



**PITHAMPUR
POLY PRODUCTS
LIMITED**

Regd. Office & Works : Plot No. 115,
Sector - III, Industrial Area,
Pithampur - Dist. Dhar (M.P.)
Ph.: 0091-07292-403234, 407875,
Email : info@ppplonline.com
Website : www.ppplonline.com
CIN : L25202MP1994PLC008513

Date: 07/12/2020

To,

**The Dept. of Corporate Affairs,
Bombay Stock Exchange Limited,
P.J. Towers, 25th Floor, Dalal Street,
Mumbai-400001.**

Subject: Submission of annual report for financial year 2019-20.

Dear Sir,

Please find enclosed herewith 23rd Annual report for Financial Year 2019-20 for your records.

This is for your information and records.

Thanking You,

For PITHAMPUR POLY PRODUCTS LIMITED,


Managing Director and Compliance Officer

R.K. Tekriwal

(DIN00011492)

Encl:a/a

23RD
ANNUAL
REPORT
2020-2021



**PITHAMPUR POLY
PRODUCTS LIMITED**



ANNUAL REPORT (2020-21)

PITHAMPUR POLY PRODUCTS LTD.

BOARD OF DIRECTORS

Shri R.K.Tekriwal,

Managing Director

Shri Vishwanath Kanungo

Smt. Meera Tekriwal

Shri Anil Waman Jog

Registered Office

115, Sector –III, Industrial
Area, Pithampur
Dist- Dhar(MP)

Corporate office

507, Corporate House,
5th Floor, RNT Marg,
Indore -452001 (M.P.)

Registrars & Transfer Agents

Purva Share Registry (I) Pvt. Ltd.
9, Shiv Shakti Industries,
J.R. Boricha Marg,
Opp/ Kasturba Hospital,
Lower Parel (E) Mumbai – 400 011.
Phone : [022] 23018261.

Auditors

S.N. Gadia & Co.
Chartered Accountants
241, Apollo Tower, 2 MG Road,
Indore(MP)-452001

NOTICE

NOTICE is hereby given that the **23rd Annual General Meeting** of the members of **Pithampur Poly Products Limited** will be held on **Wednesday 30th December 2020, at 3.00 p.m.** at its Registered Office at 115, Sector –III, Industrial Area, Pithampur Dist- Dhar(MP), to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2020 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.
2. To appoint a Director in place of Mrs. Meera Tekriwal (DIN 02014492), Director of the Company who retires by rotation and, being eligible, offers herself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolutions:**

“RESOLVED THAT pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 M/s S.N. Gadia & Co., Chartered Accountants (FRN 002052C), appointed as Auditor of the Company which was subject to rectification at every Annual General Meeting, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, on such remuneration as may be fixed by the Board.”

SPECIAL BUSINESS

4. **To reappoint Mr. R.K. Tekriwal as Chairman and Managing Director who will attain the age of Seventy (70) in this Financial Year and in this regard if thought fit , to pass with or without modification(s), the following resolution as an Special Resolutions:**

“RESOLVED THAT, pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof, for the time being in force and subject to such other approvals, if and as may be required, and based on the recommendation of the Nomination and Remuneration Committee, the consent and approval of the Company be and is hereby accorded to the appointment of Mr. R. K. Tekriwal (DIN: 00011492), who has already attained the age of 70 years, as “Chairman & Managing Director” of the Company with effect from April 1, 2020 for period of 5 years on terms & conditions as mentioned in explanatory statement to the resolution;

RESOLVED FURTHER THAT Mr. R.K. Tekriwal (DIN: 00011492) shall be liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to increase , reduce , alter or vary the terms of remuneration in such manner from time to time as Board may deems fit within the limits specified in schedule V of the companies Act,2013 as existing or amended, modified or re-enacted from time to time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary,

proper and expedient to give effect to this resolution.”

5. **To reappoint Mr. Anil Waman Jog (DIN 07309676),as Independent Director who will attain the age of Seventy Four (74) and in this regard if thought fit , to pass with or without modification(s), the following resolution as an Special Resolutions:**

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anil Waman Jog (DIN 07309676), who has already attained the age of 74 years and who qualifies for being appointed as an Independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for the second term of five consecutive years with effect from 1st October 2020 and that he shall be liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

6. **To reappoint Mr. Vishwanath Kanungoo (DIN 02628075)as Independent Director who will attain the age of Eighty Two (82) and in this regard if thought fit , to pass with or without modification(s), the following resolution as an Special Resolutions:**

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vishwanath Kanungoo (DIN 02628075), who has already attained the age of 82 years and who qualifies for being appointed as an Independent director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for the second term of five consecutive years with effect from 6th June 2020 and that he shall be liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By order of the Board

**Place: Pithampur
Date: 14/08/2020**

**R.K.Tekriwal
(Chairman & Managing Director)
DIN:00011492**

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.
A person can act as a proxy on behalf of the members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The business set out in the Notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means. Instructions and other information

relating to e-voting are given in this Notice.

3. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto. The Company has notified closure of Register of Members and Share Transfer Books from 25.12.2020 to 30.12.2020 (both days inclusive) for the Annual General Meeting.
4. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of the Notice. Further, all the Independent Directors have affirmed that they meet the requirements specified under Regulation 16 (1) (b) SEBI (listing Obligation and Disclosure Requirements) Regulations, 2015 in respect of their position as an "Independent Director" of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2

Particulars	SHRI VISHWANTH KANUNGO	SHRI ANIL WAMAN JOG	SHRI R.K. TEKRIWAL	MRS. MEERA TEKRIWAL
Date of Birth	02-10-1938	18-10-1946	26-03-1950	03-12-1955
Date of Appointment	05/06/2015	30-09-2016	01-10-2017	05-06-2015
List of outside Directorship held	None	None	1.Mass Soft Services India Ltd. 2. Fairdeal Marwar Garages Private Limited	1.Mass Soft Services India Ltd. 2. Fairdeal Marwar Garages Private Limited
Chairman/ Member of the Committees of the Board of the Company	Chairman & Member : 1. Audit Comm. 2.Nomination & remuneration comm. 3.Stakeholder relationship committee Member: 1. CSR Committee	Member: 1.Audit Comm. 2.Nomination & remuneration comm. 3.Stakeholder relationship committee 4. CSR Committee	Member : 1. Audit Comm. 2.Nomination & remuneration comm. 3.Stakeholder relationship committee Chairman & Member: 1. CSR Committee	NIL
Chairman/ Member of the Committees of the Board of the other Companies in which he/she is a director	NIL	NIL	NIL	NIL
a) Audit Committee	NIL	NIL	NIL	NIL
b)Shareholder's Relationship Committee	NIL	NIL	NIL	NIL
c) Remuneration Committee	NIL	NIL	NIL	NIL
d) Committee of directors	NIL	NIL	NIL	NIL
No. & Percentage of shares held	NIL	NIL	No. of Shares: 68100 & % of Shares: 1.40%	No. of Shares: 58200 & % of Shares: 1.19%

5. Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered office or Corporate Support Center of the Company on all working days between 11.00 A.M. to 1.00 P.M. up to the date of meeting.
6. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required

may be made available at the Meeting.

7. Members attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of place of the meeting. Proxy/representative of a member should mark on the Attendance Slip as "Proxy" or "Representative" as the case may be.

8. Members who hold shares in dematerialized mode are requested to intimate any changes pertaining with their bank account details, ECS mandates, nominations, power of attorney, change of address/name etc. to their Depository Participant only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the members.
9. Members holding shares in physical form are requested to intimate all changes pertaining to their bank details, ECS mandates, nominations, power of attorney, change of address/name etc. to the Company's Registrar & Share Transfer Agent quoting their registered folio number.
10. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.
11. Members may also note that the Notice of the 23RD AGM and Annual Report 2019-20 will be available on the Company's website www.ppplonline.com
12. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Notices, and Circulars etc. from the Company electronically.
13. In compliance with the provisions of section 108 of the Act and Rules framed there under and in compliance with regulation 44 of the SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e – voting services provided by CSL/NSDL, on all resolutions set forth in this Notice.
14. The remote e-voting period commence on Sunday, 27th December 2020 (9.00 AM IST) and ends on Tuesday 29th September 2020 (5.00 PM IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 25th December 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter.
15. The facility for voting through ballot paper will also be made available at the Annual General Meeting (AGM) and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

The instructions for e-voting are as under:

In case of members receiving e-mail:

- I. Log on the e-voting website www.evotingindia.com
- II. Click on "shareholders" tab.

- III. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT".
- IV. Now enter your User ID
 - a. For CDSL: 16 digit beneficiary ID
 - b. For NSDL: 8 character DPID followed by 8 digits client ID
 - c. Member holding shares in physical form should enter folio no. registered with the company.
- V. Next enter the image verification as displayed and click on Login.
- VI. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- VII. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	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"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two characters of the name in CAPITAL letters Eg. If your name is Ramesh Kumar with folio no. 100 then enter RA00000100 in the PAN Field.
DOB#	Enter Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
Dividend Bank Details	Enter Dividend Bank Details as recorded in your demat account or in the company records for the said folio in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- VIII. After entering these details appropriately, click on "SUBMIT" tab.
- IX. Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- X. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- XI. Click on the EVSN for **Pithampur Poly Products Limited** on which you choose to vote.
- XII. 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.
- XIII. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- XIV. 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.
- XV. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- XVI. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- XVII. 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.
- XVIII. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- XIX. Any Person who has acquired shares and become member of the Company after the dispatch of the Notice of the Annual General Meeting but before the cut-off date of 25th December 2020, may follow the same instructions as mentioned above for e-voting.
- XX. The Board of directors has appointed Harshita Modani, Practicing Company Secretary, Bharuch as Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

XXI. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 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.

In case of Members receiving the physical copy:

- A. Please follow all steps from sl. No. (i) to sl. No. (xvii) above to cast vote.
- B. 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 dematerialised 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.
- A. In case you have any queries In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Question (“FAQ”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cDSLindia.com.

Explanatory Statement Pursuant to Section 102(1) of the Companies Act, 2013
ITEM NO. 4

Shri R.K. Tekriwal was appointed as Chairman and managing Director of the Company for a period of 5 years on 01.10.2017. he was attained age of 70 years in month of March 2020.

In accordance with the provisions of Section 203 and Schedule V of the Companies Act, 2013 (the ‘Act’), a person who has attained the age of 70 years can be appointed as managing director only by passing a special resolution, in which case, the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Accordingly, special resolutions are proposed to take shareholders’ approval for re-appointment of Shri R.K. Tekriwal as Chairman and Managing Director of the Company for the second term of five years w.e.f. 01.10.2020 to 30.09.2025.

Based on qualification and experience, the Nomination and

Remuneration Committee and the board of Directors of the Company has recommends re-appointment of Shri R.K. Tekriwal as Chairman and Managing Director of the Company on the following terms and conditions:

- I. **Basic Salary** per month 50,000/- with an annual increment as may be decided by the Board on recommendation of Nomination and Remuneration Committee, effective 1st April each year.
- II. **Commission on profits**, in addition to the salary, perquisites payable, as may be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee for each financial year calculated with reference to net profits of the Company, subject to the overall ceiling stipulated in Section 197 and 198 read with Schedule V of the Companies Act, 2013 payable at such intervals, as may be decided by the Board of Directors.

III. PERQUISITES

- a. Company shall provide him suitable owned/ leased accommodation.
- b. Company's contribution towards Provident Fund, Gratuity and Encashment of accumulated Leaves as per rules of the company. The Gratuity shall not exceed an amount equal to half month's salary for each completed year of service. However, all these shall not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.
- c. Company's Car for use on Company's business with chauffeur and telephone at residence and Mobile phone will be provide but shall not be considered as perquisites. Personal long distances calls and use of car (if any) for private purpose, shall be billed by the company.
- d. Reimbursement of actual medical expenses incurred in India and abroad for self and family. The total cost of travel to and fro and also for the stay in the foreign country of the patient, an attendant and medical supervision, if required, shall be borne by the Company.
- e. Club Memberships: Subscription or reimbursement of membership fees for two clubs in India and/or abroad, including admission and life membership fees.

The notice and explanatory statement may be treated as an abstract of the terms and conditions of appointment and remuneration payable to Shri R. K. Tekriwal, as required under section 102 of the Companies Act, 2013.

None of the directors except Shri R.K. Tekriwal and Smt. Meera Tekriwal are concerned or interested in the resolution.

The Board recommends the passing of resolution by the members of the Company as a Special Resolution.

ITEM NO. 5

Shri Anil Waman Jog was appointed as Non-Executive Director in the category of Independent Director for a period of five years on 30.09.2016.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Accordingly, special resolutions are proposed to take shareholders' approval for re-appointment of Shri Anil Waman Jog as Independent Directors for the second term of five years w.e.f. 01.10.2020 to 30.09.2025.

None of the directors are concerned or interested in the resolution.

The Board recommends the passing of resolution by the members of the Company as a Special Resolution.

ITEM NO. 6

Shri Vishwanth Kanungo was appointed as Non-Executive Director in the category of Independent Director for a period of five years on 05.06.2015. Their term as Non-Executive Independent Directors was expire on 05.06.2020.

As per the provisions of Section 149 (10) of the Companies Act, 2013 (the 'Act'), an Independent Director shall hold office for a term up to five consecutive years on the Board of the company and shall be eligible for reappointment for the second term on passing of a special resolution and disclosure of the same in the Board's report. Further, as per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Accordingly, special resolutions are proposed to take shareholders' approval for re-appointment of Shri Vishwanath Kanungo as Independent Directors for the second term of five years w.e.f. 06.06.2020 to 05.06.2025.

None of the directors are concerned or interested in the resolution.

The Board recommends the passing of resolution by the members of the Company as a Special Resolution.

By order of the Board

**Place: Pithampur
Date: 14/08/2020**

**R.K.Tekriwal
(Chairman & Managing Director)
DIN:00011492**

DIRECTOR'S REPORT

Your Director have pleasure in presenting their 23rd Annual Report on the business and operation of the company and the accounts for the Financial year Ended 31st March, 2020.

FINANCIAL PERFORMANCE OF THE COMPANY :

The financial results for the year ended 31st March, 2020 and the corresponding figures for the last year are as under :-
(Rs. In Lacs)

Particulars	2019-20	2018-19
Total Income	100.07	791.43
Profit (Loss) before taxes and extraordinary items	(177.51)	(311.76)
Less: Extraordinary items	0.00	0.00
Profit (Loss) before tax	(177.51)	(311.76)
Deferred taxation	(46.37)	(53.77)
Net Profit/ (Loss)	(131.14)	(257.98)

STATE OF COMPANY'S AFFAIRS :

The Company has achieved a total turnover of Rs. 10,007,851/- and Profit (Loss) after Tax of Rs. (13,114,496) which is transferred to General Reserve.

During the Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

The above said order of the Hon'ble NCLT have been set aside by NCLAT through their order dated 13th August 2020 and allowed the Board of Directors of the Company to function independently.

DIVIDEND :

Considering the financial performance, your directors regret to declare any dividend.

DIRECTORS'S RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of Sub-section (3) of Section 134 of the Companies Act, 2013 shall state that

1. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The director had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
3. the director had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

4. the directors had prepared the annual accounts on a going concern basis; and
5. the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions on Corporate Governance as prescribed in the Regulation 27 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. A separate report on Corporate Governance as per schedule V {C} of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 is included as a part of the Annual Report along with the Auditors' Certificate on its compliance.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provision of section 188 of the Companies Act, 1956 is not attracted.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Details of contracts/arrangements/transactions with the related party are given in the notes to financial statements.

Form AOC-2 is attached herewith as Annexure B.

CORPORATE SOCIAL RESPONSIBILITY

The Company has incurred losses during the last three years, so the Company has not incurred any Corporate Social Responsibility expenditure during the year under review.

However, a Corporate Social Responsibility committee consisting Shri R.K. Tekriwal as the Chairman, Mrs. Meera Tekriwal and Mr. Vishwanath Kanungo, as member of the Committee. The board of directors have approved a policy on CSR.

RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company does not have risk management policy as the elements of the risk threatening the Company's existence are very minimal.

DIRECTORS

In terms of Section(s) 149, 152 and all other applicable provisions of the Companies Act, 2013, for the purpose of determining the directors liable to retire by rotation, the Independent Directors are not included in the total number of directors of the Company. Mrs. Meera Tekriwal (DIN 02014492), shall retire by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment as a Director of the Company.



The Board place on records its appreciation for valuable guidance and service rendered by Mrs. Meera Tekriwal (DIN 02014492) to the Company during her tenure.

In accordance with the provisions of Section 203 and Schedule V of the Companies Act, 2013 (the 'Act'), a person who has attained the age of 70 years can be appointed as managing director only by passing a special resolution, in which case, the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Accordingly, special resolutions are proposed to take shareholders' approval for re-appointment of Shri R.K. Tekriwal as Chairman and Managing Director of the Company for the second term of five years w.e.f. 01.10.2020 to 30.09.2025.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Accordingly, special resolutions are proposed to take shareholders' approval for re-appointment of Shri Anil Waman Jog as Independent Directors for the second term of five years w.e.f. 01.10.2020 to 30.09.2025.

Accordingly, special resolutions are proposed to take shareholders' approval for re-appointment of Shri Vishwanath Kanungo as Independent Directors for the second term of five years w.e.f. 06.06.2020 to 05.06.2025.

DECLARATION BY INDEPENDENT DIRECTORS

Necessary declarations have been obtained from all the Independent Directors under sub-section (7) of Section 149 of the Companies Act, 2013.

MEETINGS

During the Financial year Six (6) Board Meetings and Three (3) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

During the Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

The above said order of the Hon'ble NCLT have been set aside by NCLAT through their order dated 13th August 2020 and allowed the Board of Directors of the Company to function independently.

So, there is no board meeting held in the Fourth quarter of the

financial year as the Board of Directors of the Company were discontinued.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under Chapter IV (17) (10) SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, performance of its directors individually as well as the evaluation of the working of its committees. The evaluation of all directors and the Board as whole was conducted based on the criteria and framework adopted by the Board.

The Directors were satisfied with the evaluation results, which reflected overall engagement of the Board and its Committees with the company.

AUDITORS AND AUDITOR REPORT

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, M/s. S.N. Gadia & Co., Chartered Accountants (FRN 002052C), Chartered Accountants, appointed as Auditor of the Company which was subject to rectification at every Annual General Meeting, be and is hereby ratified to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, on such remuneration as may be fixed by the Board.

A resolution proposing ratification of M/s. S.N. Gadia & Co., Chartered Accountants (FRN 002052C), Chartered Accountants, as the Statutory Auditors of the company pursuant to section 139 of the Companies Act, 2013 forms part of the Notice.

The notes on Financial Statements referred to in the Auditors Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Harshita Modani, Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith.

The Secretarial Audit report is self-explanatory.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY

There were no subsidiary, JV and associate Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans:

There were NIL loans given, investment made or guarantee given or security provided as per the provisions of Section 186 of the



Companies Act, 2013.

Deposit:

The Company has neither accepted nor renewed any deposits during the year under review.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form No.MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31 , 2020 is annexed hereto as Annexure A and forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREGIN EXCHANGE EARNING AND OUTGO

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow or Outflow during the year under review.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OR THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate on the date of this report.

LISTING OF SHARES

The Company's shares are listed with BSE Limited. The Company has paid its annual listing fees for financial year 2019-20.

INDUSTRIAL RELATIONS

The Company's industrial relations continued to be healthy, cordial and harmonious during the period under review.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environment clean and safe operations. The Company's policy required conducts of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from its subsidiary.
- d) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e) During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Board desires to place on record its grateful appreciation for the excellent assistance and co-operation received and continued support extended to the Company by the bankers, investors, suppliers and esteemed customers and other business associates. Your Directors also wish to place on record their deep sense of appreciation to all the employees of the Company for their commitment and continued contribution in the performance of the company.

By order of the Board

Place: Pithampur
Date: 14/08/2020

R.K.Tekriwal
(Chairman & Managing Director)
DIN:00011492

**ANNEXURE-A
FORM MGT-9**
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED 31ST MARCH 2020

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L25202MP1994PLC008513
2	Registration Date	28/07/1994
3	Name of the Company	PITHAMPUR POLY PRODUCTS LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES NON –GOVT. PUBLIC COMPANY
5	Address of the Registered office & contact details	115, SECTOR I, INDUSTRIAL AREA, PITHAMPUR DIST. DHAR (MP)
6	Whether listed company	LISTED
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Purva Share Registry (I) Pvt. Ltd. 9, Shiv Shakti Industries, J.R. Boricha Marg, Opp/ Kasturba Hospital, Lower Parel (E) Mumbai – 400 011. Phone : [022] 23018261.

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of FIBC and PP woven bags and fabric	63053200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NIIL				

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

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	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	1805200	1805200	37.04%	-	1805200	1805200	37.04%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	688300	688300	14.12%	-	688300	688300	14.12%	0.00%

e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	2493500	2493500	51.16%	-	2493500	2493500	51.16%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	2493500	2493500	51.16%	-	2493500	2493500	51.16%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	323200	323200	6.63%	10800	315400	326200	6.69%	0.06%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	181500	1469500	1651000	33.87%	190200	1461800	1652000	33.89%	0.02%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	236300	236300	4.85%	-	236300	236300	4.85%	-
c) Others (specify)									
Non Resident Indians	10000	121500	131500	2.70%	12000	121500	133500	2.74%	0.04%
Overseas Corporate Bodies	-	30000	30000	0.62%	-	30000	30000	0.62%	-
Employee	-	-	-	0.00%	-	-	-	0.00%	-
Clearing Members	6000	-	6000	0.12%	-	-	-	0.00%	-0.12%
Trusts	-	-	-	0.00%	-	-	-	0.00%	-
HUF	2500	-	2500	0.06%	2500	-	2500	0.06%	-
Sub-total (B)(2):-	200000	2180500	2380500	48.85%	215500	2165000	2380500	48.85%	0
Total Public (B)	200000	2180500	2380500	48.85%	215500	2165000	2380500	48.85%	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	-
Grand Total (A+B+C)	200000	4674000	4874000	100%	215500	4658500	4874000	100%	0

(ii) Shareholding of Promoter

SN	Shareholder's 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 Pledged / encumbered to total shares	
1	Diya Tekriwal	471500	9.67%	0	471500	9.67%	0	0.00%
2	Suchita Tekriwal	374293	7.68%	0	374293	7.68%	0	0.00%
3	Vistar Finvest & leasing Ltd.	279300	5.73%	0	279300	5.73%	0	0.00%
4	Pithampur Investment & Finance Ltd.	200000	4.10%	0	200000	4.10%	0	0.00%
5	Mohd Iqbal	116100	2.38%	0	116100	2.38%	0	0.00%
6	Pithampur Investment & Finance Ltd.	110700	2.27%	0	110700	2.27%	0	0.00%
7	R.K. Tekriwal	68100	1.40%	0	68100	1.40%	0	0.00%
8	Meera Tekriwal	58200	1.19%	0	58200	1.19%	0	0.00%
9	Gaurav Tekriwal	58400	1.20%	0	58400	1.20%	0	0.00%
10	Suchita Tekriwal	57600	1.18%	0	57600	1.18%	0	0.00%
11	Ashish Shekhar	238007	4.88%	0	238007	4.88%	0	0.00%
12	Vistar Finvest & Leasing Ltd.	49200	1.01%	0	49200	1.01%	0	0.00%
13	Vista Finvest & Leasing P. Ltd.	49100	1.01%	0	49100	1.01%	0	0.00%
14	Ashish Shekhar	20000	0.41%	0	20000	0.41%	0	0.00%
15	K S Lakhotiya	323500	6.64%	0	323500	6.64%	0	0.00%
16	Gaurav Tekriwal	17500	0.36%	0	17500	0.36%	0	0.00%
17	Ashish Shekhar	2000	0.04%	0	2000	0.04%	0	0.00%
	Total	2493500	51.15%	0	2493500	51.15%	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	At the beginning of the year	-	-	2493500	51.15%	2493500	51.15%
2.	Changes during the year			NO CHANGE			
3.	At the end of the year	-	-	2493500	51.15%	2493500	51.15%

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	North American Investments Ltd.	-	-	200000	4.10%	200000	4.10%
2.	Shivratan Luharuka	-	-	143200	2.94%	143200	2.94%
3.	Jamno Perumal Kalwanz	-	-	50000	1.03%	50000	1.03%
4.	Peekay holdings Ltd.	-	-	50000	1.03%	50000	1.03%
	Total			443200	9.09%	443200	9.09%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	R.K. Tekriwal	-	-	68100	1.39%	68100	1.39%
2.	Meera Tekriwal	-	-	58200	1.19%	58200	1.19%

V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	127075005	3999249	-	131074254
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	127075005	3999249	-	131074254
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	106322644	3999249	-	110321893
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	106322644	3999249	-	110321893

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	RAJENDRA TEKRIWAL	(Rs/LAC)
	Designation	MD	
1	Gross salary	360000	360000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-

4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	-	-	360000
	Ceiling as per the Act			As per Act

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
		Vishwanath Kanungo	Anil Waman Jog		
1	Independent Directors				
	Fee for attending board committee meetings	15000	15000		30000
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	Meera Tekriwal			-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify	360000			360000
	Total (2)	-	-	-	390000
	Total (B)=(1+2)	-	-	-	750000
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				As per Act

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
	Name				
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify				-
	Total	-	-	-	-



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

By order of the Board

Place: Pithampur
Date: 14/08/2020

R.K.Tekriwal
(Chairman & Managing Director)
DIN:00011492

ANNEXURE “B”
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm’s length basis: **NOT APPLICABLE**
2. Details of material contracts or arrangement or transactions at arm’s length basis:

PARTICULARS	(1)	(2)	(3)	(4)
Name(s) of the related party and nature of relationship	Bulkpack Exports Limited	---	---	---
Nature of contracts/arrangements/transactions	Sales service & other income	---	---	---
Duration of the contracts / arrangements/transactions	1 Year	---	---	---
Salient terms of the contracts or arrangements or transactions including the value, if any	7,597,783	---	---	---
date(s) of approval by the Board	N.A	N.A	N.A	N.A

By order of the Board

Place: Pithampur
Date: 14/08/2020

R.K.Tekriwal
(Chairman & Managing Director)
DIN:00011492

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial 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,
PITHAMPUR POLY PRODUCTS LIMITED
CIN- L25202MP1994PLC008513
115, Sector – III, Industrial Area,
Pithampur Dist. Dhar (MP)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PITHAMPUR POLY PRODCUTS LIMITED (hereinafter called the Company) having CIN: L25202MP1994PLC008513, 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by PITHAMPUR POLY PRODUCTS LIMITED 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;

The Company has complied with the provision of The Companies Act, 2013 (the Act) and the rules made thereunder.

However, the Company goes under insolvency proceeding so, there is no Company secretary appointed by the Company during the year.

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

The Company has not issued any fresh securities during the year under review and therefore, question of complying with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA') does not arise.

However, the Company has Complied with Rule 19A with respect of continuous listing requirements with stock exchange, Rule 19 (1) with respect to filing of documents and Rule 19(2) with respect to minimum public shareholding of Securities Contract Regulation Rules.

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

The Company has complied with Clause 55A of the SEBI (depositories and Participants) Regulations, 1996 with respect to the reconciliation of share capital audit.

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The Company has not received any foreign direct investment or any overseas direct investment and has not made any External Commercial borrowings during the year under review.

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;

There is no change in promoter holdings during the year.

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

There are no events relating to unpublished price sensitive information took place during the year under review except quarterly financial results and there are no transactions during the year under review.

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

The company has not issued any share capital during the year under review, so there is not required to comply the provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

The company has not made any offer to employee under Employee Stock Option Scheme during the year under review, so there is not required to comply the provisions of The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

The company has not issued any debt securities during the year under review, so there is not required to comply the provisions of The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

The Company has appointed an RTA in accordance with the SEBI Regulations. The RTA has obtained a certificate from the practising company secretary that all the transfers have been completed within the stipulated time under Regulation 40 (9) of SEBI Listing Regulations, 2016 (LODR). Hence the Company has comply provisions under the said regulations.



- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

The above said Regulations are not applicable to company, as the company has not initiated any action for voluntary delisting and no action taken by the stock exchange for compulsory delisting during the year under review.

- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

The above said Regulations are not applicable to company as the Company has not purchased its own shares during the year under review.

- vi. The laws as are applicable specifically to the Company are as under:

- a. The Water (Prevention and Control of Pollution) Act, 1974;
- b. The Air (Prevention and Control of Pollution) Act, 1981;
- c. Factories Act, 1948
- d. Industrial Disputes Act, 1947
- e. The Payment of Wages Act, 1936
- f. The Minimum Wages Act, 1948
- g. The Employees State Insurance Act, 1948
- h. The Employee Provident Fund And Miscellaneous Provision Act, 1952
- i. The Payment of Bonus Act, 1965
- j. The Payment of Gratuity Act, 1972
- k. Contract Labour (Regulation And Abolition) Act, 1970
- l. The Maternity Benefits Act, 1961
- m. The Child Labour (Prohibition and Regulation) Act, 1986
- n. The Employees' Compensation Act, 1923
- o. The Apprentices Act, 1961
- p. Equal Remuneration Act, 1976

We have also examined compliance with the applicable clauses/regulations of the following:

- (I) Secretarial Standards issued by The Institute of Company Secretaries of India.

The Company has complied with the Secretarial Standards issued by ICSI.

- (II) The Listing Agreements/ Regulations entered into by the Company with BSE Limited.

The Company has complied with all clause of the listing agreement/ SEBI Listing Regulations, 2016 (LODR) .

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

I further report that:-

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company which 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 Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

We further report that during the audit period:-

1. The Members have accorded their consent to the Board of Directors at the Annual General Meeting held on September 30, 2019 for the following:-

- a. Consider and adopt Audited Statement of accounts, Reports of the Board of Directors and Auditor for year ended 31st March 2019.
- b. Re-appointment of Mr. Vishwanath Kanungo (DIN 02628075)
- c. Ratification of appointment of M/S S.N. Gadia & Co., Chartered Accountants, Indore as Auditor of the Company.
- d. Increase in remuneration of Shri R.K. Tekriwal, managing Director of the Company

Date: 14th August 2020

Place: Bharuch

For Harshita Modani

Harshita Modani

ACS: 19268 COP: 21944

Note: this report is to be read with our letter of even date which is annexed as an Annexure herewith and forms an integral part of this report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Pithampur Poly Products Limited,
115, Sector III, Industrial Area,
Pithampur, Dist. Dhar

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

Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management representations about the compliances of Laws, Rules, Regulations and happening of events etc.

The compliances of the provisions of corporate and other applicable laws, Rules, Regulations, Slandered is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither as 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.

Date: 14th August 2020

For Harshita Modani

Place: Bharuch

Harshita Modani

ACS: 19268 COP: 21944

REPORT ON CORPORATE GOVERNANCE

Company philosophy

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organization functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, interalia, priority to clients' interest over

proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

1. The Governance Structure:

PPPL's governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

- (i) The Board of Director - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, governance standards, reporting mechanism & accountability and decision making process to be followed.
- (ii) Committee of Directors - such as Audit Committee, Nomination & Remuneration Committee are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors and Senior Management Employees.
- (iii) Executive Management - The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

2. Board of Directors

Composition and Category

The Board of Directors of the Company consists of persons with considerable expertise and experience and experience in the manufacturing industry, finance & management. The Board of Directors of the Company consists of Four Directors including the Executive Chairman. Out of 4, 1 is woman director, 2 is non-executive independent director, 1 is Managing director. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

During the Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

Board Procedure

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

The Composition, Category of Directors and their other directorship and Membership/Chairmanship of Committees.

Sr. No.	Name of the Director	Category	Number of other		
			Directorships	Committee Membership	Committee Chairmanship
1.	Mr. R.K. Tekriwal	Exe. Chairman & Managing Director	1	Nil	Nil
2.	Mrs. Meera Tekriwal	Woman Director	1	Nil	Nil
3.	Mr. Vishwananth Kanungo	Ind. Dir.	Nil	Nil	Nil
4.	Mr. Anil Waman Jog	Ind. Dir.	Nil	Nil	Nil

During the year 6 Board Meetings were held on 12/04/2019, 30/05/2019, 06/06/2019, 14/08/2019, 14/11/2019 and 20/12/2019.

During the Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

So, there is no board meeting held in the Fourth quarter of the financial year as the Board of Directors of the Company were discontinued.

The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

SR. NO	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDANCE AT THE LAST AGM HELD ON 30-09-20
1	Mr. R.K. Tekriwal	6	Yes
2.	Mrs. Meera Tekriwal	1	Yes
3.	Mr. Vishwananth Kanungo	6	Yes
4.	Mr. Anil Waman Jog	6	Yes

Selection and Appointment/Re-appointment of Directors

The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time.

Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14TH November 2019 to review the performance of Non-independent Directors (including the Chairman) and the entire Board.

Agenda

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary

supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board, Committees and Subsidiaries for the information of the Board.

Board evaluation

During the year, the Board started a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The Directors were satisfied with the evaluation results, which reflected the overall engagement and effectiveness of the Board and its Committees.

Code of Conduct

All the Board members and senior management personnel have confirmed compliance with the code. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

Prevention of Insider Trading

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Managing Director as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

Disclosure of Relationship between Directors Interse

Name	Relationship	Name of other directors in inter-se relationship
Shri R.K. Tekriwal	Spouse	Smt. Meera Tekriwal
Smt. Meera Tekriwal	spouse	Shri R.K. Tekriwal

No. Of Share held by Non- Executive Director

Shri Vishwananth Kanungo	Nil
Shri Anil Waman Jog	Nil

Web link: www.ppplonline.com

3. Audit Committee

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2019 to March 2020 and the attendance of the Audit Committee Members are as under:

SR. NO	DIRECTOR NAME	CATEGORY	NO OF MEETING	
			HELD	ATTENDED
1	Mr. R.K.Tekriwal	Managing Director & Member of Committee	3	3
2	Mr. Vishwanath Kanungo	Independent Director & Chairman of Committee	3	3
3	Mr. Anil Waman Jog	Independent Director & Member of Committee	3	3

During the Year, Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

So, there is no Committee meeting held in the Fourth quarter of the financial year as the Board of Directors of the Company were discontinued.

Terms of Reference:-

The terms of reference for the audit committee as laid down by the Board include the following:-

- Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements concerning financial statements; any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.
- Discussions with statutory auditors before the commencement

of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.

- Reviewing the Company's financial and risk management policies.
- To review the functioning of the Whistle Blower Policy adopted by the Company.
- To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4. Remuneration Committee

The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of Mr. R.K.Tekriwal, CMD and Member of the committee, Mr. Anil waman Jog, NEID & member and Mr. Vishwanath Kanungo, NEID & Chairman of the committee. Only one meeting of the committee held during the year under review and all members attended the meeting.

Performance evaluation for Independent Directors

Pursuant to the Provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors.

Remuneration Policy

The Company follows a policy on remuneration of Directors and Senior Management Employees.

5. Share holders's Grievance and Share transfer Committee

Composition:-

The said committee comprises of R.K.TEKRIWAL, CMD & Chairman of the committee, Shri Anil Waman Jog, NEID & member and Vishwanath Kanungo, NEID and member of the committee. There are 4 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the shareholders complaints in respect of any matter including transfer of shares, non receipt of annual report, non receipt of declared dividend etc.

Compliance Officers :-

The company has designated Mr. R.K. Tekriwal, Managing Director of the Company as Compliance Officer as on date.

Summary Of Investor's Complaints:-

During the year NIL letters / complaints were received from the shareholders, out of which NIL letters/ complaints were replied / resolved to the satisfaction of the shareholders.

As on date, there are no complaints pending.

7. MD Certification

The MD have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

8. Annual General Meeting :-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years.

YEAR	DATE	TIME	VENUE
2016-17	29-09-2017	3.00 P.M.	REGD. OFFICE – 115, Sector – III, Ind. Area, Pithampur, Dist-Dhar(MP)
2017-18	29-09-2018	3.00 P.M.	B
2018-19	30-09-2019	3.00 P.M.	AS ABOVE

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process

9. Means of Communication:

The periodical unaudited / audited financial results are published in Chotha Sansar(Hindi) and Free Press Journal (English) as required under the Listing Agreement. All financial and other vital information is promptly communicated to the stock exchanges on which company's shares are listed and also posted on company's website www.pplonline.com.

10. General Information for Shareholders

(a) Regd. Office:-

115, Sector-III, Ind. Area, Pithampur, Dist-Dhar(MP)

(b) Date, Time, Venue of Annual General Meeting:

30th December 2020 at 3.00 PM at the Registered Office 115, Industrial Area, Sector III, Pithampur, Dist. Dhar (MP),

(c) Financial Reporting for the quarter ending:

JUNE 30 : 14th August
 SEPT 30 : 14th November
 DEC 31 : 14th January
 MARCH 31 : 30th May

(d) Date of Book Closure :

25.12.2020 to 30.12.2020 (both days inclusive)

(e) Listing Details :

The Equity Shares of the Company are listed on the Stock Exchange at BSE. Scrip Code : BSE – 530683

(f) ISIN for Dematerialization of equity shares :

INE747D01012

(g) Market price data:

During the year from 1-04-2019 to 31-03-2020 the equity shares traded high and low price is available on BSE website viz. www.bseindia.com.

(h) Registrar And Transfer Agent:

(For share transfers and other communication relating to share certificates, change of address)

Purva Share Registry (I) Pvt. Ltd.
 9, Shiv Shakti Industries, J.R. Boricha Marg,
 Opp/ Kasturba Hospital, Lower Parel (E)
 Mumbai – 400 011. Phone : [022] 23018261.

(i) Share Transfer System

The Share Transfer-cum-Investors Grievance Committee attends to share transfer formalities once in a fortnight. Demat requests are normally confirmed within an average period of 15 days from the date of receipt. The Company has appointed following agency as Share Transfer Agent (Electronic + Physical). The shareholders may address their communication, suggestions, grievances and queries to Purva Share Registry (I) Pvt. Ltd.

(k) Categories of shareholding as on 31st March 2019

PARTICULARS	NO. OF EQUITY SHARES HELD	% OF SHARES
PROMOTERS	2493500	51.16%
CORPORATE BODIES	326200	6.69%
NRI	133500	2.74%
INDIVIDUALS	1888300	38.74%
OCB'S	30000	0.62%
HUF	2500	0.05%
TOTAL	4874000	100.00%

(L) Dematerialisation of shares & liquidity

The shares of the Company are under compulsory demat segment and are listed on Bombay Stock Exchange, Mumbai. The Company's shares are available for trading in the depository of both NSDL & CDSL.

(M) Reconciliation of Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

(N) PLANT LOCATION

115, Sector-III, Ind. Area, Pithampur, Dist-Dhar(MP)

(O) INVESTOR CORRESPONDANCE

The shareholders may address their communication, suggestions, grievances and queries to:

Purva Share Registry (I) Pvt. Ltd.
9, Shiv Shakti Industries, J.R. Boricha Marg,
Opp/ Kasturba Hospital, Lower Parel (E)
Mumbai – 400 011. Phone : [022] 23018261.

11. Disclosures

There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large except remuneration to CMD.

There is not any penalties or restrictions imposed on the Company by Stock Exchanges, SEBI or any statutory or any matter related to capital markets during the last year.

12. Whistle Blower / Vigil Mechanism Policy

The Company has laid down a Whistle Blower Policy/vigil mechanism policy, which affords protection and confidentiality to whistle blowers. The Audit Committee Chairman is authorised to receive protected disclosures under this policy. The Audit Committee is also authorised to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As on 31st March 2020, No protected disclosures have been received under this policy.

MANAGEMENT DISCUSSION AND ANALYSIS

Forward – Looking Statement

This Report contains forward - Looking Statements. Any statement that addresses expectations or predictions about the future, including but not limited to statements about the Company's strategy and growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future growth. The Company cannot guarantee that these assumptions are accurate and will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on basis of any subsequent developments, information or events.

Industry structure and developments

As per the estimates of India Brand Equity Foundation (IBEF), India's overall textile exports during FY 2017-18 stood at US\$ 38.70 billion in FY 19 and is expected to increase to US\$ 82.00 billion by 2021 from US\$ 39 billion in FY 19.

The COVID-19 pandemic and consequent nationwide lockdown measure implemented since March, 2020 has worsened the prospectus across manufacturing, service and agriculture industries in India.

Comment on Current year's performance

Your Company faced huge financial distress in the financial year

2019-20. The major problem of the company started when Hon'ble NCLT through their order dated 3rd January 2020 have discontinued the present Board of Directors of the Company and appointed Insolvency Resolution Professional (IRP) to start insolvency proceeding.

Putting limelight on the working of the Company in FY 2019- 20, in such a rugged environment, the Company's Performance for first 9months was satisfactory.

Opportunities and outlook

Pithampur Poly is among the few HDPE/PP manufacturing companies across the world who are perpetually focusing on its products quality, durability, designing and satisfying end user requirement aptly. Nearly 65% of Company's product portfolio comprises of high-end bags for food, chemical and pharma industries and thus commands premium realisations in the export market. The Company is likely to benefit from the growth opportunities in the top three regions—America, Europe and Asia Pacific. Moreover, it's well-placed to address the growing demand in the domestic market.

The order of the Hon'ble NCLT to start insolvency proceeding have been set aside by NCLAT through their order dated 13th August 2020 and allowed the Board of Directors of the Company to function independently.

Segment wise performance

The business of the Company falls under a single segment i.e. "manufacturing and trading of HDPE/PP products" for the purpose of Accounting Standards AS-17.

Risk and concerns

Operating margin remains susceptible to fluctuations in the prices of key input i.e. polymer, which move in tandem with crude oil prices. Also, we are subjected to foreign currency exchange rate fluctuations which could have impact on results of operations. However, this is hedged by executing forward contracts, thereby mitigating forex rate fluctuation risk.

The industry is fragmented because of low entry barrier as capital and technology requirements are limited, gestation period is small and raw materials are easily available. This restricts substantial scale up in operations and exerts pricing pressure. Also, this industry being highly labour intensive the retention of workers has been high priority for the Company. Attrition of workers may affect the production and also involves cost and time in inducting and training of new appointees. Several other global as well as Indian economic and political factors that are beyond our control may affect the business of the Company.

(h) Internal control system

The internal control system has been found to be adequate. This is reviewed periodically by the Audit Committee and statutory auditors of the Company.

(j) Cautionary Statement

Statements in this Management Discussion and Analysis Report, Describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statement" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

MD/CEO CERTIFICATION

I, Rajendra Kumar Tekriwal, Chairman & Managing Director of M/s Pithampur Poly Products Ltd., do hereby certify that”

- a) I have reviewed the financial statements and the cash flow statement of the Company for the year 2019-20 and to the best of my and to the best of my knowledge, information and belief :
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) these statements together present a true and fair view of the Company's affairs are in compliance with existing accounting standards, applicable Laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative or the company's Code of Conduct.
- c) The company's other certifying officers and I, are responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation such internal controls, if any, of which I am aware and steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors and the Audit Committee that :
 - i) there are no significant changes in internal control over financial reporting during the year;
 - ii) there are no significant changes in accounting policies during the year,
 - iii) there are no instances of fraud during the year.

For Pithampur Poly Products Limited

Place: Pithampur **R.K.Tekriwal**
Date: 14/08/2020 **(Chairman & Managing Director)**
DIN:00011492

DECLARATION REGARDING CODE OF CONDUCT

I hereby declared that all the board members and senior managerial personnel of the Company have affirmed the compliance of code of conduct for the year ended 31st March, 2020.

For Pithampur Poly Products Limited

Place: Pithampur **R.K.Tekriwal**
Date: 14/08/2020 **(Chairman & Managing Director)**
DIN:00011492

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
 The Board of Directors,
 Pithampur Poly Products Ltd.,
 115, Sector – III, Ind. Area,
 Pithampur, Dist-Dhar(MP)

We have examined the compliance of conditions of Corporate Governance by PITHAMPUR POLY PRODCUTS LIMITED ('the Company'), for the year ended March 31st, 2018 as per Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'SEBI Listing Regulations, 2015') for the period 1st April 2019 to 31st March 2020.

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

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in above mentioned SEBI Listing Regulations, 2015 as applicable.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

PLACE : INDORE
 DATE : 14/08/2020

For S.N. Gadiya & Co.,
 Chartered Accountants
 SD/-

CA S. N. Gadia
 Membership No. :071229
 FRN no.: 002052C



INDEPENDENT AUDITORS' REPORT

To,
The Members,
PITHAMPUR POLY PRODUCTS LIMITED
 (A Company under corporate insolvency resolution process vide NCLT order)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of PITHAMPUR POLY PRODUCTS LIMITED (“the Company”), which comprises the Balance Sheet as at March 31st, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the ‘financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2020, and its Loss and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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.

Description of Key Audit Matters		
S.No.	Key Audit Matters	How was the matter addressed in our audit
1	Uncertain tax positions - Direct and Indirect Taxes	
	<p>The Company has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount.</p> <p>Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters.</p> <p>[Refer Note 28 to the standalone financial statements.]</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Obtained details of uncertain tax position and gained understanding thereof; • Obtained details of tax assessments and also demands raised; • Along with our internal tax experts, read and analysed relevant communication with the authorities; • Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; • Discussed with senior management and evaluated management’s assumptions regarding provisions made or reflected as contingent liabilities; • Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on “Provisions, Contingent Liabilities and Contingent Assets”.

Information Other than the Financial Statements and Auditors’ Report Thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the Financial Statements and our Auditors’ Report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 auditors' report to the related disclosures in the 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31st, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31st, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B"; and
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the

Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note-28 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.N. Gadiya & Company**
Chartered Accountants
ICAI Firm Reg. No. :002052C

(S.N. GADIYA)

Place : Indore

Proprietor

Dated : August 14th, 2020

Membership No. : 071229

ANNEXURE–A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1, under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of PITHAMPUR POLY PRODUCTS LIMITED on the financial statements as of and for the year ended March 31st, 2020, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - (b) As explained to us, all the Property, Plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the title deeds of immovable properties recorded in the books of accounts of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on physical verification of inventory as compared to books and records were not material and have been appropriately dealt with in the books of accounts.

- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans and advances to entities in which the directors are interested, have been complied with by the Company. The Company has not granted any guarantee or security in terms of section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) As per information and explanations given to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act, for the business of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services taxes, cess and other statutory dues applicable to it, with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were in arrears as on 31st March, 2020 for a period more than six months from the date they became payable except Professional Tax of Rs. 1.53 Lakhs.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, goods and services tax, excise duty, entry tax and cess which have not been deposited with the appropriate authorities on account of any dispute, except for the following:

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period for which the Amount Relates F.Y.	Forum where dispute is pending
1	Income Tax Act, 1961.	Penalty u/s. 271(1) (c)	5.00	2004-05	Income-Tax Appellate Tribunal, Indore
2	Income Tax Act, 1961.	Penalty u/s. 271(1) (c)	55.56	2006-07	Income-Tax Appellate Tribunal, Indore
3	Income Tax Act, 1961	Penalty u/s. 271(1) (c)	37.00	2007-08	Commissioner of Income-Tax (Appeals)-I, Indore
4	M P Commercial Tax Act, 1994	Demand	0.35	1996-97	Dy. Comm. Appellate MP Commercial Tax Dept., Indore
5	M P Commercial Tax Act, 1994	Demand	0.18	1999-2000	Dy. Comm. Appellate MP Commercial Tax Dept., Indore
6	M P Commercial Tax Act,	Demand Penalty	8.25 6.36	2000-01	Dy. Comm. Appellate MP Commercial Tax Dept., Indore
7	M P Commercial Tax Act, 1994	Demand Penalty	6.79 5.10	2001-02	Dy. Comm. Appellate MP Commercial Tax Dept., Indore
8	M P Commercial Tax Act, 1994	Demand Penalty	5.78 4.16	2002-03	Dy. Comm. Appellate MP Commercial Tax Dept., Indore
9	M P Commercial Tax Act, 1994	Demand	10.68	2003-04	Dy. Comm. Appellate MP Commercial Tax Dept., Indore



(viii) *The Company had defaulted in repayment of loans and borrowings to the banks. Pursuant to the continuing defaults of the Company, a CIRP was initiated against the Company vide an order of the Bench of the National Company Law Tribunal ('NCLT') dated January 3rd, 2020. Accordingly, no payments could be made thereafter to the banks, financial institutions, until the resolution process is concluded. There is no borrowing from the Government, financial institutions and there are no debenture holders.*

(ix) In our opinion and according to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid/ provided 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, the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the financial statements.

(xiv) According to the information and explanations given to us, the Company has not made preferential allotment of shares during the year under review. Accordingly, the provision of clause 3(xiv) of the order is not applicable.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **S.N. Gadiya & Company**
Chartered Accountants
ICAI Firm Reg. No. :002052C

(S.N. GADIYA)

Place : Indore

Proprietor

Dated : August 14th, 2020 Membership No. : 071229

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT

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

Referred to in Paragraph 2(f), under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of **Pithampur Poly Products Limited** on the financial statements as of and for the year ended March 31st, 2020, we report that:

We have audited the internal financial controls over financial reporting of PITHAMPUR POLY PRODUCTS LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to



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.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **S.N. Gadiya & Company**
Chartered Accountants
ICAI Firm Reg. No. :002052C

(S.N. GADIYA)

Place : Indore

Proprietor

Dated : August 14th, 2020

Membership No. : 071229



PITHAMPUR POLY PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars		Note No.	As at 31 st March, 2020	As at 31 st March, 2019
A	ASSETS			
I	<u>NON-CURRENT ASSETS</u>			
(a)	Property, Plant and Equipment	2	13,298,043	14,751,062
(b)	Financial Assets			
i)	Other Financial Assets	3	1,694,205	2,915,185
(c)	Deferred Tax Asset (Net)	4	16,686,052	12,048,770
(d)	Other Non-Current Assets	5	14,500	28,301,716
	(I)		31,692,800	58,016,733
II	<u>CURRENT ASSETS</u>			
(a)	Inventories	6	6,221,128	8,921,550
(b)	Financial Assets			
i)	Trade Receivables	7	10,527,255	5,231,839
ii)	Cash and Cash Equivalents	8	75,635	512,572
(c)	Current Tax Asset/Liability (Net)	9	163,861	1,136,922
(d)	Other Current Assets	10	21,999,550	21,243,190
	(II)		38,987,429	37,046,072
	TOTAL RUPEES (I + II)		70,680,229	95,062,805
B	EQUITY AND LIABILITIES			
I	<u>EQUITY</u>			
(a)	Equity Share Capital	11	51,341,000	51,341,000
(b)	Other Equity	12	(126,206,615)	(113,092,119)
	(I)		(74,865,615)	(61,751,119)
II	<u>LIABILITIES</u>			
1.	<u>NON-CURRENT LIABILITIES</u>			
(a)	Financial Liability			
i)	Non-Current Borrowings	13	3,999,249	3,999,249
	(1)		3,999,249	3,999,249
2.	<u>CURRENT LIABILITIES</u>			
(a)	(a) Financial Liabilities			
i)	Short-Term Borrowings	14	106,322,644	127,075,005
ii)	Trade Payables	15		
	-Total Outstanding Dues of Micro & Small Enterprises		118,093	9,054,079
	-Total Outstanding Dues of Others			
(b)	Other Current Liabilities	16	30,678,962	10,984,799
(c)	Short-Term Provisions	17	4,426,897	5,700,792
	(2)		141,546,596	152,814,675
	(II = 1+2)		145,545,845	156,813,924
	TOTAL RUPEES (I + II)		70,680,229	95,062,805
	Significant Accounting Policies & Practices and Other Notes	1		

Notes form integral part of these financial statements

PLACE : INDORE

DATED : AUGUST 14TH, 2020

For and on behalf of the Board of Directors

Pithampur Poly Products Limited

(a company under corporate insolvency resolution process vide NCLT order)

AS PER OUR REPORT OF THE EVEN DATE

S N GADIYA & CO.

CHARTERED ACCOUNTANTS

MANAGING DIRECTOR

DIRECTOR

PROPRIETOR

M.NO. 071229

PITHAMPUR POLY PRODUCTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars		Note No.	For the Year ended 31 st March, 2020	For the Year ended 31 st March, 2019
REVENUE				
I	Revenue from Operations	18	10,007,851	79,143,708
II	Other Income	19	145,651	132,148
III	TOTAL INCOME (I + II)		10,153,502	79,275,856
EXPENSES				
IV	Purchases	20	-	9,308,795
	Changes in Inventories of Finished Goods, Work-In-Progress and Traded Goods	21	2,387,717	27,556,316
	Employee Benefits Expense	22	8,848,069	23,751,177
	Finance Costs	23	24,911	133,002
	Depreciation		1,453,019	1,453,019
	Other Expenses	24	15,191,564	48,249,765
	TOTAL EXPENSES (IV)		27,905,281	110,452,074
V	Loss before exceptional item and tax (III-IV)		(17,751,778)	(31,176,218)
VI	Exceptional items		-	-
VII	Loss before tax (V+VI)		(17,751,778)	(31,176,218)
VIII	Tax Expense:			
(a)	Current Tax		-	-
(b)	Current Tax Expense relating to prior years		-	-
(c)	Deferred Taxation		(4,637,282)	(5,377,486)
			(4,637,282)	(5,377,486)
IX	Loss for the year (VII-VIII)		(13,114,496)	(25,798,732)
X	Other Comprehensive Income	25		
(a)	Items that will not be reclassified to Profit & Loss		-	-
(b)	Income tax relating to items that will not be reclassified to Profit and Loss		-	-
XI	Total Comprehensive Income for the year (IX+X)		(13,114,496)	(25,798,732)
	Earnings per share (of Rs.10/- each):			
(a)	Basic	26	(2.69)	(5.29)
(b)	Diluted		(2.69)	(5.29)
	Significant Accounting Policies & Practices and Other Notes	1		

Notes form integral part of these financial statements

PLACE : INDORE
DATED : AUGUST 14TH, 2020

For and on behalf of the Board of Directors
Pithampur Poly Products Limited
(a company under corporate insolvency resolution process vide NCLT order)

MANAGING DIRECTOR

DIRECTOR

PROPRIETOR
M.NO. 071229

AS PER OUR REPORT OF THE EVEN DATE
S N GADIYA & CO.
CHARTERED ACCOUNTANTS

PITHAMPUR POLY PRODUCTS LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

Sno.	Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before Tax and Exceptional Items as per Statement of Profit and Loss		(17,751,778)		(31,176,218)
	Add/(Deduct):				
	Depreciation	1,453,019		1,453,019	
	Finance Cost	24,911		133,002	
	Interest Income	(145,651)	1,332,279	(132,148)	1,453,873
	Operating Cash Profit before Working Capital Changes		(16,419,500)		(29,722,346)
	Adjustments for :				
	(Increase)/ Decrease in Inventories	2,700,422		28,286,218	
	(Increase)/ Decrease in Trade Receivables	(5,295,416)		23,055,377	
	(Increase)/ Decrease in Other Current Assets	(756,360)		3,395,604	
	(Increase)/ Decrease in Current Tax Assets/Liabilities	973,061		532,913	
	Increase/ (Decrease) in Trade Payables	(8,935,986)		8,567,474	
	Increase/ (Decrease) in Short Term Borrowings	(20,752,361)		71,000	
	Increase/ (Decrease) in Other Current Liabilities	19,694,163		(3,980,071)	
	Increase/ (Decrease) in Short-Term Provisions	(1,273,895)	(13,646,373)	(1,269,179)	58,659,336
	Cash Flow from Operations		(30,065,873)		28,936,991
	Direct Taxes		-		-
	Net Cash Flow from Operating Activities		(30,065,873)		28,936,991
B.	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets		-		(539,310)
	Increase/ (Decrease) in Non Current financial assets		1,220,980		(355,626)
	Increase/ (Decrease) in Other Non Current Assets		28,287,216		(28,287,216)
	Interest Income		145,651		132,148
	Net Cash from (used in) Investing Activities		29,653,847		(29,050,004)
C.	CASH FLOW FROM FINANCING ACTIVITIES				
	Finance Cost		(24,911)		(133,002)
	Net Cash from (used in) Financing Activities		(24,911)		(133,002)
	NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS [A+B+C]		(436,936)		(246,015)
	Cash and cash equivalents at the beginning of the year		512,572		758,587
	Cash and cash equivalents at the end of the year		75,636		512,572
	[Refer Note - 7]				
	Components of cash and cash equivalents as at year end comprise of :				
	Cash in Hand		8,142		425,136
	Balance with Banks in Current Accounts		67,493		87,436
			75,635		512,572

Note

- All figures in brackets are outflow.
- Cash and cash equivalents are as per balance sheet except for fixed deposits which are not considered as cash and cash equivalents as the maturity date is beyond twelve months.
- The above cash flow statement has been prepared under 'Indirect Method' as set out in the Indian Accounting Standard-7 on 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.

AS PER OUR REPORT OF THE EVEN DATE
S N GADIYA & CO.
CHARTERED ACCOUNTANTS

PLACE : INDORE

DATED : AUGUST 14TH, 2020

For and on behalf of the Board of Directors
Pithampur Poly Products Limited

(a company under corporate insolvency resolution process vide NCLT order)

MANAGING DIRECTOR

DIRECTOR

PROPRIETOR
M.NO. 071229



NOTE - 2 - PROPERTY, PLANT AND EQUIPMENT

S NO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Land and Site Development	1,147,676	-	-	1,147,676	-	-	-	1,147,676	1,147,676
2	Factory Buildings	15,360,233	-	-	15,360,233	3,687,492	1,239,437	4,926,929	10,433,304	11,672,741
3	Plant and Equipment	11,535,645	-	-	11,535,645	10,121,141	44,825	10,165,966	1,369,679	1,414,504
4	Office Equipments	620,328	-	-	620,328	417,983	140,769	558,752	61,576	202,345
5	Furniture and Fixtures	365,815	-	-	365,815	53,651	27,988	81,639	284,176	312,164
6	Computers	102,464	-	-	102,464	100,832	-	100,832	1,632	1,632
	TOTAL	29,132,161	-	-	29,132,161	14,381,098	1,453,019	-	15,834,117	14,751,062
	Previous Year	28,592,851	539,310	-	29,132,161	12,928,079	1,453,019	-	14,381,098	15,664,771

NOTE - 3 - OTHER FINANCIAL ASSETS

Particulars	31 st March, 2020	31 st March, 2019
Security Deposits [Unsecured, considered good]	1,430,653	2,651,633
Fixed Deposits - Maturity more than 12 months	263,552	263,552
TOTAL RUPEES (A+B)	1,694,205	2,915,185

NOTE - 4 - DEFERRED TAX ASSET (NET)

Particulars	31 st March, 2020	31 st March, 2019
Balance as per last year	12,048,770	6,671,284
Add : Created during the year through Profit & Loss	4,637,282	5,377,486
	16,686,052	12,048,770
Add : Created during the year through Other Comprehensive Income	-	-
TOTAL RUPEES	16,686,052	12,048,770

Note - 4.1 - Component of Deferred Tax Liabilities/(Assets)

Particulars	As at 1 st April, 2019	Charged/(Credit) to Statement of Profit and Loss	As at 31 st March, 2020
A. <u>Deferred Tax Liabilities in relation to :</u>			
Property, Plant and Equipment	1,302,571	(105,145)	1,197,426
(A)	1,302,571	(105,145)	1,197,426
B. <u>Deferred Tax Assets in relation to :</u>			
Carry Forward Losses	13,351,341	4,532,137	17,883,478
(B)	13,351,341	4,532,137	17,883,478
TOTAL (A+B)	(12,048,770)	(4,637,282)	(16,686,052)

NOTE - 5 - OTHER NON-CURRENT ASSETS

Particulars	31 st March, 2020	31 st March, 2019
<u>Advances other than Capital Advances</u>		
Security Deposit (Unsecured, considered good)	14,500	14,500
Trade Receivables [Unsecured, Duputed]	-	28,287,216
TOTAL RUPEES	14,500	28,301,716

NOTE - 6 - INVENTORIES

[Valued at lower of cost and net realizable value]

Particulars	31 st March, 2020	31 st March, 2019
Finished Goods	2,733,244	2,733,244
Stock-In-Trade	484,405	484,405
Stores And Spares	2,735,266	3,047,971
Scrap & Wastage	268,213	2,655,930
TOTAL RUPEES	6,221,128	8,921,550

Notes: i) Amount of inventories recognised as an expense have been disclosed in Notes 20 and 21.

NOTE - 7 - TRADE RECEIVABLES

Particulars	31 st March, 2020	31 st March, 2019
Secured, considered good	-	-
Unsecured, considered good	10,527,255	5,231,839
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Impairment for trade receivables	-	-
Trade Receivables - Credit Impaired	-	-
TOTAL RUPEES	10,527,255	5,231,839

Notes: (i) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

NOTE - 8 - CASH AND CASH EQUIVALENTS

Particulars	31 st March, 2020	31 st March, 2019
Balances with Banks in Current Accounts	67,493.29	87,436
Cash on Hand	8,142.00	425,136
TOTAL RUPEES	75,635	512,572

NOTE - 9 - CURRENT TAX ASSET/ LIABILITY (NET)

Particulars	31 st March, 2020	31 st March, 2019
Tax Deducted at Source	163,861	1,136,922
Less: Provision for Tax	-	-
TOTAL RUPEES	163,861	1,136,922

NOTE - 10 - OTHER CURRENT ASSETS

Particulars	31 st March, 2020	31 st March, 2019
A <u>Statutory Dues receivable from Government Authorities</u>		
Duties and Taxes	944,250	1,507,844
Income-Tax Refund Receivable	10,286,697	9,149,775
(A)	11,230,947	10,657,619
B <u>Advances Recoverable</u>		
Advance to Suppliers	2,948,516	3,000,684
Advance to Others	6,974,009	6,738,809
(B)	9,922,525	9,739,492
C <u>Others</u>		
Interest Receivable	846,078	846,078
(C)	846,078	846,078
TOTAL RUPEES (A+B+C)	21,999,550	21,243,190

Note: 1 No advance is due from directors or other officers of the Company either severally or jointly with any other person. Further, no advance is due from firms or private companies in which any director is a partner, a director or a member.

NOTE - 11 - EQUITY SHARE CAPITAL
A Authorised and Paid-up Share Capital

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
<u>AUTHORISED</u>				
Equity Shares of Rs.10/- each	6,000,000	60,000,000	6,000,000	60,000,000
ISSUED, SUBSCRIBED & PAID-UP				
Equity Shares of Rs.10/- each Fully Paid-up	4,874,000	48,740,000	4,874,000	48,740,000
Less: Allotment Money Receivable		1,106,500		1,106,500
	4,874,000	47,633,500	4,874,000	47,633,500
SHARES FORFEITED				
Equity Shares of Rs.10/- each Fully Paid-up	716,200	3,707,500	716,200	3,707,500
	5,590,200	51,341,000	5,590,200	51,341,000

The company has issued only one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

B Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	4,874,000	48,740,000	4,874,000	48,740,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,874,000	48,740,000	4,874,000	48,740,000

C Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Smt. Divya Tekriwal	471,500	9.67	471,500	9.67
Smt. Suchita Tekriwal	431,893	8.86	431,893	8.86
Shri Ashish Shekhar	260,007	5.33	260,007	5.33
Shri K.S. Lakhotiya	323,500	6.64	323,500	6.64
M/s. Vistar Finvest & Leasing Limited	377,600	7.75	377,600	7.75
M/s. Pithampur Investment & Finance Ltd.	310,700	6.37	310,700	6.37

NOTE - 12 - OTHER EQUITY

Particulars	31 st March, 2020	31 st March, 2019
Retained Earnings	(126,206,615)	(113,092,119)
TOTAL RUPEES	(126,206,615)	(113,092,119)

Notes :

1 Retained Earnings are the profits/losses that the Company has earned / incurred till date.

NOTE - 13 - NON-CURRENT BORROWINGS

Particulars	31 st March, 2020	31 st March, 2019
Loans and advances from related parties/ Other Loans and advances		
<u>Unsecured</u>		
From Body Corporates	3,999,249	3,999,249
TOTAL RUPEES	3,999,249	3,999,249

NOTE - 14 - SHORT-TERM BORROWINGS

Particulars	31 st March, 2020	31 st March, 2019
A Term Loans		
Secured		
Dena Bank (Building)	7,869,253	7,869,253
Dena Bank (Plant and Machinery)	37,971,764	37,971,764
Dena Bank (Demand Loan)	6,188,837	6,188,837
(A)	52,029,853	52,029,853
B Working Capital Loans repayable on demand		
Secured		
From Dena Bank	54,274,151	74,974,151
Unsecured		
From Directors	18,639	71,000
(B)	54,292,790	75,045,151
TOTAL RUPEES	106,322,644	127,075,005

NOTE - 15 - TRADE PAYABLES

Particulars	31 st March, 2020	31 st March, 2019
Total Outstanding dues of Micro and Small Enterprises	-	-
Total Outstanding dues of Others, including Acceptances	118,093	9,054,079
TOTAL RUPEES	118,093	9,054,079

NOTE - 15.1 - Information to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(a) Principal amount remaining unpaid to any supplier as at the end of accounting year	-	-
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

NOTE - 16 - OTHER CURRENT LIABILITIES

Particulars	31 st March, 2020	31 st March, 2019
Others		
Statutory Dues	804,719	259,368
Book Overdraft	622,466	2,651,054
Other Liabilities	29,251,777	8,074,377
TOTAL RUPEES	30,678,962	10,984,799

NOTE - 17 - SHORT-TERM PROVISIONS

Particulars	31 st March, 2020	31 st March, 2019
For Employee Benefits	4,401,897	5,560,116
For Others	25,000	140,676
TOTAL RUPEES	4,426,897	5,700,792

NOTE - 18 - REVENUE FROM OPERATIONS

Particulars	31 st March, 2020	31 st March, 2019
A. <u>Sale of Goods</u>		
Domestic	2,410,068	22,960,120
B. <u>Sale of Services</u>		
Job Work Receipts	7,597,783	56,183,588
TOTAL RUPEES	10,007,851	79,143,708

NOTE - 19 - OTHER INCOME

Particulars	31 st March, 2020	31 st March, 2019
A <u>Interest Income</u>		
Interest on MPEB Deposit	112,826	132,148
(A)	112,826	132,148
B <u>Other Non-Operating Income</u>		
Sundry Balances Written-off	32,825	-
(B)	32,825	-
TOTAL RUPEES (A+B)	145,651	132,148

NOTE - 20 - PURCHASE OF TRADED GOODS

Particulars	31 st March, 2020	31 st March, 2019
Purchases	-	9,308,795
TOTAL RUPEES	-	9,308,795

NOTE - 21 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars	31 st March, 2020	31 st March, 2019
A. Inventories at the end of the year		
Finished Goods	268,213	2,655,930
Scrap & Wastage	2,733,244	2,733,244
Traded Goods	484,405	484,405
(A)	3,485,861	5,873,579
B. Inventories at the beginning of the year		
Finished Goods	2,655,930	1,540,841
Scrap & Wastage	2,733,244	1,870,896
Traded Goods	484,405	30,018,158
(B)	5,873,579	33,429,894
CHANGES IN INVENTORIES (B-A)	(2,387,717)	(27,556,316)

NOTE - 22 - EMPLOYEE BENEFITS EXPENSE

Particulars	31 st March, 2020	31 st March, 2019
Directors' Remuneration	720,000	840,000
Directors' Sitting Fees	30,000	30,000
Salary, Wages, Bonus, etc.	7,506,759	21,579,681
Contribution towards Provident Fund & ESIC	513,066	975,324
Staff Welfare Expenses	78,244	326,172
TOTAL RUPEES	8,848,069	23,751,177

NOTE - 23 - FINANCE COSTS

Particulars	31 st March, 2020	31 st March, 2019
Interest Expenses	13,958	67,025
Bank Charges	10,953	65,977
TOTAL RUPEES	24,911	133,002

NOTE - 24 - OTHER EXPENSES

Particulars	31 st March, 2020	31 st March, 2019
A Manufacturing and Operating Expenses		
Power & Fuel Expenses	5,954,146	19,423,918
Job Work Charges	-	433,669
Labour Charges	4,739,337	14,467,344
Stores & Spares Consumed	867,203	5,257,792
Machineries Repairs & Maintenance	39,927	269,065
Other Manufacturing and Operating Expenses	823,971	2,496,498
(A)	12,424,584	42,348,286
B Administrative Expenses		
Rent	-	165,000
Electricity Expenses	2,870	14,460
Stationery & Printing	87,342	200,735
Postage & Courier Expenses	17,486	18,330
Telephone Expenses	8,627	22,605
Vehicle Hire Charges	558,412	1,431,520
Vehicle Running & Maintenance	7,786	65,807
Repairs & Maintenance		
- Building	-	419,035

- Others		17,454	21,327
Tour & Travelling Expenses		74,511	58,300
Conveyance Expenses		39,236	114,619
License Fees		-	33,416
ROC Filing Fees		33,300	9,500
Consultancy Fees		282,000	291,650
Membership & Subscription Fees		18,818	-
Listing Fees		300,000	250,000
Legal & Professional Charges		767,989	1,563,497
Auditors' Remuneration		25,000	25,000
Factory License Fees		28,961	-
Computer Running & Maintenance		6,321	62,458
Security Expenses		274,335	432,373
GST / TDS Return Late Filing Fees		13,200	-
Pooja, Parva & Festival Expenses		30,148	106,990
Charity & Donation		1,500	-
Office Expenses		3,654	110,513
Sundry Balances Written-off		-	92,587
	(B)	2,598,949	5,509,722
C Selling, Distribution & Other Expenses			
Advertisement & Publicity		76,303	166,038
Business Promotion Expenses		37,893	55,586
Incentive Expenses		21,095	161,730
Packing Expenses		32,540	8,403
Freight Outward		200	-
	(C)	168,031	391,757
TOTAL RUPEES	(A+B+C)	15,191,564	48,249,765

NOTE - 25 - OTHER COMPREHENSIVE INCOME

Particulars	31 st March, 2020	31 st March, 2019
A. <u>Items that will not be reclassified into profit or loss :</u>		
(i) Change in Revaluation surplus	-	-
(ii) Remeasurement of defined benefit plans	-	-
(iii) Equity Instrument of the defined benefit plans	-	-
(iv) Fair Value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-
(v) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(vi) Others	-	-
	(A)	-
B. <u>Items that will be reclassified to profit or loss:</u>		
(i) Exchange differences in translating the financial statements of foreign operation	-	-
(ii) Debt instruments through other comprehensive Income	-	-
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
(iv) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(v) Others	-	-
	(B)	-
TOTAL	(A+B)	-

NOTE - 26 - EARNING PER SHARE

Particulars	31 st March, 2020	31 st March, 2019
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(13114496)	(25798732)
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	4,874,000	4,874,000
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	48,74,000	48,74,000
Basic Earning Per Share	(2.69)	(5.29)
Diluted Earning Per Share	(2.69)	(5.29)
Face Value Per Equity Share	10	10

NOTE - 27- THE RECONCILIATION OF TAX EXPENSES AND THE ACCOUNTING PROFIT

Particulars	31 st March, 2020	31 st March, 2019
Profit/(Loss) before Tax	(17751778)	(31176218)
Effect of Ind AS Adjustments	-	-
Adjusted Profit/(Loss) before Tax	(17751778)	(31176218)
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	-	-
Tax Effect of:		
Exempted Income	-	-
Expenses Disallowed	-	-
Capital Gains	-	-
Current Tax Provision	-	-
Effective Tax Rate	-	-

NOTE - 28 - CONTINGENT LIABILITIES

[Rs. in Lakhs]

Particulars	31 st March, 2020	31 st March, 2019
<u>Contingent Liability not provided in respect of</u>		
(i) Disputed Income Tax Demand	97.56	97.56
(ii) Disputed Commercial Tax Demands	47.65	47.65
(iii) Other Disputes	100.00	963.17
<u>Commitments</u>		
Capital Contracts remaining to be executed	-	-

Notes:

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities
- (iii) Future cash outflows in respect of the above matters are determined only on receipt of judgments/decisions pending at various forums/authorities.
- (iv) The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Excise, Income Tax, Sales/VAT tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

NOTE - 29 - RELATED PARTY DISCLOSURES

(i) List of Related Parties

Sr. No.	Relationship	Name of the Party
1	Key Managerial Personnel [KMP]	1) Shri R.K. Tekriwal 2) Shri Vishwanath Kanungo 3) Shri Anil Waman Jog 4) Smt. Meera Tekriwal 5) Shri Arun Kumar Singh
2	Relatives of Directors	1) Shri Gaurav Tekriwal 2) Smt. Suchita Tekriwal 3) Smt. Garima Tekriwal
3	Concern in which Relatives of Directors are Directors/ Partners	1) Bulkpack Exports Limited 2) Fairdeal Marwar Garages Private Limited

(ii) Related Party Transactions

Related Party Transaction Summary	Key Managerial Persons		Relatives of Directors		Relatives of Directors are Directors/ Partners in Concern	
	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019
1 Sales, Services and Other Income						
- M/s. Bulkpack Exports Ltd	-	-	-	-	7,597,783	56,183,588
Total	-	-	-	-	7,597,783	56,183,588
2 Directors' Remuneration						
-Shri RK Tekriwal	360,000	480,000	-	-	-	-
-Smt. Meera Tekriwal	360,000	360,000	-	-	-	-
Total	720,000	840,000	-	-	-	-
3 Loan and Advances						
-M/s. Fairdeal Marwar Garages Ltd.	-	-	-	-	-	-
-Shri R.K. Tekriwal (Cash Seizure)	-	-	-	-	-	-
Total	-	-	-	-	-	-
4 Loan Received Back						
-M/s. Fairdeal Marwar Garages Ltd.	-	-	-	-	-	-
-Shri R.K. Tekriwal (Income-Tax Cash Seizure)	-	-	-	-	-	-
Total	-	-	-	-	-	-
5 Unsecured Loan Taken						
-Shri R.K. Tekriwal	29,000	328,000	-	-	-	-
Total	29,000	328,000	-	-	-	-
6 Unsecured Loan Repaid						
-Shri R.K. Tekriwal	81,361	257,000	-	-	-	-
Total	81,361	257,000	-	-	-	-
7 Salary, Wages, Bonus, etc.						
-Smt. Suchita Tekriwal	-	-	-	-	-	-
Total	-	-	-	-	-	-

(ii) Related Party Transactions

Outstanding Balances	Key Managerial Persons		Relatives of Directors		Relatives of Directors are Directors/ Partners in Concern	
	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019	Year ended 31 st March, 2020	Year ended 31 st March, 2019
1 Trade Recievables						
- M/s. Bulkpack Exports Ltd	-	-	-	-	19,673,776	28,287,216
Total	-	-	-	-	19,673,776	28,287,216
2 Trade Payables						
- M/s. Bulkpack Exports Ltd	-	-	-	-	10,424,177	8,613,440
Total	-	-	-	-	10,424,177	8,613,440
3 Loan and Advances						
-M/s. Fairdeal Marwar Garages Ltd.	-	-	-	-	4,021,262	4,021,262
-Shri R.K. Tekriwal (Cash Seizure)	500,000	500,000	-	-	-	-
Total	500,000	500,000	-	-	4,021,262	4,021,262
4 Unsecured Loans						
-Shri R.K. Tekriwal	18,639	71,000	-	-	-	-
Total	18,639	71,000	-	-	-	-

NOTE - 30 - OTHER NOTES
[1] Disclosure on Financial Instruments

- (a) All the financial instruments are initially recognized and subsequently re-measured at fair value as described below:
- (i) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- (ii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date. Fair Value measurement hierarchy:

Particulars	As at 31 st March, 2020		As at 31 st March, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets				
I <u>At Amortized Cost</u>				
(i) Trade Receivables	10,527,255	10,527,255	5,231,839	5,231,839
(ii) Cash & Cash Equivalents including Other Bank Balances	75,635	75,635	512,572	512,572
(iii) Loans	-	-	-	-
(iv) Other Financial Assets	1,694,205	1,694,205	2,915,185	2,915,185
II <u>At FVTPL</u>	-	-	-	-
III <u>At FVTOCI</u>	-	-	-	-
Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
B. Financial Liabilities				
(i) Borrowings	110,321,893	110,321,893	131,074,254	131,074,254
(ii) Trade Payables	118,093	118,093	9,054,079	9,054,079

NOTE - 31 - SEGMENT INFORMATION

The Company's operating segments are established on the basis of those components of the group that are evaluated regularly by the Executive Committee (the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

- (i) The Company has only one principal operating and reporting segment, viz. PP Woven Sack Division. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.
- (a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".
- (ii) Primary Segment Information

(a) Segment Revenue & Results

Segment	Segment Revenue		Segment Profit	
	For the Year ended 31 st March, 2020	For the Year ended 31 st March, 2019	For the Year ended 31 st March, 2020	For the Year ended 31 st March, 2019
PP Woven Sack	7,597,783	56,183,588	(17,751,778)	(31,176,218)
Total	7,597,783	56,183,588	(17,751,778)	(31,176,218)
Other Income	145,651	132,148		
Administrative Costs	2,598,949	5,509,722		
Finance Costs	24,911	133,002		
Profit Before Tax	(17,751,778)	(31,176,218)		

(b) Segment Assets & Liabilities

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>Segment Assets</u>		
PP Woven Sack	43,543,619	72,727,338
Total Assets	43,543,619	72,727,338
Particulars	As at 31st March, 2019	As at 31st March, 2018
<u>Segment Liabilities</u>		
PP Woven Sack	70,680,229	95,062,805
Total Liabilities	70,680,229	95,062,805

Note :- Revenue shown in segment reporting is the gross amount of revenue and the receipt shown in profit and loss account is the gross amount of revenue less claims & scrape recovery

PLACE : INDORE

DATED : AUGUST 14TH, 2020

For and on behalf of the Board of Directors

Pithampur Poly Products Limited

(a company under corporate insolvency resolution process vide NCLT order)

AS PER OUR REPORT OF THE EVEN DATE

S N GADIYA & CO.

CHARTERED ACCOUNTANTS

MANAGING DIRECTOR

DIRECTOR

PROPRIETOR
M.NO. 071229

NOTES TO THE FINANCIAL STATEMENTS AS AT AND
FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE - 1A - CORPORATE INFORMATION

- 1 Pithampur Poly Products Limited ("the Company"), is a Public Limited Company domiciled in India with its registered office located at 115, Sector ITI Industrial Area, Pithampur, Dhar (M.P.). Its shares are listed on Bombay Stock Exchanges (BSE).
- 2 The Company is primarily engaged in the business of Manufacturing, Trading and Job-work of Polybags. The company has manufacturing facilities in Pithampur.

NOTE - 1B - SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation

- 1.1 The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.
- 1.2 The financial statements of the Company for the year ended March 31, 2020 were authorized for issue in accordance with a resolution of the Board of Directors on June 23rd, 2020.

2 Basis of Measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting.

3 Proceeding under the Insolvency and Bankruptcy Code, 2016

- 3.1 The Company is undergoing the Corporate Insolvency Resolution Process ('CIRP') under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') vide an Order bearing no. C.P. (I.B) No. 421/7/NCLT/AHM/2018 dated 03.01.2020 passed by the National Company Law Tribunal ('NCLT'), Ahmedabad Bench. Consequently, the powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional (RP) appointed by the NCLT by the said order under the provisions of the Code. As per Section 20 of the Code, the management and operations of the Company were being initially managed by Interim Resolution Professional / Resolution Professional Mr. Gopal Krishna Saraswat. However, through one Order bearing no. IA 39 of 2020 in TP 232 of 2019 CP(IB) 421/7/NCLT/AHM/2018 dated. 27.02.2020 Mr. Gopal Krishna Saraswat as IRP was appointed as the new Interim Professional/Resolution Professional w.e.f. 27.02.2020
- 3.2 Since, Corporate Insolvency Resolution Process (CIRP) is currently in progress, as per the Code, it is required that the Company be managed as going concern during CIRP. Accordingly, the financial statements are continued to be prepared on going concern basis. The Company continues the process for ascertaining the realisable value for its assets (including inventories and trade receivables) and necessary adjustments to the carrying value will be effected in due course, the impact of which is not ascertainable at this stage.
- 3.3 The confirmations and reconciliation of balances of certain secured and unsecured loans, balances with banks, trade receivables, trade and other payables and loans and advances are pending. The management is in the process of obtaining confirmations and reconciliation of balances and ascertaining the impact of which is not ascertainable at present.
- 3.4 Pursuant to commencement of CIRP of the Company under Insolvency and Bankruptcy Code, 2016, there are various claims submitted by the financial creditors, operational creditors, employees and other creditors to the RP. The overall obligations and liabilities including interest on loans and the principal amount of loans shall be determined during the CIRP. Pending final outcome of the CIRP, no accounting impact in the books of accounts has been made in respect of excess, short, or non-receipts of claims for operational and financial creditors.

4 Approval of financial statement

As the powers of the board of directors have been suspended on account of the ongoing corporate insolvency resolution process and as per the provisions of the Insolvency and Bankruptcy Code, 2016, the financial statements have not been adopted by the board of directors. However, the same have been signed by the designated officials of the Company confirming the accuracy and completeness of the statements. These financial statements have thereafter been taken on record by Mr. Gopal Krishna Saraswat, the Resolution Professional (RP) of the Company.

- 4.1 These financial statements are being furnished in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;
- 4.2 No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;
- 4.3 "These financial statements have been prepared on the basis of certifications, representations and statements made by the directors and management of the Corporate Debtor, in relation to these financial statements. The RP has assumed that all information and data in the financial statements are conformity with applicable laws with respect to the preparation of the financial statements. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the financial statements."

5 Functional and Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

6 Use of estimates & judgements

- 6.1 The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.
- 6.2 The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

7 Property, Plant & Equipments

- 7.1 The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs if recognition criteria are met (for qualifying assets) and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipments have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.
- 7.2 Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criterias are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- 7.3 An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.
- 7.4 Expenses incurred in relation to a project, net of income earned during the project development stage prior to its intended use, are considered as Pre - Operative Expenses and are disclosed under 'Capital Work - in - Progress'.
- 7.5 Assets in the course of construction are capitalised in the assets under capital work in progress account (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized. Revenue generated from production during the trial period is capitalised.
- 7.6 Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold or Leasehold land is stated at historical cost. Leasehold Land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.
- 7.7 The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- 7.8 Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.
- 7.9 Depreciation on Property, Plant and Equipment is provided using straight line method, except on Freehold Land, on which no depreciation is provided. Depreciation provided is based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 . If, significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of Property, Plant and Equipment. In respect of following assets, the useful life estimates are as follows, which are prescribed lives under Schedule II to the Companies Act, 2013

S.NO.	Class of Plant, Property & Equipment	Useful Life
i)	Factory Building	30 Years
ii)	Plant & Machineries	15 Years
iii)	Office Equipments	5 Years
iv)	Furniture & Fixtures	10 Years
v)	Computers	3 Years

8 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

- 8.1 The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- 8.2 An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- 8.3 The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

9 Borrowing Cost

- 9.1 Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- 9.2 Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- 9.3 All other borrowing costs are expensed in the period in which they occur.

10 Statement of Cash Flows

10.1 Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- 10.2 Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Ind AS.

11 Inventories

- 11.1 Cost of inventories includes cost of purchase, costs of conversion and other costs directly attributable to the acquisition and in bringing the inventories to their present location and condition.
- 11.2 Inventories of stores, spare parts, fuel and loose tools are stated at the lower of cost and net realizable value. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

12 Revenue from Operations

- 12.1 Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- 12.2 Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.
- 12.3 Revenue from sale of goods is measured at the fair value of the consideration received or receivable after taking into account contractually defined terms of payment and excluding trade discounts, volume rebates and taxes or duties collected on behalf of the Government such as Goods and Services Tax [GST].

13 Other Income

13.1 Interest Income

For all Debt Instruments measured either at Amortized Cost or at Fair Value through Other Comprehensive Income, interest income is recorded using the Effective Interest Rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

14 Employee Benefits

14.1 Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

14.2 Post-Employment Benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

15 Taxation

- 15.1 Income-Tax expense comprises of current and deferred income tax. Income tax expense is recognised in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income or Equity.
- 15.2 Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
- 15.3 Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
- 15.4 Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.
- 15.5 Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised.

16 Earnings Per Share

Basic earnings per share is computed by dividing the profit/(loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit/(loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

17 Provisions, Contingencies and Commitments

- 17.1 Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management's estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.
- 17.2 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- 17.3 Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management's estimate.
- 17.4 Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable

18 Financial Instruments

- 18.1 Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

18.2 Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i) the entity's business model for managing the financial assets and
- ii) the contractual cash flow characteristics of the financial asset.

18.3 Impairment of Financial Assets

- i) The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forwardlooking.

- ii) The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.
- iii) Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.
- iv) The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.
- v) For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

18.4 Derecognition of Financial Assets

- i) The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial Liabilities and Equity Instruments

18.5 Classification as Debt or Equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

18.6 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

18.7 Financial Liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

18.8 Financial Liabilities at FVTPL

- i) Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.
- ii) Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.
- iii) However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to Statement of Profit and Loss.

18.9 Financial Liabilities subsequently measured at amortised cost

- i) Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

18.10 Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

18.11 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

18.12 Fair Value Measurement

The Company measures financial instruments, such as, derivatives 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, or
- 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 into 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, maximising the use of relevant observable inputs and minimising 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

18.13 Reclassification of Financial Assets and Liabilities:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and the how they are accounted for:

Original Classification	Revised Classification	Accounting Treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.



19 Dividend

19.1 The company has not declared any dividend for the F.Y. 2019-20

20 Others

20.1 The figures as on the transition date and the previous year have been regrouped and/or rearranged wherever considered necessary and/or practicable to make them comparable with those of the current year.

20.2 In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amounts at which they are stated in the Balance Sheet and that the provision for known liability is adequate and not in excess of amount reasonably necessary.

20.3 The Company had defaulted in repayment of loans and borrowings to the banks. Pursuant to the continuing defaults of the Company, a CIRP was initiated against the Company vide an order of the Ahmedabad Bench of the National Company Law Tribunal ('NCLT') dated 03/01/2020 Accordingly, no payments have been made to the banks during the financial year 2019-20.

1 Taxation
A. Current Tax

Current Tax Liability of the Company is estimated in accordance with the provisions of the Income-Tax Act, 1961.

B. Deferred Tax

Deferred Tax Liabilities Net of the Deferred Tax Assets, for the year under review has been computed as under:

Net Timing Difference

W.D.V. as per Books of Account		12,150,367
[Other than Land & Site Development]		
Less : W.D.V. as per Income-Tax Return		7,544,882
<u>Excess of Depreciation provided in the Income-Tax Return</u>		<u>4,605,485</u>
<u>over Depreciation provided in the Books of Account</u>		
Carry Forward Losses		68,782,607
Rate applicable for the year		26.00%
Deferred Tax Liability on Account of		
Depreciation		1,197,426
Others		-
	(i)	<u>1,197,426</u>
<u>Deferred Tax Assets on Account of</u>		
Depreciation		-
Others		17,883,478
	(ii)	<u>17,883,478</u>
Deferred Tax Asset as at the year end	(i-ii)	16,686,052
Deferred Tax Asset for earlier years		12,048,770
Deferred Tax Assets created during the current year		4,637,282



ATTENDANCE SLIP

..... ANNUAL GENERAL MEETING ON

R.F. No. _____

Mr./Mrs./Miss _____

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the 23rd Annual General meeting of the company at Wednesday, 30th December 2020, at 3.00 p.m. at its Registered Office 115, Industrial Area, Sector III, Pithampur, Dist. Dhar (MP),

(If signed by proxy, his/her name should be written in block letters)

(Shareholders/proxy's Signature)

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



PROXY FORM
FORM MGT-11

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

Name : PITHAMPUR POLY PRODUCTS LIMITED
CIN : L25202MP1994PLC008513
Regd. Office : 115, Sector – III, Industrial Area, Pithampur, Dist. Dhar (MP)

Name of the member(s) :
Registered address :
E-mail Id :
Folio No/ Client Id :
DPID :

I/We, being the member(s) of.....shares of the above named company, hereby appoint

- 1. Name :..... E-mail Id :
Address :..... Signature :.....,
or failing him
- 2. Name :..... E-mail Id :
Address :..... Signature :.....,
or failing him

as my/our proxy to attend and vote on a poll for me/us and on my/our behalf at the 23rd Annual general meeting of the company, to be held on Wednesday, 30th December 2020, at 3.00 p.m. at its Registered Office 115, Industrial Area, Sector III, Pithampur, Dist. Dhar (MP), and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions

- 1. Consider and adopt Audited Statement of accounts, Reports of the Board of Directors and Auditor.
- 2. Re-appointment of Mrs. Meera Tekriwal
- 3. Rectification of Auditor M/s S.N. Gadia & Co.
- 4. reappointment of Mr. R.K. Tekriwal as Managing Director
- 5. Reappointment of Mr. Anil Waman jog as Independent Director
- 6. Reappointment of Mr. Vishwanath Kanungoo as Independent Director

Signed this..... day of.....2020
Signature of shareholder

Affix
Revenue
Stamp here

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

BOOK- POST

 **PITHAMPUR POLY PRODUCTS LIMITED**

CIN:L25202MP1994PLC008513

Regd. Office:115, Sector – III, Industrial Area, Pithampur, Dist. Dhar (MP)