



**PANKAJ  
POLYMERS LIMITED**

**CIN : L24134TG1992PLC014419**

**Regd. Office : Vth Floor, Surya Towers, S.P. Road,  
Secunderabad - 500 003, Telangana, INDIA**

**Phone : +91-40-27897743, 27897744, 27815895**

**E-mail : info@pankajpolymers.com**

Dated 2<sup>nd</sup> September 2021

Department of Corporate Services  
Bombay Stock Exchange Limited  
1<sup>st</sup> Floor, Rotunda Building,  
B.S. Marg, Fort,  
Mumbai - 400 001

**Kind Attn: The General Manager**

Dear Sir,

**Sub: Submission of Annual Report for FY 2020-21 – reg.**

**Ref: Reg. 34 (1) of SEBI (LODR) Regulations, 2015.**

**Scrip Code : 531280**

Please find enclosed Annual Report of the Company for the Financial Year 2020-21 in accordance with Reg. 34(1) of SEBI (LODR) Regulations, 2015.

Request you to take the same on record.

Thanking you,

for **Pankaj Polymers Limited**

Authorised Signatory



Encl : As above

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### Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode. In accordance with the circulars issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Company.



### Board of Directors

Shri Pankaj Goel	-	Managing Director
Shri Paras Goel	-	Jt. Managing Director
Smt. Nita Goel	-	Non Executive Women Director
Shri Aman Goel	-	Executive Director
Shri Manohar Ramawat	-	Independent Director
Shri Sandeep Gupta	-	Independent Director
Shri Suresh Kumar Gupta	-	Independent Director (upto 31.03.2021)

### Audit Committee

Shri Manohar Ramawat	-	Chairman
Shri Pankaj Goel	-	Member
Shri Sandeep Gupta	-	Member

CIN: L24134TG1992PLC014419

### Registered Office

"E" Block, 5<sup>th</sup> Floor,  
105, Surya Towers, Sardar Patel Road,  
Secunderabad, Telangana-500003.

### Nomination and Remuneration Committee

Shri Manohar Ramawat	-	Chairman
Shri Sandeep Gupta	-	Member
Smt. Nita Goel	-	Member

### Statutory Auditors

M/s Rakesh S Jain & Associates  
14-6-191, Nagar Khana, Begum Bazar,  
Hyderabad, Telangana-500012.

### Stakeholder Relationship Committee

Shri Manohar Ramawat	-	Chairman
Shri Pankaj Goel	-	Member
Shri Paras Goel	-	Member

### Internal Auditors

M/s Luharuka & Associates,  
5-4-184/3&4, Soham Mansion,  
2<sup>nd</sup> Floor, M.G. Road,  
Secunderabad, Telangana-500003.

### Company Secretary & Compliance Officer

Mr. Shashank Jain

### Chief Financial Officer

Mr. T. Brahmaiah

### Secretarial Auditors

Mrs. N. Madhavi  
Company Secretary in Practice,  
#403, Home Sree Towers Madhavi Nagar,  
Kukatpally, Hyderabad,  
Telangana-500072.

### Bankers

State Bank of India  
Secunderabad Branch

### Listing

Bombay Stock Exchange Limited (BSE),  
Mumbai.

### Share Transfer Agents

K Fin Technologies Pvt. Ltd.  
Karvy Selenium Tower B, Plot 31-32,  
Gachibowli, Financial District, Nanakramguda,  
Hyderabad -500032, Telangana  
Ph: 040-67161606 / 1772

## NOTICE

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of **Pankaj Polymers Limited** (CIN L24134TG1992PLC014419) will be held on Friday, the 24<sup>th</sup> day of September 2021 at 11:00 A.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following items of business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2021, the Statement of Profit and Loss for the year ended on that date along with Cash Flow Statement and the notes forming part of accounts, Auditors' Report and the Report of the Board of Directors thereon.
2. To appoint a Director in place of Mr. Pankaj Goel (DIN: 00010059), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Paras Goel (DIN: 00010086) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

#### **4. Approval for Related Party Transactions**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Pankaj Polytec Private Limited, a related party within the meaning of Section 2(76) of the Act, for purchase / sale of plastic granules / products on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.10 crores for the financial year 2021-22, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

#### **5. Approval for giving of Loans, providing Guarantee or Security u/s 185 of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, the shareholders of the company do

hereby accord their consent to the Board of Directors of the Company for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by Pankaj Polytec Private Limited, which is falling under the category of 'a person in whom any of the Director of the company is interested' as specified in the explanation of 185(2)(b), in its absolute discretion deem beneficial and in the best interest of the company, upto Rs.5.00 crs for the financial year 2021-22.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

**By Order of the Board**

Place: Secunderabad  
Date: 09-08-2021

Sd/-  
**Pankaj Goel**  
Managing Director  
(DIN: 00010059)

**Notes:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "SEBI Circulars") has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM herein after called as "e-AGM".
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not attached to this Notice.
3. The Register of Members and Share Transfer Books of the Company in respect of Equity Shares will remain closed from 18<sup>th</sup> September, 2021 to 24<sup>th</sup> September, 2021 (both days inclusive).

4. Statement as required under Section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
5. The requirement to ratify the appointment of Auditors by the Members at every Annual General Meeting is done away with vide notification dated May 07, 2018 issued by the corporate affairs, New Delhi. Accordingly, no resolution is proposed for the ratification of appointment of auditors, who were appointed in the Annual General Meeting, held on 28th September, 2019 for a period of 5 years.
6. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's Share Transfer Agent viz. M/s. K Fin Technologies Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, by enclosing a photocopy of blank cancelled cheque of your bank account.
7. M/s. K Fin Technologies Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana, the Share Transfer Agent (STA) of the Company. All communications in respect of share transfers and change in the address of the members may be communicated to them.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.
9. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.
11. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.
12. Members may also note that the Notice of the 29<sup>th</sup> Annual General Meeting is available on the Company's website: [www.pankajpolymers.com](http://www.pankajpolymers.com). All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection in electronic mode by the Members by writing an e-mail to the Company Secretary at [info@pankajpolymers.com](mailto:info@pankajpolymers.com).

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2020-21 will also be available on the Company's website at [www.pankajpolymers.com](http://www.pankajpolymers.com), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com).

To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/ their Depository Participants in respect of shares held in physical/electronic mode, respectively.

13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
14. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.
15. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect Annual Report 2020-21 of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
16. Retirement of Directors by rotation: Mr. Pankaj Goel and Mr.Paras Goel, Directors of the Company, retire by rotation at the ensuing AGM and, being eligible, offer themselves for re-appointment. The Board of Directors recommends their re-appointment.

## 17. Procedure of E-Voting and attending E-AGM

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the **individual demat account holders**, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The remote e-Voting period commences on 21<sup>st</sup> September, 2021 (9.00 AM) and ends on 23<sup>rd</sup> September, 2021 (5.00 PM).

- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., 17<sup>th</sup> September 2021.
- vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if he / she is already registered with Kfintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vii. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”
- viii. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:
  - Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
  - Step 2:** Access to Kfintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
  - Step 3:** Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

**Details on Step 1 are mentioned below:**

**I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in dematmode with NSDL	<p><b>1. User already registered for IDeAS facility:</b></p> <ul style="list-style-type: none"> <li>I. Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Click on the “Beneficial Owner” icon under “Login” under 'IDeAS' section.</li> <li>III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”</li> <li>IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ul>
	<p><b>2. User not registered for IDeAS e-Services</b></p> <ul style="list-style-type: none"> <li>I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>II. Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>III. Proceed with completing the required fields.</li> <li>IV. Follow steps given in points 1.</li> </ul>



	<p><b>3. Alternatively by directly accessing the e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>Click on the icon “Login” which is available under 'Shareholder/Member' section.</li> <li>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e.KFintech.</li> <li>On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Click on New System Myeasi</li> <li>Login with your registered user id and password.</li> <li>The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal.</li> <li>Click on e-Voting service provider name to cast your vote.</li> </ol> <p><b>2. User not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Proceed with completing the required fields.</li> <li>Follow the steps given in point 1</li> </ol> <p><b>3. Alternatively, by directly accessing the e-Voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>Provide your demat Account Number and PAN No.</li> <li>System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account.</li> <li>After successful authentication, user will be provided links for the respective ESP, i.e <b>KFintech</b> where the e- Voting is in progress.</li> </ol>
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.</li> <li>Once logged-in, you will be able to see e-Voting option.Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on options available against company name or e-Voting service provider – <b>Kfintech</b> and you will be redirected to e-Voting website of <b>KFintech</b> for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>

**Important note:** Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**Details on Step 2 are mentioned below:**

**II) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
  - Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
  - After entering these details appropriately, click on "LOGIN".
  - You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - You need to login again with the new credentials.
  - On successful login, the system will prompt you to select the "EVEN" i.e., 'Pankaj Polymers Limited- AGM' and click on "Submit"
  - On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as

mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id madhavi.acs@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name\_Even No."
- (B) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.  
  
Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
  - iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

**III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at [info@pankajpolymers.com](mailto:info@pankajpolymers.com). Questions /queries received by the Company till September 23, 2021 (5 p.m) shall only be considered and responded during the AGM.
- vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

**OTHER INSTRUCTIONS**

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit

<https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from 21<sup>st</sup> September 2021 to 23<sup>rd</sup> September 2021. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from 21<sup>st</sup> September 2021 to 23<sup>rd</sup> September 2021.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, September 17, 2021, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
    1. Example for NSDL:
    2. MYEPWD <SPACE> IN12345612345678
    3. Example for CDSL:
    4. MYEPWD <SPACE> 1402345612345678
    5. Example for Physical:
    6. MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact Kfintech at toll free number 1-800-309-4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).
- VI. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**
**Item No. 4**

To ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with Pankaj Polytec Private Limited (Polytec) which is the related party to your Company. The quantity to be purchased from Polytec will be based on actual price of plastic/Iron & Steel and conversion charge, thereby reducing the exposure to the volatility of plastic price. The total value of the proposed transaction(s) could reach Rs. 10 crores during financial year 2021-22.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Accordingly, transaction(s) entered into with Polytec comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with Polytec in the financial year 2021-22. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with Polytec are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	Pankaj Polytec Private Limited
2	Name of the Director or KMP who is related	Mr. Pankaj Goel Mr. Paras Goel Ms. Nita Goel Mr. Aman Goel
3	Nature of Relationship	Related party within the meaning of Section 2(76) of the Act.
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase/sale of plastic granules/ products shall be on a continuous basis. Monetary value of proposed transaction(s) during financial year 2021-22 is expected to be Rs. 10 crores.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Raw material/ finished products available with related party in-house and of desired quality at market price.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommends passing of the resolution as set out at item No. 4 Notice.

**Item No. 5**

The Company may be required to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan, including loan represented by way of Book debt, if any, by Pankaj Polytec Private Limited, which is falling under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013.

The Board of Directors seek consent of the Members by way of a Special Resolution pursuant to Section 185 of the Act (as amended by the Companies (Amendment) Act, 2017) for making loan(s) or providing financial assistance or providing guarantee or securities in connection with the loans taken or to be taken by Pankaj Polytec Private Limited for the capital expenditure and/or working capital requirements including purchase of fixed assets as may be required from time to time for the expansion of its principal business activities and other matters connected and incidental thereto.

The Members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, only for principal business activities of such Entities.

The Board of Directors recommend the resolution given in this Notice for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or any of their relatives, are concerned or interested in the above proposed resolution, except to their equity holdings and Directorships in the Company, if any.

**By Order of the Board**

Sd/-

**Pankaj Goel**Managing Director  
(DIN: 00010059)Place: Secunderabad  
Date: 09.08.2021



**INFORMATION PURSUANT TO SEBI (LODR) REGULATIONS, 2015 REGARDING THE  
DIRECTORS SEEKING RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING**

**Mr. Pankaj Goel**

Mr. Pankaj Goel, aged about 53 years is a B.com graduate and is a successful and dynamic business man with more than three decades of experience in manufacture of PVC Pipes, HDPE/PP Woven Sacks, PP Disposable Wares. Mr. Pankaj Goel is at the helm of the affairs of "The Pankaj Group" which has companies dealing in the manufacture of HDPE/PP Woven Sacks/ Fabrics and PET Bottles.

He is holding 236520 shares in the Company. His other directorships include Pankaj Capfin Private limited, Pankaj Strips Private limited and Pankaj Polytec Private limited.

**Mr. Paras Goel**

Mr. Paras Goel, aged about 51 years is a B.com graduate and is a successful and dynamic business man with around three decades of experience in manufacture of PVC Pipes, HDPE/PP Woven Sacks, PP Disposable Wares. Mr. Paras Goel is a part of the affairs of "The Pankaj Group" which has companies dealing in the manufacture of HDPE/PP Woven Sacks/ Fabrics and PET Bottles.

He is holding 235660 shares in the Company. His other directorships include Pankaj Capfin Private limited, Pankaj Strips Private limited and Pankaj Polytec Private limited.



## DIRECTORS' REPORT

**Dear Shareholders,**

Your Directors are pleased to present herewith the 29<sup>th</sup> Annual Report on the business and operations of the Company and the Audited Accounts for the year ended 31<sup>st</sup> March, 2021.

### 1. Financial Results and Operations

The summarized financial results for the year ended 31<sup>st</sup> March 2021 as compared with the previous year are as under:

₹ in Lakhs

S.No	Particulars	For the Year 2020-21	For the Year 2019-20
a.	Total Income	191.30	485.54
b.	Profit before Interest, Depreciation	19.20	316.18
c.	Less: Interest	4.17	3.76
d.	Less: Depreciation	13.34	30.48
e.	Profit before Tax	1.70	281.94
f.	Less: Provision for Income Tax	2.46	47.06
g.	Add: Deferred Tax	0.96	(13.48)
h.	Less: MAT Credit Entitlement	(0.26)	(47.06)
i.	Net Profit	(1.46)	295.42

The Revenue from operations for the year ended 31<sup>st</sup> March, 2021 are ₹ 126.23 lakhs, as against ₹ 68.04 lakhs for the previous corresponding year. The Company has incurred a net loss of ₹ 1.46 lakhs as against net profit of ₹ 295.42 lakhs for the previous year.

### 2. Dividend

In view of the losses incurred, your Directors could not recommended any dividend for this year.

### 3. Deposits from public

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

### 4. Transfer to the Reserves

No amount was transferred to the Reserves for the year ending 31.03.2021.

### 5. Board of Directors and Key Managerial Personnel

- I. **Composition of Board:** The Company has an Executive Chairman and the Company has optimum combination of Executive and Non-Executive Directors. About half of the Board of Directors are Non-Executive Directors. The Board comprises of three Independent Directors.

- ii. **Board and Committee Meetings:** None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 committees across all the Companies in which he is a Director. Necessary disclosures regarding committee positions in other public companies as at 31<sup>st</sup> March 2021 has been made by the Directors.
- iii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting and also the number of other directorships and committee memberships held by them are given below:

Name	Category	No. of Board Meetings held during the Year 2020-21		Whether attended last AGM held on 11 <sup>th</sup> December, 2020	No. of Directorships in all companies	No. of Committee positions held	
		Held	Attended			Chairman	Member
Shri. Pankaj Goel	Promoter Executive	4	4	Y	4	Nil	2
Shri. Paras Goel	Promoter Executive	4	4	Y	4	Nil	1
Smt. Nita Goel	Promoter Non Executive - Women Director	4	4	Y	1	Nil	Nil
Shri. Aman Goel	Promoter Executive	4	4	Y	2	Nil	Nil
Shri. Manohar Ramavat	Non Executive - Independent	4	4	Y	2	2	Nil
Shri. Sandeep Gupta	Non Executive - Independent	4	4	Y	1	Nil	Nil
Shri. Suresh Kumar Gupta	Non Executive - Independent	4	4	Y	1	Nil	1

- iv. Four (4) Board Meetings were held during the year 2020-21 on 29.06.2020, 10.08.2020, 09.11.2020 and 12.02.2021.
- v. Shri Suresh Kumar Gupta resigned as a director w.e.f. 01.04.2021, on personal grounds.
- vi. The details relating to appointment/re-appointment of Directors as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015 are provided in the Notice to the Annual General Meeting.

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association of the Company Shri Pankaj Goel and Shri Paras Goel, Directors retires by rotation and offers themselves for re-appointment.

Your Board of Directors recommends the re-appointment of Shri Pankaj Goel and Shri. Paras Goel as detailed in Notice of Annual General Meeting (AGM). Their brief profile has been provided elsewhere in this Annual Report.

Pursuant to the provisions of section 203 of Companies Act, 2013, the key managerial personnel of the Company are – Shri Pankaj Goel, Managing Director, Mr. T.Brahmaiah, Chief Financial Officer and Mr. Shashank Jain, Company Secretary.

#### **Statement on Declaration given by Independent Directors under sub-Section (6) of Section 149**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in sub-section (6) and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### **6. Evaluation of the Board's Performance**

Pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the workings of its Board Committees.

A meeting of the Independent Directors was held on 12<sup>th</sup> February 2021, which reviewed the performance of Non-Independent Directors, Chairman and the quality of the information and follow up action is being taken on suggestions made therein.

### **7. Familiarization Program for Independent Directors**

The Company has formulated a familiarization program for the Independent Directors to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly to the Company.

### **8. Nomination and Remuneration Policy**

The Company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board. The Company while deciding the remuneration package of the management takes into consideration the employment scenario, remuneration package of the industry, financial performance of the Company and talents of the appointee. The Executive Directors and Non Independent Directors of the Company are not entitled to sitting fees.

Details of remuneration paid to the Executive Directors:

<b>Name</b>	<b>Designation</b>	<b>Salary &amp; Commission ( ₹ )</b>	<b>Perquisites (Contribution to P.F) ( ₹ )</b>	<b>Total ( ₹ )</b>
Shri. Pankaj Goel	Managing Director	-	-	-
Shri. Paras Goel	Jt. Managing Director	-	-	-
Shri. Aman Goel	Whole-time Director	-	-	-

Sitting Fees: Nil

### **9. Director's Responsibility Statement**

In accordance with clause (c) of sub-section 3 of section 134 of the Companies Act, 2013, the Directors of the Company state:

- a. That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March, 2021; the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review.
- c. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2021 on a 'going concern basis'.
- e. That the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and operating effectively.
- f. The Directors had devised proper systems to ensure Compliance with the provisions of all applicable Laws, and that such systems were adequate and operating efficiently.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

## 10. Auditors

### a) Statutory Auditors

M/s. Rakesh S Jain & Associates, Chartered Accountants, Hyderabad (Firm Regn. No. 010129S) were appointed as statutory Auditors at the 27<sup>th</sup> AGM for a period of 5 years and continues to be the Auditors of the Company.

The Auditors' Report to the Shareholders for the year under review does not contain any Qualifications.

### b) Internal Auditors

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s. Luharuka & Associates, Chartered Accountants, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

### c) Secretarial Auditors

The Board has appointed Mrs. N. Madhavi, Company Secretary in Practice, to carry out the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2020-21. The Report of the Secretarial Auditor is annexed to this report as **Annexure - A**.

**11. Particulars of Employees**

No employee in the organization was in receipt of remuneration, which requires disclosure under section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**12. Corporate Governance**

As per reg. 15 (2) of SEBI (LODR) Regulations, 2015 provisions of Corporate Governance are not applicable to the Company for FY 2020-21. Relevant certificate forms part of this Annual Report.

**13. Risk Management Policy**

The Company has instituted a proper mechanism for identifying and establishing controls to effectively manage different kinds of risks. At present the threats, risks and concerns being felt are stiff competition in the market, consolidation of manufacturers, who have branded products and fluctuations in prices as well as availability of raw materials.

**14. Management Discussion & Analysis Report**

Pursuant to the provisions of SEBI (LODR) Regulations, 2015 a report on Management Discussion & Analysis is herewith annexed as **Annexure – B** to this report.

**15. Whistle Blower Policy**

The Company has in place a Whistle Blower Policy for Vigil Mechanism for Directors and Employees to report to the Management about unethical behavior, fraud, and violation of Company's Code of Conduct. None of the personnel has been denied access to the Audit Committee.

**16. Declaration about Compliance with Code of Conduct by Members of the Board and Senior Management Personnel**

The Company has complied with the requirements about the Code of Conduct for Board members and Senior Management Personnel. A compliance certificate by the Managing Director forms part of this Report.

**17. Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainee) are covered under the Policy. The following is a summary of sexual harassment complaints received and disposed off during each year:

- a) No. of Complaints Received : NIL
- b) No. of Complaints Disposed off : NIL

**18. Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo**

Particulars pursuant to the provisions of Section 134 of Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are given in the **Annexure – C** to this report.

## 19. Other Disclosures

### i. Extract of Annual Return

An extract of Annual Return prepared in accordance with section 92(3) of the Companies Act, 2013 in Form MGT-9 is annexed as **Annexure - D** to this Report.

### ii. Change in Share Capital

There was no change in Share Capital during the year 2020-21.

### iii. Composition of Audit Committee.

The Audit Committee of the Company was constituted in line with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee is comprising of Shri Manohar Ramavat, Independent Director as the Chairman, Shri Pankaj Goel, Managing Director, and Shri. Suresh Kumar Gupta, Independent Director as the members of the committee. During the year 2020-21 the Audit Committee met Four (4) times on 29.06.2020, 10.08.2020, 09.11.2020 and 12.02.2021. All the members were present at the meetings. The committee was reconstituted in F.Y. 2021-22.

### iv. Related Party Transactions

All Related Party Transactions are entered on Arm's Length basis and are in compliance of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for transactions which are foreseeable and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transactions. Complete details mentioned in the Notes to accounts.

Information on transactions with related parties pursuant to section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - E** in Form AOC-2 to this report.

### v. Loans/ Guarantees/ Investments under section 186 of Companies Act, 2013

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## 20. Significant and material orders passed by Regulators or Courts

There are no significant material orders passed by the Regulators or Courts which would impact the going concern status of the Company and its future operations.

## 21. Adequacy of Internal Financial Control Systems with reference to Financial Statements

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures designed to ensure reliability of financial reporting timely feedback on achievement of operational and strategic goals, compliance with

policies procedure, applicable laws and regulations, and that all assets and resources as acquired are used economically.

## **22. Corporate Social Responsibility**

The provisions of Corporate Social Responsibility are not applicable to the Company for the year.

## **23. Subsidiary / Joint Venture / Associate Companies**

The Company does not have subsidiary/joint venture companies. Details of Associate Companies are mentioned in MGT 9 i.e., Extract of Annual Return and financial statements, which form part of this Report.

## **24. Human Resource**

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

## **25. COVID-19 and its impact**

The Covid-19 pandemic has a profound impact on the global polymer sector. The impact of COVID-19 on the Company is adverse and being closely reviewed with the Management by the Directors from time to time.

## **26. Acknowledgements**

Your Directors wish to express their appreciation for the cooperation and continued support received from the Industrial Development Bank of India, the Company's Bankers. Your Director's also take this opportunity to place on record their appreciation for the dedicated services rendered and sense of commitment shown by the employees at all levels and their contribution towards the performance of the Company.

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

Place: Secunderabad  
Date: 09.08.2021

Sd/-	Sd/-
<b>Pankaj Goel</b>	<b>Paras Goel</b>
Managing Director	Jt. Managing Director
(DIN 00010059)	(DIN 00010086)

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2021**

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

To,  
The Members,  
Pankaj Polymers Limited  
'E' Block, 5<sup>th</sup> Floor, 105, Surya Towers,  
Sardar Patel Road, Secunderabad – 500 003,  
Telangana.

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

Based on my verification of the Pankaj Polymers Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2021, 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 Pankaj Polymers Limited for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**
- (vi) Other laws specifically applicable to the Company:
  - a) The EPF & Misc. Provisions Act, 1952;

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015.

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

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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 at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

#### **I further report that:**

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

- there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.
- As per the information provided by the Company, corporate governance provisions are not applicable to the Company for the year under review, as it's paid up equity share capital is not exceeding Rupees 10 Crore and Net Worth is not exceeding Rupees 25 Crore, as on the day of the Previous Financial Year.

Place: Hyderabad  
Date : 09.08.2021

Sd/-  
**N. Madhavi**  
M. No: A16866; CP No: 11732;  
UDIN : A016866C000758805

This Report is to be read with my letter of even date which is annexed as Annexure A1 and forms an integral part of this report.

To,

**'Annexure A1'**

The members,  
Pankaj Polymers Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad  
Date : 09.08.2021

Sd/-  
**N. Madhavi**  
M. No: A16866; CP No: 11732;  
UDIN : A016866C000758805

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The information required in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming a part of the Directors' Report for the Year ended 31<sup>st</sup> March, 2021.

### OVERVIEW OF THE ECONOMY

Indian Plastic industry, especially packaging industry is going through a tough phase. Plastic is an eco-friendly product, which is safe guarding the ecological balance of the globe. In our opinion, Plastic is a greatest and major achievement of Human. Right from packaging to Aeronautics, it is used each and everywhere. It is very difficult to imagine a Plastic free world.

The quantum of paper required for packaging needs of the globe is enormous and the world greenery will completely vanish in no time. Similarly, the requirement of Furniture industry and other industries, where Plastics has replaced precious conventional products. Plastic is revolutionary product, which is giving a major economic thrust to the Global economy. However Negative Publicity and Negative marketing have become major threats to this versatile and ecofriendly product.

The increasing consumption of plastic products because of its applications in several end users and the rapid industrialization is increasing the demand for polymers market in India. Also, the expanding sectors such as health, pharmaceuticals and others is one of the factor that is propelling the market. The petrochemical and chemical industry plays a very significant role for the development of economy in a country.

Polymers market is segmented by type, class, source and applications. In terms of number of application and its products polyethylene is dominating the Indian market and followed by that polyvinyl chloride and polypropylene.

### OPPORTUNITIES AND THREATS:

#### a. OPPORTUNITIES

The Indian plastic industry clearly has the potential to continue its fast growth. However, over the next few years, competition in the industry is expected to increase considerably, as a result of global trends, which will become applicable to the liberalizing economy of country. To survive the competition, both polymer manufacturers and processors will need to adopt radically new methods and approaches to reduce costs, improve market and customer service and management of performance.

The plastic industry caters to the almost every aspect of daily life such as clothing, housing, construction, furniture, automobiles, household items, agriculture, horticulture, irrigation, packaging, medical appliances, electronics and electrical items. Increased penetration in all areas is helping the industry grow.

#### b. THREATS

As the polymer industry faces many challenges in terms of environmental myths, lack of advanced technology, limited infrastructure, and high volatility in feedstock prices, thus becomes more competitive, polymer manufacturers face increasing pressures for production cost reductions and more stringent "polymer quality" requirements. To overcome these challenges, significant efforts will have to be made by all the stakeholders to realize the real potential of this industry.

**SEGMENT WISE PERFORMANCE:**

As per Accounting Standard AS- 17, the business of the Company falls under only one segment of business; hence segment report is not applied.

**RISKS AND CONCERNS:**

While the demand for the polymers continues to be strong however the polymers are petrochemical products. The fluctuation in crude prices may increase the cost of polymer production. Global trade balance and inventories will have impact on polymer prices. At present the risk and concerns, being felt and forecasted are, stiff competition in the market, consolidation of manufacturers, who have branded products and fluctuations in prices as well as availability of the raw material. Innovation, rationalization of costs and effective downstream industry management will offer a competitive advantage to polymer manufacturers across the globe.

**INDUSTRY OUTLOOK:**

Polymers market is segmented by type, class, source and applications. In terms of number of application and its products polyethylene is dominating the Indian market and followed by that polyvinyl chloride and polypropylene.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

During the year under review the Company has achieved a turnover of ₹ 126.33 lakhs as against ₹ 68.04 lakhs in the previous year. During the year the Company has incurred a net loss of ₹ 1.46 lakhs as against Net profit of ₹ 295.42 lakhs in the previous year.

The Earning per share (EPS) of the Company as on 31.03.2021 was ₹ (0.03) as against ₹ 5.33 in the previous year.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

Commensurate with the size and nature of operations, the Company has adequate systems of internal control and procedures covering all financial and operating functions. It believes that a good internal control framework is one of the most indispensable factors of Corporate Governance. The audit committee supervises all aspects of internal functioning and advises corrective action as and when required.

**INDUSTRIAL RELATIONS AND HUMAN RESOURCE DEVELOPMENT:**

Industrial Relations continued to be harmonious and cordial throughout the year. The Company always valued its Human Resources and believes in unlimited potential of each employee. The Company has 10 numbers of Employees as on 31st March 2021.

**CAUTIONARY STATEMENT**

*Statements in this management discussion analysis describing the Company's objectives, projections, estimates, expectations may be forward looking within the meaning of applicable securities-laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make difference to Company's operations include economic conditions affecting the domestic market and the overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.*

**ANNEXURE-C**

Information under section 134 of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014 and forming a part of Directors' Report.

**Conservation of Energy**

The Company is striving to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. The adoption of the above helps to control the proportionate increase in total energy usage consequent to overall increase in production. The total energy consumption is given as per Form-A below:

**Form A: for Disclosure of Particulars with respect to Conservation of Energy**

PARTICULARS	2020-21	2019-20
<b>POWER &amp; FUEL CONSUMPTION</b>		
1. Electricity		
a) Purchased		
Units	--	--
Total Amount (₹)	--	--
Rate Per Unit (₹)	--	--
b) Own Generation		
Through diesel generator		
Units (Litres)	--	--
Total Cost (₹)	--	--
2. Coal (specify quality and where used)		
Quantity	--	--
Total Cost (₹)	--	--
Average Rate (₹)	--	--
3. Furnace Oil		
Quantity (Litres)	--	--
Total Amount (₹)	--	--
Average rate (₹)	--	--
4. Natural gas		
Quantity	--	--
Total Amount (₹)	--	--
Average rate (₹)	--	--
<b>CONSUMPTION PER UNIT OF PRODUCTION:</b>	--	--
The consumption of raw material per Kg.		

**FORM B (See Rule 2)****Form for Disclosure of Particulars with respect to Technology Absorption (R&D)**

A. Research and Developed (R&D)	—	Not Applicable
B. Technology absorption, adoption and innovation	—	Not Applicable
C. Foreign Exchange Earnings and Outgo:		
	Amount in Rs.	Amount in Rs.
Earnings	NIL	NIL
Outgo	NIL	NIL

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

Place: Secunderabad  
Date: 09.08.2021

Sd/-  
Pankaj Goel  
Managing Director  
(DIN 00010059)

Sd/-  
Paras Goel  
Jt. Managing Director  
(DIN 00010086)

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2021

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	L24134TG1992PLC014419
2.	Registration Date	24/06/1992
3.	Name of the Company	PANKAJ POLYMERS LIMITED
4.	Category/Sub-category of the Company	COMPANY HAVING SHARE CAPITAL
5.	Address of the Registered office & contact details	5th Floor, E- Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003, Telangana, Ph: 040-27897743/44 Email-Id: info@pankajpolymers.com
6.	Whether listed company	YES (LISTED-IN- BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	K Fin Technologies Pvt. Ltd. Karvy Selenium Tower B, Plot 31 -32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana. Ph: 040 6716 1606 / 1602

**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.	Trading in HDPE/PP Woven Sacks/ Fabrics Plastic Moulded Industrial Accessories (CFL) Pet Jars	22203 22207	100

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

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/A ssociate company	% Of Shares held	Applicable Section of Companies Act, 2013
1	Pankaj Capfin Private Limited 5th Floor, E-Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003 Telangana	U67120TG1996PTC023072	Associate	13.53	2 (6)
2	Pankaj Tubes Private Limited 5th Floor, E-Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003 Telangana	U27106TG1982PTC024346	Associate	-	2 (6)

3	Pankaj Strips Private Limited 5 <sup>th</sup> Floor, E-Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003 Telangana	U17303TG1998PTC041693	Associate	4.13	2 (6)
4	Aman Tubes Private Limited 5 <sup>th</sup> Floor, E-Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003 Telangana	U72200TG2006PTC049475	Associate	-	2 (6)
5	Pankaj Polytec Private Limited 5 <sup>th</sup> Floor, E-Block, 105, Surya Towers, Sardar Patel Road, Secunderabad - 500003 Telangana	U25199TG2011PTC073822	Associate	17.87	2 (6)
6	Vaibhav Ropes Private Limited 105, D Block, 5 <sup>TH</sup> Floor Surya Towers, S. P Road Secunderabad - 500003 Telangana	U25209TG2017PTC115328	Associate	-	2 (6)
7	Pankaj Polychem Private Limited D-Block, V <sup>th</sup> Floor, 105, Surya Towers, S.P. Road Secunderabad – 500003, Telangana	U25203TG2011PTC076262	Associate	-	2 (6)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

##### i. Category- wise Shareholding

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 and Promoter Group									
(1)Indian									
a)Individual/ HUF	945030	0	945030	17.05	936490	0	936490	16.89	-0.15
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corp.	2027247	0	2027247	36.57	2027247	0	2027247	36.57	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A)(1):-	2972277	0	2972277	53.61	2963737	0	2963737	53.46	-0.15

<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	-
b) Other – Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	0	0	0	0	0	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other....	0	0	0	0	0	0	0	0	-
<b>Subtotal(A)(2):-</b>	0	0	0	0	0	0	0	0	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2972277</b>	<b>0</b>	<b>2972277</b>	<b>53.61</b>	<b>2963737</b>	<b>0</b>	<b>2963737</b>	<b>53.46</b>	<b>-0.15</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central Govt	0	0	0	0	0	0	0	0	-
d) State Govt(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Fund	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	558969	13900	572869	10.33	556870	13900	570770	10.30	-0.03
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs	1069658	289159	1358817	24.52	1135841	288659	1424500	25.69	1.17
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	622567	0	622567	11.23	578652	0	578652	10.44	-0.79



c) Others: NRIs & Clearing members	17370	0	17370	0.31	6251	0	6251	0.11	-0.20
<b>Sub-total (B)(2):-</b>	<b>2268564</b>	<b>303059</b>	<b>2571623</b>	<b>46.39</b>	<b>2277604</b>	<b>302559</b>	<b>2580163</b>	<b>46.54</b>	<b>0.15</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2268564</b>	<b>303059</b>	<b>2571623</b>	<b>46.39</b>	<b>2277604</b>	<b>302559</b>	<b>2580163</b>	<b>46.54</b>	<b>0.15</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>5240841</b>	<b>303059</b>	<b>5543900</b>	<b>100.00</b>	<b>5241341</b>	<b>302559</b>	<b>5543900</b>	<b>100.00</b>	<b>-</b>

## ii. Shareholding of Promoters/ Promoters Group

SN	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Pankaj Capfin Private Limited	657617	11.86	0	657617	11.86	0	-
2	Pankaj Strips Private Limited	1005730	18.14	0	1005730	18.14	0	-
3	Pankaj Polytec Private Limited	363900	6.56	0	363900	6.56	0	-
4	Baburam Goel	8540	0.15	0	0	0	0	-0.15
5	Pankaj Goel	236520	4.27	0	236520	4.27	0	-
6	Paras Goel	235660	4.25	0	235660	4.25	0	-
7	Kanchan Goel	259310	4.68	0	259310	4.68	0	-
8	Nita Goel	205000	3.70	0	205000	3.70	0	-
	<b>TOTAL</b>	<b>2972277</b>	<b>53.61</b>	<b>0</b>	<b>2963737</b>	<b>53.46</b>	<b>0</b>	<b>-0.15</b>

## iii. Change in Promoters' Shareholding

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Baburam Goel</b>				
	At the beginning of the year	8540	0.15	8540	0.15
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer /bonus/sweat equity etc):	Sale of 8540 shares		8540	0.15
	<b>At the End of the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

Sl. No.	Shareholder Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Alaukik Mines And Power P Ltd	239587	4.32	239587	4.32
2	Prabha B Kedia	209228	3.77	209228	3.77
3	Garnet International Limited	147076	2.65	147076	2.65
4	Nikulkumar Pravinbhai Kanani	76000	1.37	76000	1.37
5	Mita Dipak Shah	65810	1.19	65810	1.19
6	Religare Finvest Ltd	60000	1.08	60000	1.08
7	Sheth Commercial Pvt Ltd	50000	0.90	50000	0.90
8	Ashok Humad	46200	0.83	46200	0.83
9	Narayan Prasad Mundhra	45027	0.81	45027	0.81
10	Rama Kant Gaggar	42609	0.77	42609	0.77

**v. Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Foreach of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Pankaj Goel</b>				
	At the beginning of the year	236520	4.27	236520	4.27
	Change during the year	0	0	0	0
	At the End of the year	236520	4.27	236520	4.27
2	<b>Paras Goel</b>				
	At the beginning of the year	235660	4.25	235660	4.25
	Change during the year	0	0	0	0
	At the End of the year	235660	4.25	235660	4.25
3	<b>Nita Goel</b>				
	At the beginning of the year	205000	3.70	205000	3.70
	Change during the year	0	0	0	0
	At the End of the year	205000	3.70	205000	3.70
4	<b>Manohar Ramawat</b>				
	At the beginning of the year	0	0	0	0
	Change during the year	0	0	0	0
	At the End of the year	0	0	0	0
5	<b>Sandeep Gupta</b>				
	At the beginning of the year	0	0	0	0
	Change during the year	0	0	0	0
	At the End of the year	0	0	0	0
6	<b>Aman Goel</b>				
	At the beginning of the year	0	0	0	0
	Change during the year	0	0	0	0
	At the End of the year	0	0	0	0
7	<b>Suresh Kumar Gupta</b>				
	At the beginning of the year	0	0	0	0
	Change during the year	0	0	0	0
	At the End of the year	0	0	0	0

**V. INDEBTEDNESS**

(Indebtedness of the company including Interest outstanding/accrued but not due for payment)  
(Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5132330	-	-	5132330
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	<b>5132330</b>	<b>-</b>	<b>-</b>	<b>5132330</b>
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
*Addition	-	-	-	-
*Reduction	1482223	-	-	1482223
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	3650107	-	-	3650107
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>3650107</b>	<b>-</b>	<b>-</b>	<b>3650107</b>

**VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director.**

(₹)

(Rs.)

S. No.	Particulars of Remuneration	Name of MD/MTD/ Manager			Total Amount
		Pankaj Goel	Paras Goel	Aman Goel	
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 (Contribution to P.F)	-	-	-	-
	<b>Total (A)</b>	-	-	-	-
	<b>Ceiling as per the Act</b>				

**B. Remuneration to Other Directors:**

S. No.	Particulars of Remuneration	Name of Directors			TOTAL AMOUNT (₹)
		Manohar Ramavat	Sandeep Gupta	Suresh Kumar Gupta	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act</b>				

**C. Remuneration To Key Managerial Personnel other than MD/Manager/WTD: (Rs.)**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	192000	360000	552000
	(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	-	-	-	-
	<b>TOTAL</b>	-	192000	360000	552000

**VII. PENALTIES/PUNISHMENTS/COMPOUNDING OF OFFENSES**

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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	--	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Place: Secunderabad  
Date: 09.08.2021

for and on behalf of the Board of Directors

Sd/-  
**Pankaj Goel**  
Managing Director  
(DIN: 00010059)

Sd/-  
**Paras Goel**  
Jt. Managing Director  
(DIN: 00010086)

**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 arms length transactions under third proviso thereto**

S. No.	Particulars	
1.	<b>Details of contracts or arrangements or transactions not at arm's length basis:</b>	<b>NIL</b>
	(a) Name(s) of the related party and nature of relationship:	
	(b) Nature of contracts/arrangements/transactions:	
	(c) Duration of the contracts / arrangements/transactions:	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
	(e) Justification for entering into such contracts or arrangements or transactions	
	(f) Date(s) of approval by the Board:	
	(g) Amount paid as advances, if any:	
2.	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	Details provided in notes to accounts
	<b>Details of material contracts or arrangement or transactions at arm's length basis:</b>	
	(a) Name(s) of the related party and nature of relationship:	
	(b) Nature of contracts/arrangements/transactions:	
	(c) Duration of the contracts / arrangements/transactions:	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
	(e) Date(s) of approval by the Board, if any:	
	(f) Amount paid as advances, if any:	

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

Place: Secunderabad  
Date: 09.08.2021

Sd/-  
**Pankaj Goel**  
Managing Director  
(DIN 00010059)

Sd/-  
**Paras Goel**  
Jt. Managing Director  
(DIN 00010086)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
Pankaj Polymers Limited  
"E" Block, 5th Floor, 105, Surya Towers,  
Sardar Patel Road, Secunderabad,  
Telangana-500003

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Pankaj Polymers Limited having CIN L24134TG1992PLC014419 and having registered office at "E" Block, 5th Floor, 105, Surya Towers, Sardar Patel Road, Secunderabad, Telangana-500003 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	PANKAJ GOEL	00010059	24.06.1992
2	PARAS GOEL	00010086	22.06.1998
3	NITA GOEL	00014507	30.03.2015
4	MANOHAR RAMAWAT	02734520	08.08.2011
5	SANDEEP GUPTA	05185175	10.08.2015
6	AMAN GOEL	07729553	11.02.2017
7	SURESH KUMAR GUPTA	07860307	26.06.2017

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

Place: Hyderabad  
Date: 09.08.2021

Sd/-  
**N. MADHAVI**  
M. No: A16866; CP No: 11732  
UDIN : A016866C000758794

## CERTIFICATE

To  
The Share holders  
Pankaj Polymers Limited

**Sub: Non-applicability of Corporate Governance provisions of SEBI (LODR) Regulations – reg.**

This is to certify that in terms of Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the compliance with the corporate governance provisions as specified in 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 shall not apply, in respect of -:

- a. The listed entity having a paid up equity share capital not exceeding Rupees 10 Crore and Net Worth not exceeding Rupees 25 Crore, as on the day of the Previous Financial Year.

In this connection, we hereby certify that paid up capital of Pankaj Polymers Limited as on 31<sup>st</sup> March, 2020 is Rs. 5,54,39,000 (Rupees Five Crore Fifty Four Lakhs Thirty Nine Thousand) and Net Worth is Rs. 11,17,34,262 (Rupees Eleven Crores Seventeen Lakhs Thirty Four Thousand Two Hundred and Sixty Two only), which is not exceeding the limits specified in Regulation 15(2) of SEBI (LODR), Regulations 2015. Hence the Corporate Governance provisions are not applicable to the Company for FY 2020-21.

Place: Hyderabad  
Date: 09.08.2021

Sd/-  
**N. MADHAVI**  
M. No: A16866; CP No: 11732  
UDIN : A016866C000758816

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## DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Regulation 26 and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and Senior Management Personnel are aware of the provisions of the Code of Conduct laid down by the Board. I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct.

Place: Secunderabad  
Date: 09.08.2021

Sd/-  
**Pankaj Goel**  
Managing Director  
DIN: 00010059



## **COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

We, Pankaj Goel, Managing Director and T. Brahmaiah, CFO of Pankaj Polymers Limited, to the best of our knowledge and belief, certify that:

We have reviewed the financial statements and the cash flow statement for the year under review and to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.

We have indicated to the auditors and the audit committee that

- there are no significant changes in internal control over financial reporting during the year.
- there are no significant changes in accounting policies during the year .
- there are no frauds of which we are aware, that involves management or other employees who have a significant role in the Company's internal control system.

Place: Secunderabad  
Date: 03.05.2021

Sd/-  
**Pankaj Goel**  
Managing Director

Sd/-  
**T.Brahmaiah**  
CFO

## INDEPENDENT AUDITOR'S REPORT

**Independent Auditor's Report on Quarterly and year to date Audited Financial results of Pankaj Polymers Limited pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosures Requirement) Regulations 2015, as amended.**

**To**

**Board of Directors of**

**PANKAJ POLYMERS LIMITED**

### **Report on the Audit of Financial Results**

#### **Opinion**

We have audited the accompanying Statement of Quarterly and year to date Financial Results of **Pankaj Polymers Limited** for the quarter and year ended **31st March 2021** ["the statement"], being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the statement:

- (1) is presented in accordance with the requirements of the Listing Regulations in this regard, and
- (2) true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted India, of the net profit, other comprehensive income and other financial information of the company for the quarter and year ended **31st March 2021**

#### **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, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of Financial Results" Section of our report. We are independent of the Company in accordance with the Code of Ethics d by The Institute of Chartered Accountant of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibility for the Financial Statements**

The Statement has been prepared on the basis of annual financial statement. The Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the

Company in accordance with the applicable accounting standards prescribed under Section 133 of the Act with relevant Rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. 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 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors of the entities are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **Auditor's Responsibilities for the Audit of the Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and to 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 the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.
- Materiality is the magnitude of misstatements in Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in Standalone Financial Statement.

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.

#### Other Matters

The Statement includes the results for the quarter ended **31 March 2021** being the balancing figures between audited figures in respect of the full financial year ending 31 March, 2021 and published unaudited year to date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under listing regulations.

Our opinion is not modified in respect of this matter.

**For Rakesh S Jain & Associates**  
**Chartered Accountants,**  
**Firm Registration Number: 00101295**

Sd/-  
**(Pankaj Chandak)**

Partner

M.No. 229355

Place: Secunderabad

Dated: 3<sup>rd</sup> day of May, 2021

UDIN: 21229355AAAAHV4887

**Balance Sheet as at 31<sup>st</sup> March 2021**

<b>PARTICULARS</b>	<b>Note No.</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(i) Property, plant and equipment	5	12,214,000	15,426,313
(ii) Financial Assets			
- Investments	6	25,227,107	29,456,946
- Deposits	7	71,420	71,420
		<b>37,512,526</b>	<b>44,954,679</b>
<b>Current assets</b>			
(i) Inventories	8	-	-
(ii) Financial assets			
- Trade receivables	9	1,055,504	110,119
- Cash and cash equivalents	10	863,541	2,164,799
(iii) Current Tax Assets (net)	11	7,457,935	3,331,170
(iv) Other current assets	12	71,991,054	71,676,465
		<b>81,368,034</b>	<b>77,282,553</b>
<b>TOTAL ASSETS</b>		<b>118,880,560</b>	<b>122,237,232</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(i) Equity share capital	13	55,439,000	55,439,000
(ii) Other Equity	14	57,412,105	56,295,262
<b>Total Equity</b>		<b>112,851,105</b>	<b>111,734,262</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
- Borrowings	15	2,697,987	3,650,107
		<b>2,697,987</b>	<b>3,650,107</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Current Borrowings	16	-	-
(ii) Other financial liabilities	17	952,120	1,482,223
(iii) Trade Payables	18		
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,152,488	3,596,640
(iv) Other current liabilities	19	166,951	809,919
(v) Provisions	20	226,000	226,000
(vi) Deferred Tax Liabilities	21	833,911	738,087
		<b>3,331,470</b>	<b>6,852,869</b>
<b>Total liabilities</b>		<b>6,029,457</b>	<b>10,502,976</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>118,880,560</b>	<b>122,237,232</b>

Summary of significant accounting policies 1 to 4

The accompanying notes are an integral part of the financial statements. 29 to 39

**As per our report of even date attached****For Rakesh S Jain & Associates****Chartered Accountants,**

Sd/-

Pankaj Chandak

Partner

M.No.229355

Firm Registration Number: 0010129S

Place: Secunderabad

Date: 30.05.2021

**for and on behalf of the Board,**

Sd/-

Pankaj Goel

Managing Director

DIN:00010059

Sd/-

T. Brahmaiah

Chief Financial Officer

Sd/-

Paras Goel

Jt. Managing Director

DIN:00010086

Sd/-

Shashank Jain

Company Secretary

Membership No. A55269

**PANKAJ POLYMERS LIMITED**  
**Statement Of Profit & Loss Account for the Year ended 31<sup>st</sup> March, 2021**

<b>PARTICULARS</b>	<b>Notes</b>	<b>For the period ended 31<sup>st</sup> March, 2021</b>	<b>For the period ended 31<sup>st</sup> March, 2020</b>
<b>I) Income</b>			
Revenue from Operations	22	12,622,600	6,804,163
Other Income	23	6,507,104	41,749,787
<b>Total Income (I)</b>		<b>19,129,704</b>	<b>48,553,950</b>
<b>II) Expenses</b>			
Cost of materials consumed	24	12,515,800	6,726,100
Changes in Inventories	25	-	-
Employee benefits expense	26	612,000	1,192,790
Finance Costs	27	416,763	376,420
Depreciation and amortization expense	5	1,334,002	3,047,679
Other expenses	28	4,081,608	9,017,330
<b>Total Expenses (II)</b>		<b>18,960,174</b>	<b>20,360,319</b>
<b>III) Profit before Taxation ( I-II )</b>		<b>169,530</b>	<b>28,193,632</b>
<b>IV) Tax Expenses</b>			
Current Tax		26,500	4,706,077
Deferred Tax		95,824	-1,348,358
Mat credit entitlement		-26,500	-4,706,077
Income and Tax Pertaining to Earlier years		219,315	-
<b>Total Tax Expenses (IV)</b>		<b>315,139</b>	<b>-1,348,358</b>
<b>V) Profit for the year (III-IV)</b>		<b>-145,609</b>	<b>29,541,990</b>
<b>VI) Other Comprehensive Income (OCI)</b>			
<b>Items not to be reclassified to profit or loss :</b>			
a) Equity investments through OCI		1,683,270	1,207,970
b) Income tax effect on above items		-420,817	-
<b>Other Comprehensive Income for the year, net of tax</b>		<b>1,262,452</b>	<b>1,207,970</b>
<b>VII) Total Comprehensive Income for the year (V+VI)</b>		<b>1,116,843</b>	<b>30,749,960</b>
Earnings per share - Basic and Diluted (in INR)		(0.03)	5.33

Summary of significant accounting policies<sup>1</sup> to 4

The accompanying notes are an integral part of the financial statements. 29 to 39

**As per our report of even date attached**

**For Rakesh S Jain & Associates**

**Chartered Accountants,**

Sd/-

Pankaj Chandak

Partner

M.No.229355

Firm Registration Number: 00101295

**for and on behalf of the Board,**

Sd/-

Pankaj Goel

Managing Director

DIN:00010059

Sd/-

Paras Goel

Jt. Managing Director

DIN:00010086

Sd/-

T. Brahmaiah

Chief Financial Officer

Sd/-

Shashank Jain

Company Secretary

Membership No. A55269

Place: Secunderabad

Date: 30.05.2021

**PANKAJ POLYMERS LIMITED**  
**Cashflow Statement for the Year Ended 31<sup>st</sup> March 2021**

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Loss) before Tax	169,530	28,193,632
<b>Adjustments for Non-Operating Activities:</b>		
Bad Debts Written off	-	209,549
Depreciation	1,334,002	3,047,679
Loss/ (Profit) on Sale of Assets	-	(38,408,298)
Loss/ (Profit) on Sale of Investment	(1,109,173)	3,651,130
Finance Cost ( Including Preference dividend)	416,763	376,420
Interest Received	(5,397,931)	(3,341,489)
	<b>(4,756,338)</b>	<b>(34,674,558)</b>
<b>Operating Profit before Working Capital Changes</b>	<b>(4,586,808)</b>	<b>(6,480,926)</b>
<b>Adjustments for Working Capital Changes:</b>		
Inventories	-	-
Trade Receivables	(945,385)	4,946,646
Other Assets	(314,589)	(39,737,810)
Provisions	(142,775)	-
Other financial liabilities	(530,103)	512,868
Other current Liabilities	(642,968)	308,503
Trade payable	(2,444,152)	3,301,817
<b>Cash Generation From Operations</b>	<b>(5,019,972)</b>	<b>(30,667,976)</b>
Direct Taxes Paid (Net)	(4,216,911)	(550,208)
<b>Net Cash from Operating Activities</b>	<b>(13,823,692)</b>	<b>(37,699,110)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	7,193,379	3,750,000
Proceeds from Sale of Fixed Assets	2,008,315	48,757,200
Interest Received	5,397,931	3,341,489
Purchase of Investment	(578,308)	(13,532,959)
Purchase of Assets	(130,000)	(5,949,805)
<b>Net Cash from Investing Activities</b>	<b>13,891,317</b>	<b>36,365,925</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(416,763)	(376,420)
Repayment of Borrowings	(952,120)	3,036,165
<b>Net Cash from Financing Activities</b>	<b>(1,368,883)</b>	<b>2,659,745</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(1,301,258)</b>	<b>1,326,560</b>
<b>Cash and Cash Equivalent (Opening)</b>	2,164,799	838,239
<b>Cash and Cash Equivalent (Closing)</b>	<b>863,541</b>	<b>2,164,799</b>
<b>Components of cash and cash equivalents</b>		
Balances with Banks:		
In Current Accounts	310,689	1,604,514
in Deposit Accounts		
Cheques in hand		
Cash on Hand	552,852	560,285
Earmarked Balances with Banks:		
Against Unpaid Dividend		
Against Fractional Share Entitlements		

**As per our report of even date attached**  
**For Rakesh S Jain & Associates**  
**Chartered Accountants,**

**for and on behalf of the Board,**

Sd/-  
Pankaj Chandak  
Partner  
M.No.229355  
Firm Registration Number: 0010129S

Sd/-  
Pankaj Goel  
Managing Director  
DIN:00010059

Sd/-  
Paras Goel  
Jt. Managing Director  
DIN:00010086

Place: Secunderabad  
Date: 30.05.2021

Sd/-  
T. Brahmaiah  
Chief Financial Officer

Sd/-  
Shashank Jain  
Company Secretary  
Membership No. A55269



**A. Equity Share capital**

Particulars	No of shares	In Rupees
<b>Balance as at 1 April 2019</b>	<b>5,543,900</b>	<b>55,439,000</b>
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2020</b>	<b>5,543,900</b>	<b>55,439,000</b>
<b>Balance as at 1 April 2020</b>	<b>5,543,900</b>	<b>55,439,000</b>
Changes in equity share capital during 2019-20	-	-
<b>Balance as at 31 March 2021</b>	<b>5,543,900</b>	<b>55,439,000</b>

**B. Other equity**

Particulars	Reserves and surplus				Other - Comprehensive Income	Total
	Retained earnings	General Reserve	Securities premium	Special capital incentive	FVTOCI Equity Instrument	
<b>Balance at 1 April 2019</b>	<b>12,942,724</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>(561,832)</b>	<b>25,545,301</b>
Profit for the year	29,541,990	-	-	-	-	29,541,990
Other Comprehensive Income (net of tax)	-	-	-	-	1,207,970	1,207,970
<b>Balance at 31 March 2020</b>	<b>42,485,714</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>646,138</b>	<b>56,295,261</b>
<b>Balance at 1 April 2020</b>	<b>42,485,714</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>646,138</b>	<b>56,295,262</b>
Profit for the year	(145,609)	-	-	-	-	(145,609)
Other Comprehensive Income (net of tax)	-	-	-	-	1,262,452	1,262,452
<b>Balance at 31 March 2021</b>	<b>43,340,105</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>1,908,590</b>	<b>57,412,105</b>

As per our report of even date attached  
**For Rakesh S Jain & Associates**  
**Chartered Accountants,**

for and on behalf of the Board,

Sd/-  
Pankaj Chandak  
Partner  
M.No.229355  
Firm Registration Number: 00101295

Sd/-  
Pankaj Goel  
Managing Director  
DIN:00010059

Sd/-  
Paras Goel  
Jt. Managing Director  
DIN:00010086

Place: Secunderabad  
Date: 30.05.2021

Sd/-  
T. Brahmaiah  
Chief Financial Officer

Sd/-  
Shashank Jain  
Company Secretary  
Membership No. A55269

## Notes Forming Part of Financial statements

## 5 Property, Plant and Equipment

(amount in Rupees)

Following are the changes in the carrying value of Property, Plant and Equipment for the Year Ended 31st March 2021

Particulars	Land-Leasehold	Building (Factory)	Building (Office)	Plant & Machinery	Electrical Installation	Furniture & Fixtures	Vehicles	Office Equipment	Generators	Computers/Software	Moulds	Total
Gross carrying Value as of April 01, 2020	-	-	6,819,333	-	-	1,726,780	19,805,208	2,196,310	1,288,625	3,132,812	-	34,967,068
Additions	-	-	-	130,000	-	-	-	-	-	-	-	130,000
Deletions	-	-	-	-	-	-	2,900,000	-	-	-	-	2,900,000
Gross carrying Value as of March 31, 2021	-	-	6,819,333	130,000	-	1,726,780	16,905,208	2,196,310	1,288,625	3,132,812	-	32,199,068
Accumulated depreciation as of April 01, 2020	-	-	1,126,332	-	-	1,656,443	10,461,338	2,127,815	1,054,240	3,116,376	-	19,542,544
Depreciation	-	-	116,349	-	-	-	1,180,288	4,324	33,041	-	-	1,334,002
Accumulated depreciation on deletions	-	-	-	-	-	-	891,685	-	-	-	-	891,685
Accumulated depreciation as of March 31, 2021	-	-	1,242,681	-	-	1,656,443	10,749,941	2,132,139	1,087,281	3,116,376	-	19,984,861
Carrying Value as of March 31, 2021	-	-	5,576,652	130,000	-	70,337	6,155,267	63,964	201,344	16,436	-	12,214,000
Gross carrying Value as of April 01, 2019	367,771	3,167,091	7,483,764	45,628,265	4,948,249	1,726,780	20,141,236	2,196,310	1,288,625	3,132,812	4,979,948	95,060,851
Additions	-	-	-	-	-	-	5,949,805	-	-	-	-	5,949,805
Deletions	367,771	3,167,091	664,431	45,628,265	4,948,249	-	6,285,833	-	-	-	4,979,948	66,041,588
Gross carrying Value as of March 31, 2020	-	-	6,819,333	-	-	1,726,780	19,805,208	2,196,310	1,288,625	3,132,812	-	34,967,068
Accumulated depreciation as of April 01, 2019	-	1,674,423	1,181,328	41,545,973	4,427,417	1,653,636	13,434,792	2,123,491	1,021,198	3,116,376	2,009,127	72,187,761
Depreciation	-	66,716	116,349	130,804	1,44,959	2,807	2,431,619	4,324	33,042	-	117,060	3,047,680
Accumulated depreciation on deletions	-	1,741,139	171,345	41,676,777	4,572,376	-	5,403,073	-	-	-	2,126,187	55,692,897
Accumulated depreciation as of March 31, 2020	-	-	1,126,332	-	-	1,656,443	10,461,338	2,127,815	1,054,240	3,116,376	-	19,542,544
Carrying Value as of March 31, 2020	-	-	5,693,001	-	-	70,337	9,343,870	68,495	234,385	16,436	-	15,426,313

**Notes forming part of the Financial Statements**

(All amounts in Indian Rupees, unless otherwise stated)

**6. Investments**

Particulars	No. of shares	As at 31st March, 2021	No. of shares	As at 31st March, 2020
<b>Equity Investments carried at fair value through other comprehensive income</b>				
<b>Unquoted Investment in Companies</b>				
(Equity Shares of Rs.10/- fully paid )				
(I) Pankaj Strips Pvt Ltd	86,590	1,559,306	386,590	6,894,536
(ii) Pankaj Capfin Pvt Ltd	618,125	9,232,650	618,125	9,232,650
(iii) Pankaj Polytec Pvt Ltd	800,000	12,404,068	800,000	12,404,068
(iv) Prakash Industries	33,000	2,031,083	47,350	925,693
<b>Total</b>		<b>25,227,107</b>		<b>29,456,947</b>

**7. Loans**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Unsecured , Considered good</b>		
Security Deposits	71,420	71,420
<b>Total</b>	<b>71,420</b>	<b>71,420</b>

No loan and advances are due from directors or other officers of the company or private companies in which any director is a partner , member or Director ,either severally or jointly with any other person.

**8. Inventories**

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>(As valued &amp; certified by management)</b>		
Raw Materials	-	-
Work-in-progress/at jobwork	-	-
Finished goods	-	-
Consumable Stores	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9. Trade Receivables**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured Considered Good	1,055,504	110,119
Considered Doubtful	-	-
<b>Total (A)</b>	<b>1,055,504</b>	<b>110,119</b>
<b>Less : Provision for doubtful debts &amp; Advances (B)</b>	<b>-</b>	<b>-</b>
<b>Total (A-B)</b>	<b>1,055,504</b>	<b>110,119</b>
<b>Due from Related Party</b>	<b>Balance as on 31st March, 2021</b>	<b>Balance as on 31st March, 2020</b>
Pankaj Polytec Private Limited	1,055,504	110,119

**10. Cash and Cash Equivalents**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash in Hand	552,852	560,285
Balances with Banks - In Current Accounts	310,689	1,604,514
<b>Total</b>	<b>863,541</b>	<b>2,164,799</b>

**11. Current Tax Assets(net)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Advance Tax	174,564	31,789
Income tax receivable	452,225	1,174,312
MAT Credit Entitlement	6,857,646	6,831,146
(Less): Provision for taxation	(26,500)	(4,706,077)
<b>Total</b>	<b>7,457,935</b>	<b>3,331,170</b>

**12. Other Current Assets**

Particulars	As at 31st March, 2021	As at 31st March, 2020
(Unsecured, considered good)		
Interest receivable	5,428,602	4,275,923
Advance Recoverable in cash or Kind	62,452	542
Other Advances	66,500,000	67,400,000
<b>Total</b>	<b>71,991,054</b>	<b>71,676,465</b>

**13. Share Capital**

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	Amount	Number of shares	Amount
<b>a. Authorized Capital</b> 1,50,00,000 equity share of Rs.10/-each	15000000	150000000	15000000	150000000
<b>b. Issued, subscribed and paid-up Capital</b> 55,43,900 (55,43,900) Equity Shares of Rs.10/- each	5,543,900	55,439,000	5,543,900	55,439,000
<b>Total</b>	<b>5,543,900</b>	<b>55,439,000</b>	<b>5,543,900</b>	<b>55,439,000</b>

**Terms & Conditions :**

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

**(b) Reconciliation of shares outstanding at the beginning & at the end of the Reporting Period**

Particulars	No.	As at March 2021	No.	As at March 2020
Share outstanding at the beginning of the year	5,543,900	55,439,000	5,543,900	55,439,000
Additional issue of shares during the year	-	-	-	-
Share outstanding at the end of the year	5,543,900	55,439,000	5,543,900	55,439,000

**(c) Particulars of shares holding more than 5% of Issued Share Capital (5% of 55,43,900 shares)**

Name of the shareholder	As at March 2021		As at March 2020	
	%	No. of shares	%	No of shares
Pankaj Capfin (P) Ltd	11.86	657,617	11.86	657,617
Pankaj Strips (P) Ltd	18.14	1,005,730	18.14	1,005,730
Pankaj Polytec Pvt Ltd	6.56	363,900	6.56	363,900
<b>Total</b>	<b>36.57</b>	<b>2,027,247</b>	<b>36.57</b>	<b>2,027,247</b>

**14. Other equity**

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Retained earnings	General Reserve	Securities premium	Special capital incentive	FVTOCI Equity Instrument	
<b>Balance at 1 April 2019</b>	<b>12,942,724</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>(561,832)</b>	<b>25,545,301</b>
Profit for the year	29,541,990	-	-	-	-	29,541,990
Other Comprehensive Income (net of tax)	-	-	-	-	1,207,970	1,207,970
<b>Total comprehensive income for the year</b>	<b>29,541,990</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,207,970</b>	<b>30,749,961</b>
<b>Balance at 31 March 2020</b>	<b>42,485,714</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>646,138</b>	<b>56,295,262</b>
<b>Balance at 1 April 2020</b>	<b>42,485,714</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>646,138</b>	<b>56,295,262</b>
Profit for the year	(145,609)	-	-	-	-	(145,609)
Other Comprehensive Income (net of tax)	-	-	-	-	1,262,452	1,262,452
Total Comprehensive Income for the year	-	-	-	-	1,262,452	1,116,843
<b>Balance at 31 March 2021</b>	<b>43,340,105</b>	<b>1,016,409</b>	<b>6,841,900</b>	<b>5,305,100</b>	<b>1,908,590</b>	<b>57,412,104</b>

**Description , Nature and Purpose of each reserve with in equity are as follows :**

**General Reserve :** This reserve is the retained earnings of the company , which are kept aside out of the company's profit to meet future (known or unknown) obligations

**Security Premium :** Securities premium account is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of The Companies Act, 2013.

**Special capital incentive:** Special capital incentive which are kept aside out of the company's profit to meet future obligations. IT is utilised in accordance with the provisions of the companies act 2013

**15. Borrowings**

Particulars	As at 31 st March, 2021		As at 31 st March, 2020	
	Non - Current	Current Maturities	Non - Current	Current Maturities
<b>Secured</b>				
i) Term Loan From Banks (Secured against all the current assets of the company, both present and future, equitable mortgage against hypothecation of immovable property and personally guaranteed by three directors of the company)				
ii) Vehicle Loan From Banks (secured against hypothecation of vehicle)	2,697,987	952,120	3,650,107	1,482,223
<b>Total</b>	<b>2,697,987</b>	<b>952,120</b>	<b>3,650,107</b>	<b>1,482,223</b>
Amount disclosed under the head "Other Current Financial Liabilities" (Refer Note. 17)	-	952,120	-	1,482,223
<b>Total</b>	<b>2,697,987</b>	<b>-</b>	<b>3,650,107</b>	

**16 . Current Borrowings**

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
<b>Secured</b>		
Working Capital Loan From Bank (Secured against all the current assets of the company, both present and future, equitable mortgage against hypothecation of immovable property and personally guaranteed by three directors of the company)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Particulars of Nature of security:**

Secured against all the current assets of the company , both present and future, equitable mortgage against hypothecation of immovable property and personally guaranteed by three directors of the company.

**17. Other Current Financial Liabilities**

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Current maturities of long term debt (Refer Note no -15)		
Term Loan	-	
Vehicle loan	952,120	1,482,223
<b>Total</b>	<b>952,120</b>	<b>1,482,223</b>

**18. Trade Payables**

Particulars	As at 31st March, 2021	As at 31st March, 2020
For Goods & Services		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,152,488	3,596,640
<b>Total</b>	<b>1,152,488</b>	<b>3,596,640</b>

**19. Other Current Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other Payables	166,951	809,919
<b>Total</b>	<b>166,951</b>	<b>809,919</b>

**20. Provisions**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee benefits	51,000	51,000
Other provisions	1 75,000	1 75,000
<b>Total</b>	<b>226,000</b>	<b>226,000</b>

**21. Deferred Tax Liabilities**

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a)Deferred tax liability at the beginning of the year	738,087	2,086,445
Add/(Less):Deferred Tax (Asset)/Liability for the year on account of timing difference	95,824	(1,348,358)
(b) Others		
<b>Total</b>	<b>833,911</b>	<b>738,087</b>

**22 Revenue From Operations**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Sale of Products and Services</b>		
Sale of Trading	12,622,600	6,772,850
Wastage	1	31,313
<b>Total (A)</b>	<b>12,622,600</b>	<b>6,804,163</b>

**23 Other Income**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Interest Income</b>		
Interest (TDS Rs.3,48,961/-)	5,397,931	3,341,489
(PY TDS.3,31,566/-)	-	-
Profit on disposal of fixed assets(Net)	-	38,408,298
Profit on Sale of Investments	1,109,173	-
	<b>6,507,104</b>	<b>41,749,787</b>

**24 Cost of Traded Goods**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Cost of Traded Goods		
Opening stock	-	-
Add: Purchases	12,515,800	6,726,100
	12,515,800	6,726,100
Less: Closing stock	-	-
Cost of Trades Goods	<b>12,515,800</b>	<b>6,726,100</b>

**25 Changes in Inventories.**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Opening Stock :</b>		
Finished Goods	-	-
Work-in-progress	-	-
	-	-
<b>Less: Closing Stock</b>		
Finished Goods	-	-
Work-in-progress	-	-
	-	-
Increase / (Decrease) in Inventories of		
Finished Goods & WIP	-	-

**26 Employee Benefit Expenses**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries, Wages & Bonus	612,000	628,000
Director Remuneration	-	480,000
Contribution to Provident and Other Funds	-	84,790
	<b>612,000</b>	<b>1,192,790</b>



**27 Finance Cost**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Expenses		
On Term Loans		-
On Working Capital Loans		-
Other Financial Charges	416,763	376,420
	<b>416,763</b>	<b>376,420</b>

**28 Other Expenses**

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Consumption of stores & spares	-	-
Power and fuel	617,276	636,972
Rates and Taxes	798,158	652,469
Insurance	179,556	207,683
Telephone expenses	7,600	19,940
Printing and Stationery	17,700	42,250
Travelling expenses	-	44,197
Legal expenses	113,108	23,100
Advertisement Expenses	29,064	30,796
Outward Cartage	-	-
Miscellaneous expenses (b)	1,916,146	3,443,244
Directors Sitting fees	3,000	6,000
Rent	350,000	-
<b>Remuneration to Auditors:</b>		
Audit Fees	50,000	50,000
Tax Audit Fees	-	-
Loss On Sale Investment	-	3,651,130
Bad Debt	-	209,549-
	<b>4,081,608</b>	<b>9,017,330</b>

**29 Financial Instruments by Category**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

(Rupees in Lakhs)

Particulars	Carrying value		Fair value	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
1) Investments	23,543,837	28,248,977	25,277,107	29,456,947
2) Deposits	71,420	71,420	71,420	71,420
<b>Total Financial Assets</b>	<b>23,615,257</b>	<b>28,320,397</b>	<b>25,298,527</b>	<b>29,528,367</b>
1) Borrowings	2,697,987	3,650,107	2,697,987	3,650,107
<b>Total Financial Liabilities</b>	<b>2,697,987</b>	<b>3,650,107</b>	<b>2,697,987</b>	<b>3,650,107</b>

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

## SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### 1. Corporate Information

Pankaj Polymers Ltd ("the company") is a Company registered under the companies act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). It was incorporated on 24<sup>th</sup> June, 1992 having its registered office at 5th Floor, Surya Towers, Sardar Patel Road, and Secunderabad-500003. The company's CIN No. is L24134TG1992PLC014419. The company is engaged in trading operation of plastic granules and other plastic products.

### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

### 3. Use of estimates and judgments:

Use of estimates and judgments: The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

### 4. Significant Accounting Policies:

#### a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### b) Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

#### c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to

the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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 Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

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.

**d) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**e) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**f) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**g) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is: -

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- The Company classifies all other liabilities as non-current.

#### **h) Financial assets**

Financial assets comprise of cash and cash equivalents.

##### ***Initial recognition:***

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

##### ***Subsequent Measurement:***

- (i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

##### ***Impairment of Financial Assets:***

Financial assets are tested for impairment based on the expected credit losses.

##### ***De-recognition of Financial Assets:***

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**i) Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

**j) Cash and Cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

**k) Financial liabilities**

***Initial recognition and measurement:***

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

***Subsequent measurement:***

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

***De-recognition of financial liabilities:***

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

**l) Borrowing Costs**

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

#### **m) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

##### **Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

##### **Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

##### **Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

##### **Short-term employee benefits**

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### **n) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

##### **Deferred income tax**

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from

goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

#### **Minimum Alternative Tax (MAT)**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

#### **o) Leases**

##### **As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

##### **As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

##### **Lease-hold land:**

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

**p) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

**q) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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

- Level 1—Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2—Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3—Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) 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 events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



**s) Cash dividend to equity holders of the Company**

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**Notes Forming part of Financial Statements**

**30 . Related Party Disclosure**

**I. Name of the Related Parties and related party relationship**

**Enterprises owned or significantly influenced by key management personnel or their relatives:**

- |                                       |                                    |
|---------------------------------------|------------------------------------|
| (i) Pankaj Capfin Private limited     | (ii) Pankaj Tubes Private Limited  |
| (iii) Pankaj Strips Private limited   | (iv) Aman Tubes Private Limited    |
| (v) Pankaj Polytec Private limited    | (vi) Vaibhav Ropes Private Limited |
| (vii) Pankaj Polychem Private Limited |                                    |

**Key Managerial Personnel**

- |                 |                 |                 |
|-----------------|-----------------|-----------------|
| (i) Pankaj Goel | (ii) Paras Goel | (iii) Aman Goel |
|-----------------|-----------------|-----------------|

- ii. The following transactions were carried out with related parties in the ordinary course of business during the year:

*(Previous year figs in bracket) Figures in Rupees*

Sr No.	Nature of Transaction	KMP	Entities in which KMP is interested	KMP and their relatives
1	Remuneration	- (4,80,000)		
2	Sale of goods		126,22,600 (67,35,850)	
3	Interest Received		1,35,000 (372,276)	
4	Sale of assets		20,08,315 ( 3,41,600 )	
5	Trade Receivable		10,55,503 (1,10,119 )	
6	Inter-corporate Loan Given (Repaid)		(1,80,00,000) (1,80,00,000)	
7	Inter-corporate Loan outstanding		- (1,80,00,000)	
8	Purchase Of Investment in equity Instrument			- (1,25,32,500)
9	Sale Of Investment in equity Instrument		54,00,00	- 37,50,000
10.	Rent Paid			3,50,000

31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

32. **Earnings Per Share (EPS)**

Figures in Rupees

Particulars	2020-21	2019-20
Net Profit after Tax	77,229	2,95,41,990
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	77,229	2,95,41,990
Weighted Average No. Of Equity Shares For Basic / Diluted EPS (No.s)	55,43,900	55,43,900
Nominal Value of Equity Shares	10/-	10/-
Basic/ Diluted Earnings Per Equity Share	(0.03)	5.33

33. **Retirement and Other Employees Benefits**

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment.

Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue.

34. **Disclosure required under Section 186(4) of the Companies Act 2013**

For details of loans, advances and guarantees given and securities provided to related parties refer **Note 30**.

35. **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

**B. Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

**Trade receivables**

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

**Financial Instrument and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2021 and 2018 is the carrying amounts.

**C. Liquidity risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Figures in Rupees)

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-21 Borrowings	0	9,52,120/-	26,97,987/-	0	36,50,107/-
	0	9,52,120/-	26,97,987/-	0	36,50,107/-
31-Mar-20 Borrowings	0	14,82,223/-	36,50,107/-	0	51,32,330/-
	0	14,82,223/-	36,50,107/-	0	51,32,330/-

**36. Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Figures in Rupees

Particulars	31 Mar 2021	31 Mar 2020
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) <b>Note 16 &amp; 17</b>	36,50,107	51,32,330
Other Payable (current and non-current, excluding current maturity of long term borrowings) <b>Note 18,19,20 &amp; 21</b>	21,56,512	46,32,559
Less Cash and Cash Equivalents	8,63,541	21,64,799
<b>Net Debt</b>	<b>49,43,078</b>	<b>76,00,090</b>
Equity Share capital	5,54,39,000	5,54,39,000
Other Equity	58,055,763	56,295,262
<b>Total Capital</b>	<b>113,449,763</b>	<b>111,734,262</b>
<b>Capital and Net debt</b>	<b>11,84,37,841</b>	<b>11,93,34,352</b>
<b>Gearing ratio (in %)</b>	<b>0.04</b>	<b>0.06</b>

37. Previous year's figures have been regrouped and rearranged, wherever found necessary.

**As per our report of even date attached  
For Rakesh S Jain & Associates  
Chartered Accountants,**

**for and on behalf of the Board,**

Sd/-  
Pankaj Chandak  
Partner  
M.No.229355  
Firm Registration Number: 0010129S

Sd/-  
Pankaj Goel  
Managing Director  
DIN:00010059

Sd/-  
Paras Goel  
Jt. Managing Director  
DIN:00010086

Place: Secunderabad  
Date: 03.05.2021

Sd/-  
T. Brahmaiah  
Chief Financial Officer

Sd/-  
Shashank Jain  
Company Secretary  
Membership No. A55269





**PANKAJ POLYMERS LIMITED**

**29<sup>th</sup> Annual Report  
2020-21**

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