

**August 25, 2023**

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400001

**Ref: Scrip Code 526435**

**Sub: Annual Report along with Notice of 51<sup>st</sup> Annual General Meeting. Record date and Book Closure dates**

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 30, 34, 42 and other applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform the following:-

1. The 51st Annual General Meeting ('AGM') of the members of Perfectpac Limited will be held on Monday, September 18, 2023 at 03:00 P.M. (IST) through Video Conferencing / Other Audio-Visual Means ("VC/OAVM"), in accordance, with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India;
2. Pursuant to the said circulars, Annual Report for financial year 2022-23 along with Notice of 51st AGM are being sent through electronic mode to all the Members whose email ids are registered with the Company/Registrar and Transfer Agent ('RTA')/Depository Participant ('DP');
3. The Company has provided the facility to its Members to cast their vote electronically, through the remote e-Voting facility (prior to AGM) and e-Voting facility (during the AGM), on all the resolutions set forth in the AGM Notice to the Members, who are holding shares on the Cut-off date i.e. Monday, September 11, 2023. The remote e-voting will commence at 09:00 a.m. (IST) on Friday, September 15, 2023 and end at 05:00 p.m. (IST) on Sunday, September 17, 2023. Detailed instructions for registering email addresses(s) and voting/attendance at the AGM are given in the AGM Notice;
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 12, 2023 to Monday, September 18, 2023 (both days inclusive) for the purpose of AGM and payment of Final Dividend and
5. The Annual Report along with AGM Notice for financial year 2022-23 are enclosed herewith.



***perfectpac limited***

Regd. Off: 910, Chiranjiv Tower, 43-Nehru Place, New Delhi-110019  
CIN No. : L72100DL1972PLC005971 Tel: 011-2644 1015-18,  
website : [www.perfectpac.com](http://www.perfectpac.com), e-mail: [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com)

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The Annual Report for financial year 2022-23 also available on the website of the Company at [www.perfectpac.com](http://www.perfectpac.com).

This is for your information and records.

Yours faithfully,

For **Perfectpac Limited**

**Nidhi**  
**Company Secretary**

**Encl:- as above**

**51st  
ANNUAL REPORT  
2022-23**



***perfectpac limited***

# *perfectpac limited*

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri Rajendra Kumar Rajgarhia  
Chairman and Non-Executive Director

Shri Sanjay Rajgarhia  
Managing Director

Shri Raj Gopal Sharma  
Whole time Director

Shri Harpal Singh Chawla  
Independent Director

Shri Manish Garg  
Independent Director

Smt. Ruchi Vij  
Independent Director

### COMPANY SECRETARY

Mrs. Nidhi

### REGISTERED OFFICE

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

### WEBSITE

[www.perfectpac.com](http://www.perfectpac.com)

### STATUTORY AUDITORS

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

### INTERNAL AUDITORS

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

### BANKERS

Kotak Mahindra Bank

### REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt Ltd  
D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020  
Tel: 011-40450193-97  
Email: [info@skylinerta.com](mailto:info@skylinerta.com)

### CORPORATE IDENTITY NUMBER

L72100DL1972PLC005971

### STOCK EXCHANGE

BSE Limited

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## **NOTICE**

NOTICE is hereby given that the **51st** Annual General Meeting of Members of **Perfectpac Limited** will be held on **Monday, the 18th day of September, 2023** at **03:00 P.M. (IST)** through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:-

### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a Final Dividend of Re. 1.00/- per equity share (i.e. 50%) on face value of Rs. 2/- per share for the Financial Year 2022-23.
3. To appoint a Director in place of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), who retires by rotation and, being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as **Special Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Articles of Association of the Company and Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members of the Company be and is hereby accorded to the re-appointment of Shri Rajendra Kumar Rajgarhia (DIN: 00141766), Non-Executive Director who has attained the age of 75 (seventy five) years and retires from office by rotation and being eligible, offers himself for re-appointment as a Non-Executive Director of the Company, liable to retire by rotation.

### **SPECIAL BUSINESS**

4. To Re-appoint Shri Sanjay Rajgarhia (DIN: 00154167) as Managing Director on the Board of the Company

To consider and if thought fit, to pass the following resolution as **Special Resolution**:-

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder, including the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws (in each case, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, Nomination and Remuneration Policy of the Company and on the recommendation of the Nomination and Remuneration Committee of the Company and approval of the Board of Directors of the Company and such other approvals, consents, permissions and sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded to the re-appointment of Shri Sanjay Rajgarhia (DIN: 00154167) as Managing Director, on the Board of the Company with effect from July 01, 2024, for further period of 3 years (three years), on following terms and conditions including remuneration:-

**Basic Salary**:- Rs. 6,00,000/- (Rupees Six Lakhs) per month w.e.f. July 01, 2024 with such increase as may be decided by the Board of Directors from time to time, but subject to maximum salary of Rs 7,00,000 (Rupees Seven Lakhs) per month.

**Perquisites and Allowances**:- In addition, following perquisites and allowances shall be payable:-

- (i) Rent free furnished residential accommodation with free electricity the monetary value of which will be evaluated as per Rules 3 of the Income Tax Rules, 1962.

OR

In case own premises are occupied, then house rent allowance payable as per rules of the Company but not exceeding 60% of Basic Salary per month. The expenses on electricity will be borne by the Company.

- (ii) Medical Benefits:- The total cost of medical expenses / allowance to the Company shall not exceed one month basic salary per year.



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- (iii) Leave Travel Allowance/ Concession:- For self and family once in a year shall not exceed one month basic salary per year.
- (iv) Reimbursement of membership fees in respect of Clubs will be subject to maximum of two Clubs.
- (v) Personal Accident / Medclaim Insurance Premium subject to limit of Rs. 25,000/- per annum.
- (vi) The Company's contribution towards Provident Fund as per rules of the Company.
- (vii) Gratuity and Leave Encashment as per rules of the Company.
- (viii) Free use of the Company's car with driver for official as well as for personal purposes.
- (ix) Telephone at residence, Internet, gas bill, gardener expenses at Company's cost.

**Other Terms & Conditions:-**

- (i) No sitting fees will be paid to Shri Sanjay Rajgarhia for attending the meetings of Board of Directors or Committees thereof.
- (ii) Shri Sanjay Rajgarhia shall not liable to retire by rotation.
- (iii) Shri Sanjay Rajgarhia will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
- (iv) Shri Sanjay Rajgarhia can resign from the services of the Company at any time by giving three months' notice. Similarly, his services can be terminated at any time by giving three months' notice.
- (v) If at any time Shri Sanjay Rajgarhia ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Managing Director of the Company.
- (vi) Shri Sanjay Rajgarhia shall be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not form part of his remuneration.
- (vii) In the event of absence or inadequacy of profits in any financial year, Shri Sanjay Rajgarhia will be paid salary and perquisites subject to the limits / conditions specified under Section II of Part II of Schedule V to the Companies Act, 2013.

The salary including allowances, perquisites and other benefits payable to him will be governed by the Company's policies & regulations, applicable from time to time.

The aggregate of the above salary, allowances, perquisite and other benefits as per Company policy shall not exceed Rs. 1.50 Crores per annum. For this purpose, the following shall not be included in the aggregate:-

- a. Contribution to Provident Fund
- b. Contribution to Gratuity Fund
- c. Encashment of leaves at the end of tenure

**Minimum Remuneration**

Subject to the provisions of the Companies Act, 2013 read with applicable rules & schedule thereto and approval of the Shareholders, if required, the above remuneration shall be minimum remuneration payable to Shri Sanjay Rajgarhia in the event of absence or inadequacy of profits in any financial year during his tenure as a Managing Director.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary, alter, enhance or widen (collectively referred to as 'Variation') the scope of remuneration payable to Managing Director during his tenure to the extent permitted under Section 197 read with Schedule V and other applicable provisions, if any, of the Act, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, provided however that any such Variation shall not exceed any amount permitted to be paid to Managing Director under applicable law without obtaining requisite approvals.

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**RESOLVED FURTHER THAT** the Board of the Company be and is hereby authorised to do all such acts, deeds and things as it may consider necessary, expedient or desirable, in order to give effect to the foregoing resolution or otherwise as considered by the Board to be in best interest of the Company.”

**By Order of the Board**  
Perfectpac Limited

**Registered Office:-**

910, Chiranjiv Tower-43,  
Nehru Place, New Delhi-110019  
CIN: L72100DL1972PLC005971  
Tel: 011-26441015-18  
Email: [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com)  
Website: [www.perfectpac.com](http://www.perfectpac.com)

**Nidhi**  
Company Secretary  
M. No.: 49524

**Place: New Delhi**  
**Dated: July 28, 2023**

**NOTES:-**

1. The Ministry of Corporate Affairs ('MCA'), vide its Circular No. 10/2022 dated December 28, 2022 read with Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2022 dated May 05, 2022 (collectively referred as 'MCA Circulars') and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ('SEBI Circulars') (MCA Circulars and SEBI Circulars collectively referred as 'Circulars') permitted holding of Annual General Meetings through VC/OAVM facility and dispensed physical presence of the members at the meeting. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and Circulars, the 51st Annual General Meeting ('AGM') of the Members of the Company is being held through VC/OAVM. The detailed procedure for participating through VC/OAVM facility is mentioned in Note No. 20. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the MCA Circulars, items of special business as mentioned in this Notice are considered unavoidable and forms part of this Notice.
2. The Explanatory Statement, pursuant to Section 102 of the Act, relating to the special business to be transacted at the 51st AGM, is annexed.  
  
Further, the relevant details, pursuant to Regulations 36(3) of the Listing Regulations and Secretarial Standard-2 (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM are also annexed to this Notice.
3. Since this AGM is being conducted through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy by the Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.  
  
However, in pursuance of Section 112 and Section 113 of the Act, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and to vote through electronic means.
4. The members attending the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. All the documents referred to in the accompanying Notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com).



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6. In case of joint holders, the Member whose name appears as the First holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making a nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No. SH-13. If a member desires to opt-out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website <https://perfectpac.com/updationofkyc.aspx>. Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to Company's Registrar and Transfer Agent, Skyline Financial Services Private Limited ('RTA') in case the shares are held in physical form.
8. The Register of Members and Shares Transfer Books of the Company shall remain closed from **Tuesday, September 12, 2023 to Monday, September 18, 2023** (both days inclusive) for the purposes of the AGM and payment of Final Dividend, if approved by members.
9. The dividend, as recommended by the Board of Directors of the Company (Re. 1.00/- [i.e. 50%] per equity share of Rs. 2/- each for FY 2022-23), if approved at the AGM, will be paid/dispached within 30 days from the date of AGM to those member(s) or their mandates:-
  - (a) whose names appear as Beneficial Owners at the end of business hours on **Monday, September 11, 2023** in the lists of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form;
  - (b) whose names appear as member(s) in the Register of members of the Company as on **Monday, September 11, 2023**. The dividend will be paid electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent out to their registered addresses.
10. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from the dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to ensure correct PAN details are provided to update their PAN with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A resident individual shareholder with PAN and who is not liable to pay income tax can submit a duly signed declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending documents via e-mail at [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) on or before **Saturday, September 16, 2023**. Shareholders are requested to note that in case their PAN is not registered or valid, the tax will be deducted at a higher rate of 20%.

For resident shareholders (other than an individual) holding a valid PAN and not subject to withholding under Section 194 of the Income Tax Act, 1961, can submit duly signed declaration along with other documents as sought separately to avail benefit of non-deduction of tax at source by sending documents via e-mail at [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) on or before **Saturday, September 16, 2023**. Shareholders are requested to note that in case their PAN is not registered or valid, the tax will be deducted at a higher rate of 20%.

For a Non-resident shareholder [including Foreign Portfolio Investors ('FPI')], applicable withholding tax rate is either 20% as per the Income Tax Act or the tax rate as specified in the tax treaty, whichever being more beneficial to the Non-resident shareholder. Further, Non-resident shareholders can avail of the beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending the documents through above mentioned email id. The aforesaid declarations and documents need to be submitted by the shareholders latest by **Saturday, September 16, 2023**.

Additionally, for shareholders who qualify as 'specified person' as defined under Section 206AB of the Income Tax Act, 1961, tax shall be deducted at a higher rate.



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11. Members are requested to note that, dividends if not encashed or remaining unclaimed in Company's Unpaid Dividend Account, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, all shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account are also liable to be transferred to IEPF Authority in terms of Section 124 of the Act read with IEPF Rules made thereunder. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Please refer to the Company's website [www.perfectpac.com](http://www.perfectpac.com) for details related to unclaimed dividend amount.
12. The Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of Beneficial Owners received from the Depositories as on **August 18, 2023**.
13. All shares and dividend related correspondence may be sent to RTA of the Company at the following address:-

**Skyline Financial Services Private Limited**

(Unit: Perfectpac Limited)  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, New Delhi-110020  
Tel: 011-40450193-97  
Email: [parveen@skylinerta.com](mailto:parveen@skylinerta.com)

In all correspondence, please quote your Folio No. / DP ID and Client ID.

14. In compliance with Circulars, the Annual Report for FY 2022-23 along with the Notice of the 51st AGM including instructions for e-voting is being sent through electronic mode to only those members whose email IDs are registered with the Company/ Depository Participant. Members may note that the Annual Report for FY 2022-23 along with Notice of the 51st AGM will also be available on the Company's website at [www.perfectpac.com](http://www.perfectpac.com), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

In case any Member is desirous of obtaining physical copy of the Annual Report for the financial year 2022-23 along with the Notice of the 51st AGM of the Company, he/she may send a request to the Company by writing at [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) or Company's Registrar and Share Transfer Agent ("RTA") at [parveen@skylinerta.com](mailto:parveen@skylinerta.com) mentioning their Folio No. / DP ID and Client ID.

15. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details and Specimen Signature) and Nomination details.

As per said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details were not available on or after April 01, 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of April 01, 2023 for freezing of folios has been extended to October 01, 2023.

Dividend and other payments, if any, in respect of such frozen folios shall only be made electronically with effect from April 01, 2024 upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibition) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before September 30, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.



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The Company has sent individual letters in the month of May 2023 to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://perfectpac.com/updationofkyc.aspx>.

Accordingly, the members are advised to register their details with the RTA or DP, as the case may be, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at <https://www.perfectpac.com/updationofkyc.aspx> and on the website of the Company's RTA at <https://www.skylinerta.com/investor-charter.php>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
17. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
18. During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and any other relevant documents, upon log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>.
19. The Company has a dedicated E-mail address [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) for members to mail their queries or lodge complaints, if any. We will endeavor to reply to your queries at the earliest.  
The Company's website [www.perfectpac.com](http://www.perfectpac.com) has a dedicated section on Investors.
20. **Instructions for Members for e-Voting and joining the AGM are as follows:-**
  - (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 Listing Regulations, as amended, and applicable Circulars, the members are provided with the facility to cast their vote electronically, through the remote e-Voting facility (before the AGM) and e-Voting facility (at the AGM), on all the resolutions set forth in this Notice. The facility of casting votes will be provided by National Securities Depository Limited (NSDL).
  - (ii) The remote e-Voting period commences on **Friday, September 15, 2023 (09:00 A.M. IST)** and ends on **Sunday, September 17, 2023 (05:00 P.M. IST)**. During this period, member(s) of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date on **Monday, September 11, 2023**, may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - (iii) The voting rights of member(s) for remote e-Voting and for e-Voting at AGM 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. **Monday, September 11, 2023**. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. **Monday, September 11, 2023** only shall be entitled to vote through remote e-Voting/e-Voting at the AGM. Any person who is not a member as on the cut-off date should treat this Notice for information purpose only.
  - (iv) Any person, who acquires shares of the Company and becomes a Member of the Company after the Company sends the AGM Notice and holding shares as of the cut-off date, may obtain the login ID and

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password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admin@skylinerta.com](mailto:admin@skylinerta.com) by mentioning their Folio No./DP Id and Client Id for casting their vote. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

- (v) The members can opt for only one mode of voting i.e. remote e-Voting or e-Voting at the AGM. In case of voting by both the modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.
- (vi) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their e-vote again.
- (vii) The details of the process and manner for remote e-Voting are explained herein below:-

### **Step 1: Access to NSDL e-Voting system**

#### **(I) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in dematerialized mode**

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 to increase the efficiency of the voting process. 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.

#### **Login method for Individual shareholders holding securities in dematerialized mode is given below:-**

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with NDSL	<p><b>1. NSDL IDeAS facility</b></p> <p><b>If you are already registered, follow the below steps:-</b></p> <p>(a) Visit the e-Services website of NSDL. Open web browser and type the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile.</p> <p>(b) Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</p> <p>(c) A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services.</p> <p>(d) Click on “Access to e-Voting” appearing on the left-hand side under e-voting services and you will be able to see e-voting page.</p> <p>(e) Click on options available against Company name or e-voting service provider-NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p> <p><b>If you are not registered, follow the below steps:-</b></p> <p>(a) Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</p> <p>(b) Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>(c) Please follow steps given above in points (a) to (e).</p>

	<p><b>2. E-voting website of NSDL</b></p> <p>(a) Open web browser and type the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile phone.</p> <p>(b) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>(c) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.</p> <p>(d) After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p> <p><b>3. Shareholders/Members can also download NSDL Mobile app “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</b></p> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their User ID and Password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website at <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p>

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL at website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account.</p> <p>5. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</p>
Individual Shareholders (holding securities in demat mode) login through their DPs	<p>1. You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-Voting facility.</p> <p>2. 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.</p> <p>3. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.</p>

**Important Note:-** Members who are unable to retrieve User ID/ Password are advised to use Forget User details/ Password option available at above mentioned websites.

**Helpdesk for Individual Shareholders holding securities in dematerialized 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 022 - 4886 7000 and 022 - 2499 7000
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 1800 22 55 33

**(II) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in dematerialized mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by clicking the URL:- <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile phone.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

5. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if EVEN is 123456 and folio number is 001*** then User ID is 123456001***

6. Password details for shareholders other than Individual shareholders are given below: -

- (a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- (b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- (c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) In case you have not registered your e-mail address with the Company/ Depository, please follow instructions mentioned in this Notice.
7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - (a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - (c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, PAN, name and registered address.
  - (d) Members can also use the OTP based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting**

1. Members whose shares are held in physical mode, are requested to provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [admin@skylinerta.com](mailto:admin@skylinerta.com).
2. Members whose shares are held in demat mode, are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) or [admin@skylinerta.com](mailto:admin@skylinerta.com). If you are an Individual shareholders holding securities in dematerialised mode, you are requested to refer to the login method explained at step 1 (I) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in dematerialised mode.
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring User ID and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Instructions for Members for E-Voting on the day of the AGM are as under:-**

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present at the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**Instructions for Members for attending the AGM through VC/OAVM are as under:-**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. The Members can join the AGM through VC/OAVM facility, fifteen (15) minutes before the scheduled time of commencement of the AGM and shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 members on first-come-first-served basis. The large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
3. Members are encouraged to join the Meeting through Laptops for better experience.
4. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views or ask questions during the AGM may register themselves as speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) latest by **Monday, September 11, 2023**. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers depending on the availability of time for the AGM. Members who do not wish to speak during the AGM but have queries regarding financial statements or other matters may send their queries latest by **Monday, September 11, 2023** by mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com). These queries will be replied by the Company suitably by email.
7. Members who need assistance before or during the AGM, can contact Skyline Financial Services Private Limited on [admin@skylinerta.com](mailto:admin@skylinerta.com), contact Mr. Sarbesh Singh, Mobile No.: 9953022071.

**General Guidelines for shareholders:-**

1. Institutional shareholders/Corporate Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [rsmco121@gmail.com](mailto:rsmco121@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders can also upload their Board Resolution/Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990/1800-224-430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).



**21. Other Instructions:**

- (i). The Board of Directors of the Company has been appointed Mr. Ravi Sharma (Membership No.: FCS 4468, C.P. No.: 3666), and/or Ms. Suman Pandey (Membership No. FCS 7606, C.P. No. 8404) Partners of M/s. RSM & Co., Practicing Company Secretaries as Scrutinizer to scrutinize the process of remote e-voting and e-voting at the AGM in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the same purpose.
- (ii). The Scrutinizer shall, after the conclusion of e-voting at the AGM, scrutinize the votes cast through e-Voting at the AGM and votes cast through remote e-Voting, make a consolidated Scrutinizer's Report and submit the same to the Chairman or to a person authorized by the Chairman in writing who shall countersign the same. The Results shall be declared within two working days of the conclusion of the AGM and the same, along with the consolidated Scrutinizer's Report, shall be placed on the website of the Company at [www.perfectpac.com](http://www.perfectpac.com), NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and shall be communicated to BSE Limited.
- (iii). Subject to receipt of requisite number of votes, the resolutions forming part of Notice of AGM shall be deemed to be passed at the AGM i.e. **Monday, September 18, 2023.**

**ANNEXURE TO THE NOTICE  
DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT**

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

<b>Particulars</b>	<b>Item No. 3</b>	<b>Item No. 4</b>
<b>Name of the Director</b>	Shri Rajendra Kumar Rajgarhia	Shri Sanjay Rajgarhia
<b>Director Identification Number (DIN)</b>	00141766	00154167
<b>Date of Birth</b>	August 14, 1938	February 21, 1963
<b>Age</b>	84 Years	60 Years
<b>Nationality</b>	Indian	Indian
<b>Date of first Appointment on Board</b>	April 01, 1973	July 01, 1989
<b>Qualification</b>	B. Com	B. Com (H)
<b>Brief resume including experience, expertise in specific functional areas</b>	<p>He is having experience of 62 years in Investment activities, financing activities, Strategic Planning in capital budgeting and overall decision.</p> <p>He is being appointed as a Director on the Board of the Company since 1973. During the term of his office, the Company has made a steady growth and strengthened its financial position as evidenced in the financial results.</p> <p>He is having over 4 decades of invaluable experience in the line of the business of the Company which is compatible with the Organizational requirements and the Company would definitely benefit under his leadership and valuable guidance.</p>	<p>He is successful industrialist, having over 35 years of experience in the field of paper and packaging industry. He is also having vast experience in financial activities, investment and management decisions and taxation.</p> <p>He has been associated with the Company for last 34 years. He managed the Company competently over the past years and helped it in becoming a successful business entity in the industry. He is well known personality in the paper and packaging industry. During the term of his office, the Company has made a steady growth and strengthened its financial position as evidenced in the financial results.</p>
<b>Terms &amp; Conditions for re-appointment</b>	On-reappointment, he is liable to retire by rotation.	As detailed in the respective resolution.
<b>Details of Remuneration /last drawn</b>	He is eligible to receive sitting fee for attending the Board/ Committee Meetings and the same is disclosed in the Corporate Governance Report forming part of Annual Report.	Disclosed in the Corporate Report forming part of Annual Report.
<b>Details of Proposed Remuneration</b>	He will be eligible to receive sitting fee for attending the Board/ Committee Meetings.	As detailed in the respective resolution.
<b>Shareholding in Perfectpac Limited (as on date of Notice)</b>	Nil	34,38,100 equity shares (51.63%)

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<b>List of Directorships held in other Companies</b>	<ul style="list-style-type: none"> <li>- APM Industries Limited Private Limited</li> <li>- Rajgarhia Leasing and Financial Services Pvt. Ltd.</li> <li>- Indian Corrugated Case Manufacturers Association</li> </ul>	<ul style="list-style-type: none"> <li>- Faridabad Paper Mills</li> <li>- Rajgarhia Leasing and Financial Services Pvt. Ltd.</li> </ul>
<b>Members / Chairman of Committees in Perfectpac Limited</b>	<ul style="list-style-type: none"> <li>- Member of Nomination and Remuneration Committee</li> <li>- Relationship Committee</li> </ul>	<ul style="list-style-type: none"> <li>- Member of Audit Committee</li> <li>- Member of Stakeholders</li> </ul>
<b>Members / Chairman of Committees in other Public Companies</b>	<ul style="list-style-type: none"> <li>- Member of Nomination and Remuneration Committee of APM Industries Limited</li> <li>- Chairperson of Corporate Social Responsibility Committee of APM Industries Limited</li> </ul>	Nil
<b>Listed Companies from which Director has resigned in the past three years</b>	Nil	Mufin Green Finance Limited
<b>Relationship with other Directors and KMP</b>	<p>Shri R. K. Rajgarhia being father of Shri Sanjay Rajgarhia, Managing Director, is related to him.</p> <p>He is not related to any other Director and KMP of the Company</p>	<p>Shri Sanjay Rajgarhia being son of Shri Rajendra Kumar Rajgarhia, Chairman is related to him</p> <p>He is not related to any other Director and KMP of the Company</p>
<b>Number of Meetings of the Board attended during the year</b>	Attended 4 out of 5 Board Meetings	Attended 5 out of 5 Board Meetings

**EXPLANATORY STATEMENT**

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

**Item No. 3**

This explanatory statement is in terms of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, however, the same is strictly not required as per Section 102 of the Companies Act, 2013.

Pursuant to the provision of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from April 01, 2019, no listed Company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

Shri Rajendra Kumar Rajgarhia (DIN: 00141766), has attained the age of 75 years in August 2013. The members of the Company have approved his continuation as Non-Executive Director on the Board of the Company through Postal Ballot dated March 30, 2019. In terms of provisions of Section 152 of the Companies Act, 2013, Shri Rajendra Kumar Rajgarhia is liable to retire by rotation and being eligible, offers himself for re-appointment. Approval of the Members is accordingly sought for his re- appointment as a Non-Executive Director, in terms of Section 152 of the Companies Act, 2013 and Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the recommendation of the Nomination and Remuneration Committee and taking into account Shri Rajendra Kumar Rajgarhia's seniority, expertise and vast experience, which has immensely benefited the Company, the Board of Directors considered and approved the re-appointment of Shri Rajendra Kumar Rajgarhia as a Non-executive Director on the Board of the Company, liable to retire by rotation.

Shri Rajendra Kumar Rajgarhia has attained age of 84 years and has been a Director of the Company since April 01, 1973. Though he has attained the age of 84 years, he is at present in very good health and position to discharge all his duties efficiently. He holds a Bachelor's Degree in Commerce. He is having experience of 62 years in Investment activities, financing activities, Strategic Planning in capital budgeting and overall decision. He is an active member on the Board and regular in attending Board and its committee meeting. He also member of the Nomination and Remuneration Committee. In the opinion of the Board, considering his rich experience, expertise and immense contribution in the growth of the Company, Shri Rajendra Kumar Rajgarhia fulfils the conditions for re-appointment as a Non-Executive Director on the Board of the Company as specified in the provisions of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is also confident about his being able to function and discharge his duties in an able and competent manner.

Shri Rajendra Kumar Rajgarhia is not disqualified from re-appointment as a Non-Executive Director in terms of Section 164 of the Act, and has consented to re-appointment as a Non-Executive Director of the Company. He is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

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

Except Shri Sanjay Rajgarhia and Shri Rajendra Kumar Rajgarhia, none of the Directors and Key Managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this proposed resolution.

**Item No. 4**

Shri Sanjay Rajgarhia was re-appointed as Managing Director on the Board of the Company for a period of 5 years (Five Years) from July 01, 2019 to June 30, 2024 and remuneration was approved for a period of 3 (Three) years from July 1, 2019 to June 30, 2022 by members of the Company at its 47th Annual General Meeting of the Company held on September 26, 2019. The members of the Company at its 50th Annual General Meeting held on September 15, 2022 approved remuneration of Shri Sanjay Rajgarhia for further period of 2 years (Two Years) from July 01, 2022 to June 30, 2024. The term of office of Shri Sanjay Rajgarhia as Managing Director will be expire on June 30, 2024.

Shri Sanjay Rajgarhia has rich experience of more than 35 years in the field of paper and packaging industry. Considering his experience and knowledge and on the recommendation of Nomination and Remuneration Committee of the Board, the Board of Directors of the Company at its meeting held on July 28, 2023 has approved the re-appointment of Shri Sanjay Rajgarhia as Managing Director on the Board of the Company for a further period of 3 years (Three Years) effective from July 01, 2024 to June 30, 2027 at the remuneration proposed at Item No. 4 of this Notice. The Item No.4 of the Notice requires approval of the member of the Company. He is also promoter of the Company and as on date holding 34,38,100 equity shares of the Company.

Shri Sanjay Rajgarhia, satisfies all the conditions as set out in Section 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 for being eligible to be re-appointed as a Managing Director. He is not disqualified from being re-appointed as a Director in terms of Section 164 of the Companies Act, 2013. He is not debarred from holding the office of Director by virtue of any SEBI order or any other such authority.

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice of AGM for approval of the members.

Except Shri Rajendra Kumar Rajgarhia and Shri Sanjay Rajgarhia, none of the Directors and Key Managerial personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this proposed resolution.

**STATEMENT OF PARTICULARS**  
**(PURSUANT TO SCHEDULE-V OF THE COMPANIES ACT, 2013)**  
**Remuneration of Managing Director**

**I. GENERAL INFORMATION**

S. No.	Particulars/Subject	Information										
1.	Nature of Industry	The Company is engaged in the business of manufacturing of packaging material										
2.	Date or Expected date of commencement of commercial production.	Business commenced in the year 1972										
3.	In case of new Companies, expected date of commencement of activities as per Project approved by financial institutions appearing in the prospects.	Not applicable										
4.	Financial performance based on given indicators	(Rs. In Lakhs)										
		<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">2022-23 (As per Audited Financial Statements)</th> </tr> </thead> <tbody> <tr> <td>Total Revenue</td> <td style="text-align: right;">10,004.14</td> </tr> <tr> <td>Total Expenses</td> <td style="text-align: right;">9,638.38</td> </tr> <tr> <td>Profit before Tax</td> <td style="text-align: right;">365.76</td> </tr> <tr> <td>Profit after Tax</td> <td style="text-align: right;">283.20</td> </tr> </tbody> </table>	Particulars	2022-23 (As per Audited Financial Statements)	Total Revenue	10,004.14	Total Expenses	9,638.38	Profit before Tax	365.76	Profit after Tax	283.20
		Particulars	2022-23 (As per Audited Financial Statements)									
		Total Revenue	10,004.14									
		Total Expenses	9,638.38									
Profit before Tax	365.76											
Profit after Tax	283.20											
5.	Foreign Investments or collaborations, if any	The Company has not made any foreign investments and neither entered into any foreign collaborations, except the shareholding by Non-Resident Indians (NRIs) in the Company. NRIs are investors in the Company on account of past issuance of securities/secondary market purchase of the shares of the Company.										

**II. INFORMATION ABOUT THE APPOINTEE**

S. No.	Information	Shri Sanjay Rajgarhia
1.	Background details	<p>Shri Sanjay Rajgarhia, aged 60 years, he is successful industrialist, having over 35 years of experience in the field of paper and packaging industry. He is also having vast experience in financial activities, investment and management decisions and taxation. He has been associated with the Company for last 34 years. He managed the Company competently over the past years and helped it in becoming a successful business entity in the industry. He is well known personality in the paper and packaging industry. He is the main contributor to the growth and development of the Company.</p> <p>Shri Sanjay Rajgarhia, who is well versed in understanding Paper and packaging markets, is also equally excellent in ensuring growth by improving productivity, cost control, large size operations &amp; consistently improving quality and his services is indispensable. He have been actively involved in business strategy, business development and development functions in the Company.</p>

51st Annual Report 2022-23

CIN No.: L72100DL1972PLC005971

2.	Past Remunerations	Shri Sanjay Rajgarhia was paid Rs. 111.04 Lakhs as annual remuneration for the financial year 2022-23.
3.	Recognition or awards	None
4.	Job Profile and his suitability	Shri Sanjay Rajgarhia is the Managing Director of the Company and is looking after the overall activities of the Company and management and the Company has been seeing steady growth during his tenure. Taking into consideration the rich experience, it is felt that the Company would benefit under his leadership and guidance.
5.	Remunerations proposed	As mentioned above in the Resolution.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position & person	Keeping in view the profile and the position of Managing Director and rich knowledge and experience of the appointee, the remuneration is fully justifiable and comparable to that prevailing in the industry. Shri Sanjay Rajgarhia devotes his full time and attention to the business of the Company, subject to the superintendence, control and directions of the Board.
7.	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	There is no pecuniary relationship of Shri Sanjay Rajgarhia with the Company or Managerial Personnel except as detailed in the Note No. 37 of Notes to Accounts.

**III. OTHER INFORMATION**

S. No.	Information	
1.	Reasons for loss or inadequate profits	The Company has been earning profits, but the profits are inadequate as per Section 197 of the Companies Act, 2013, to cover up the remuneration / perquisites payable to the Managing Director. There is no specific reason for inadequate profits. His Remuneration has been fixed under Schedule V is as minimum remuneration and within the limit specify therein.
2.	Steps taken or proposed . improvement	The Company is taking continuous steps for improvement.
3.	Expected increase in productivity and profits in measurable	The Company continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

**IV. DISCLOSURES**

Necessary disclosures have been made with regard to remuneration details of the managerial personnel under the head Corporate Governance in the Annual Report.

**By Order of the Board**  
Perfectpac Limited

**Registered Office:-**

910, Chiranjiv Tower-43,  
Nehru Place, New Delhi-110019  
CIN: L72100DL1972PLC005971  
Tel: 011-26441015-18  
Email: complianceofficer@perfectpac.com  
Website: www.perfectpac.com

**Nidhi**  
Company Secretary  
M. No.: 49524

**Place : New Delhi**

**Dated : July 28, 2023**

**BOARD'S REPORT****Dear Members,**

The Board of Directors have pleasure in presenting the 51st (Fifty-First) Annual Report of the Company, together with the Audited Financial Statements for the financial year (FY) ended March 31, 2023.

**1. FINANCIAL HIGHLIGHTS****(Rs in lakhs)**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Total Revenue	10,014.14	8,872.91
Total Expenses	9,638.38	8,713.96
Profit Before Tax	365.76	158.95
Less: Tax (including deferred tax)	82.56	55.94
Profit for the period	283.20	103.01
Other Comprehensive Income	4.70	5.53
Total Comprehensive profit for the year	287.90	108.54
Paid up Equity Share Capital (Face Value of Rs. 2/- per Share)	133.26	133.26
Basic and Diluted EPS	4.25	1.55

**2. STATE OF COMPANY AFFAIRS & OPERATIONS**

The Company is engaged in the business of manufacture of packaging material and operates in one sector only. For the FY 2022-23, the Company has reported significantly improved results. The total revenue was Rs. 10,004.14 lakhs as against Rs. 8,872.91 lakhs in the previous year, net profit was Rs. 283.20 lakhs as against Rs. 103.01 lakhs in the previous year and basic and diluted EPS increased to Rs. 4.25 as against Rs. 1.55 in the previous year.

Your Directors are hopeful of further improvement in the working results during the current year barring any unforeseen circumstances.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of your Company during the year under review.

**4. TRANSFER TO RESERVES**

The Board does not transfer any amount out of the profit for the year under review to the General Reserve.

**5. DIVIDEND**

The Board of Directors at its meeting held on August 10, 2022 had paid an interim dividend of Rs. 5/- (i.e. 50%) per equity share on face value of Rs. 10/- each was paid during the FY 2022-23. The Directors are pleased to recommend a final dividend of Re. 1 (i.e. 50%) per equity share of Rs. 2/- each fully paid up. The payment of the final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and shall be subject to deduction of tax at source. After payment of the final dividend, the total dividend payment for FY 2022-23 will be 100%.

**6. CAPITAL STRUCTURE****Authorised Share Capital**

The Authorised Equity Share Capital of the Company as at March 31, 2023 was Rs. 2,00,00,000/- comprising of 1,00,00,000 equity shares of Rs. 2/- each and Preference Share Capital was Rs. 1,25,00,000/- comprising of 1,25,000 preference shares of Rs. 100 each i.e. total authorised share capital was Rs. 3,25,00,000.

**Paid up Share Capital**

The Paid-up share capital as at March 31, 2023 stands at Rs. 1,33,19,000/- comprising of 66,59,500 equity shares of Rs. 2/- each fully paid up.



## 51st Annual Report 2022-23

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During FY 2022-23, your Board of Directors approved split/ sub-division of equity shares of the Company such that each equity share having face value of Rs. 10/- (Rupees Ten only) fully paid-up, be sub-divided into five (5) equity shares having face value of Rs. 2/- (Rupees Two only) each, fully paid-up with effect from October 21, 2022 (Record Date). Further, the shareholders at its 50th Annual General Meeting held on September 15, 2022 approved the said split of equity shares and the consequential alteration in Capital Clause of Memorandum of Association and Article of Association of the Company.

### 7. **SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES**

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

### 8. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **Appointment, Re-appointment and Resignation**

Shri Rajendra Kumar Rajgarhia will retire at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment to the members in the forthcoming AGM. Brief resume of Shri Rajendra Kumar Rajgarhia with other details as stipulated in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), are provided in the Notice convening the 51st AGM.

Shri Sanjay Rajgarhia, Managing Director of the Company will complete his term as Managing Director on June 30, 2024. Pursuant to the provisions of Companies Act, 2013, Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on July 28, 2023 approved the re-appointment of Shri Sanjay Rajgarhia as Managing Director for a further period of three years w.e.f. July 01, 2024 to June 30, 2027, subject to the approval of the members of the Company by Special Resolution.

During the period under review, Ms. Shefali Chauhan, Company Secretary and Compliance Officer, has resigned from the Company with effective from July 23, 2022. In order to fill the vacancy caused due to the resignation of Ms. Shefali Chauhan, the Board in its Meeting held on January 20, 2023 has appointed Mrs. Nidhi as the Company Secretary and Compliance Officer of the Company.

#### **Declaration by Independent Directors**

All the Independent Directors of the Company have given their declaration to the Company under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Listing Regulations and are not disqualified from continuing as Independent Directors and that they have registered themselves as an Independent Director in the data bank maintained with the Indian Institute of Corporate Affairs. The Company has also received declaration from the Independent Directors that they have complied with the code of conduct of Directors and Senior Management. Based on the disclosures received, the Board is of the opinion that, all the Independent Directors fulfill the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the management.

#### **Annual Performance Evaluation of the Board**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairperson of the Board. The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of Board and its Committees. The detailed process in which annual evaluation of the performance of the Board, its Chairperson, its Committees and of individual Directors is disclosed in the Corporate Governance Report attached to this Report.

#### **Meetings of the Board**

During the year, five meetings of the Board of Directors were held. The details of Board/Committee Meetings and the attendance of Directors are provided in the Corporate Governance Report, attached to this Report.

### 9. **DEPOSIT UNDER CHAPTER V OF THE COMPANIES ACT, 2013**

The Company did not invite/accept any deposits covered under Chapter V of the Act. Accordingly, no disclosure or reporting is required in respect of details relating to deposits covered under the said Chapter.

**10. AUDITORS & AUDITOR'S REPORT****Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013, M/s VSSA & Associates, Chartered Accountants (Firm Registration No. 012421N), were re-appointed as Company's Statutory Auditors by the shareholders at their 50th AGM held on September 15, 2022, for second term of 5 (Five) consecutive years i.e. till the conclusion of the 55th AGM of the Company, to be held in year 2027.

The reports of Statutory Auditors on Financial Statements for the FY 2022-23 forms part of the Annual Report. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Auditors' Reports.

**Secretarial Auditor**

In terms of provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. RSM & Co. (ICSI Firm Registration No.: P1997DE017000), Company Secretaries, in its meeting held on August 10, 2022, to undertake the Secretarial Audit of the Company for the FY 2022-23. The Secretarial Audit Report is attached as **Annexure-1** to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s RSM & Co., Company Secretaries, as the Secretarial Auditors to conduct an audit of the secretarial records for the FY 2023-24.

**Internal Auditor**

In terms of provisions of Section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014, the Board of Directors at its meeting held on May 30, 2022, on the recommendation of Audit Committee, has re-appointed M/s Sapra Sharma & Associates LLP, Chartered Accountant (Firm Registration No. 002682N/ N500038), as an Internal Auditors of the Company, for the FY 2022-23. There are no qualifications, reservations, adverse remarks, disclaimer or emphasis of matter in the Internal Auditors' Reports.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s Sapra Sharma & Associates LLP, Chartered Accountants, as the Internal Auditors of the Company for the FY 2023-24. M/s Sapra Sharma & Associates LLP, being eligible, have consented to act as the Internal Auditors of the Company for the FY 2023-24.

**11. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Act (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year i.e. March 31, 2023 and of the profit and loss of the Company for the year ended March 31, 2023;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Based on the framework of internal financial controls for financial reporting and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditor and the reviews performed by the management and the relevant Board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2022-23; and

- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. INTERNAL FINANCIAL CONTROLS**

Your Company has in place adequate internal financial control systems commensurate with the size of operations. The policies and procedures adopted by your Company ensures the orderly and efficient conduct of business, safeguarding of assets, prevention and detection of frauds and errors, adequacy and completeness of the accounting records, and timely preparation of reliable financial information. The entire system is complemented by Internal Audit conducted by external firm of Chartered Accountants on selected functions such as Human Resource, material movement, GST Compliances etc.

The internal auditors of the Company conduct regular internal audits and the Audit Committee reviews periodically the adequacy and effectiveness of internal control systems and takes steps for corrective measures whenever required.

**13. DETAILS OF FRAUDS REPORTED BY AUDITORS**

None of the Auditors of the Company have reported any fraud as specified under the second proviso of Section 143(12) of the Act, therefore no disclosure is required under Section 134(3)(ca) of the Companies Act, 2013.

**14. DISCLOSURES OF SIGNIFICANT ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS**

There is no significant or material orders passed by the Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

**15. CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, every Company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediate preceding financial year is required to incur at least 2% of the average net profits of the preceding three financial years towards Corporate Social Responsibility (CSR).

As per last Audited Balance Sheet dated March 31, 2022, the Company does not meet any of the threshold prescribed by law. Hence the provisions of Companies Act, 2013 regarding CSR would not be applicable.

**16. AUDIT COMMITTEE**

As on date, the Audit Committee comprises of Shri Manish Garg\*, Chairman, Shri Harpal Singh Chawla, Shri Sanjay Rajgarhia and Smt. Ruchi Vij as members of Committee. All the recommendations made by Audit Committee were accepted by the Board of Directors.

\*Shri Manish Garg, inducted as Chairman of the Committee, effective from close of business hours of July 12, 2022. Earlier, Shri Harpal Singh Chawla was Chairman of the Audit Committee.

Further, brief terms of reference, meetings and attendance are included in the Corporate Governance Report attached to this Report.

**17. NOMINATION AND REMUNERATION POLICY**

The Company has Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Schedule II, Part D of the Listing Regulations, web link for the same is <https://perfectpac.com/policies.aspx>. The salient features of the Policy have been disclosed in the Corporate Governance Report forming integral part of this Board's Report.

**18. DELISTING OF SHARES OF THE COMPANY**

The equity shares of the Company has been voluntarily delisted from the Calcutta Stock Exchange Limited (CSE) with effect from May 04, 2022, as there has been no trading in the equity shares of the Company at the CSE for the last many years and the Company also incurs extra operational costs of being listed on the CSE. Presently, the equity shares of the Company are listed only on BSE Limited.

**19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts, arrangements and transactions entered by the Company during FY 2022-23 with related parties were in the ordinary course of business and on arm's length basis and were approved by the Audit Committee. The Board of Directors of the Company had laid down the criteria for granting the omnibus approval by the Audit Committee for the transactions which are repetitive in nature, in line with the Company's Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions ('RPT Policy'). During the year, the Company had not entered into any materially significant transaction with related parties as defined in the RPT

Policy. Accordingly, the disclosure of Related Party Transactions under Section 188(1) of the Act in Form AOC-2 is not applicable. Related Party disclosures have been disclosed in Note No. 37 to the Financial Statements forming part of the Annual Report. The RPT Policy is disclosed on the Company's website.

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

The prescribed details as required under Section 134(3) (m) of the Companies Act, 2013, read with Rule 8(3) the Companies (Accounts) Rules, 2014, are annexed as **Annexure-2** to this Report.

**21. RISK MANAGEMENT**

The Company has in place a Risk Management Policy which assists in identifying the elements of risk, if any, which in the opinion of the Board may impact the Company; monitoring and reviewing the risk management plan; and implementing the risk management framework of the Company. A detailed section on Risk Management is provided in the Management Discussion and Analysis Report forming an integral part of the Annual Report.

**22. PARTICULARS OF EMPLOYEES**

The disclosure required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-3** to this Report.

As per the provisions of Section 136(1) of the Companies Act, 2013, the Annual Report and the Accounts are being sent to all the members of the Company, excluding the information required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office. The said information is also available for inspection at the Registered Office during working hours up to the date of the ensuing Annual General Meeting.

**23. ANNUAL RETURN**

In terms of Sections 92(3) and 134(3)(a) of the Act, annual return is available under the 'Investors' section of the Company's website and can be viewed at the following link: <https://perfectpac.com/annualreturns.aspx>.

**24. CORPORATE GOVERNANCE**

The Corporate Governance philosophy of the Company is driven by the interest of stakeholders, focus on fairness, transparency and business needs of the organization.

A detailed Report on Corporate Governance pursuant to the requirements of Regulation 34 read with Schedule V of the Listing Regulations, is attached as **Annexure-4** to this Report. A certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance, as stipulated in Clause E of Schedule V to the Listing Regulations is attached to the Corporate Governance Report.

The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the year ended March 31, 2023. A certificate from the Managing Director confirming the same is attached to the Corporate Governance Report.

A certificate from the Managing Director and Chief Financial Officer confirming correctness of the financial statements, adequacy of internal control measures, etc. is also attached to the Corporate Governance Report.

**25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report, as stipulated under Listing Regulations is attached as **Annexure-5** to this Report.

**26. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company promotes ethical behaviour in its business activities. The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by Board of Directors of the Company in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations.

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

**27. PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS**

During the FY 2022-23, the Company has not given loans, guarantees and investments as per Section 186 of the Companies Act, 2013.

**28. MATERIAL CHANGES AND COMMITMENTS**

No material changes or commitment has occurred after the close of the FY 2022-23 till the date of this Report, which affects the financial position of the Company.

**29. COMPLIANCE OF THE SECRETARIAL STANDARDS**

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

**30. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has constituted a committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints under the said Act were received.

**31. OTHER STATUTORY DISCLOSURES**

- During the year under review, the Company has not (i) issued any shares, warrants, debentures, bonds, or any other convertible or non-convertible securities (ii) issued equity shares with differential rights as to dividend, voting or otherwise (iii) issued any sweat equity shares to its Directors or employees (iv) made any change in voting rights (v) reduced its share capital or bought back share (vi) changed the capital structure resulting from restructuring except split/sub division of equity shares (vii) failed to implement any corporate action.
- The Company's securities were not suspended for trading during the year.
- The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of a public issue, rights issue, preferential issue, etc. is not applicable to the Company.
- No application has been made under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) ("the IBC, 2016"), hence, the requirement to disclose the details of application made or any proceeding pending under the IBC, 2016 during the year along with their status as at the end of the financial year is not applicable.

**32. COST RECORDS AND AUDIT**

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to maintain the cost records.

**33. INVESTOR SERVICES**

In its endeavor to improve investor services, your Company has taken the following initiatives:-

- The Investors Section on the website of the Company [www.perfectpac.com](http://www.perfectpac.com) is updated regularly for information of the shareholders.
- There is a dedicated e-mail id [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com) for sending communications to the Company Secretary and Compliance Officer.
- Disclosure made to the Stock Exchange are promptly uploaded on the website of the Company as per requirement of Listing Regulations, for information of the Investors.

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

**34. ACKNOWLEDGEMENTS**

The Board of Directors expresses its heartfelt thanks and appreciation to Employees at all levels for their hard work, solidarity, cooperation and dedication over the past year. The Board expresses its gratitude to Customers, Shareholders, Suppliers, Bankers, Business Partners, Regulators and Government agencies for their continued support.

**For and on behalf of the Board**

**Place : New Delhi  
Dated : July 28, 2023**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN : 00141766

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2023 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance – Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2023 according to the provisions of :-

1. The Companies Act, 2013 ("the Act") and Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not Applicable to the Company during the audit period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, **(Not applicable to the Company during the audit period);**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client to the extent of securities issued;

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CIN No.: L72100DL1972PLC005971

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period)** and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and amendments from time to time, to the extent applicable.

6. We further report that, having to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the laws and Regulations applicable to the Company;

We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We have also examined compliance with the applicable clause of the following:

- i) Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

We further report that:-

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

Adequate notice is given to all Directors to schedule the Board 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

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

We further report that during the audit period the following event occurred which has bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- i) The equity shares of the Company delisted from the Calcutta Stock Exchange Limited w.e.f. 04.05.2022.
- ii) Sub-division/Split of existing 1 (one) Equity Share of face value of Rs. 10/- each fully paid up into 5 (five) Equity Shares of face value of Rs. 2/- each fully paid up.
- iii) Alteration of Capital Clause of the Memorandum and Article of Association of the Company.

This report is to be read with our letter of even date which is annexed as "**Annexure-A**" and form an integral part of this report.

**For RSM & CO.**  
**Company Secretaries**

**SUMAN PANDEY**  
**PARTNER**  
**FCS NO.7606|CP NO. 8404**  
**UDIN : F007606E000690057**  
**Peer Review Number: 978/2020**

Dated : 28/07/2023  
Place : Delhi



CIN No.: L72100DL1972PLC005971

**Annexure-A**

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

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

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

**For RSM & CO.**  
Company Secretaries

**SUMAN PANDEY**  
**PARTNER**  
**FCS : 7606|COP No.: 8404**  
**UDIN : F007606E000690057**  
**Peer Review Number: 978/2020**

Dated : 28/07/2023  
Place : Delhi



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

**A. CONSERVATION OF ENERGY**

- **Steps taken or impact on conservation of energy:-** The Company is taking continuous steps to optimize the use of energy. It is committed to energy conservation in all its operations and activities.
- **Steps taken by the company for utilizing alternate sources of energy:-** The Company is using Agro Waste Briquettes as fuel for steam generation. It is also shifting towards CNG powered commercial vehicles for transportation of its goods. The Solar project has been delayed and is expected to be implemented in the current year.
- **Capital investment on energy conservation equipment's:-** Rs. 5.62 lakhs

**B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

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

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

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Total foreign exchange used and earned during the year:

Used : Rs. 138.06 lakhs

Earned : Nil

**For and on behalf of the Board**

**Place : New Delhi**  
**Dated : July 28, 2023**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN : 00141766

### **PARTICULARS OF EMPLOYEES**

**Particulars prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) The Ratio of remuneration of each Director to the median remuneration of the Employees of the Company for the financial year 2022-23, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23:-

S. No.	Name and Designation of Director /KMP	Remuneration during the financial year 2022-23 (Rs. in lakhs)	% increase in Remuneration	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Kumar Rajgarhia# <sup>1</sup> Chairman and Non-Executive Director	0.45	(25.00)	0.21
2.	Shri Sanjay Rajgarhia Managing Director	111.04	9.60	52.83
3.	Shri Raj Gopal Sharma# <sup>2</sup> Whole time Director	27.46	N.A.	13.07
4.	Shri Harpal Singh Chawla Independent Director	0.60	0	0.29
5.	Shri Manish Garg# <sup>3</sup> Independent Director	0.45	N.A.	0.21
6.	Smt. Ruchi Vij# <sup>1</sup> Independent Director	0.30	(50.00)	0.14
7.	Shri Mohinder Nagpal Chief Financial Officer	10.39	11.18	N.A.
8.	Mrs. Nidhi# <sup>4</sup> Company Secretary	0.60	N.A.	N.A.
9.	Ms. Shefali Chauhan# <sup>5</sup> Company Secretary	1.43	(62.49)	N.A.

Note:- 1. Remuneration comprises basic salary, allowances, perquisites, LTA and Bonus (does not include PF, Gratuity).

2. The remuneration to Directors is within the overall limits approved by the Board of Directors and shareholders of the Company.

3. #<sup>1</sup> Shri Rajendra Kumar Rajgarhia and Smt. Ruchi Vij did not attend all meetings of the Board for FY 2022-23 due to which the % increase in remuneration is negative.

#<sup>2</sup> Appointed as Whole time Director w.e.f. July 12, 2022. Hence % increase in remuneration in FY 2023 is not applicable.

#<sup>3</sup> Appointed as Independent Director w.e.f. July 12, 2022. Hence % increase in remuneration in FY 2023 is not applicable.

#<sup>4</sup> Mrs. Nidhi, Company Secretary and Compliance Officer of the Company appointed w.e.f. January 20, 2023. Hence % increase in remuneration in FY 2023 is not applicable.

#<sup>5</sup> Ms. Shefali Chauhan, Company Secretary and Compliance Officer of the Company has resigned w.e.f. July 23, 2022 due to which the % increase in remuneration is negative.

- (ii) The percentage increase in the median remuneration of employees in the Financial Year 2022-23 was 10.03%;
- (iii) Total number of permanent employees on rolls of the Company as on March 31, 2023 was 141.
- (iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-

Average increase in remuneration of employees other than Key Managerial Personnel (KMPs) is 4.14% for those employees who are present throughout last & current financial year.

Average increase in remuneration of KMPs is 6.62%.

- (v) **Affirmation that the remuneration is as per the remuneration policy of the Company**

It is affirmed that the remuneration paid is as per the Nomination and Remuneration Policy applicable for Directors, Key Managerial Personnel and other employees.

**For and on behalf of the Board**

**Place : New Delhi**  
**Dated : July 28, 2023**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN : 00141766

**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Our corporate governance is a reflection of our value system, encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices and performance, and ensure that we gain and retain the trust of our stakeholders at all times.

The highlights of the Company's Corporate Governance regime are:-

- The Company believes that an active, well-informed and independent Board is necessary to ensure high standards of Corporate Governance. The Company has an optimum combination of Executive and Non-Executive Directors including Women Director.
- Constitution of several Committees for focused attention and proactive flow of information, enables the Company to ensure expedient resolution of diversified matters.
- Emphasis on ethical business conduct by the Board, management and employees.
- Code of Conduct for Directors and Senior Management of the Company.
- Code of Conduct for Prevention of Insider Trading.
- Detailed Policy for Disclosure of Material Events and Information.
- Robust Vigil Mechanism.
- Timely, transparent and regular disclosures.
- Regular communication with shareholders, including e-mailing of Annual Reports and other documents etc.
- Robust and effective framework for online reporting of statutory compliances and review on a periodic basis.
- Focus on hiring, retaining and nurturing best talent and to promote a culture of excellence across the organisation.

The SEBI regulates Corporate Governance practices and disclosure for the listed companies through the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company is in full compliance with the Listing Regulations.

**2. BOARD OF DIRECTORS****(a) Composition**

The Board of Perfectpac Limited ("the Company") comprises of six Directors out of which three are Non-Executive Independent Directors including a Woman Director, one is Non-Executive Director & Chairman, another is Promoter & Managing Director and one is Whole time Director.

The skills, expertise and competencies of the Directors as identified by the Board in the context of business of the Company, are provided and forming part of this Report. These skills, expertise and competencies are available in the present mix of the Executive and Non-Executive Directors including Independent Directors and Women Director.

The maximum tenure of Independent Directors is upto five consecutive years from the date of their appointment. However, they can be re-appointed for another term of five consecutive years. The date of appointment/re-appointment and tenure of the existing Independent Directors are given below:-

<b>S. No.</b>	<b>Name of Independent Director</b>	<b>Date of Appointment/ Re-appointment</b>	<b>Date of Completion of Tenure</b>
1.	Shri Harpal Singh Chawla	April 01, 2019 (Re-appointment)	March 31, 2024
2.	Smt. Ruchi Vij	September 24 2020 (Re-appointment)	September 23, 2025
3.	Shri Manish Garg	July 12, 2022 (Appointment)	July 11, 2027

The letters of appointment/re-appointment have been issued to the Independent Directors and the terms and conditions thereof are posted on the Company's website.

The Board of Directors along with its Committees provides effective leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures.

**(b) Key Functions of the Board**

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:-

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring implementation & corporate performance and overseeing major capital expenditures, acquisitions and divestments;
- Monitoring the effectiveness of the Company's governance, policies & practices and making changes as needed;
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning;
- Aligning Key Managerial Personnel and Board remuneration with the long term interests of the Company and its shareholders;
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;
- Monitoring and managing potential conflicts of interest of management, board members and shareholders, including misuse of corporate assets and abuse in related party transactions;
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the laws & regulations and relevant standards in force;
- Overseeing the process of disclosure and communications;
- Monitoring and reviewing Board's Evaluation framework.

**(c) Meetings of the Board**

Meetings of the Board are generally held at the Registered Office of the Company at 910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019, India. During the financial year 2022-23, the Board met five times as per the details mentioned below:-

S. No.	Date of Board Meeting
1.	May 30, 2022
2.	July 12, 2022
3.	August 10, 2022
4.	November 07, 2022
5.	January 20, 2023

The Company has held minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed prescribed limit of 120 days which is in compliance with the provisions of the Listing Regulations, Companies Act, 2013 and Secretarial Standard-1.

An annual calendar of meetings is prepared well in advance and shared with the Directors in the beginning of the year to enable them to plan their attendance at the meetings. Directors are expected to attend Board and Committee Meetings, spend the necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

Concerned executives of the Company communicate the matters requiring approval of the Board to the Company Secretary, well in advance, so that these can be included in the Agenda for the scheduled Board/Committee Meeting.

Agenda papers are sent to the Directors, well in advance, before the meetings. Draft Minutes of the Board and Committee meetings are circulated to the Directors for their comments thereon and, thereafter, noted by the Board/Committee in its next Meeting.

The composition of Board of Directors, their attendance at Board Meetings during the financial year 2022-23 and at the last Annual General Meeting duly held on September 15, 2022 are given in table below:-

Name of Director	DIN	Category	Attendance at the Meeting	
			No of Board Meetings attended (Total held during tenure)	Last AGM Attended
Shri Rajendra Kumar Rajgarhia	00141766	Non-Executive Director and Chairman	4 (5)	No
Shri Sanjay Rajgarhia	00154167	Managing Director and Promoter	5 (5)	Yes
Shri Raj Gopal Sharma*	09666890	Whole time Director	3 (3)	Yes
Shri Harpal Singh Chawla	00025492	Non-Executive and Independent Director	5 (5)	Yes
Shri Manish Garg*	01324631	Non-Executive and Independent Director	3 (3)	Yes
Smt. Ruchi Vij	01127918	Non-Executive and Independent Director	2 (5)	No

\* Shri Raj Gopal Sharma, Whole time Director and Shri Manish Garg, Independent Director appointed on the Board of the Company w.e.f. July 12, 2022.

**(d) Other Directorships**

The details of other Directorship and Committee Membership/Chairmanship as at March 31, 2023 are as follows:-

Name of the Director	Directorship in Listed Entity and Category of Directorships	No. of other Directorships and Committee memberships and Chairmanships		
		Directorships*	Chairman#	Member#
Shri Rajendra Kumar Rajgarhia	APM Industries Limited (Whole time Director)	2	Nil	Nil
Shri Sanjay Rajgarhia	None	2	Nil	2
Shri Raj Gopal Sharma	None	Nil	Nil	Nil
Shri Harpal Singh Chawla	None	7	1	1
Shri Manish Garg	None	4	1	Nil
Smt. Ruchi Vij	None	1	Nil	2

**Note:**

\* The Directorships, held by Directors, as mentioned above, do not include the Directorships held in Section 8 Companies, Foreign Companies and Perfectpac Limited.

# Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies including Perfectpac Limited.

**(e) Disclosure of relationships between directors inter-se**

Shri Sanjay Rajgarhia, being son of Shri Rajendra Kumar Rajgarhia, Chairman of the Company are related to each other. Except this, there is no inter-se relationship among the Directors.

**(f) Information given to the Board**

The Board and Committees thereof have complete access to all relevant information. Such information is submitted either as part of the agenda papers of the meetings in advance or by way of presentations and other discussion material during the meetings. Such information, inter-alia, includes the following:-

- Annual operating plans, budgets and any updates thereon;
- Capital budgets and any updates thereon;
- Annual and Quarterly results of the Company and its operating divisions or business segments;

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- Minutes of the meetings of the Audit Committee and other Committees of the Board of Directors;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Issue which involves possible public or product liability claims of substantial nature;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions including any significant development in Human Resources/ Industrial Relations front;
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc;
- Quarterly statement showing status of investors complaints;
- Compliance Report pertaining to applicable laws and steps taken to rectify instance of non-compliance, if any; and
- Quarterly Compliance Report on Corporate Governance.

### **(g) Independent Directors Meeting**

Independent Directors meeting was held on January 20, 2023, without the attendance of Non- Independent Directors and members of the management of the Company. The Independent Directors, inter alia, evaluated the performance of the Non-Independent Directors, the Chairperson of the Company and the Board of Directors as a whole for the Financial Year 2022-23. They also assessed the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### **(h) Familiarisation Programme for Independent Directors**

The Company familiarises its Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, legal updates and other relevant information relating to the Company. In this regard, the Company follows a structured familiarisation programme for the Independent Directors. The details related thereto are displayed on the Company's website [www.perfectpac.com](http://www.perfectpac.com). The weblink for the same is: <https://perfectpac.com/fp.aspx>.

### **(i) Core skills/expertise/competence of the Board of Directors**

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

In the table below, the specific areas of focus or expertise of Individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Area of Core Skills/ Expertise/Competencies	Shri Rajendra Kumar Rajgarhia	Shri Sanjay Rajgarhia	Shri Raj Gopal Sharma	Shri Harpal Singh Chawla	Shri Manish Garg	Smt. Ruchi Vij
Understanding of Company's business/strategy and structure	✓	✓	✓	✓	✓	✓
Financial accumen	✓	✓	✓	✓	✓	✓
Knowledge of the Companies Act, 2013, applicable SEBI and Stock Exchange Regulations	✓	✓	✓	✓	✓	✓
Entrepreneurial skills to evaluate risk and rewards and perform advisory role	✓	✓	✓	✓	✓	-
Focus on compliance	✓	✓	✓	✓	✓	✓
Understanding of the processes and systems for defining high corporate governance standards	✓	✓	✓	✓	✓	✓
Understanding rights of Shareholders and obligations of the Management	✓	✓	✓	✓	✓	✓

**(j) Confirmation of Independence**

The Independent Directors of your Company have confirmed that (a) they meet the criteria of Independence as prescribed under Section 149 read with relevant rules of the Act and Regulation 16 of the Listing Regulations, and (b) they are not aware of any circumstance or situation, which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

Further, in the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act, Listing Regulations and are independent of the management of the Company.

**(k) Number of shares held by Board of Directors as on March 31, 2023**

Details of the shareholding held by Board of Directors as on March 31, 2023 are given in the table below:-

Name of Directors	Number of Shares	% of shareholding
Shri Rajendra Kumar Rajgarhia	Nil	Nil
Shri Sanjay Rajgarhia	3438100	51.63
Shri Raj Gopal Sharma	Nil	Nil
Shri Harpal Singh Chawla	Nil	Nil
Shri Manish Garg	Nil	Nil
Smt. Ruchi Vij	Nil	Nil

**3. Committees of the Board**

The Board has constituted several Committees of Directors with adequate delegation of powers to focus effectively on the issues and ensure expedient resolution of diverse matters. Each Committee has specific terms of reference setting forth the purpose, role and responsibilities of the Committee. Committee members are appointed by the Board as and when required with the consent of individual Directors. Further, the Company Secretary of the Company acts as the Secretary to all the Committees. All recommendations of the Committees are placed before the Board for approval or information, if required. During the financial year ended March 31, 2023, all the recommendations of/submissions by the Committees which were mandatorily required, were accepted by the Board. These Committees meet as often as required or as statutorily required.

The minutes of meetings of the Committees of the Board are circulated quarterly to the Board for noting.



The Committees of the Board are:-

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

Board Committees and its Composition has been disclosed on the website of the Company at [www.perfectpac.com](http://www.perfectpac.com). Brief terms of reference, composition, meetings, attendance and other relevant details of these Committees are as under:-

#### **AUDIT COMMITTEE**

The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. The Committee through regular interaction with external and internal Auditors and review of financial statements ensures that the interests of stakeholders are properly protected. The committee has powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

All members of the Audit Committee are financially literate and a majority has accounting or financial management expertise.

#### **(i) Terms of reference:-**

The Audit Committee functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of Companies Act, 2013 (hereinafter referred as 'the Act') and Regulation 18 read with Part C of Schedule II to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015, which, inter alia, includes the following:-

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration, terms of appointment of Auditors of the Company including their replacement or removal.
3. Approval for payment to Statutory Auditors for any other permitted services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements and Auditors' report thereon before submission to the Board for approval, with particular reference to.
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Draft Auditors' report including qualifications, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take steps in this matter.
7. Reviewing and monitoring with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of the audit processes.
8. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
9. Discussion with internal auditors on any significant findings and follow up there-on.
10. Reviewing the findings of any internal investigations by internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower Policy (Vigil Mechanism).
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Approval or any subsequent modification of transactions of the Company with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the Company, wherever it is necessary.
18. Evaluation of internal financial controls and risk management system.
19. Review of Management discussion and analysis of financial condition and results of operations.
20. Review of Management letters / letters of internal control weaknesses issued by the statutory auditors.
21. Review of Internal audit reports relating to internal control weaknesses.
22. Review of Financial statement, in particular, investments made by the subsidiary company(ies), if any.
23. Recommend appointment and remuneration of Cost Auditors, if any.
24. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively.
25. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

**(ii) Composition**

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

**Invitees:**

The representatives of Statutory Auditors and Internal Auditors, and other executives, as desired by the Committee, attend the meetings as invitees.

**(iii) Meetings, Quorum and Attendance**

Audit Committee meets at least four times in a year with a gap of not more than one hundred and twenty days between two consecutive meetings. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least two Independent Directors.

During the year 2022-23, the Committee met four times i.e. on May 30, 2022, August 10, 2022, November 07, 2022 and January 20, 2023.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Manish Garg, Chairman*	3	3
Shri Harpal Singh Chawla, Member	4	4
Shri Sanjay Rajgarhia, Member	4	4
Smt. Ruchi Vij, Member	4	2

\* Shri Manish Garg, inducted as Chairman of the Committee, effective from close of business hours of July 12, 2022.

**NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee, functions according to its terms of reference that define its authority, responsibility and reporting functions in accordance with the provisions of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations:-

**(i) Terms of reference:-**

The duties and responsibilities of the Committee are:-

1. To identify persons who are qualified to become director in accordance with the criteria laid down and recommend to the Board, their appointment/ removal.
2. To identify persons who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment / removal.

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3. Specify manner for effective evaluation of performance of Board, Directors and its committees and review its implementation and compliance.
4. For appointment of an Independent Director on the Board, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director to be appointed.  
The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:-
  - use the services of an external agency, if required
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
5. Extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.
6. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
7. To devise a policy on Board diversity;
8. To formulate and recommend to the Board policies relating to the remuneration for:-
  - a. Directors;
  - b. Key Managerial Personnel; and
  - c. Other Employees of the Company;
9. Recommend to the Board, all remuneration, in whatever form, payable to senior management;
10. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

### (ii) Composition

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

### (iii) Meetings, Quorum, Attendance

The Committee shall meet at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher with at least one Independent Director.

During the year 2022-23, the Committee met four times i.e. on May 30, 2022, July 12, 2022, August 10, 2022 and January 20, 2023.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Harpal Singh Chawla, Chairman	4	4
Shri Rajendra Kumar Rajgarhia, Member	4	4
Smt. Ruchi Vij, Member	4	1

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee oversees various activities that lead to improve the effectiveness of shareholder services viz review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate share certificates, dematerialisation/ rematerialisation of shares and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations.

#### (i) Terms of reference:-

The role of Committee is:-

1. Resolving grievances of the security holders' of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new /duplicate certificates, general meetings etc;



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2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. To deal with all matters relating to issue of duplicate share certificate, transmission of securities etc.
5. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend/warrants/ annual reports/statutory notices by the shareholders of the Company; and
6. Discharge any other duties or responsibilities as may be prescribed by law or as may be delegated by the Board from time to time.

**(ii) Composition**

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

**Compliance Officer**

Mrs. Nidhi, Company Secretary of the Company is the Compliance Officer in terms of Regulation 6 of Listing Regulations.

\* Mrs. Nidhi, was appointed on January 20, 2023 as Company Secretary and Compliance Officer of the Company in place Ms. Shefali Chauhan who has resigned w.e.f July 23, 2022.

**(iii) Meetings, Quorum, Attendance**

The Committee shall meet at least once in a year. The quorum for the meeting is either two members or one third of the members of the Committee, whichever is higher.

During the year 2022-23 the Committee met twice i.e. on May 30, 2022 and November 07, 2022.

Attendance details of the members are given in the table below:-

Name of the Committee Member	Meetings Held During Tenure	Meetings Attended
Shri Harpal Singh Chawla, Chairman	2	2
Shri Sanjay Rajgarhia, Member	2	2
Smt. Ruchi Vij, Member	2	2

**(iv) Investors' Grievances/Complaints**

During the year 2022-23, the Company received two complaints, which was duly resolved.

**(v) Transfers, Transmissions etc. approved**

During the year 2022-23, the Company received 14 cases (involving 5,521 equity shares) of share transmission and all the shares were duly transmitted and no case was rejected for technical reasons. The Company didn't receive any request for transfer of shares.

The Company had 2650 shareholders as on March 31, 2023.

**4. PERFORMANCE EVALUATION AND ITS CRITERIA**

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out annual evaluation of its performance, its Committees, Chairperson and Directors through structured questionnaires.

Performance of the Board was evaluated by each Director on the parameters such as its role and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner, regular evaluation of progress towards strategic goals and operational performance, adoption of good governance practices and adequacy and length of meetings, etc. Independent Directors also carried out evaluation of the Board performance.

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Board Committees were evaluated by the respective Committee members on the parameters such as its role and responsibilities, effectiveness of the Committee vis-a-vis assigned role, appropriateness of Committee composition, timely receipt of information by the Committee, effectiveness of communication by the Committee with the Board, Senior Management and Key Managerial Personnel.

Performance of the Chairperson was evaluated by the Independent Directors after taking into account the views of Executive and Non-executive Directors, on the parameters such as demonstration of effective leadership, contribution to the Board's work, relationship and communications with the Board and shareholders, use of time and overall efficiency of Board meetings, quality of discussions at the Board meetings, process for settling Board agenda, etc.

Directors were evaluated individually by the Board of Directors (excepting the Director himself) on the parameters such as his/ her preparedness at the Board meetings, attendance at the Board meetings, devotion of time and efforts to understand the Company and, its business, quality of contribution at the Board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with Board members, Senior Management and Key Managerial Personnel, etc. Independent Directors were additionally evaluated for their performance and fulfilment of criteria of independence and their independence from the Management. The performance evaluation of the Non - Independent Directors was also carried out by the Independent Directors.

Outcome of the evaluation was submitted to the Chairman of the Company. The Chairman briefed the outcome of the performance evaluation to the Board.

### 5. **REMUNERATION OF DIRECTORS**

#### **(a) Remuneration to Executive Directors**

Details of the remuneration paid to Managing Director and Whole time Director during financial year 2022-23 is mentioned below:-

(Rs. in lakhs)

Name of Director	Basic Salary	Benefits/Allowances Perquisites	Commission	Total*
Shri Sanjay Rajgarhia	60.00	51.04	-	111.04
Shri Raj Gopal Sharma	17.69	9.77	-	27.46

\*Remuneration comprises basic salary, allowances, perquisites, LTA and Bonus (does not include PF, Gratuity).

#### **Service Contracts, Notice Period and Severance Fees**

The Appointment of Managing Director and Whole time Director is contractual in nature. They may resign/ terminable, as the case may be, from the services of the Company by giving three months' written notice. No severance fee is payable.

#### **(b) Remuneration to Non-Executive Directors**

Non-Executive Directors ('NEDs') are remunerated by way of Sitting Fees for attending the meetings. Details of Sitting Fees to NEDs during financial year 2022-23 is mentioned below:-

(Rs. in lakhs)

Name of Director	Board Meetings	Total
Shri Rajendra Kumar Rajgarhia	0.45	0.45
Shri Harpal Singh Chawla	0.60	0.60
Shri Manish Garg	0.45	0.45
Smt. Ruchi Vij	0.30	0.30

Remuneration as indicated above and reimbursement of expenses incurred for attending the meetings of the Company, the NEDs did not have any pecuniary relationship or transactions with the Company during the year.

**(c) Criteria for making payment to Non-Executive Directors**

The Company considers the time and efforts put in by the Non-Executive Directors in deliberations at Board/Committee meetings. They are remunerated by way of sitting fees for attending the meetings, approved by the Board and members of the Company, wherever applicable. The criteria has been defined in the Nomination and Remuneration Policy of the Company. The criteria is also displayed on Company's website [www.perfectpac.com](http://www.perfectpac.com).

**6. GENERAL BODY MEETINGS**

**(a) The details of the last three Annual General Meetings (AGM) of the Company are as follows:-**

Financial Year	Date	Time	Location
2021-2022 (50th AGM)	September 15, 2022	12:30 PM	Meeting conducted through Video conferencing /Other Audio Visual Means. Deemed location is the Registered office of the Company at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 through Video Conferencing.
2020-2021 (49th AGM)	September 28, 2021	03:00 PM	Meeting conducted through Video conferencing /Other Audio Visual Means. Deemed location is the Registered office of the Company at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 through Video Conferencing.
2019-2020 (48th AGM)	September 29, 2020	12:30 PM	Meeting conducted through Video conferencing /Other Audio Visual Means. Deemed location is the Registered office of the Company at 910, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 through Video Conferencing.

**(b) Special resolution passed during last three AGMs:-**

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

AGM	Special Resolutions Passed
50 <sup>th</sup> AGM	<ul style="list-style-type: none"> <li>• To Approve Remuneration of Shri Sanjay Rajgarhia (DIN: 00154167), Managing Director of the Company.</li> <li>• To Appoint Shri Manish Garg (DIN: 01324631) as an Independent Director on the Board of the Company.</li> <li>• To Alter Capital Clause of the Memorandum of Association and Article of Association of the Company.</li> </ul>
49 <sup>th</sup> AGM	-
48 <sup>th</sup> AGM	<ul style="list-style-type: none"> <li>• To Re-appoint Smt. Ruchi Vij (DIN: 01127918) as Non-Executive Independent Director on the Board of the Company.</li> </ul>

**(c) Whether any Special Resolution(s) passed through Postal Ballot during Financial Year 2022-23**

No special resolution was passed through Postal Ballot during the Financial Year 2022-23.

**(d) Whether any Special Resolution is proposed to be passed through Postal Ballot: No**

**(e) Procedure for Postal Ballot**

- The notices containing the proposed resolutions and explanatory statements thereto are sent to all members of the Company at their registered postal/email addresses alongwith a Postal Ballot Form and a postage pre-paid business reply envelope containing the address of the Scrutinizer appointed by the Board for carrying out postal ballot process;
- The Postal Ballot Forms/e-voting received within 30 days of dispatch are considered by the Scrutinizer;

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- The Scrutinizer submits his report to the Chairman of the Company or a person authorized by him, who on the basis of the report announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited (NSDL) for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the proposals of the Company.

### 7. **MEANS OF COMMUNICATION**

- (a) **Financial Results:-** In accordance with the Listing Regulations, the quarterly/half-yearly/annual results are regularly uploaded on BSE Listing Centre.
- (b) **Newspaper Advertisement:** The quarterly/half-yearly/annual results are generally published in leading business newspaper, namely, Pioneer (English) & regional newspaper namely, Pioneer (Hindi) in compliance with Listing Regulations and simultaneously posted on the Company's website at [www.perfectpac.com](http://www.perfectpac.com).
- (c) **Company's Website:** Various sections of the Company's website ([www.perfectpac.com](http://www.perfectpac.com)) keep the investors updated on the key and material developments of the Company by providing timely information like details of directors, financial results, annual reports, shareholding pattern etc.
- (d) Annual Report is emailed to such members whose email ids are registered with the Company/ Depositories.
- (e) The Company works towards excellence in stakeholder communication. It believes in sharing all material information that may directly or indirectly affect the financial and operational performance of the Company and consequently the share price.

### 8. **CODES AND POLICIES**

The Company has established a robust framework of Codes and Policies that facilitates and reflects adoption of good governance practices. The Company has established the following salient codes and policies:-

(a) **Code of Conduct for Directors and Senior Management**

The Company has formulated and implemented a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code of Conduct is posted on the Company's website [www.perfectpac.com](http://www.perfectpac.com).

All Board Members and Senior Management Personnel have affirmed compliance with the Code. The declaration to this effect signed by Shri Sanjay Rajgarhia, Managing Director is enclosed as **Annexure-A**.

(b) **Code of Conduct for prevention of Insider Trading**

The Company has formulated and implemented a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities of the Company by its Designated Persons. Dealing in the shares of the Company by the Designated Persons is effectively monitored for ensuring compliance with the Code.

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

(c) **Code of Practices and Procedures for fair Disclosure of Unpublished Price Sensitive Information**

The Company has adopted a Code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information with a view to facilitate prompt, uniform and universal dissemination of unpublished price sensitive information. Pursuant to the Insider Trading Regulations the Code also includes the Policy for Determination of Legitimate Purposes. The Code is posted on the Company's website [www.perfectpac.com](http://www.perfectpac.com).

(d) **Policy for Determining Materiality of Events**

The Company has adopted a Policy for Determining Materiality of Events for the purpose of making disclosure to the Stock Exchange. This policy aims to ensure timely and adequate disclosure of all material and price sensitive information to the Stock Exchange. The Policy was modified by the Board with effect from July 28, 2023 to align with the statutory changes. The Policy is displayed on Company's website [www.perfectpac.com](http://www.perfectpac.com).

(e) **Policy for Preservation of Documents**

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

**(f) Archival Policy**

The Company has adopted an Archival Policy that lays down the process and manner of archiving the disclosures made to the Stock Exchanges under the Listing Regulations. The Policy provides that such disclosures shall be hosted on the website of the Company for a period of five years from the date of disclosure to the Stock Exchanges. The Policy also lays down the manner of archiving these disclosures after the period of 5 years. The Policy has been posted on the Company's website [www.perfectpac.com](http://www.perfectpac.com).

**(g) Policy for Determining Material Subsidiaries**

The Company has in place a Policy for Determining Material Subsidiaries. The Policy is disclosed on the website of the Company. The web link for the same is <https://perfectpac.com/Upload/Common/PAC/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>. As on March 31, 2023, the Company do not have any material subsidiary company.

**(h) Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions**

The Company has in place a policy on materiality of Related Party Transactions and dealing with Related Party Transactions. The Policy was modified by the Board with effect from April 01, 2022 to align with the statutory changes. The Policy is disclosed on Company's website.

The web-link for the same is

<https://perfectpac.com/Upload/Common/PAC/Policy%20for%20Related%20Party%20Transactions.pdf>.

**(i) Whistle Blower Policy**

The Company has a robust Whistle Blower Policy to make the workplace as conducive to open communication regarding business practices. It enables the Directors and full time employees to voice their concerns or disclose or report fraud, unethical behaviour, violation of the Code of Conduct, questionable accounting practices, grave misconduct, etc. without fear of retaliation/ unlawful victimization/ discrimination which is a sine qua non for an ethical organization.

The Whistle Blower Policy has been posted on the Company's website [www.perfectpac.com](http://www.perfectpac.com). The Audit Committee periodically reviews the functioning of the Policy. During the year, no Director or full-time employee was denied access to the Audit Committee.

**(j) Nomination and Remuneration Policy**

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

The Policy aims to ensure that the persons appointed as Directors, KMP and Employees possess requisite qualifications, experience, expertise and attributes commensurate to their positions and level and that the composition of remuneration to such persons is fair and reasonable and sufficient to attract, retain and motivate the personnel to manage the Company successfully. The Policy contains, inter alia, provisions pertaining to qualification, attributes and process of their appointment and removal as well as components of remuneration. The Policy is displayed on the Company's website and the web-link for the same is <https://perfectpac.com/Upload/Common/PAC/Nomination%20and%20Remuneration%20Policy.pdf>.

**(k) Policy for prevention of Sexual Harassme**

**9. DISCLOSURES**

**(a)** There are no materially significant transaction with the related parties viz. Promoters, Director or the Management, their relatives, etc. that may have a potential conflict with the interests of the Company at large. Related party transactions are given at Note No. 37 of Notes to the Financial Statements in the Annual Report.

**(b)** The Company has complied with various rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to the capital markets and no penalties or strictures have been imposed by them on the Company during last three years except for the half year ended September 30, 2021, fine was imposed by Stock Exchange i.e. BSE Limited of Rs. 5,000/- with respect to late submission of Disclosure of Related Party Transaction under Regulation 23(9) of the Listing Regulations. In this connection, the Company have made representation letter that the Company has complied said Regulation.



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- (c) Detailed notes on risk management are included in the Management Discussion Analysis section.
- (d) **Commodity Price Risks/Foreign Exchange Risk and Hedging Activities:-**  
As per the Company's Policy for Determination of Materiality of Events and Information, your Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.
- (e) Details of total fees paid to Statutory Auditors are provided in Note No. 30 to the Financial Statements forming part of Annual Report.
- (f) During the year, the Company did not raised any funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32(7A) of Listing Regulations.
- (g) During the year, no complaint was filed, disposed and pending in relation to Sexual Harassment of Woman at Work place (Prevention, Prohibition and Redressal) Act, 2013.
- (h) The Company has obtained the recommendations from the respective committees wherever statutorily required for the matter concerned in terms of their term of reference and scope.
- (i) No Loans or advances in the nature of loans were provided to firms/companies in which Directors are interested during FY 2022-23.

### 10. **GENERAL SHAREHOLDERS' INFORMATION**

(a) **Date, Time and venue for 51<sup>st</sup> Annual General Meeting**

As per notice of 51<sup>st</sup> Annual General Meeting.

(b) **Financial Year and Financial Calendar**

The Company follows April 01 to March 31 as its Financial Year. The Financial Calendar for year 2023-24 is as follows:-

Item	Tentative Dates*
First Quarter Results	July 30, 2023
Second Quarter Results	November 08, 2023
Third Quarter Results	February 05, 2024
Audited Annual Results for the year	May 15, 2024

\* As approved by the Board of Directors. However, these dates are subject to change.

(c) **Book Closure & Dividend Payment Dates**

<b>Date of Book Closure</b>	September 12, 2023 to September 18, 2023
<b>Dividend Payment Dates</b>	The dividend of Re. 1/- (i.e. 50%) per equity share of Rs. 2/- each, as recommended by the Board, if declared at the AGM, will be paid, subject to deduction of tax at source wherever applicable, within thirty (30) days from the date of AGM.

(d) **Listing**

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

Name of the Stock Exchange	Security Listed	Scrip Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Equity Shares	526435

*Note: The Company has been voluntarily delisted from the Calcutta Stock Exchange Limited w.e.f. May 04, 2022.*

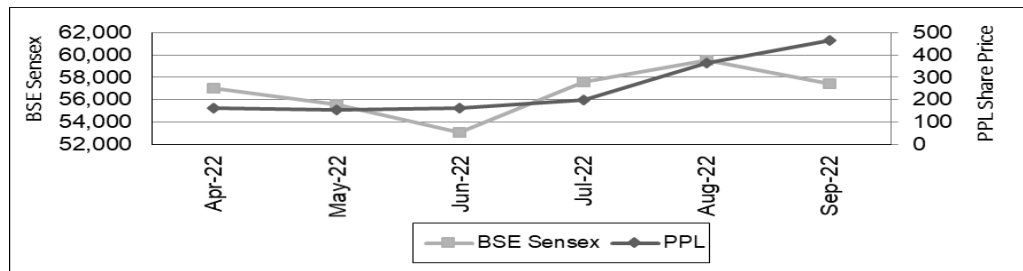
The Company has paid the listing fees for FY 2023-24 to the Stock Exchange where the shares of Company are listed.

**(e) Market Price Data and Performance of the Company's equity shares in comparison to BSE Sensex**

Monthly high/low of market price of the Company's equity shares traded on the Stock Exchange during the year 2022-23 is given hereinafter and below chart shows the comparison of the Company's monthly share price movement vis-à-vis the movement of the BSE Sensex for the financial year ended March 31, 2023 (based on the month end closing):-

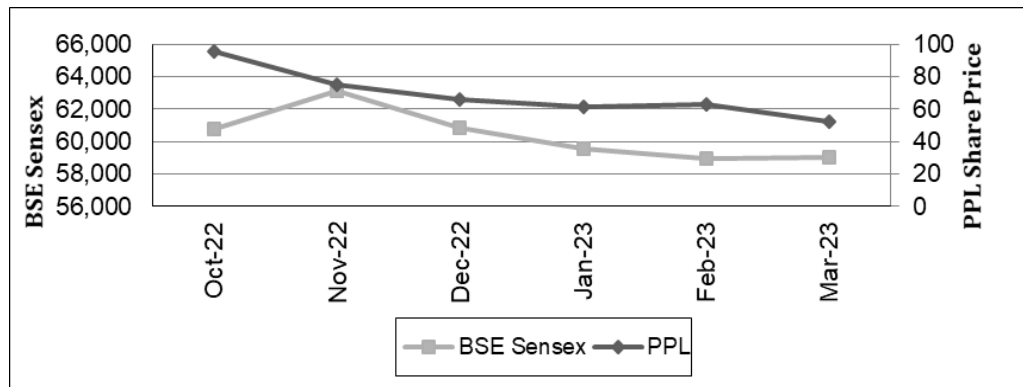
**Before split of equity shares, the face value of share was Rs. 10/-**

Months	High Price	Low Price
April, 2022	201.25	160.20
May, 2022	197.40	152.70
June, 2022	164.00	151.00
July, 2022	200.25	155.00
August, 2022	384.80	210.25
September, 2022	463.75	305.00



**After Split of Shares of the Company Face Value of the share was reduced to Rs. 2/-**

Months	High Price	Low Price
October, 2022	628.80*	91.80**
November, 2022	101.80	72.05
December, 2022	77.90	64.75
January, 2023	77.60	59.00
February, 2023	67.95	52.25
March, 2023	64.00	46.90



\* High Price according to face value of Rs. 10/- per share.

\*\* Low Price according to Face Value of Rs. 2/- per share.

Equity shares of the Company has been split/ sub-divided w.e.f. 21.10.2022, high and low price mentioned accordingly.

**(f) Compliance Officer**

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

**(g) Registrar and Share Transfer Agent**

For share related matters, members are requested to correspond with the Company's Registrar and Share Transfer Agent – Skyline Financial Services Private Limited quoting their Folio No. / DP ID & Client ID at the following address:-

Skyline Financial Services Private Limited,  
D-153A, 1st Floor, Okhla Industrial Area, Phase-I,  
New Delhi - 110 020  
Tel: +011-40450193-97, E-mail: [admin@skylinerta.com](mailto:admin@skylinerta.com), [info@skylinerta.com](mailto:info@skylinerta.com)

**(h) Share Transfer System**

In terms of Regulation 40(1) of Listing Regulations, as amended, securities can be transferred only in dematerialised form with effect from April 01, 2019. Further, with effect from January 24, 2022, SEBI has mandated listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/ consolidation of securities, transmission/ transposition of securities. SEBI vide its Circular dated January 25, 2022 clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

The Company's shares are traded in the Stock Exchange compulsorily in dematerialised mode. The Company on a yearly basis files with the Stock Exchange:-

- a compliance certificate under Regulation 7(3) of the Listing Regulations duly signed by both, the Compliance Officer of the Company and the authorised representative of the Registrar and Share Transfer Agent certifying that all activities in relation to share transfer facility is maintained by Skyline financial Services Private Limited, Registrar and Share Transfer Agent registered with the SEBI.
- a certificate of compliance from a Practicing Company Secretary to the effect that all certificates have been issued within thirty (30) days of the date of lodgment of the transfer, sub-division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations.

**(i) Information for Physical/Demat Shareholders**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (Contact Details, Bank Details and Specimen Signature) and Nomination details.

As per said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC and Nomination details. Physical folios wherein the PAN, KYC and Nomination details were not available on or after April 01, 2023 were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said timeline of April 01, 2023 for freezing of folios has been extended to October 01, 2023.

Dividend and other payments, if any, in respect of such frozen folios shall only be made electronically with effect from April 01, 2024 upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Benami Transactions (Prohibition) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The shareholders holding shares in electronic form who have either not furnished nomination or submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before September 30, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits.

The Company has sent individual letters in the month of May 2023 to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. The relevant Circular(s) and necessary forms in this regard have been made available on the website of the Company at <https://perfectpac.com/updationofkyc.aspx>.

Accordingly, the members are advised to register their details with the RTA or DP, as the case may be, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

Following are the standardised and simplified forms for availing various service requests with the Company/ RTA:-

Type of share holder	Process to be followed
<b>Physical</b>	For availing the following investor services, send a written request in the prescribed forms to RTA either by an email at <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a> , <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> or by post at D-153A,1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110 020.
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes/update thereof <a href="#">Form ISR-1</a>
	Form for registration/updation of signature <a href="#">Form ISR-1</a> , <a href="#">Form ISR-2</a> (as applicable)
	Form for nomination <a href="#">Form SH-13</a>
	Declaration to opt out of nomination <a href="#">Form ISR-3</a>
	Cancellation of nomination/change of nominee <a href="#">Form SH-14</a>
	Form for requesting issue of duplicate certificate and other service requests for shares, etc. <a href="#">Form ISR-4</a>
	Request form for transmission of shares by nominee or legal heir <a href="#">Form ISR-5</a>
<b>Demat</b>	The forms for above-mentioned service request are available on the website of the Company at <a href="https://perfectpac.com/updationofkyc.aspx">https://perfectpac.com/updationofkyc.aspx</a> and RTA at <a href="https://www.skylinerta.com/investor-charter.php">https://www.skylinerta.com/investor-charter.php</a> Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your respective DP.

**(j) Credit Ratings**

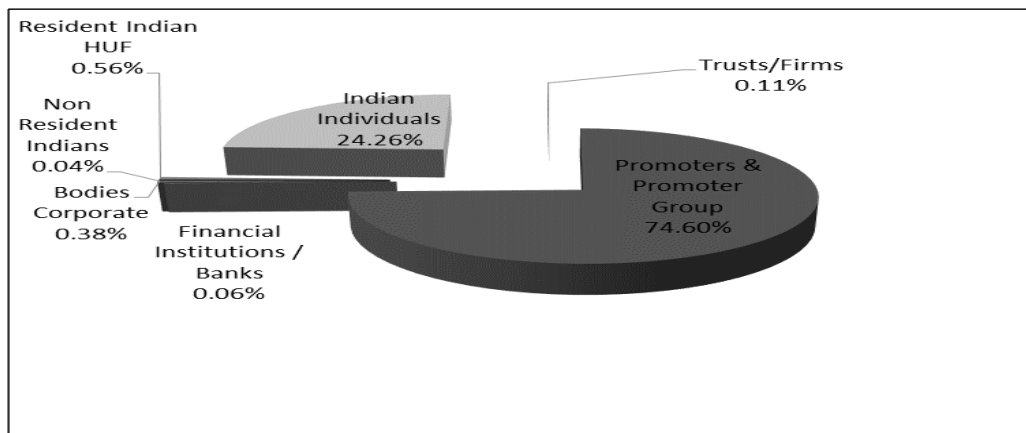
The CRISIL vide its letter dated December 21, 2022 has reaffirmed the credit rating assigned to the Company on the Bank Facilities. The long term credit rating has been reaffirmed as CRISIL BBB-/Stable. The short term credit rating has been reaffirmed as CRISIL A3.

**(k) Distribution of shareholding as on March 31, 2023****(i) Value wise**

Range of Shares	Shareholders		Shareholding	
	Number	% of Total	Number	% of Total
Upto 500	2183	82.38	447101	6.71
501 to 1000	230	8.68	192166	2.89
1001 to 2000	124	4.68	187663	2.82
2001 to 3000	45	1.70	113830	1.71
3001 to 4000	20	0.75	70215	1.05
4001 to 5000	17	0.64	76209	1.14
5001 to 10000	14	0.53	98401	1.48
10001 and above	17	0.64	5473915	82.20
<b>Total</b>	<b>2650</b>	<b>100</b>	<b>6659500</b>	<b>100</b>

**(ii) Category wise**

S. No.	Category	No. of Shares	Shareholding as a percentage of total number of shares
A	<b>Promoter &amp; Promoter Group</b>	4968013	74.60
B	<b>Public Shareholding</b>		
1	Financial Institutions/ Banks	3930	0.06
2	Bodies Corporate	24984	0.38
3	Non-Resident Indians	2385	0.04
4	Resident Indian HUF	37061	0.56
5	Indian Individuals	1615627	24.26
6	Trusts/Firms	7500	0.11
	<b>Total</b>	<b>6659500</b>	<b>100</b>

**Graphical Presentation of Shareholding**

**(l) Unclaimed Dividend**

Pursuant to the provision of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that Companies transfer dividend that has remained unclaimed/un-encashed for a period of 7 years from the date of transfer to the Company's unpaid dividend accounts are be transferred to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the IEPF.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:-

Financial Year	Type of Dividend	Date of Declaration	Due date to be transfer to IEPF
2022-23	Interim Dividend	August 10, 2022	September 16, 2029

The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company for subsequent years on the web site of the Company at [www.perfectpac.com](http://www.perfectpac.com).

**(m) Suspense Escrow Demat Account**

In accordance with the requirements of SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January, 2022 the Company has opened a Suspense Escrow Demat Account with the DP for transfer of shares lying unclaimed for more than 120 days from the date of issue of Letter of Confirmation to the shareholders in lieu of physical share certificate(s) to enable them to make a request to DP for dematerialising their shares.

During the year under review, there is no share transferred to the Company's Suspense Escrow Demat Account.

**(n) Information pursuant to Regulation 36(3) of the SEBI Listing Regulations, 2015**

Information pertaining to particulars of Director to be appointed / re-appointed at the forthcoming Annual General Meeting has been included in the Notice convening the Annual General Meeting.

**(o) Certification of Non-Disqualification of Directors from Company Secretary in Practice**

The Company has obtained a certificate from a Practicing Company Secretary, Ms. Suman Pandey, Partner of M/s. RSM & Co., Company Secretary in Practice, as per the provisions of Schedule V(C) of the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-B**.

**(p) Compliance Certificate from the Statutory Auditors**

The Company has obtained a Certificate from Statutory Auditors confirming compliance of conditions of Corporate Governance as stipulated in Schedule V(E) of the Listing Regulations. The Certificate is attached as **Annexure-C**.

**(q) (i) Dematerialization of Shares**

The shares of the Company fall under the category of confirming delivery in dematerialized mode by all categories of investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). 59,38,970 equity shares constituting 89.04% of total issued Share Capital of the Company were in dematerialized form as on March 31, 2023. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE759I01024.

**(ii) Liquidity**

The Equity Shares of the Company are frequently traded on the BSE Limited.

**(r) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:-**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments in the past and hence, as on March 31, 2023, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

**(s) Location of Plant**

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

**(t) Registered Office and Address for Correspondence**

Perfectpac Limited  
910, Chiranjiv Tower-43, Nehru Place,  
New Delhi-110019  
Tel:- 011-26441018  
Email:- [complianceofficer@perfectpac.com](mailto:complianceofficer@perfectpac.com)  
Website:- [www.perfectpac.com](http://www.perfectpac.com)

**(u) Corporate Identification Number (CIN)**

L72100DL1972PLC005971

**11. COMPLIANCE WITH THE REGULATIONS RELATED TO CORPORATE GOVERNANCE IN THE LISTING REGULATIONS**

**(a) Mandatory Requirements**

The Company has complied with mandatory requirements relating to corporate governance as prescribed in regulation 17 to 27 and sub-regulation 2 of Regulation 46 of Listing Regulations.

**(b) Extent to which Discretionary Requirements have been adopted:**

The Company has partly adopted non mandatory requirements as specified in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations. The Company is having unmodified opinion in Audit Report on Financial Statements and the Internal Auditor Reports directly submit to the Audit Committee.

**CEO/CFO Certification**

In compliance with Regulation 17(8) read with Schedule II(B) of the Listing Regulations, a declaration by Managing Director and CFO is enclosed as **Annexure-D** which, inter-alia, certifies to the Board the accuracy of financial statements and the adequacy of internal controls for the financial reporting purpose.

**For and on behalf of the Board**

**Place : New Delhi  
Dated : July 28, 2023**

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN: 00141766



CIN No.: L72100DL1972PLC005971

**Annexure-A**

**TO WHOMSOEVER IT MAY CONCERN**

This is to confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2023.

**For and on behalf of the Board**

**Place : New Delhi  
Date : May 17, 2023**

**Sanjay Rajgarhia  
Managing Director**

**Annexure-B**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Perfectpac Limited** having CIN: L72100DL1972PLC005971 and having Registered Office at 910, Chiranjiv Tower-43, Nehru Place, New Delhi-110019 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

**For RSM & CO.**  
Company Secretaries

**SUMAN PANDEY  
PARTNER  
FCS NO. 7606 | C.P. NO. 8404  
UDIN : F007606E000690035  
Peer Review Number: 978/2020**

Dated : 28/07/2023  
Place : New Delhi



**Independent Auditor's Certificate Regarding compliance of conditions of Corporate Governance**

To the Members of  
**PERFECTPAC LIMITED,**

We have examined the compliance of conditions of Corporate Governance by Perfectpac Limited for the year ended on 31st March, 2023 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

**Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

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

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, quality control for firms that perform audits and reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

**Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31st, 2023, as referred to in paragraph 1 above.

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

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

**(CA Samir Vaid)**  
Partner  
Membership No. 091309

Place : New Delhi  
Date : 17th May, 2023  
UDIN: 23091309BGXHQE4511

**CERTIFICATE OF CEO/CFO**

(Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This is to certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year 2022-23 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:-
  - i. significant changes, if any, in internal control over financial reporting during the year;
  - ii. significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For and on behalf of the Board**

**Place: New Delhi**  
**Date : May 17, 2023**

**Mohinder Nagpal**  
Chief Financial Officer

**Sanjay Rajgarhia**  
Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

[Schedule V – Regulation 34(3) of SEBI (LODR) Regulations, 2015]

**1. INDUSTRY STRUCTURE AND DEVELOPMENTS**

The packaging industry has tremendous potential for growth in India and the segment has expanded drastically, spurred by the rapid growth in consumer markets. The processed food, personal care, and pharmaceutical end-user industries and other such segments have provide a big boost for the sector. Packaging in India's one of the fastest growing sectors. Over the last few years, the industry has been a key driver of technology and innovation, contributing to various manufacturing sectors, including agriculture and the fast-moving consumer goods (FMCG) sectors. The packaging industry is driven by the factors such as rising population, increasing income levels, and changing lifestyles are anticipated to drive consumption across various industries leading to higher demand for packaging product solutions.

Given the environmental impact of certain packaging materials, consumers world-wide are becoming very eco-sensitive. Accordingly, all manufacturers are looking towards opportunities to become more eco-friendly and adopt sustainable solutions. The demand for such type of packaging is a key driver for the future and shall require extensive expertise and technical development. Packaging is also an effective marketing tool too.

Corrugated packaging, being easily recyclable has universal acceptance. The Indian Industry has a size of approx. Rs. 30,000 Crores and consists of more than 400 Automatic Plants and thousands of semi-automatic plants. Investment in modern technology and automation is leading to improved product quality and performance.

**2. OPPORTUNITIES & THREATS**

Rise in demand from various end-use industries and increase in e-commerce sales drive the growth of the global packaging market. On the other hand, stringent regulations concerning packaging restrain the growth to some extent. However, sustainable and new packaging solutions are expected to create lucrative opportunities in the industry.

As an industry, corrugated packaging is robust and growing rapidly, with innovation, sustainability and market differentiation driving growth. It is a trend that continues to gain great popularity. The widespread adoption of e-commerce transactions/shopping has resulted in millions of packets being delivered daily across the country. This has further increased the demand for quality packaging material. India's large population and huge domestic consumption augur well for our Industry.

The Industry suffers from excess capacity and is highly fragmented. Hence, Raw Material price volatility and increase in manufacturing costs are difficult to pass on to the customers.

**3. SEGMENT-WISE PERFORMANCE**

The Company currently has only one segment of business i.e., Packaging. Hence, segment-wise or product-wise performance is not provided. The Company has no activity outside India. Therefore, there is no geographical segment.

**4. OUTLOOK**

Your Company's priorities have always revolved around service to our customers and maintaining the quality of our end product. We continue to work towards making these strategies our priority by modernizing plant and machinery and by adding balancing equipment to improve quality and production capacity of our products.

The packaging industry is driven by the factors such as rising population, increasing income levels, and changing lifestyles are anticipated to drive consumption across various industries leading to higher demand for packaging product solutions. Moreover, demand from the rural sector for packaged products is fueled by the growing media penetration through the internet and television.

The Indian packaging market is expected to register a healthier growth during the coming years. We feel that factors such as increasing demand from industries of fresh food and beverages, home & personal care goods, and electronic goods, logistics application, increasing consumer awareness towards sustainable packaging, and growth of the e-commerce industry will propel the growth of the corrugated boxes market.

5. **RISKS & CONCERNS**

Effective risk management is integral to the Company's operations and is embedded in its day-to-day business transactions and activities. The framework in place seeks to identify, prioritise, mitigate, monitor and appropriately report any significant threat to the organisation's strategic objectives, its reputation, operational continuity, environment, compliance, and the health & safety of its employees.

Our Vision on Risk Management, to establish and maintain enterprise wide risk management capabilities for active monitoring and mitigation of organizational risks on a continuous and sustainable basis. The Company has a strong risk management framework in place that enables regular and active monitoring of business activities for identification, assessment and mitigation of potential internal or external risks. The Company has in place a well-established processes and guidelines along with a strong reviewing and monitoring system at the Board and senior management levels.

We have a comprehensive internal audit plan exercise which helps to identify risks at an early stage and take appropriate steps to mitigate the same.

6. **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system and a defined organizational structure besides, internal rules and regulations for conducting the business. The Management reviews actual performance with reference to budgets periodically. It is ensured that all assets are safeguarded, protected against loss and all transactions are authorized, recorded, and reported correctly. The Company has Audit Committee of the Board, the composition, and functions of which are furnished in the Corporate Governance Report as part of the Annual Report. The Company has Independent Statutory Auditors and Internal Auditors who submit reports periodically which are reviewed and acted upon.

7. **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATING PERFORMANCE**

A snapshot of the key financials for the last two years is given below:-

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from Operations	9992.99	8849.73
Total Revenue	10004.14	8872.91
Profit Before Tax	365.76	158.95
Profit After Tax	283.20	103.01

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. There is no change in Accounting Treatment on Financials of the Company.

8. **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people. The Company considers its employees to be the most valuable asset and is committed to provide a conducive work environment to enable each individual to fully realize his or her potential. The Company endeavours to ensure the well-being of all its employees. The safety, health and work life balance of employees are extremely important.

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The Company has cordial relations with employees and staff. There are no industrial relations problems during the year and the Company does not anticipate any material problems on this count in the current year. The total number of 141 employees are on the Company's payroll as on March 31, 2023.

### 9. LONG TERM AND SHORT TERM STRATEGY

The Company opts for proactive approach with respect to any changes or opportunities triggered by customers' buying behaviour. The Company sells its products directly to the customers and its strategy is to work closely with its major customers and align its business operations and investment decisions according to their requirements. The Company will also make continuous efforts to explore other growth opportunities.

### 10. SIGNIFICANT CHANGES IN FINANCIAL RATIOS

The mentioned below are the key financial ratios of the Company with reasons for significant changes in the financial ratios which are 25% or more as compared to the previous year:-

Financial Ratios	FY 2022-23	FY 2021-22	Change in %	Reason for Change
Debtors Turnover Ratio	5.28	5.24	0.85	-
Inventory Turnover Ratio (RM)	10.19	7.57	34.52	Due to Reduction in Inventory Levels.
Interest Coverage Ratio	15.48	6.64	133.14	Due to higher profitability before interest cost.
Current Ratio	2.46	2.22	11.13	-
Debt Equity Ratio	0.10	0.25	60.00	Due to higher profitability and reduction in debts.
Operation Profit Margin (%)	4.06	2.57	57.97	Due to higher profitability for the year.
Net Profit Margin (%)	2.88	1.23	134.81	Due to higher profitability for the year.
Return on Net Worth (%)	9.08	3.68	146.61	Due to higher profitability for the year.

### 11. CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectations may incorporate certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied elsewhere. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, economic developments within India which the Company conducts business besides other incidental factors.

**For and on behalf of the Board**

Place : New Delhi  
Dated : July 28, 2023

**Rajendra Kumar Rajgarhia**  
Chairman  
DIN: 00141766

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Perfectpac Limited

### Report on the audit of the Ind AS Financial Statements

#### Opinion

We have audited the Ind AS Financial Statements of Perfectpac Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, changes in Equity and its Cash Flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

#### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in Equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

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opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outway the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



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- d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors, as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are to be required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements - refer Note 31 to Ind AS Financial Statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv) (i) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(ii) The management has represented that to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts, no funds have been received by the Company from any person(s) or entity(ies) including foreign entities ("funding parties") with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and  
  
(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v) The dividend declared/paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.
  - vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f April 1, 2023, reporting under this clause is not applicable.

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

**(CA Samir Vaid)**  
Partner  
Membership No. 091309

Place : New Delhi  
Dated : 17th May, 2023  
UDIN : 23091309BGXHQD6992



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE IND AS  
FINANCIAL STATEMENTS OF PERFECTPAC LIMITED**

(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date)

- i.
  - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
  
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
  - b) The Company has a regular program of physical verification of its Property, Plant & Equipment through which all Property, Plant & Equipment are verified in a phased manner over a reasonable period of three years. As informed to us, no material discrepancies were noticed on such verification during the year.
  - c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements are held in the name of the Company.
  - d) The Company has not revalued its Property, Plant & Equipment (including Right of Use assets) and intangible assets during the year.
  - e) According to the information and explanations given to us and on the basis of our examination of records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
  - a) The inventories except goods in transit have been physically verified by the management at reasonable intervals during the year, and in our opinion the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate in each class of inventory were noticed during physical verification as per information and explanations given to us.
  - b) As per information and explanations given to us, the quarterly returns or statements filed by the Company with banks or financial institutions who have sanctioned working capital limits in excess of Rupees five crores, in aggregate, to the Company on the basis of security of current assets do not vary materially with the books of accounts of the Company.
- iii. According to the information and explanations given to us and the records of the Company examined by us, the Company has neither made investments nor provided any guarantee or security or granted unsecured loans and advances in the nature of loans, to companies, Limited Liability Partnerships or any other parties during the year, hence our comments on clauses (iii)(a),(b),(c),(d),(e) and (f) of the Order are not required.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any loans, investments or given any guarantees and security, hence our comments on compliance with provisions of Section 185 and 186 of the Companies Act, 2013 are not required.
- v. As per information and explanations given to us and the records of the Company examined by us, the Company has neither accepted any deposits nor there are any amounts which are deemed to be deposits. As per information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- vi. In our opinion and according to the information and explanations given to us, maintenance of cost records has not been specified by the Central Government under Sub Section (1) of Section 148 of the Companies Act.
- vii.
  - a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs Tax, Duty of Excise, Value added Tax, Cess and other statutory dues with the appropriate authorities during the year. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.

- b) There are no statutory dues referred to in sub clause (a) which have not been deposited on account of any dispute other than those mentioned below:-

Nature Of dues	Amount (Lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax	0.21	2009-10	CPC, Bengaluru

- viii. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not surrendered or disclosed any transaction, as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which is not recorded in the books of accounts.
- ix. a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and the records of the Company examined by us, term loans have been applied for the purpose for which they were obtained.
- d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
- e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates. The Company does not have any joint ventures.
- f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, or associate companies. The Company does not have any joint ventures.
- x. a) According to the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) According to the records of the Company examined by us the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a) According to the information and explanations given to us and the records of the Company examined by us, no fraud by the Company and fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) The Company has neither informed us nor we have come across any whistle-blower complaints received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii)(a),(b) and (c) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable. The details of such related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has an internal audit system which is commensurate with the size and nature of its business.
- b) The reports of Internal audit of the Company for the period under audit were duly considered by us.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of clause 3(xv) of the Order are not applicable to the Company.

## 51st Annual Report 2022-23

CIN No.: L72100DL1972PLC005971

- xvi. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and the Company is not required to obtain Certificate of Registration from the Reserve Bank of India as per Reserve Bank of India Act, 1934.
- c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India therefore, the provisions of clause 3(xvi)(c) and (d) of the Order are not applicable to the Company.
- xvii. According to the records of the Company examined by us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year.
- xix. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company and on the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. In our opinion and according to the information and explanations given to us and based on our examination of the records, the provisions of Corporate Social Responsibility are not applicable to the Company. Hence, the provisions of clause 3 (xx)(a) and (b) of the Order are not applicable.
- xxi. In our opinion and according to the information and explanations given to us the Company does not prepare Consolidated Financial Statements, hence our comments on qualifications or adverse remarks are not required.

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

**(CA Samir Vaid)**

Partner

Membership No. 091309

Place : New Delhi  
Dated : 17th May, 2023  
UDIN : 23091309BGXHQD6992

### **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PERFECTPAC LIMITED**

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

We have audited the internal financial controls over financial reporting of Perfectpac Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.



CIN No.: L72100DL1972PLC005971

### **Auditor's Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**(CA Samir Vaid)**  
Partner  
Membership No. 091309

Place : New Delhi  
Dated : 17th May, 2023  
UDIN : 23091309BGXHQD6992

## 51st Annual Report 2022-23

CIN No.: L72100DL1972PLC005971

**BALANCE SHEET AS AT 31ST MARCH, 2023**

(Rupees in Lakhs)

Particulars	Note No.	As at		As at
		31st March, 2023		31st March, 2022
<b>ASSETS</b>				
<b>1 Non-Current Assets</b>				
<b>Property, Plant, Equipment and Intangible Assets</b>				
(a) Property, Plant and Equipment	2	1,495.29	1,507.00	
(b) Intangible Assets	2	3.30	4.56	
(c) Right-of-use assets	2	73.75	76.55	
(d) Capital Work-in-Progress	3	-	1.76	
(e) Financial Assets				
(i) Other Financial Assets	4	36.22	35.88	
(f) Other Non-Current Assets	5	74.02	15.31	1,641.06
<b>2 Current Assets</b>				
(a) Inventories	6	720.22	1,018.77	
(b) Financial Assets				
(i) Trade Receivables	7	2,025.02	1,760.98	
(ii) Cash and Cash Equivalents	8(a)	23.29	32.02	
(iii) Other Balances with Banks	8(b)	22.39	21.46	
(c) Current Tax Assets (net)	9	-	6.73	
(d) Other Current Assets	10	53.80	70.59	2,910.55
<b>Total Assets</b>		<b>4,527.30</b>	<b>4,527.30</b>	<b>4,551.61</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	11	133.26	133.26	
(b) Other Equity	12	3,036.04	2,814.74	2,948.00
<b>2 Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Lease Liabilities		1.03	3.27	
(ii) Borrowings	13	92.97	155.43	
(iii) Other Financial Liabilities	14	4.55	8.13	
(b) Deferred Tax Liabilities (net)	15	99.23	119.26	
(c) Other Non Current Liabilities	16	5.36	3.76	289.85
<b>3 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Lease Liabilities		2.24	1.92	
(ii) Borrowings	17	214.92	563.22	
(iii) Trade Payables				
- Total outstanding dues of Micro Enterprises and Small Enterprises	18	33.18	24.62	
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	18	723.43	609.29	
(iv) Other Financial Liabilities	19	79.17	62.23	
(b) Provisions	20	7.67	0.12	
(c) Current Tax Liability (Net)	21	10.07	-	
(d) Other Current Liabilities	22	84.18	52.36	1,313.76
<b>Total Equity and Liabilities</b>		<b>4,527.30</b>	<b>4,527.30</b>	<b>4,551.61</b>

See accompanying notes to the financial statements 1 to 58

As per our report of even date attached

**For V S S A & Associates**  
(Firm Registration No 012421N)  
Chartered Accountants

**CA Samir Vaid**  
Partner  
M. No. 091309

Place : New Delhi  
Dated : 17.05.2023

For and on behalf of the Board

Rajendra Kumar Rajgarhia  
Chairman  
(DIN 00141766)

Manish Garg  
Director  
(DIN 01324631)

Sanjay Rajgarhia  
Managing Director  
(DIN 00154167)

Mohinder Nagpal  
Chief Financial Officer

Nidhi  
Company Secretary  
(M.No 49524 )

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2023**

Particulars	Note No.	(Rupees in Lakhs)	
		Year Ended 31st March, 2023	Year Ended 31st March, 2022
I Revenue from Operations	23	9,992.99	8,849.73
II Other Income	24	11.15	23.18
III <b>Total Income (I+II)</b>		<b>10,004.14</b>	<b>8,872.91</b>
IV <b>EXPENSES</b>			
Cost of Materials Consumed	25	7,065.94	6,610.74
Changes in Inventories of Finished Goods, Work-in-Progress and Others	26	7.91	(9.59)
Employee Benefits Expense	27	897.75	816.43
Finance Costs	28	39.87	68.56
Depreciation and Amortization Expense	29	211.65	227.68
Other Expenses	30	1,415.26	1,000.14
<b>Total Expenses</b>		<b>9,638.38</b>	<b>8,713.96</b>
<b>Profit Before Tax</b>		<b>365.76</b>	<b>158.95</b>
V <b>Tax Expense:</b>			
Current		(101.43)	(25.68)
Relating to Earlier Years		(1.16)	(0.89)
MAT Credit Entitlement		(0.22)	(0.83)
Deferred tax		20.25	(28.54)
VI <b>Profit for the year (IV-V)</b>		<b>283.20</b>	<b>103.01</b>
VII <b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss \ Remeasurements of net defined benefit plans		6.28	7.66
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.58)	(2.13)
<b>Total Other Comprehensive Income</b>		<b>4.70</b>	<b>5.53</b>
VIII <b>Total Comprehensive Income (VI+VII)</b>		<b>287.90</b>	<b>108.54</b>
IX <b>Earning Per Equity Share</b>	36		
Basic (Rs.)		4.25	1.55
Diluted (Rs.)		4.25	1.55

See accompanying notes to the financial statements 1 to 58

As per our report of even date attached

For and on behalf of the Board

**For V S S A & Associates**  
(Firm Registration No 012421N)  
Chartered Accountants

Rajendra Kumar Rajgarhia  
Chairman  
(DIN 00141766)

Manish Garg  
Director  
(DIN 01324631)

Sanjay Rajgarhia  
Managing Director  
(DIN 00154167)

**CA Samir Vaid**

Partner  
M. No. 091309

Mohinder Nagpal  
Chief Financial Officer

Nidhi  
Company Secretary  
(M.No 49524 )

Place : New Delhi  
Dated : 17.05.2023

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

**A. EQUITY SHARE CAPITAL**

As at April 1, 2022	133.26
Changes in equity share capital	-
As at March 31, 2023	133.26

**B. OTHER EQUITY**

	Reserves and Surplus			Items of other comprehensive income	Total
	Securities premium	General Reserve	Retained Earnings	Remeasurement of defined benefit plans (FVOCI)	
<b>Balance as at April 1, 2021</b>	99.89	146.80	2,460.59	(1.08)	2,706.20
Profit for the year	-	-	103.01	-	103.01
Other Comprehensive income for the year	-	-	-	5.53	5.53
Total comprehensive Income for the year	-	-	<b>103.01</b>	<b>5.53</b>	108.54
<b>Balance as at March 31, 2022</b>	<b>99.89</b>	<b>146.80</b>	<b>2,563.60</b>	<b>4.45</b>	<b>2814.74</b>
Profit for the year	-	-	283.20	-	283.20
Other Comprehensive income for the year	-	-	-	4.70	4.70
Total comprehensive Income for the year	-	-	<b>283.20</b>	<b>4.70</b>	<b>287.90</b>
Dividend and Dividend Tax Paid	-	-	(66.60)	-	<b>(66.60)</b>
<b>Balance as at March 31, 2023</b>	<b>99.89</b>	<b>146.80</b>	<b>2,780.20</b>	<b>9.15</b>	<b>3,036.04</b>

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

**For and on behalf of the Board**

Rajendra Kumar Rajgarhia Chairman (DIN 00141766)	Manish Garg Director (DIN 01324631)	Sanjay Rajgarhia Managing Director (DIN 00154167)
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**CA Samir Vaid**

Partner  
M. No. 091309  
Place : New Delhi  
Dated : 17.05.2023

Mohinder Nagpal Chief Financial Officer	Nidhi Company Secretary (M.No 49524 )
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**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

Particulars	(Rupees in Lakhs)	
	Year Ended 31st March, 2023	Year Ended 31st March, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax Exceptional & Extraordinary items	365.76	158.95
Add Exceptional items	-	-
Adjustments for:		
Other Comprehensive Income	4.70	5.53
Depreciation	211.65	227.68
(Profit)/loss on sale of fixed Assets & Assets Discarded (Net)	(6.47)	(1.91)
Interest Paid	39.87	68.56
Interest received	(1.99)	(2.32)
<b>Operating Profit before working capital changes</b>	<b>613.52</b>	<b>456.49</b>
Adjustments for:		
Trade and Other Receivables	(296.52)	(19.15)
Inventories	298.55	92.18
Trade Payable and Other Liabilities	161.64	88.00
<b>Cash Generated from Operations</b>	<b>777.19</b>	<b>617.52</b>
Direct Taxes Paid (including deferred tax)	(82.56)	(55.94)
<b>Cash Flow before extraordinary items</b>	<b>694.63</b>	<b>561.58</b>
Extraordinary Items	-	-
<b>Net Cash from Operating Activities</b>	<b>694.63</b>	<b>561.58</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets, Including capital work in progress	(271.80)	(255.17)
Purchase of Investments	-	-
Sale of Fixed Assets	81.10	19.60
Interest received	1.99	2.32
<b>Net Cash used in Investing Activities</b>	<b>(188.71)</b>	<b>(233.25)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Repayments of Long Term Borrowings	(143.72)	(106.17)
Net proceeds of Long Term Borrowings	77.50	-
Net proceeds of Short Term Borrowings	(344.54)	(157.75)
Dividend & Dividend Tax Paid	(66.60)	-
Payment of Lease Liability	(1.92)	(1.67)
Interest Paid	(39.87)	(68.56)
<b>Net Cash from Financing Activities</b>	<b>(519.15)</b>	<b>(334.15)</b>
Net Increase in Cash and Cash Equivalents (A+B+C)	(13.23)	(5.82)
Cash and Cash Equivalents as at 1st April, Opening Balance	53.48	59.30
Cash and Cash Equivalents as at 31st March, Closing Balance	<b>40.25</b>	<b>53.48</b>

**Note:** Figures in brackets represent outflow.

As per our report of even date attached

**For and on behalf of the Board**

**For V S S A & Associates**  
(Firm Registration No 012421N)  
Chartered Accountants

Rajendra Kumar Rajgarhia  
Chairman  
(DIN 00141766)

Manish Garg  
Director  
(DIN 01324631)

Sanjay Rajgarhia  
Managing Director  
(DIN 00154167)

**CA Samir Vaid**

Partner  
M. No. 091309

Mohinder Nagpal  
Chief Financial Officer

Nidhi  
Company Secretary  
(M.No 49524 )

Place : New Delhi  
Dated : 17.05.2023



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 1A. Corporate Information

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

### 1B. Significant Accounting Policies

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

#### (a) Statement of Compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) including the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant) as applicable to the financial statements.

#### (b) (i) Basis for Preparation & Presentation

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

#### (ii) Use of Estimates and Critical Accounting Judgements

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

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

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

#### (c) Property, Plant and Equipment-Tangible Assets

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

Subsequent costs are included in the asset’s carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of asset.

#### Depreciation Method and Estimated Useful Life

- i. Depreciation is calculated using the straight-line method on a pro-rata basis from the date on which each asset is available for use to allocate their cost net of their residual values, over their estimated useful lives. The estimated useful lives are those prescribed under Schedule II to the Companies Act, 2013.

- ii. Gains and losses on disposals are determined by comparing proceeds with carrying amount and such gains or losses are recognized as income or expense in the Statement of Profit and Loss.
- iii. Cost of items of Property, Plant and Equipment not ready for intended use as on the Balance Sheet date is disclosed as capital work in progress. Advances given towards acquisition of Property, Plant and Equipment outstanding at each Balance Sheet date are disclosed as Capital Advance under Other Non Current Assets.

**(d) Intangible Assets and Amortization**

Intangible assets are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated amortization and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

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

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

An intangible asset is derecognised when no future benefits are expected from use.

**Amortization Method and Estimated Useful Life**

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

**(e) Impairment**

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

**(f) Leases**

**Company as a lessor:**

The Company classifies the leases as either a finance lease or an operating lease depending on whether the risks and rewards incidental to ownership of an underlying asset are transferred and recognizes finance income over the lease term.

**Company as a lessee:**

In accordance with Ind AS-116, the Company assesses whether a contract contains a lease at inception of a contract. At the date of commencement of the lease, the Company recognizes a "right of use" asset and a corresponding liability for all lease arrangements in which it is the lessee, except for leases with a term of twelve months or less(short term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right of use assets are depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right to use asset. The lease payments are discounted using the interest rate implicit in the lease or if not readily determinable using the incremental borrowing rates. Lease Liabilities are re measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or termination option.

**(g) Financial Instruments**

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

**i. Financial Assets**

Financial assets include Trade Receivables, Advances, Security Deposits, Cash and Cash Equivalents etc which are classified for measurement at amortized cost. The Company accounts its investments in subsidiaries and associates at cost. However, all other equity investments are measured at fair value, with value changes recognized through "Other Comprehensive Income."

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

**Impairment:**

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

**De-Recognition:**

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

**Income Recognition:**

Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive the same is established.

**ii. Financial Liabilities:**

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

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

**De-Recognition:**

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

**(h) Inventories**

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

Stores, Spare Parts, Packing Materials and Raw Materials	First in First out basis.
Work in Progress and Finished Goods	Material cost plus appropriate share of production overheads.
Waste & Scrap	At estimated realizable value.

**(i) Revenue**

Revenue is recognized when the performance obligation is satisfied by transferring promised goods or services (*i.e.* an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the Government. Dividend income from investments is recognized when the right to receive payment has been established. Interest income is accrued on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. Rental income from investment properties is recognized on a straight line basis over the term of the relevant leases. Income from services is accounted over the period of rendering of services.

**(j) Foreign Currency Transactions**

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

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss except on transactions entered into to hedge certain foreign currency risks.

Exchange gains or losses on foreign currency borrowings taken prior to 1st April, 2017 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets.

**(k) Cash and Cash Equivalents**

For the purpose of presentation in the statement of Cash Flows, Cash and Cash Equivalents includes cash in hand, cheques/drafts in hand, demand deposits with banks, short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Book overdrafts are shown within Other Financial Liabilities in the Balance Sheet and form part of Cash and Cash Equivalents in the Cash Flow Statement.

**(l) Income Tax**

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

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

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

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

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

Deferred income tax assets and liabilities are off set against each other and the resultant net amount is presented in the Balance Sheet if and only when the Company currently has a legally enforceable right to set off the current income tax assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in equity. In this case the tax is also recognized in Other Comprehensive Income or directly in equity respectively.

**(m) Employee Benefits**

**(i) Short Term Employee Benefits**

Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(ii) Post Employment Benefits****Defined Contribution Plans**

The Company's defined contribution plans are Superannuation and Employees Provident Fund, Employee State Insurance/ Labour Fund and Employees Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The Company's contributions to these plans are charged to the Statement of Profit and Loss as incurred.

**Defined Benefits Plans**

Liability for defined benefit plans is provided on the basis of valuations as at the Balance Sheet date, carried out by an independent actuary.

**Gratuity**

The gratuity fund benefits are administered by a Trust recognized by Income Tax Authorities through Group Gratuity Schemes. The liability for gratuity at the end of the each financial year is determined on the basis of actuarial valuation carried out by the independent Actuary. The method used for measuring the liability for gratuity is Projected Unit Credit Method. Actuarial gains and losses are recognized in the Statement of Other Comprehensive Income in the period of occurrence of such gains and losses. The obligations for gratuity are measured at the present value of estimated future cash flows discounted at rates reflecting the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors. The expected rate of return of plan assets is the Company's expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. Plan assets are measured at fair value as at the Balance Sheet date.

**(iii) Other Long Term Benefit Plans**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit Method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Other Comprehensive Income.

**(n) Earnings Per Share**

Basic earnings per Share is calculated by dividing the profit for the period attributable to the owners of Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purposes of calculating diluted earnings per share the profit for the period attributable to the owners of the Company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(o) Exceptional Items**

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

**(p) Provisions and Contingent Liabilities**

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

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognized nor disclosed in the Ind AS Financial Statements. However, when the realization of income is virtually certain then the related asset is not a contingent asset and its recognition is appropriate.

**(q) Rounding of Amounts**

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

**(r) Dividends**

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

**(s) Borrowing Cost**

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

**(t) Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs notifies new Standards or amendments to the existing Standards. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Rules, 2023, applicable from April 1, 2023 and has made limited revisions/amendments to Ind AS 1, Ind AS 8, Ind AS 102, Ind AS 103, Ind AS 109 and Ind AS 115. The Company does not expect the amendments to have any significant impact in its financial statements.

**NOTE-2 Property, Plant, Equipment and Intangible Assets**

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION			NET BLOCK			
	Cost As at 01.04.2022	Additions during the year	Other Adjustments	Deductions /Retirement during the year	Cost As at 31.03.2023	As at 01.04.2022	For the year	Deductions /Retirement during the year	As At 31.03.2023	As At 31.03.2022	
<b>Property, Plant and Equipment</b>											
Buildings	278.93	24.92	-	-	303.85	65.89	11.52	-	77.41	226.44	213.04
Plant & Equipments	1,691.38	122.67	-	32.01	1,782.04	605.34	144.98	20.44	729.88	1,052.16	1,086.04
Furniture & Fixtures	11.16	4.37	-	-	15.53	3.46	1.25	-	4.71	10.82	7.70
Office Equipments	47.94	8.41	-	9.83	46.52	29.88	7.25	8.85	28.28	18.24	18.06
Electrical Installations and Fittings	8.32	6.36	-	-	14.68	2.41	0.62	-	3.03	11.65	5.91
Vehicles	337.44	104.44	-	143.04	298.84	164.52	39.65	77.91	126.26	172.58	172.92
Computers	8.36	1.99	-	-	10.35	5.03	1.92	-	6.95	3.40	3.33
<b>TOTAL</b>	<b>2,383.53</b>	<b>273.16</b>	<b>-</b>	<b>184.88</b>	<b>2,471.81</b>	<b>876.53</b>	<b>207.19</b>	<b>107.20</b>	<b>976.52</b>	<b>1,495.29</b>	<b>1,507.00</b>
<b>Intangible Assets</b>											
Computer Software	9.34	0.40	-	-	9.74	4.78	1.66	-	6.44	3.30	4.56
<b>TOTAL</b>	<b>9.34</b>	<b>0.40</b>	<b>-</b>	<b>-</b>	<b>9.74</b>	<b>4.78</b>	<b>1.66</b>	<b>-</b>	<b>6.44</b>	<b>3.30</b>	<b>4.56</b>
<b>Right of Use assets</b>											
Leasehold Land	78.12	-	-	-	78.12	5.93	0.99	-	6.92	71.20	72.19
Buildings	9.04	-	-	-	9.04	4.68	1.81	-	6.49	2.55	4.36
<b>TOTAL</b>	<b>87.16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87.16</b>	<b>10.61</b>	<b>2.80</b>	<b>-</b>	<b>13.41</b>	<b>73.75</b>	<b>76.55</b>
<b>TOTAL</b>	<b>2,480.03</b>	<b>273.56</b>	<b>-</b>	<b>184.88</b>	<b>2,568.71</b>	<b>891.92</b>	<b>211.65</b>	<b>107.20</b>	<b>996.37</b>	<b>1,572.34</b>	<b>1,588.11</b>
Previous Year	2,286.17	253.41	-	59.55	2,480.03	706.06	227.68	41.82	891.92	1,588.11	

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
<b>3 Capital Work-in-Progress</b>		
Building under Construction	-	1.67
Plant and Equipment under Installation	-	0.09
<b>Total</b>	<u>-</u>	<u>1.76</u>

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
<b>As At 31st March, 2023</b>					
Projects in progress	-	-	-	-	-
	(1.76)	(-)	(-)	(-)	(1.76)
Projects Temporarily Suspended	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given

CWIP	To be completed in				
	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
Project	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)

**4 Other Financial Assets**

**Security Deposits**

Related Party*	0.53	0.53
Others	35.69	35.35
<b>Total</b>	<u>36.22</u>	<u>35.88</u>

\* Security against rent given to Managing Director

**5 Other Non-Current Assets**

**Unsecured Considered Good:**

Capital Advances	73.00	13.85
Advance to Employees	0.56	-
Prepaid Expenses	0.46	1.46
<b>Total</b>	<u>74.02</u>	<u>15.31</u>

**6 Inventories**

(As taken, valued & certified by the Management) - At cost or net realisable value, whichever is lower except waste at estimated realisable value)

i) Raw Materials	457.97	745.51
ii) Work- In- Progress	0.35	0.43
iii) Finished goods	70.98	77.37
iv) Stores, Spares & Loose Tools	189.76	192.86
v) Others- Waste & scrap	1.16	2.60
<b>Total</b>	<u>720.22</u>	<u>1,018.77</u>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
<b>7 Trade Receivables (Unsecured)</b>		
(a) Trade Receivables considered good	2,025.02	1,760.98
(b) Trade Receivables which have significant increase in Credit Risk	-	-
(c) Trade Receivables-credit impaired	-	-
	<u>2,025.02</u>	<u>1,760.98</u>

**Note:- All due are billed and there are no unbilled dues**

As At 31st March, 2023 Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1375.16	589.86	0.30	2.92	5.59	-	1,973.83
	(1,050.70)	(552.37)	(32.33)	(14.22)	(0.37)	(-)	(1,649.99)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(iv) Disputed Trade Receivables – considered good	-	-	12.85	33.62	1.72	3.00	51.19
	(-)	(67.32)	(27.82)	(3.29)	(1.55)	(11.01)	(110.99)
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>1,375.16</b>	<b>589.86</b>	<b>13.15</b>	<b>36.54</b>	<b>7.31</b>	<b>3.00</b>	<b>2,025.02</b>
	(1,050.70)	(619.69)	(60.15)	(17.51)	(1.92)	(11.01)	(1,760.98)

**8 Cash and Cash Equivalents****(a) Balances with Banks:**

In Current Accounts	1.63	10.56
In Dividend Warrant Account	5.43	-
Cheques /Drafts on hand	-	3.10
Cash on Hand (as certified)	16.23	18.36
<b>Total</b>	<u>23.29</u>	<u>32.02</u>

**(b) Others:**

Bank Deposits with Original Maturity upto 12 months (Including Interest Accrued)	22.39	21.46
<b>Total</b>	<u>22.39</u>	<u>21.46</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
<b>9 Current Tax Assets (Net)</b>		
Advance Income Tax and Tax Deducted at Source	-	6.73
<b>Total</b>	<b>-</b>	<b>6.73</b>
<b>10 Other Current Assets</b>		
<b>Unsecured considered good</b>		
<b>Advances other than Capital Advances</b>		
Advances against supply of goods & services	29.42	40.16
Advances to Employees	5.54	6.19
Prepaid Expenses	8.24	10.65
Advances with Government Authorities	10.60	13.59
<b>Total</b>	<b>53.80</b>	<b>70.59</b>
<b>11 Equity Share Capital</b>		
<b>Authorised</b>		
1,00,00,000 (1,00,00,000) Equity Shares of Rs. 2 each	200.00	200.00
1,25,000 (1,25,000) Preference Shares of Rs. 100 each	125.00	125.00
<b>Total</b>	<b>325.00</b>	<b>325.00</b>
<b>Issued, Subscribed and Paid up</b>		
66,59,500 (66,59,500) Equity Shares of Rs. 2 each fully paid	133.19	133.19
Add: forfeited shares	0.07	0.07
<b>Total</b>	<b>133.26</b>	<b>133.26</b>

**Reconciliation of the Equity Shares Outstanding**

Particulars	As at 31st March, 2023		As at 31st March, 2022 **	
	No. of shares	(Rupees in Lakhs)	No. of shares	(Rupees in Lakhs)
Balance at the beginning of the year	1,331,900	133.19	1,331,900	133.19
Issued during the year	-	-	-	-
Balance at the end of the year*	6,659,500	133.19	1,331,900	133.19

\*Pursuant to sub-division of Equity shares during year the Company has issued 5 equity shares of Rs 2 each against one Equity Share of Rs 10 each.

The Company had originally issued only one class of share refer to as Equity Shares having a par value of Rs 10 each. Pursuant to Sub-division of Equity Shares during the year as stated above, the par value is now Rs 2 each. Each holder of Equity Share is entitled to one vote per share held. The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(Rupees in Lakhs)**

The details of Shareholders holding more than 5% of the aggregate shares in the Company:-

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022 **	
	No. of Shares	% held	No. of Shares	% held
Sanjay Rajgarhia	3,438,100	51.63	3,208,725	48.18
Essvee Fiscal LLP	0	0.00	721,915	10.84
Faridabad Paper Mills Private Limited	1,501,385	22.55	1,001,385	15.04

**Shares held by Promoters at 31st March 2023 \***

Promoter Name	No of Shares	% of Total Shares	% change during the year
Sanjay Rajgarhia	3,438,100	51.63	1.07
Essvee Fiscal LLP	0	0.00	(100)
Faridabad Paper Mills Private Limited	1,501,385	22.55	49.93
Pooja Rajgarhia	5,528	0.08	indeterminate
Anjali Harlalka	23,000	0.35	0.00

**Shares held by Promoters at 31st March 2022\*\***

Promoter Name	No of Shares	% of Total Shares	% change during the year
Sanjay Rajgarhia	3,208,725	48.18	0.86
Essvee Fiscal LLP	721,915	10.84	1.43
Faridabad Paper Mills Private Limited	1,001,385	15.04	0.00
Pooja Rajgarhia	0	0.00	0.00
Anjali Harlalka	23,000	0.35	0.00

\*Promoter here means promoter as defined in the Companies Act, 2013.

\*\* Regrouped due to sub-division of Equity Shares during the year.

**Dividends:**

The Company declares and pays dividend in Indian Rupees. 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 of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

**Details of Dividend Paid****Particulars****(i) Equity Shares**

Interim Dividend on Equity Shares	66.60	-
<b>Total</b>	<b>66.60</b>	<b>-</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at		As at	
	31st March, 2023		31st March, 2022	
<b>12 Other Equity</b>				
<b>Securities Premium</b>				
As per last Balance Sheet		99.89		99.89
<b>General Reserve</b>				
As per last Balance Sheet		146.80		146.80
<b>Retained Earnings</b>				
As per last Balance Sheet	2,563.60		2,460.59	
Profit for the year	283.20		103.01	
Less : Interim Dividend on Equity Shares	<u>66.60</u>	2,780.20	<u>-</u>	2,563.60
<b>Other comprehensive income</b>				
As per last Balance Sheet	4.45		(1.08)	
Ind AS Adjustments	<u>4.70</u>	9.15	<u>5.53</u>	4.45
<b>Total</b>		<b><u>3,036.04</u></b>		<b><u>2,814.74</u></b>

**Nature and Description of Reserve :**

- (i) **Securities Premium** : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. It can be utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs etc.
- (ii) **General Reserve** : It represents the portion of the net profit which the Company has transferred, before declaring dividend pursuant to the earlier provision of Companies Act,1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.
- (iii) **Retained Earnings** : Retained Earnings are the accumulated profits earned by the Company as on Balance Sheet date.
- (iv) **Other Comprehensive Income** : Other Comprehensive Income represents actual gain/loss on remeasurement of defined benefit obligations.

**13 Borrowings - Non Current**

**Secured Term Loans**

From Banks	16.49	112.28
From Others	<u>76.48</u>	<u>43.15</u>
<b>Total</b>	<b><u>92.97</u></b>	<b><u>155.43</u></b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****STATEMENT OF SECURITIES GIVEN AND TERMS OF REPAYMENT OF LOANS AS AT 31.03.2023**

BANKER'S NAME	Non Current	Current	Security given	Instalments Outstanding	Maturity	Rate of Interest %
<b>Secured term loans from Banks</b>						
Yes Bank	2.48	5.59	Hypothecation of Vehicle	17	August 24	9.25
Kotak Mahindra Bank Limited	5.98	71.75	1st exclusive charge on all existing and future Current Assets, Moveable Assets and Moveable Fixed Assets and 1st charge on Industrial Property at Udyog Vihar greater noida UP and secured by personal guarantee of Managing Director.	13	April 24	9.30
Kotak Mahindra Bank Limited	8.03	19.00	2nd exclusive charge on all existing and future Current Assets, Moveable Assets and Moveable Fixed Assets and secured by personal guarantee of Managing Director.	24	August 24	8.00
<b>Total</b>	<b>16.49</b>	<b>96.34</b>				
<b>Secured Term Loans from Companies</b>						
Kotak Mahindra Prime Limited	6.65	3.60	Hypothecation of Vehicle	32	November 25	7.90
Mercedes Benz Financial Services India Private Limited	69.83	6.20	Hypothecation of Vehicle	45	December 26	9.30
<b>Total</b>	<b>76.48</b>	<b>9.80</b>				

**14. Other Financial Liabilities**

Deposits from Vendors	4.55	8.13
<b>Total</b>	<b>4.55</b>	<b>8.13</b>

**15 Deferred Tax Liabilities (Net)****Deferred Tax Liabilities**

Difference between Book Net Value of Property, Plant and Equipments and Intangible Assets with net value as per Income Tax Rules

101.15	119.51
<u>101.15</u>	<u>119.51</u>

**Deferred Tax Assets**

Employee Benefits	(1.92)	(0.03)
MAT Credit Entitlement	0.00	(0.22)
	<u>(1.92)</u>	<u>(0.25)</u>

<b>Deferred Tax Liabilities (Net)</b>	<b>99.23</b>	<b>119.26</b>
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
<b>16 Other Non Current Liabilities</b>		
Advances from Employees	5.36	3.76
<b>Total</b>	<b>5.36</b>	<b>3.76</b>
<b>17 Borrowings</b>		
<b>Loans Repayable on Demand:</b>		
<b>Secured</b>		
From Banks*	108.78	453.32
<b>Current Maturities of Long Term Debt (Refer Note No 13)</b>		
From Banks	96.34	101.49
From Others	9.80	8.41
<b>Total</b>	<b>214.92</b>	<b>563.22</b>

\* Secured by first and exclusive hypothecation charge on all existing and future receivables, current assets, moveable assets, moveable fixed assets and equitable mortgage of factory Land and Building and also secured by way of personal guarantee of Managing Director of the Company.

**18 Trade Payables**

(a) Total Outstanding Dues of Micro Enterprises and Small Enterprises (Refer Note 39)	33.18	24.62
(b) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	723.43	609.29
<b>Total</b>	<b>756.61</b>	<b>633.91</b>

**Trade Payables ageing Schedule (Due for payment for the year ended as on 31st March 2023 and 31st March 2022)**

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	33.18	-	-	-	33.18
	(24.62)	(-)	(-)	(-)	(24.62)
(ii) Others	695.59	2.28	0.80	-	698.67
	(580.50)	(0.80)	(-)	(-)	(581.30)
(iii) Disputed dues – MSME	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
(iv) Disputed dues - Others	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
<b>Total</b>	<b>728.77</b>	<b>2.28</b>	<b>0.80</b>	<b>-</b>	<b>731.85</b>
	(605.12)	(0.80)	(-)	(-)	(605.92)
Add :Accrued Expenses	24.76	-	-	-	24.76
	(27.99)	(-)	(-)	(-)	(27.99)
<b>Total</b>	<b>753.53</b>	<b>2.28</b>	<b>0.80</b>	<b>-</b>	<b>756.61</b>
	(633.11)	(0.80)	(-)	(-)	(633.91)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	As at 31st March, 2023	As at 31st March, 2022
<b>19 Other Financial Liabilities</b>		
Interest Accrued	0.65	0.92
Unclaimed Interim Dividend	5.43	-
<b>Others:</b>		
Accrued Salaries and Benefits	60.76	48.44
Creditors for Capital Goods	12.33	12.87
<b>Total</b>	<b>79.17</b>	<b>62.23</b>
<b>Note:</b> There are no amounts due for payment to the Investor Education and Protection fund under section 125(1) of the Companies Act 2013.		
<b>20 Provisions</b>		
Gratuity	7.67	-
Leave Encashment	-	0.12
<b>Total</b>	<b>7.67</b>	<b>0.12</b>
<b>21 Current Tax Liability (Net)</b>		
Provision for Current Tax (Net of Taxes Paid)	10.07	-
<b>Total</b>	<b>10.07</b>	<b>-</b>
<b>22 Other Current Liabilities</b>		
Advances from Customers	0.03	2.80
Statutory Dues	84.15	49.56
<b>Total</b>	<b>84.18</b>	<b>52.36</b>
	<b>Year ended 31st March, 2023</b>	<b>Year ended 31st March, 2022</b>
<b>23 Revenue From Operations</b>		
Sale of Products	9,440.34	8,223.65
Sale of Services	-	1.21
Other Operating Revenues	552.65	624.87
<b>Total</b>	<b>9,992.99</b>	<b>8,849.73</b>
<b>24 Other Income</b>		
Interest Income	1.99	2.32
Liabilities & Provisions Written Back	0.25	15.00
Bad Debts Recovered	0.60	2.30
Net Gain on Foreign Currency Transactions & Translation	0.85	1.33
Other Non Operating Income	7.46	2.23
<b>Total</b>	<b>11.15</b>	<b>23.18</b>
<b>25 Cost of Materials Consumed</b>		
Raw Materials	7,065.94	6,610.74
<b>Total</b>	<b>7,065.94</b>	<b>6,610.74</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

	(Rupees in Lakhs)			
	Year ended 31st March, 2023		Year ended 31st March, 2022	
<b>26 Changes In Inventories Of Finished Goods, Work-In-Progress and Others</b>				
<b>Inventory at the Beginning of the Year</b>				
Finished Goods	77.37		64.51	
Work-in-Progress	0.43		4.80	
Others- Waste & Scarp	2.60	<b>80.40</b>	1.50	<b>70.81</b>
<b>Inventory at the End of the Year</b>				
Finished Goods	70.98		77.37	
Work-in-Progress	0.35		0.43	
Others- Waste & Scarp	1.16	<b>72.49</b>	2.60	<b>80.40</b>
<b>Total</b>		<b>7.91</b>		<b>(9.59)</b>
<b>27 Employee Benefit Expense</b>				
Salaries, Wages, Allowances and Bonus		828.76		746.10
Contribution to Provident and Other Funds		37.48		40.01
Staff Welfare Expenses		31.51		30.32
<b>Total</b>		<b>897.75</b>		<b>816.43</b>
<b>28 Finance Costs</b>				
Interest Expenses		38.17		65.29
Other Borrowing Costs		1.70		3.27
<b>Total</b>		<b>39.87</b>		<b>68.56</b>
<b>29 Depreciation And Amortisation Expense</b>				
Depreciation on Property, Plant & Equipment		207.19		223.30
Depreciation on Right of Use Assets		2.80		2.80
Amortisation on Intangible Assets		1.66		1.58
<b>Total</b>		<b>211.65</b>		<b>227.68</b>
<b>30 Other Expenses</b>				
Consumption of Stores and Spares		450.33		298.40
Power, Fuel, Water & Utilities		322.22		255.67
Payments to Auditors:				
As Auditor	2.05		2.00	
Other Services	0.49	2.54	0.39	2.39
Packing & Forwarding Expenses (Net)		196.59		120.11
Repairs and Maintenance		139.50		83.29
Insurance		16.41		16.84
Rent		5.38		44.39
Miscellaneous Expenses		282.29		173.40
Corporate Social Responsibility Expenses		-		5.65
<b>Total</b>		<b>1,415.26</b>		<b>1,000.14</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(Rupees in Lakhs)**

	As at 31st March, 2023	As at 31st March, 2022
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**31 Contingent Liabilities****Contingent Liabilities & Commitments  
(To the extent not provided for)**

a) Outstanding Capital Commitment (Net of Advances)	24.95	24.43
b) Letter of credit outstanding & Standby/Guarantee	20.53	20.53
c) Disputed Income Tax	0.21	0.21

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

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

**34** The company has taken Office premises and godown under a cancellable operating lease. The lease is usually renewed by mutual consent on mutually agreeable terms. Total rental expenses under such lease **Rs.5.38** Lakhs (Rs.44.39 Lakhs).

**35 i) As per Ind AS 19 "Employee Benefits", the disclosures as defined are given below:**

**Defined contribution plans**

a) The Company has calculated the various benefits provided to employees as under:-

**(Rupees in Lakhs)**

Particulars	Year Ended 31st March, 2023	Year Ended 31st March, 2022
Provident Fund	28.83	27.91
Employees State Insurance	5.47	4.78

(Disclosed in the statement of Profit & Loss as contribution to Provident and other Funds)

b) The Company operates post retirement defined benefit plan for retirement gratuity which is funded.

c) Details of post retirement gratuity plans & obligations are as follows:-

**(Rupees in Lakhs)**

Gratuity Scheme Funded Plan:	Year Ended 31st March, 2023	Year Ended 31st March, 2022
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**A) Reconciliation of opening and closing balances of obligation.**

a) Present value of obligation as at Opening date	64.12	71.45
b) Current Service Cost	5.80	7.52
c) Interest Cost	4.93	4.90
d) Actuarial (Gain)/Loss	(6.05)	(7.25)
e) Benefits Paid	7.17	12.50
f) Present value of obligation as at Closing date	61.63	64.12

**B) Change in Plan Assets (Reconciliation of opening and closing balances)**

a) Fair Value of Plan Assets as at opening date	69.33	72.50
b) Expected return on Plan Assets	4.70	5.01
c) Actuarial (Gain)/Loss	(0.23)	(0.41)
d) Contributions	3.98	4.73
e) Benefits Paid	7.17	12.50
f) Fair Value of Plan Assets as at Closing date	70.61	69.33

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(Rupees in Lakhs)

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>C) Reconciliation of fair value of assets and obligations</b>		
a) Present Value of Obligation as at Closing date	61.63	64.12
b) Fair value of Plan Assets as at Closing date	70.61	69.33
c) Liability recognized in the Balance Sheet	(8.98)	(5.21)
<b>D) Expense recognized during the year</b>		
a) Current Service Cost	5.80	7.52
b) Interest Cost	4.93	4.90
c) Expected return on Plan Assets	4.70	5.01
d) Difference plan fund size	0.68	-
e) Actuarial (Gain)/Loss	(6.28)	(7.66)
f) Expense recognized during the year	0.43	(0.25)
<b>E) Assumptions</b>		
a) Discount Rate (Per Annum)	7.25%	7.00%
b) Interest Rate (Per Annum)	6.78%	6.86%
c) Estimated Rate of return on Plan Assets (Per Annum)	6.78%	6.86%
d) Rate of Escalation in Salary (Per Annum)	6.00%	6.00%

**ii) Reconciliation of Leave Encashment Liability**

The Company has paid contribution to Life Insurance Corporation of India towards accrued leave liability till year end and no other liability towards leave encashment is outstanding.

**36 Earnings Per Share (EPS)**

	(Rupees in Lakhs)	
Profit attributable to the Equity		
Share Holders (Rs.) (A)	283.20	103.01
Basic/Weighted average No. of Equity Shares outstanding (B)	66.60	66.60
Nominal Value of Equity Shares (Rs.)	2	2
Basic/Diluted Earning Per Share (Rs.) (A/B) *	4.25	1.55

\*Pursuant to sub-division of 1 Equity Share of face value of Rs 10 each into 5 Equity Shares of face value of Rs 2 each, the earning per share for the preceeding year has been restated as required by Ind AS 33.

**37 Related Party Disclosures under Ind AS 24**

- a) List of Related Parties (As identified by the Management)
  - i) Enterprises owned or significantly influenced by key management personnel or their relatives :-  
Orient Syntex (Prop. APM Industries Limited), Essvee Fiscal LLP., Rajgarhia Leasing & Financial Services Pvt. Ltd., Faridabad Paper Mills Pvt Ltd.
  - ii) Key Management Personnel and their Relatives:- Director - Shri Sanjay Rajgarhia, Shri R.K. Rajgarhia, Relatives - Smt. Pooja Rajgarhia., Shri Harpal Singh Chawla, Mrs. Ruchi Vij, Shri Manish Garg, Shri Raj Gopal Sharma

## b) Transactions with Related Parties

(Rupees in Lakhs)

Nature of Transactions	Enterprises owned or significantly influenced by key Management Personnel	Key Management Personnel (KMP) and their relatives
<b>i) EXPENSES</b>		
Remuneration to Managing Director *	-	<b>111.04</b>
	(-)	(106.33)
Directors sitting fees	-	<b>1.80</b>
	(-)	(1.80)
Salary & Allowances	-	<b>61.00</b>
	(-)	(29.68)
Rent Paid	-	<b>3.75</b>
	(-)	(3.66)
Electricity	-	<b>0.21</b>
	(-)	(0.18)
Sale	<b>40.00</b>	-
	(-)	(-)
* Excluding Gratuity		
<b>ii) Amount Receivable</b>	-	<b>0.53</b>
	(-)	(0.53)
<b>iii) Amount Payable</b>	-	<b>9.31</b>
	(-)	(4.64)

**Note:** In respect of above parties there is no provision for doubtful debts as on 31.03.2023 and no amount has been written off or written back during the year in respect of debts due from/to them. Figures in brackets are in respect to previous year.

**38** Based on the guiding principles given in Ind AS 108 on "Operating Segment" the Company's business activity falls within a single operating segment, namely Packaging. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

**39 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

	2022-23	2021-22
(i) Principal amount remaining unpaid	<b>33.18</b>	24.62
(ii) Interest due thereon remaining unpaid	-	-
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(v) Interest accrued and remaining unpaid	-	-
(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

- 40 The Company has used the borrowings from Banks and Financial Institutions for the specific purposes, for which it was taken at the Balance Sheet date.
- 41 The Company does not have any Immovable Property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- 42 The Company has not revalued its Property/Plant/Equipment during the year.
- 43 No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person, that are repayable on demand or without specifying and terms or period of repayment.
- 44 The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.
- 45 The quarterly returns/ statements of current assets filed by the Company with Banks/ Financial Institutions in respect of borrowings from Banks/Financial Institutions on the basis of security of current assets do not materially differ with the books of accounts.
- 46 The Company has not been declared wilful defaulter by any Bank/Financial Institution/other lender.
- 47 The Company does not have any transaction with companies struck off under Section 248 of Companies Act, 2013/ Section 560 of Companies Act 1956.
- 48 Details of Charges yet to be satisfied with the Registrar of Companies beyond the Statutory period are given below:-
- | Charge ID | Charge Holder           | Amount  | Date of Creation | Remarks                                     |
|-----------|-------------------------|---------|------------------|---|
| 100093607 | Kotak Mahindra Bank Ltd | 1200000 | 5/2/2017         | No due certificate not provided by the Bank |
- 49 The Company does not have any layers prescribed under Clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.
- 50 No Scheme of Arrangements has been approved by the competent authority in terms of Section 230 to 237 of Companies Act, 2013.
- 51 The Company has not advanced/loaned/invested funds(either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with understanding (whether recorded in writing or otherwise) that the intermediary shall
- Directly or indirectly lend or invest in other persons or entities identified in any other matter whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - Provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.
- 52 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- Directly or indirectly lend or invest in other persons or entities identified in any matter whatsoever by or on behalf of Funding Party (Ultimate Beneficiaries) or
  - Provide any guarantee, security or the like on behalf of Ultimate Beneficiaries.
- 53 The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year, in the tax assessments under the Income Tax Act, 1961.
- 54 The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

## 55 a) Tax Expense

(Rupees in Lakhs)

## i) Recognized in the Statement of Profit and Loss

Particulars	Year ended March 31,2023	Year ended March 31, 2022
<b>Current tax</b>		
Current tax on taxable income for the year	101.43	25.68
Tax adjustments relating to earlier years	1.16	0.89
<b>Total Current tax expense</b>	<b>102.59</b>	<b>26.57</b>
<b>Deferred tax</b>		
Deferred tax charge	(20.25)	28.54
MAT credit (taken)	0.22	0.83
<b>Total deferred income tax expense</b>	<b>(20.03)</b>	<b>29.37</b>
<b>Income Tax expense reported in the statement of Profit and Loss</b>	<b>82.56</b>	<b>55.94</b>

## ii) Recognized in Other Comprehensive Income

Items that will not be reclassified to Profit or Loss	Year ended March 31,2023	Year ended March 31, 2022
<b>Remeasurement of defined benefit plans</b>	<b>6.28</b>	7.66
<b>Tax Expense</b>	<b>(1.58)</b>	(2.13)
<b>Net of Tax</b>	<b>4.70</b>	<b>5.53</b>

## iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2023

Particulars	Year ended March 31,2023	Year ended March 31, 2022
<b>Enacted income tax rate in India applicable to the company</b>	<b>25.168%</b>	27.820%
<b>Accounting profit before Income Tax</b>	365.76	158.95
Current tax expense on profit before tax expense at the enacted income tax rate in India	92.05	44.22
<b>Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income</b>		
Expenses not allowable in income Tax	11.82	4.21
Income exempted from taxes	(2.46)	(1.24)
Others	(18.85)	8.75
<b>Total income tax expense</b>	<b>82.56</b>	<b>55.94</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**
**b) The movement in deferred tax liability during the year ended March 31, 2023**

(Rupees in Lakhs)

	As at April 1, 2022			As at March 31, 2023
	Deferred Tax Liability	Recognised in statement of Profit & Loss	Recognised in Other Comprehensive Income	Deferred Tax Liability
Depreciation	119.51	(18.36)	-	101.15
Employee Benefits	(0.03)	(1.89)	-	(1.92)
MAT Credit Entitlement	(0.22)	0.22	-	0.00
<b>Total</b>	<b>119.26</b>	<b>(20.03)</b>	<b>-</b>	<b>99.23</b>

**56. a) Financial Instruments**

The following table shows the carrying amounts and fair values of Financial Assets and Financial Liabilities Including their levels presented below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Financial assets at fair value</b>		
Other Financial Assets	36.22	35.88
Cash and Cash Equivalents	23.29	32.02
Other Balances with Banks	22.39	21.46
Trade receivables	2,025.02	1,760.98
<b>Total financial assets</b>	<b>2,106.92</b>	<b>1,850.34</b>
<b>Financial liabilities at fair value</b>		
Borrowings	307.89	718.65
Other Financial Liabilities	83.72	70.36
Trade Payables	756.61	633.91
Lease Liabilities	3.27	5.19
<b>Total financial liabilities</b>	<b>1,151.49</b>	<b>1,428.11</b>

**b) Fair Value Hierarchy**

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

The carrying amounts of all financial instruments are considered to be the same as their fair values.

**c) Financial Risk Management**

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk, market risk. This note presents the Company's objectives, policies and processes for managing its financial risk and capital.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****i) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

**Trade and other receivables**

The Company's Trade Receivables are largely from sales made to wholesale customers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer, demographics of the customer and the default risk of the industry.

The Company manages credit risk through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Exposures to customers outstanding at the end of each reporting period are reviewed to determine incurred and expected credit losses and the Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables. Historical trends of impairment of Trade Receivables do not reflect any significant losses.

Summary of the Company's ageing of outstanding from various customers and impairment for expected credit loss is as follows:

**(Rupees in Lakhs)**

<b>As at March 31, 2023</b>	<b>gross carrying amount</b>	<b>expected credit losses</b>	<b>carrying amount of trade receivables (net of expected credit losses)</b>
Not due	<b>1,375.16</b>	-	<b>1,375.16</b>
Past due 0-180 days	<b>589.86</b>	-	<b>589.86</b>
Past due 180 and more days	<b>60.00</b>	-	<b>60.00</b>
<b>Total</b>	<b>2,025.02</b>	-	<b>2,025.02</b>

<b>As at March 31, 2022</b>	<b>gross carrying amount</b>	<b>expected credit losses</b>	<b>carrying amount of trade receivables (net of expected credit losses)</b>
Not due	1,050.70	-	1,050.70
Past due 0-180 days	619.69	-	619.69
Past due 180 and more days	90.59	-	90.59
<b>Total</b>	<b>1,760.98</b>	-	<b>1,760.98</b>

**ii) Liquidity Risk**

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with various banks to meet the obligations.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Exposure to Liquidity Risk**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

(Rupees in Lakhs)

As at March 31, 2023	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
<b>Non derivative financial liability</b>				
Borrowings	307.89	307.89	214.92	92.97
Trade payables	756.61	756.61	754.33	2.28
Other Financial Liabilities	83.72	83.72	79.17	4.55
Lease Liabilities	3.27	3.27	2.24	1.03

As at March 31, 2022	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
<b>Non derivative financial liability</b>				
Borrowings	718.65	718.65	563.22	155.43
Trade payables	632.69	632.69	623.55	9.14
Other Financial Liabilities	70.36	70.36	62.23	8.13
Lease Liabilities	5.19	5.19	1.92	3.27

**iii) Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive instruments, all foreign currency receivables and payables. The Company is exposed to market risk primarily relates to foreign exchange rate risk.

**Currency risk**

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity. The Company is exposed to currency risk on account of its payables in foreign currency. The functional currency of the Company is Indian Rupee. The Company is exposure to USD. The Company has not hedged this foreign currency exposure.

**Exposure to currency risk**

The Company's exposure to foreign currency risk at the end of the reporting period is as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
	USD	USD
<b>Financial Assets</b>		
Other receivable	12300	4310
<b>Financial Liabilities</b>		
Trade payables	94728	12558
<b>Net Exposure</b>	<b>(82428)</b>	<b>(8248)</b>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

57	Financial Ratio	FY 2022-23	FY 2021-22	Difference	Change in %	Remarks
	<b>1. Current Ratio (in times)</b>	2.46	2.22	0.25	11.13	-
	Current Assets/Current Liabilities					
	<b>2. Debt Equity Ratio (in times)</b>	0.10	0.25	0.15	60.00	Due to Higher Profitability and Reduction in Debts.
	Total Debts/Shareholder's Equity					
	<b>3. Debt Service Coverage Ratio (in times)</b>	3.69	2.27	1.42	62.68	Due to Higher Profitability and Reduction in Debts.
	Net Profit After Tax+ Depreciation +Interest +Exceptional Items+Amortisation/Interest +Current Maturities					
	<b>4. Return on Equity Ratio %</b>	9.08	3.68	5.40	146.61	Due to Higher Profitability for the year.
	Total Comprehensive Income/Networth					
	<b>5. Inventory Turnover (in times)</b>	10.19	7.57	2.62	34.52	Due to Reduction in Inventory Levels
	Cost of Goods Sold/Average Inventory					
	<b>6. Trade Receivable Turnover Ratio (in times)</b>	5.28	5.24	0.04	0.85	-
	Net Credit Sales/Average Accounts Receivable					
	<b>7. Trade Payable Turnover Ratio</b>	10.00	11.14	(1.14)	(10.23)	-
	Purchases of Raw materials, Stores and Fuel/Trade Payable					
	<b>8. Net Capital Turnover Ratio (in times)</b>	5.91	5.54	0.37	6.68	-
	Revenue/(Current Assets-Current Liabilities)					
	<b>9. Net Profit Ratio %</b>	2.88	1.23	1.65	134.81	Due to Higher Profitability for the year.
	Net profit/Total Revenue					
	<b>10. Return on Capital Employed %</b>	12.59	7.65	4.94	64.58	Due to Higher Profitability for the year.
	PBT+Finance Cost/Networth+Lease Liabilities+Deferred Tax Liability					
	<b>11. Return on Investment</b>	-	-	-	-	-
	Income from Investments/Average Investment					

58 Previous year figures have been re-grouped / re-arranged wherever, necessary to make them comparable with those of current years.

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

**For and on behalf of the Board**

Rajendra Kumar Rajgarhia  
Chairman  
(DIN 00141766)

Manish Garg  
Director  
(DIN 01324631)

Sanjay Rajgarhia  
Managing Director  
(DIN 00154167)

**CA Samir Vaid**  
Partner  
M. No. 091309

Mohinder Nagpal  
Chief Financial Officer

Nidhi  
Company Secretary  
(M.No 49524 )

Place : New Delhi  
Dated : 17.05.2023