.19
3 Miracales Foils Pvt. Ltd.	7.34	7.34	9.04	9.04
4 Madras Alucon Pvt. Ltd.	4.53	4.53	5.58	5.58
5 Prem Alucon Pvt. Ltd.	4.20	4.20	5.17	5.17
<p>The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above share holding represents both legal and beneficial ownerships of shares.</p>				
<b>14.1 Terms/rights attached to paid up equity shares</b>				
<p>The company has only one class of equity shares having a par value of Rs 10/- Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				
<b>14.2</b> The Company has not allotted any fully paid up equity shares pursuant to contracts without payment being received in cash during the period of five years immediately preceeding the balance sheet date.				
<b>15 Other Equity</b>			<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>		<b>As at 31.03.2019</b>	
<b>Security Premium Reserve</b>				
As per last Balance Sheet	1,944.47		1,944.47	
Add: Addition during the year	-		-	
<b>Balance at the end of year</b>	<b>1,944.47</b>		<b>1,944.47</b>	
<b>General Reserve</b>				
As per last Balance Sheet	1,272.49		1,272.49	
Add: Addition during the year	-		-	
<b>Balance at the end of year</b>	<b>1,272.49</b>		<b>1,272.49</b>	
<b>Capital Reserve</b>				
As per last Balance Sheet	58.03		58.03	
Add: Addition during the year	-		-	
<b>Balance at the end of year</b>	<b>58.03</b>		<b>58.03</b>	
<b>Retained Earnings</b>				
As per last Balance Sheet	10,833.31		9,215.48	
Add: Profit during the year	1,496.96		1,617.82	
Interim Dividend and Tax there on	-		-	
<b>Balance at the end of year</b>	<b>12,330.27</b>		<b>10,833.31</b>	

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As per last Balance Sheet	10,833.31	9,215.48
Add: Profit during the year	1,496.96	1,617.82
Interim Dividend and Tax there on	-	-
<b>Balance at the end of year</b>	<b>12,330.27</b>	<b>10,833.31</b>
<b>Other Comprehensive Income</b>		
As per last Balance Sheet	20.01	(0.03)
Add: Profit during the year	(18.74)	20.04
<b>Balance at the end of year</b>	<b>1.28</b>	<b>20.01</b>
<b>Total</b>	<b>15,606.54</b>	<b>14,128.33</b>
<b>16 Borrowings - Current</b>		<b>Amount (In Lacs)</b>
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
<b>SECURED LOANS</b>		
Term Loan from Bank	-	346.58
Less: Current Maturities of Long Term Debt	-	(69.42)
<b>Total</b>	<b>-</b>	<b>277.16</b>
<p>The Company has Sanctioned Term Loan of Rs. 5.74 Crores and Availed upto 31.03.2019 Rs.3.47 Crores from HDFC Bank Ltd. is carrying interest 8.90% (Linket to 1 Year MCLR) per annum. The Loan is repayable in 24 quarterly instalments starts from May 2018, but Company has fully repaid above mentioned loan in the month of August, 2019. The loan is secured by an exclusive charge on plant and machinery created out of term loan i.e. solar plant and personal guarantee of Pankaj P Sh.</p>		
<b>17 Other Financial Liabilities - Non Current</b>		<b>Amount (In Lacs)</b>
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Death Claim payable	60.52	71.92
Service award accrued but not due	43.34	267.77
Trade / security deposits received	36.75	52.18
Unpaid Dividend [Refer note (i) below]	27.46	27.46
<b>Total</b>	<b>168.07</b>	<b>419.33</b>
<p>(i) Unpaid dividend of Rs 27,37,500/- has not been deposited with the Scheduled Bank in Unpaid Dividend Account, since the ownership of the shares is sub-judice in city civil court at Ahemdabad till year 2018 and in year 2018-19 court has settled the case and ownership of the shares transferred in favour of M/s. Miracle foils Pvt Ltd. Company will pay above amount when claimed And Rs. 8,500/- of others has also not been deposited.</p>		
<b>18 Long Term Provision</b>		
Provision for Gratuity	-	-
Provision for Leave Encashment	56.29	6.02
<b>Total</b>	<b>56.29</b>	<b>56.02</b>
<b>19 Borrowings - Current</b>		<b>Amount (In Lacs)</b>
<b>(a)Overdraft and Buyers Credit</b>		
From banks		
Secured	12,124.58	5,448.63
<b>(b) Loan Repayable on Demand</b>		
From Others*	524.00	1,398.00
Unsecured		
<b>(c) Loan From others</b>		
Unsecured	0.52	1,925.82
<b>Total</b>	<b>12,649.11</b>	<b>8,772.46</b>
<p>*Non interest bearing Unsecured Loans from Private Limited Companies</p>		



(i) Details of security for the secured short-term borrowings:		Amount (In Lacs)	
Particulars	Nature of security	As At 31 March, 2020	As At 31 March, 2019
Overdraft and buyers credit from bank (IDBI)	Working capital overdraft including buyers credit Secured against First Pari Passu Charge with HDFC Bank on entire current assets and collateral first pari passu charge with HDFC Bank on entire movable assets and equitable mortgage on the factory land & building situated at pipalia kalan, Dist. Pali (Raj), pledge of liquid investment in the name of company in the form of Mutual Funds/ Bonds and personal guarantee of the director Mr. Pankaj P Shah And Mr. Sahil P Shah. Interest Charge @ 1 year MCLR + 185 bps p.a. i.e. 10.50 PA.	411.24	3,243.51
Working Capital Demand Loan From IDBI Bank Ltd (EURO)	Security - Same as above (a) Interest Rate mutually agreed at the time of each disbursement	2,988.18	-
Barclays Bank PLC Overdraft Facility Limit in EURO	Against pledge of liquid investment in the name of company in the form of Mutual Funds/ Bonds/Fixed Deposits and personal guarantee of the director Mr. Pankaj P Shah, Interest charge as mutually agreed at the time of release	4,126.08	1,936.34
Barclays Bank PLC Overdraft Facility Limit	Against pledge of liquid investment in the name of company in the form of Mutual Funds/ Bonds/Fixed Deposits and personal guarantee of the director Mr. Pankaj P Shah, Interest charge as mutually agreed at the time of release	(7.69)	-
HDFC Bank Ltd Overdraft Facility Limit	Working capital overdraft including buyers credit Secured against First Pari Passu Charge with IDBI Bank on entire current assets and collateral Pari Passu charge with IDBI Bank on entire movable assets and equitable mortgage on the factory land & building situated at pipalia kalan, Dist. Pali (Raj), pledge of liquid investment in the name of company in the form of Mutual Funds/ Bonds and personal guarantee of the director Mr. Pankaj P Shah And Mr. Sahil P Shah. Interest Charge as mutually agreed	14.99	(0.37)
HDFC Bank Ltd Overdraft Facility Limit (EURO)	Security - Same as above (e) Interest Rate as mutually agreed	2,075.13	
Kotak Mahendra Bank Working Capital Deemand Loan (EURO)	Against pledge of liquid investment in the name of company in the form of Mutual Funds/ Bonds and personal guarantee of the director Mr. Pankaj P Shah, Interest charge as mutually agreed at the time of facility release	2,524.35	198.13
Overdraft against Fixed Deposit From State Bank of India	Against pledge of Fixed deposit, interest charge @ 7.5% per annum	(7.70)	71.02
<b>Total</b>		<b>12,124.58</b>	<b>5,448.63</b>
<b>20 Trade payables</b>			<b>Amt. (In Lacs)</b>
<b>Particulars</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Total outstanding dues of micro enterprises and small enterprises		7.54	70.57
Total outstanding dues of creditors other than micro enterprises and small enterprises		527.83	755.43
<b>Total</b>		<b>535.37</b>	<b>826.00</b>
The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.			
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		-	-
- Principal Amount		7.54	70.57
- Interest due		-	-
(b) the amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;		-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		-	-
Note: Provision for interest due on outstanding amount to MSME creditors not provided in the books of account as per section 16 of the MSMED Act, 2006.			

<b>21 Other Current Financial Liabilities</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>	<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>	
Current Maturities of Long Term Debt	-	69.42	
Interest Accrued but not Due	19.31	18.48	
Service award due & payable	274.52	9.66	
Employee Related Laibilities	165.72	137.78	
Payable for Capital Goods	103.63	223.67	
Security Deposit Received	37.01	37.01	
Liability on account of outstanding forward contracts	150.22	-	
Unclaimed Dividend [Refer note (i) below]	15.91	15.91	
<b>Total</b>	<b>766.31</b>	<b>511.93</b>	
Note: Unclaimed dividend includes Rs 414292/- for F.Y. 2015-16, Rs.604280 /- for F.Y. 2016-17 and Rs 572282/- for F.Y. 2017-18			
<b>22 Other Current Liabilities</b>			
Advance from Customers	664.24	1,207.84	
Statutory Dues Payable	369.70	1,407.04	
<b>Total</b>	<b>1,033.94</b>	<b>2,614.88</b>	
<b>Note: Statutory Dues Payble includes :</b>			
(a) Demand raised under CST Act for FY 2014-15 Rs. 2677723/-, FY 2015-16 Rs. 4964876/-, FY 2016-17, 208106/- & FY 2017-18 432409/- towards non submission of declaration forms.			
(b) Demand raised under VAT Act. For FY 2014-15 Rs. 2939943/- & FY 2015-16 4411700/- towards disallowances of input tax credit availed on DEPB licence			
(c) Demand raised under Income Tax Act for AY 2016-17 for Rs. 5329282/- and for AY 2017-18 Rs. 2135739/-, company had filed an appeal before CIT Appeal against orders "			
<b>23 Short Term Provisions</b>			
Gratuity	-	-	
Leave Encashment	13.98	14.67	
<b>Total</b>	<b>13.98</b>	<b>14.67</b>	
<b>24 Revenue from Operations</b>		<b>Amount (In Lacs)</b>	
<b>Particulars</b>			
Sale of products (Refer Note (i) below)	20,621.75	25,427.10	
Other operating revenues (Refer Note (ii) below)	1,109.79	456.92	
<b>Total</b>	<b>21,731.54</b>	<b>25,884.02</b>	
<b>Note (i)</b>			
<b>A) Sale of products comprises:</b>			
<b>Manufactured goods</b>			
-Aluminium Foil	19,464.77	22,098.78	
-Glassine Paper	44.20	55.54	
-Ingot	658.88	643.43	
-Polythene	8.84	12.58	
<b>Total (A)</b>	<b>20,176.69</b>	<b>22,810.34</b>	
Less : Sales Returns	(166.05)	(64.58)	
Discount, Rebate & Shortage	(21.92)	(26.48)	
<b>Total - Sale of manufactured goods</b>	<b>19,988.71</b>	<b>22,719.27</b>	
<b>B) Traded goods</b>			
-Aluminium Wire Rod & Ingots	421.80	2,022.61	
-Grannuals	87.94	278.26	
-Camical	64.25	7.21	
-Aluminium Foil	-	374.57	
-Ingot	46.96	25.18	
others	12.09	-	
<b>Total - Sale of traded goods (B)</b>	<b>633.04</b>	<b>2,707.83</b>	
<b>Total - Sale of products (A+B)</b>	<b>20,621.75</b>	<b>25,427.10</b>	
<b>Note (ii)</b>			
Other operating revenues comprise:			
Export Incentives etc	106.97	35.38	
Process Scrap Sale	887.15	303.24	
Gain on wind power generations	115.67	118.30	
<b>Total - Other operating revenues</b>	<b>1,109.79</b>	<b>456.92</b>	
<b>Dissegregation of revenue</b>			
<b>Revenue based on nature</b>			
<b>Particular</b>			
Aluminium Foils & Related Products	20,621.75	25,427.10	
<b>Total</b>	<b>20,621.75</b>	<b>25,427.10</b>	
<b>Revenue based on Geography</b>			
Within India	17,996.57	22,570.76	
Outside India	2,625.18	2,856.34	
<b>Total</b>	<b>20,621.75</b>	<b>25,427.10</b>	

<b>Reconciliation of revenue from operations with contract price</b>		<b>As at 31.03.2020</b>	<b>As at 31.03.2019</b>
Contract Price		20,599.83	25,400.62
Less: Variable Components like Discounts etc.		(21.92)	(26.48)
<b>Revenue from Operations as recognised in financial Statements</b>		<b>20,621.75</b>	<b>25,427.10</b>
<b>25 Other Income</b>			
<b>Particulars</b>			
<b>Interest income</b>			
Interest income		240.87	320.35
Dividend		0.00	0.38
Employer Employee Maturity Income		-	1,426.66
<b>Other non-operating income</b>		<b>843.99</b>	<b>215.31</b>
<b>Other Gains</b>			
Profit on Sale of Fixed Assets		31.45	30.10
Unrealised gain on valuation of mutual funds measured at fair value through profit or loss		728.45	526.74
Government Grant		14.13	-
Keyman Maturity Income		-	176.46
<b>Total</b>		<b>1,858.89</b>	<b>2,696.00</b>
<b>26 COST OF MATERIALS CONSUMED</b>			
Opening Stock		1,818.05	4,995.25
Add: Purchase during the year		18,071.12	17,346.23
<b>Total</b>		<b>19,889.17</b>	<b>22,341.48</b>
Less: Cost Of Sales(Traded Goods)		-	-
Less:Purchase return		(54.90)	(24.96)
Less: Closing stock		(2,193.55)	(1,818.05)
<b>Total</b>		<b>17,640.72</b>	<b>20,498.47</b>
<b>27 EXCEPTIONAL ITEMS</b>			
Loss of Stock by Fire ( Refer Note 51)		328.45	-
<b>Total</b>		<b>328.45</b>	<b>-</b>
<b>28 PURCHASE OF STOCK-IN-TRADE</b>			
Purchase of Alu . Wire Rods (Trading)		412.69	149.06
Purchase of Foil Stock (Trading)		-	346.31
Purchase of Grannual (Trading)		-	262.99
Purchase of Ingots (Trading)		-	25.02
Purchase of Vinol (Trading)		-	7.23
<b>Total</b>		<b>412.69</b>	<b>790.61</b>
<b>29 (INCREASE)/DECREASE IN STOCK (FG,WIP)</b>			
<b>Opening Stock</b>			
Finished Goods/ Stock in trade		547.31	638.42
Work-in-Process		655.25	675.49
Scrap		109.42	368.16
		<b>1,311.99</b>	<b>1,682.07</b>
<b>Closing Stock</b>			
Finished Goods/ Stock in trade		850.99	547.31
Work-in-Process		618.37	655.25
Scrap		267.92	109.42
		<b>1,737.28</b>	<b>1,311.99</b>
<b>Total</b>		<b>(425.29)</b>	<b>370.08</b>
<b>30 Employee Benefit Expenses</b>			
<b>Particulars</b>			
Salaries & Wages		922.43	838.94
Contributions to provident and other funds		150.95	69.49
Staff Welfare Expenses		395.44	648.78
<b>Total 1,468.82</b>		<b>1,557.21</b>	
(i) Staff welfare expenses include Rs. 377.25 Lacs (previous year Rs. 636.51 Lacs) premium paid for life insurance of companies employee under employer employee scheme.			
<b>Particulars</b>			
<b>31 Finance Cost</b>			
Interest Expenses		273.56	543.72
Other borrowing costs		1.38	1.25
Bank Charges		43.81	65.95
Exchange Rate Difference		522.92	229.87
Interest on Income Tax		0.71	13.03
Interest on Lease Liability		1.65	-
<b>Total 844.03</b>		<b>853.83</b>	
<b>32 Depreciation</b>			
Depreciation		464.47	414.58
Depreciation on Right to Use		0.52	-
<b>Total</b>		<b>464.99</b>	<b>414.58</b>

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
<b>33 Other Expenses</b>		
<b>A) Manufacturing Expenses</b>		
Power & Fuel	625.08	732.95
Freight Inward	75.33	151.82
Repair & Maintenance (Machinery)	106.75	81.24
Processing/Job Charges	14.73	136.66
Other Manufacturing Expenses	5.56	7.47
<b>Total Manufacturing Expenses</b>	<b>827.45</b>	<b>1,110.13</b>
<b>B) Administrative Expenses</b>		
Tax Demands & Payments	11.25	253.62
Rent 51.31	46.21	
Bad Debts written off	1.95	2.97
Legal & Professional Charges	20.14	22.99
Travelling and Conveyance Expenses (Including directors travelling Rs. 1593538/- previous year Rs. 1714533/-)	46.28	51.79
Vehicles Running, Repair & Maintenance Expenses	11.41	16.08
Building Repair & Maintenance Expenses	10.20	11.88
Other Repair & Maintenance Expenses	13.83	10.79
Auditors Remuneration {refer to note below (i) }	4.15	3.20
Postage, Telephone & Fax Expenses	9.08	8.46
Other Administrative expenses	53.60	36.07
Interest Paid Under Various Act	5.34	159.05
Research & Development Expenses	-	-
Rates & Taxes	2.13	1.48
Printing & Stationery Expenses	8.54	6.99
Fines & Penalties	0.00	0.32
Licence Fees & Expenses	5.02	5.13
CSR Expenses	41.25	36.60
Donation	-	21.03
<b>Total Administrative Expenses</b>	<b>295.47</b>	<b>694.67</b>
<b>C) Selling And Distribution Expenses</b>		
Advertisement	6.60	7.58
Freight outward, octroi & insurance	151.43	169.68
Sales Promotion Expenses	11.62	7.34
<b>Total Selling And Distribution Expense</b>	<b>169.65</b>	<b>184.60</b>
<b>Total</b>	<b>1,292.57</b>	<b>1,989.40</b>
<b>34 Tax Expenses</b>		
Current Tax	264.96	530.00
Tax Adjustment related to Earlier Years	(228.22)	39.43
Deferred Tax	29.74	(81.41)
<b>Total</b>	<b>66.48</b>	<b>488.02</b>
<b>35 Payment to Auditors:</b>		
As auditors - statutory audit	2.50	2.00
For taxation matters	0.50	0.50
For Certification	0.50	0.50
Reimbursement of expenses	0.65	0.20
<b>Total</b>	<b>4.15</b>	<b>3.20</b>
<b>36 Earning Per Share (EPS)</b>		
<b>Particulars</b>		
<b>Basic and Diluted Earnings Per Share</b>		
Profit/(Loss) after tax as per profit & loss account (In Rs.) (A)	1,496.96	1,617.81
No. of equity shares (B)	81.10	81.10
Basic and Diluted Earning Per Share (Rs.) (A/B)	18.46	19.95
<b>37 CONTINGENT LIABILITIES AND COMMITMENTS NOT PROVIDED FOR:</b>		
<b>CONTINGENT LIABILITIES:</b>		
(a) Guarantees given by bank in favour of buyers/suppliers, & Central Excise for Rs. 69.55 Lac (previous Year Rs. 69.55 Lac)		
(b) Letter of Credit of Rs. 1771.85 Lac (previous Year Rs. 2462.76 Lac) opened in favour of Raw Material Suppliers		
(c) Personal Guarantee by the Managing Director and Whole Time Director have been given to IDBI bank Limited, HDFC Bank Ltd Barclays Bank PLC and Kotak Bank Ltd. against Credit facilities sanctioned to company.		
(d) Uncompleted/reopened assessments of sales tax ,income tax and GST		
(e) Suit filed by NECLO for Sum of Rs. 227085/- against which a sum of Rs.25,000/- has been deposited in the city Civil Court Ahmedabad. Matter pending since more than 18 years and company does not expect any liability		
(f) Bonus Liability for the year 2014-15 as per new amendment issued by Ministry of Labour on which stay granted by Hon'ble High Court in company favour.		

- g) Total penalty of Rs. 25,00,000/- is raised on Shri Pankaj P Shah (Managing Director) and Shri Ashok P Shah (Ex. Director) of the company by custom department and company has paid Rs. 6,00,000/- as per direction of Custom Excise & Gold (control) Appellate, New Delhi through order dated 03.02.2003 and company has filled appeal before Hon'ble High Court.
- (h) Total Demand of Rs. 12576869/- for safeguard duty is raised by custom department and the same has been pending Hon'ble High Court, Mumbai. Stay granted by Hon'ble High Court. Company has paid Rs. 9744034/- against this demand.
- (i) LER - Loan Equivalent Risk of Rs. 218.14 Lacs given by bank towards potential fluctuation in the contractual currency of foreign exchange transaction

**COMMITMENTS**

- (j) Estimated amount of contracts on Capital Accounts remaining to be executed and not provided for (net of advances) Rs. NIL /-(PY- NIL)
- (k) The company has entered into derivative contracts during the year in the nature of Forward Contracts for hedging currency risk for export made. The Forward Contracts outstanding as on 31st March 2020 amount to Rs. 2942.39 lacs (USD 40.00 Lacs) PY 2282.11 lacs (USD 33.00 Lacs)
- (l) The Company has entered into derivative contracts during the year in the nature of Forward Contracts for hedging currency risk for import. The Forward Contracts outstanding as on 31st March 2020 amount to Rs. NIL (USD NIL & EURO NIL)/- (PY Rs. 2210.99 Lacs (USD 31.97 Lacs & EURO NIL)
- (m) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Euro (In Lacs)	US Dollars (In Lacs)	Rs. (In Lacs)	Euro (In Lacs)	US Dollars (In Lacs)	Rs. (In Lacs)
<b>Amount Payable in foreign currency</b>						
Buyers Credit						
Other FCY Loan	141.12		11713.72	-	35.00	2420.43
Interest accrued but not due on borrowings	-	-	-	-	-	-

**38 As per IND AS-19 " Employee Benefits" the disclosures are as under:**

- I Defined Benefit Plan:** The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date. The amount recognised are as under:

**a) Gratuity (Funded)**
**(i) Present Value of Defined benefit Obligation**
**(Rs. In Lacs)**

Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
<b>Obligations at year beginning</b>	<b>346.56</b>	<b>341.32</b>
Service Cost - Current	35.49	29.09
Service Cost - Past	0	-
Interest Cost	26.55	26.15
Benefit payments	(23.79)	(17.57)
Actuarial (gain) / Loss on PBO	23.00	(32.42)
Addition due to transfer of employee		-
<b>Obligations at year end</b>	<b>407.81</b>	<b>346.56</b>
<b>(ii) Change in plan assets</b>		
Fair value of plan assets at the beginning of the period	431.82	381.20
Actual return on plan assets	33.59863	29.80
Less- FMC Charges	-2.6003	(2.34)
Employer contribution	43.42516	40.74
Benefits paid	(23.79)	(17.57)
<b>Fair value of plan assets at the end of the period</b>	<b>482.46</b>	<b>431.82</b>
<b>(iii) Assets and Liabilities recognized in the Balance Sheet</b>		
Present Value of the defined benefit obligations	407.81	346.56
Fair value of the plan assets	482.46	431.82
<b>Unfunded Liability/ Provision in Balance Sheet</b>	<b>(74.65)</b>	<b>(85.26)</b>
<b>(iv) Defined benefit obligations cost for the year:</b>		
Net defined benefit obligations at the start of the Period	(85.26)	(39.88)
Service Cost - Current	35.49	29.09
Service Cost - Past		-
Net Interest Cost	(6.53)	(3.05)
Expected return on plan assets		-
Re-measurements	25.08	(30.69)
Contribution paid to the Fund	(43.43)	(40.74)
Actuarial (Gain)/Loss		-
<b>Net defined benefit obligations cost</b>	<b>(74.65)</b>	<b>(85.26)</b>
<b>(v) Amount recognised in Other Comprehensive Income (OCI)</b>		
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	(23.00)	32.42
Actuarial gain / (loss) for the year on Asset	(2.08)	(1.74)
<b>Unrecognized actuarial gain/(loss) for the year</b>	<b>(25.08)</b>	<b>30.69</b>
<b>(vi) Investment details of Plan Assets</b>		
The details of investments of plan assets are as follows:		
Funds managed by Insurer	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

<b>vii) Actuarial assumptions:</b>		
Discount Rate per annum	6.92%	7.66%
Future salary increases	6.00%	6.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**viii) Demographic Assumptions:**  
Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc as provided in the relevant accounting standard.

Particulars	Year ended 31-03-2020	Year ended 31-03-2019
i) Retirement Age (Years)	58.00	58.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2006 - 08)
iii) Attrition at Ages	WithdrawalRate (%)	WithdrawalRate(%)
Up to 30 Years	5.00	5.00
From 31 to 44 years	3.00	3.00
Above 44 years	2.00	2.00
<b>(ix) Amount recognized in current year:</b>		
Defined benefit obligations	407.81	346.56
Plan assets	482.46	431.82
Deficit /(Surplus)	(74.65)	(85.26)
<b>(x) Expected Contribution to the Fund in the next year</b>		
Service Cost	36.07	30.50
Net Interest Cost	(5.17)	(6.53)
Expected contribution for next annual reporting period	30.91	23.97

**(xi) Sensitivity Analysis**

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

	Change in Assumption	Increase in Assumption			Decrease in Assumption		
		Impact	31-Mar-20	31-Mar-19	Impact	31-Mar-20	31-Mar-19
Discount Rate per annum	0.50%	Increase by	(11.98)	(10.03)	Decrease by	12.88	10.75
Future salary increases	0.50%	Increase by	12.93	10.87	Decrease by	(12.13)	(10.23)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

**(xii) Maturity Profile of Defined Benefit Obligation**

Sr. No.	Year	Amount
a)	0 to 1 Year	97.27
b)	1 to 2 Year	28.54
c)	2 to 3 Year	28.06
d)	3 to 4 Year	49.49
e)	4 to 5 Year	22.85
f)	5 to 6 Year	21.56
g)	6 Year onwards	160.04

**(xiii) Risk exposure**

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

- A) Salary Increases:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk:** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability:** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

**b) Leave Encashment (Unfunded)**

The Leave Encashment liability of Rs. 70.27 lacs form part of long term provision Rs. 56.29 Lacs (PY Rs. 56.02 Lacs) and short term provision Rs. 13.98 Lacs (PY Rs. 14.67 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

**c) Provident Fund**

An amount of Rs 23.85 Lacs (2018-19 Rs 21.10 Lacs) as contribution towards defined contribution plans is recognized as expenses in statement of Profit & Loss.

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

## 39 Financial Instruments: Accounting classification, Fair value measurements

31st March, 2020 Particulars	Carrying Value	Classification			Fair Value		
		FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Investments	17,046.08	15,303.23	3.36	1,739.49	15,303.23	3.36	-
Loans	93.76			93.76			-
Other Financial Assets	59.36			59.36			
Trade Receivable	5,694.83			5,694.83			
Cash and cash equivalents	20.38			20.38			
Bank Balances other than (ii) above	192.97			192.97			
	<b>23,107.38</b>	<b>15,303.23</b>	<b>3.36</b>	<b>7,800.79</b>	<b>15,303.23</b>	<b>3.36</b>	<b>-</b>
<b>Financial Liabilities</b>							
Borrowings	12,649.11			12,649.11			
Lease Liabilities	18.39			18.39			
Trade Payables	535.37			535.37			
Other Financial Liabilities	934.39	150.22		784.17	150.22		
	<b>14,137.25</b>	<b>150.22</b>	<b>-</b>	<b>13,987.03</b>	<b>150.22</b>	<b>-</b>	<b>-</b>
<b>31st March, 2019</b>							
<b>Financial Assets</b>							
Investments	13,787.22	12,278.82	3.37	1,505.03	12,278.82	3.37	-
Loans	93.19			93.19			-
Other Financial Assets	134.45	57.82		76.63	57.82		
Trade Receivable	6,225.85			6,225.85			
Cash and cash equivalents	44.85			44.85			
Bank Balances other than (ii) above	118.20			118.20			
	<b>20,403.76</b>	<b>12,336.64</b>	<b>3.37</b>	<b>8,063.75</b>	<b>12,336.64</b>	<b>3.37</b>	<b>-</b>
<b>Financial Liabilities</b>							
Borrowings	9,049.62			9,049.62			
Trade Payables	826.00			826.00			
Other Financial Liabilities	931.26			931.26			
	<b>10,806.88</b>			<b>10,806.88</b>			

## 40 Financial Risk Management

The Companies Activities Expose It to credit risk, liquidity risk and market risk. This note explains the source of risk which the company is exposed to and how the manages the risk and its impact in the financial statement.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash & cash equivalent, Financial instrument, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, Investment Limits, Number of overdue Day
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of sufficient cash and cash equivalent, fixed Deposit & other securities

The board of directors provides guiding principle for overall risk management, as well as policies covering specific area i.e.. Foreign exchange risk, credit risk & Investment of Surplus liquidity.

The companies risk management is carried out by finance department, accordingly, this department identifies, evaluation and hedges financial risk

### A) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortised cost and fair value through profit or loss and trade Receivables

#### Credit Risk Management

The main source of credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit Approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The company estimates the expected credit loss on the basis of past Data and experience. Expected credit losses of financial assets receivable in next 12 months are estimated on the basis of historical date provided the company has reasonable and supportable date. On such an assessment the expected losses are nil or negligible.

Review of outstanding trade receivables and financial assets is carried out by management each quarter. The company do not have any doubtful debts hence, no provision for bad and doubtful debts have yet been made in accounts.

COVID-19: The Company do not envisage any financial difficulties resulting in additional credit risks higher than usual credit terms due to COVID-19 outbreak.



**B) LIQUIDITY RISK**

The companies principle source of liquidity are cash and cash equivalent and cash flows that are generated from operation. The company believes that its working capital is sufficient to meet its current requirement.

The table below summarises the company's liquidity position and its preparedness for likely variations in liquidity

Particular	31.03.2020	31.03.2019
Cash and cash equivalents and Bank Balances	20.38	44.85
Other Bank Balance	192.97	118.20
Current investments	15,303.23	12,278.82
Trade receivable	5,694.83	6,225.85
<b>Total</b>	<b>21,211.40</b>	<b>18,667.71</b>

**Maturities of financial liabilities**

Particular	Less than and equal to one year	More than 1 year	Total
<b>As on 31/03/2020</b>			
Trade payable	535.37	-	535.37
Other Financial liabilities	766.31	168.07	934.39
<b>Total</b>	<b>1,301.68</b>	<b>168.07</b>	<b>1,469.76</b>
<b>AS ON 31/03/2019</b>			
Trade payable	826.00	-	826.00
Other Financial liabilities	511.93	419.33	931.26
<b>Total</b>	<b>1,337.93</b>	<b>419.33</b>	<b>1,757.26</b>

**C) Market Risk**

**COVID-19 related risk**

The Company being engaged in manufacture of Aluminium Foil and related items (being essential item) has not witnessed any significant interruptions in the supply and production cycle due to COVID-19 and kept production and despatches on-going during lockdown period.

**Foreign Currency Risk**

The company operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transaction primarily with respect to USD/Euro. The risk is measured through sensitivity analysis. In order to minimize any adverse effect on the financial performance of the company, derivative financial instrument such as foreign exchange forward contracts are used exclusively to mitigate currency risk and not as trading or speculative instrument.

The company uses foreign exchange forward contract to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding are as under: -

Particulars	Type	Currency	As on 31 March 2020	As on 31 March 2019
<b>Forward Contracts</b>	Sell	USD:INR	40,00,000	33,00,000
		EURO:INR		
		INR (IN Lacs)	2,942.39	2,282.11
	Buy	USD:INR	-	31,97,148
		EURO:INR	-	-
		INR (IN Lacs)	-	2,210.99

**Open Exposure- The company's exposure to foreign currency risk at the end of reporting period is as under.**

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	Euro (Lacs)	US Dollars (Lacs)	Rs. In Lacs	Euro (Lacs)	US Dollars (Lacs)	Rs. In Lacs
<b>Amount Payable in foreign currency</b>						
Buyers Credit	-	-	-	-	-	-
Other FCY Loan	141.12	-	11,713.72	-	35.00	2420.43
Interest accrued but not due on borrowings	-	-	-	-	-	-

**Maturity of outstanding foreign exchange forward contracts**

Particulars	Type	Currency	As on 31 March 2020	As on 31 March 2019
Not later than 3 months	SELL	USD	900000	900000
	BUY	USD	-	3197148
Later than 3 months and not later than 6 months	SELL	USD	900000	900000
Later than 6 month & not later than one year	SELL	USD	2200000	1500000

**CAPITAL MANAGEMENT**

The company's Capital Risk Management Policy objective is to ensure that at all times it remains a going concern and safeguard interest of shareholders at stakeholders.

Particulars	31.03.2020	31.03.2019
Gross borrowings	12649.11	9119.04
Less: cash and cash equivalents	20.38	44.85
Adjusted net debt	12628.72	9074.19
<b>Total Equity</b>	<b>16418.13</b>	<b>14939.92</b>
<b>Adjusted net debt to equity</b>	<b>76.92%</b>	<b>60.74%</b>

The Company's total owned funds of Rs 16418.13 Lacs with adjusted net debt of Rs 12628.72 Lacs is considered adequate by the management to meet its business interest and any capital risk it may face in future.

**41 Related party disclosures**

Related party disclosures as required by Indian Accounting Standard (Ind AS) -24 is as under:-

**A List of related parties and relationships**

**a) List of related parties**

**i) Key Management Personnel**

Shri Pankaj P Shah Managing Director  
Shri Sahil P Shah Whole Time Director  
Smt. Sakshi S Shah Director

**ii) Enterprises where Key Management Personnel or relatives of Key Management Personnel have significant influence.**

1. Prem Cables Pvt. Ltd
2. Prem Nagar Industrial Estate Pvt.Ltd
3. Pipalia Cables & Wires Pvt.Ltd.
4. Miracle Foils Pvt.Ltd.
5. Foils India Laminates Pvt.Ltd
6. Pipalia Engineering Work Pvt. Ltd
7. Tyagi Cement Pvt. Ltd.

**B Transactions with related parties**

Disclosure of Transactions with Related Parties, as required by Ind AS 24 'Related Party Disclosure' is given below :

Description	Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	Current Year	Previous Year	Current Year	Previous Year
(i) Sales and Service Charges Received			186.12	990.58
Purchase and Service Charges Paid			-	148.71
Interest Paid			87.11	197.33
Repair & Maintenance Plant & Machinery			-	-
Lease Rent			1.65	0.11
Rent Paid			49.91	46.03
(ii) Short Term Employment Benefits				
Remuneration	30.60	30.60		
Salary to others	36.00	36.00		
(iii) Director Sitting Fees				
<b>(iv) The amount outstanding ((receivable)/ payable) as at year end:</b>				
1 Prem Cables Pvt. Ltd			0.46	(11.24)
3 Pipalia Cables & Wires Pvt.Ltd.			(16.14)	1,925.82
4 Miracle Foils Pvt.Ltd.			-	8.41
5 Foils India Laminates Pvt.Ltd.			-	4.81
6 Pipalia Engineering Work Pvt. Ltd			1.34	1.34
7 Tyagi Cement Pvt. Ltd.			(0.98)	(0.58)
8 Prem Nagar Industrial Estate Private Limited			(0.08)	(0.08)

42 The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rules 2019 and Companies (Indian Accounting Standards) Second Amendment Rules has notified Ind AS 116 'Lease' which replaces existing lease Standard, Ind AS 17 leases and other Interpretations. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessee and lessor. It introduces a single lease accounting model for lessees. The Company has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019. The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in balance sheet at the date of initial application. On application of IndAs 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right to use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

The Following is break up of current and non-current lease liabilities as at 31st March 2020\*

Particulars	As at 31-Mar-20 (In Rs)
Current lease liabilities	0.06
Non-Current lease liabilities	18.33
<b>Total</b>	<b>18.39</b>

**The following is movement in lease liabilities during the**

**year ended 31st March 2020**

<b>Balance at the beginning of the year 1st April,2019</b>	-
<b>Addition during the year</b>	<b>18.28</b>
<b>Finance cost accrued during the year</b>	<b>1.65</b>
<b>Deletions</b>	-
<b>Payment of lease liabilities (including interest)</b>	<b>1.54</b>
<b>Balance at the end of the year 31st March,2020</b>	<b>18.39</b>

Building	Additions for the year ended 31st March 2020	Net Carrying amount as at 31st March 2020*
	18.28	17.75

Depreciation on right of use asset is Rs 0.52 lacs and Interest on lease liability for year ended 31st March 2020 is Rs 1.65 lacs Lease Contracts entered by the company majorly pertains to building taken on lease to conduct the business activities in ordinary course.

Impact of Covid 19

The leases that the company has entered with lessors towards properties used as corporate office/ offices are long term in nature and no changes in terms of those leases are expected due to Covid-19"

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2020 on an undiscounted basis:

Particulars:	As at 31-Mar-20
Less than one year	1.54
Up to five year	6.66
More than 5 Years	175.03

- The company do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.
- 43** a) The lease deed regarding land at Jaisalmer where Enercon Make wind mill is installed has not been executed.  
b) The lease deed regarding land at Pipalia Kalan, where Bunglow in the name of company is in work in progress, has been executed for 35 year and unexpired portion of said lease holds lands is 34 years and the lease deed is not registered.
- 44** Balances of Trade Receivables, Trade Payables, Loans, Amount Received against FDR's & Advances and Unsecured Loans as on 31.3.2020 are subject to reconciliation & confirmation by the parties.
- 45** a) Company has invested Rs. 9.00 Crores in NCD of Earthon Infracon Pvt. Ltd. in year 2017-18. As per terms of investment, repayment is to be done by Earthon till December,2019 but due to recession in realstate sector and Covid-19 pandemic problem the repayment along with interest for the year 2019-20 not done by the Earthcon. After Commuication with facilitating agent he assure to repay the full amount in next year, hence Management has decided to consider above investment as performing assets.  
b) Company has not book interest on these NCD's for the period 01st July,2019 till 31st March, 2020 due to uncertainty of payment.
- 46** In 2017-18 company has paid a sum of Rs 500 Lacs to HDFC Life insurance company Ltd towards single premium of policy taken under employee empolyer plan. This policy has been taken for related parties in March 2018 for 10 years. Regarding this the company has taken the undertaking form Life Assured persons who are covered up under this policy for non claiming of end benefits of the policy on maturity.
- 47** a) Company has installed one Wind Mill of 0.6 MW capacities at Soda Bandan District Jaisalmer with agreement with Rajastahn Rajya Vidhut Vitran Nigam Limited & other and Enercon Wind Form for wheeling of Energy for captive consumption. During the year 423332 units (Previous year 401311 units) Generated amounting to Rs 3662444/- (Previous Year Rs. 3876997/-). Profit after depreciation earned from above wind mill is RS. 2865795/-.  
b) Company has installed one Wind Mill of 1.5MW capacities at Aakal, Jaisalmer with agreement with Jodhpur Vidhut Vitran Nigam Limited & Suzlon Suzlon Infrastructure Service Limited for generation power. During the year 1928025 units (Previous Year 1939645 units) generated and sale to Jodhpur Vidhut Vitran Nigam Limited amounting to Rs. 7904905/- (Previous Year Rs. 7952544/-). Profit after depreciation earned from above wind mill is Rs 1599021/-.
- 48** a) A Misappropriation / Fraud of FDR Deposit Comes to the knowledge of the Management during Financial Year 2014-15. Company had filed a complaint with Economic Offence Wing, Mumbai and FIR with Police station Nariman Point on 14.07.2014 against various parties including Dhanlaxmi Bank Mumbai & their officials for Misappropriation of FDR's of Rs. 69 Crores given to Dhanlaxmi Bank Ltd., Goregaon Branch. Company has also filed a legal case with National Consumer Court at Delhi for early justice in the matter due to delay in decision against EOW complaint. Company recovered amount Rs. 68.93Cr. From accused through account of various parties against repayment of FDR's which shown under head Cash & Cash Equivalent against FDR amount.  
b) Company has not booked interest on these FDR's for Financial Year 2018-19 due to disputed matter and uncertainty and also not made provision of interest on amount recovered from various parties against maturity value of FDR's. The matter is pending with competent court for trial.
- 49** Lease rent in respect of leasehold land for factory building and township are accounted for on accrual basis. The unexpired portion of said lease holds lands are 45 and 46 years respectively.
- 50** a) Bank balances are subject to bank reconciliations.  
b) Balances of Fixed Deposits are subject to verification & reconciliation.
- 51** A fire incidence was occurred during the last year at store of factory building premises. Company has determined Rs. 4.18 Crores as loss by fireand company has filled an application with respective insurance company for insurance claim. Against Insurance claim of Rs 4.18 Crores, claim amount has been Settled at Rs 0.90 Crores, accordingly, loss by fire of Rs 3.28 Crores is grouped as "Exceptional item" in the statement of Profit & Loss.

**52** There is no agriculture produce from the Agriculture land.

## 53 SEGMENT REPORTING

### "Description of segment and principal activity.

The company is primarily in the business of manufacture and sale of Aluminium Foil in the various form. Operating segments are reported in the manner consistent with internal reporting to Managing director of the company. The compan has regular reviews procedures in place and Managing director reviews the operations of the company as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment."

### Information about Geographical areas

The following information discloses revenue from customers based on geographical areas.

#### i) Revenue on product group wise (Ind AS 108, Para 32)

Particulars	Year ended (Amunt in Lacs)	
	31-Mar-20	31-Mar-19
Aluminium Foils & Allied Products	20,621.75	25,427.09

#### ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

Particulars	Year ended (Amunt in Lacs)	
	31-Mar-20	31-Mar-19
With in India	17,996.57	22,570.75
Outside India	2625.18	2,856.34

#### iii) Customers of the company individually account for 10% or more sale

Particulars	Year ended (Amunt in Lacs)			
	31-Mar-20		31-Mar-19	
	No. of Customers	Amount	No. of Customers	Amount
Revenue	NIL	NIL	NIL	NIL

The Company being manufacture of Aluminium Foil continued its operations as per applicable guidelines of central and state government during the lock down period ended 31st March 2020 due to COVID-19. The Company has concluded that owing to nature of products the company manufactures, impact of COVID-19 is not material based on revenue estimates.

**NOTES FORMING PART OF  
THE FINANCIAL STATEMENTS**

<b>54 CORPORATE SOCIAL RESPONSIBILITY (CSR)</b>			
<b>The details of expenditure incurred on CSR are as under:</b>		<b>Year Ended</b>	
<b>S.No</b>	<b>Particulars</b>	<b>31-03-2020</b>	<b>31-03-2019</b>
a	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	41.25	36.56
b	Amount spent during the year on :		
i	Construction / acquisition of any assets	-	-
ii	On purposes other than (i) above	41.25	36.56
c	Unspent amount in CSR	-	-
d	The breakup of expenses included in amount spent are as under:		
	Particulars		
	Animal protection	-	-
	On food relief activity	-	-
	On promoting education	-	-
	Social welfare	-	-
	On promotion of Healthcare	41.25	36.56
	<b>Total</b>	<b>41.25</b>	<b>36.56</b>

55 Previous year figures have been re-grouped and re-arranged wherever necessary to conform to current year classification.

As per our report of even date annexed

**For Sharma Ashok Kumar & Associates**

Chartered Accountants

Reg. No. 005848C

**CA Harish Agarwal**

Partner

Membership No.403262

**Pankaj P Shah**

Managing Director

DIN- 00160558

**Sahil P Shah**

Whole Time Director

DIN- 01603118

**For and on behalf of the Board of Directors**

**Bhawana Songara**

Company Secretary

ACS NO. A54416

**Naveen Kumar Jain**

Chief Financial Officer

FCA NO. 414187

Place : Pipalia Kalan

Date : 30.06.2020



# P G Foils Limited

Regd. Office : 6, Neptune Towers,  
Ashram Road, Ahmedabad - 380 009

Member's Signature (s)

1.
2.
3.

41st Annual General Meeting 16th December, 2020 at 11.00 a.m.
Through Video Conferencing (VC) or other Audio Visual Means (AVM)

Admission Slip	
Please hand over this admission slip at the entrance of meeting hall.	
Folio	Holding

<input type="checkbox"/>	Member	<input type="checkbox"/>	Proxy

I hereby register my presence at the meeting

Signature of Member/Prox



# P G Foils Limited

Regd. Office : 6, Neptune Towers,  
Ashram Road, Ahmedabad - 380 009

## PROXY

I/We .....  
of .....  
in the district of ..... being a

Folio	Holding

member/members of the P G FOILS LIMITED appoint ..... of .....  
or failing him ..... of ..... as  
my/our proxy to vote for me/us on my/our behalf at the 41st annual General Meeting of the Company to  
be held on Wednesday the 16th December, 2020 at 11.00 a.m. and at any adjournment thereof.

Signed this .....day of..... 2020

Proxy form must reach company's registered Office not later than 48 hours before the commencement of the meeting	
For Office use only	
Folio	Holding

Affix  
Re 1/-  
Revenue  
Stamp

Signature

## *Our overseas presence*



AUSTRALIA | BANGLADESH | CHINA | EGYPT | IRAN | IRAQ | JORDAN  
KENYA | NEPAL | NIGERIA | OMAN | PHILIPPINES | RUSSIA |  
SRI LANKA | SUDAN | TAIWAN | THAILAND | TURKEY |  
UK | UAE | UAS

If undelivered, Please return to :



**P G Foils Limited**

Pipalia Kalan - 306 307

Dstt. Pali, Rajasthan