

Date: 07<sup>th</sup> December 2020**Bombay Stock Exchange Limited,  
Listing department,  
Phiroze Jeejeebhoy towers,  
Dalal Street,  
Mumbai-400001****Sub: Intimation of 31<sup>st</sup> Annual General Meeting ,Book Closure, Cut off date and period of Remote e-voting of the Company.****Ref: 1. Security Code: 523483  
2. As per Regulation 42 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015- Intimation of Book Closure.**

Dear Sir/Madam,

With reference to the above captioned subject, we would like to inform you that:

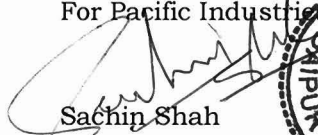
1. 31<sup>st</sup> Annual General Meeting of the Company is proposed to be held on Wednesday ,30<sup>th</sup> December, 2020 at the Registered office of the Company situated at Village: Survey No. 13, Kempalingahalli, Nelamangala Taluk (Rural) Bangalore- 562123 (Karnataka) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")
2. Book Closure of the Company will be form 24<sup>th</sup> December, 2020 to 30<sup>th</sup> December, 2020 (both day inclusive) for the purpose of 31<sup>st</sup> AGM of the Company to be held on 30<sup>th</sup> December, 2020
3. The company has fixed 23<sup>rd</sup> December 2020 as the cut-off Date for the purpose of remote E-voting for ascertaining the name of shareholder, holding share either in the physical form or in dematerialized form who will entitled to cast their votes electronically during the 26<sup>th</sup> December 2020 (09.00 A.M) to 29<sup>th</sup> December 2020 (05.00 P.M) in respect of the Business to be transacted at the 31<sup>st</sup> Annual General Meeting of the Company.

This is for your information and records.

Thanking you

Yours Faithfully

For Pacific Industries Limited

  
Sachin Shah

Company Secretary &amp; Compliance Officer

Enclosed: Notice of 31<sup>st</sup> Annual General Meeting of the Company and Annual Report for the Financial Year 2019-20

CIN:L14101KA1989PLC062041

REGISTERED OFFICE :

Survey No. 13, N.H. 48, Kempalinganahalli Village, Nelamangala Taluk, Bangalore (R) 562123 Karnataka, INDIA

Visit us at : <http://www.pacificgranites.com> e-mail : [pilnorth@pacificgranites.com](mailto:pilnorth@pacificgranites.com), [pilsouth@pacificgranites.com](mailto:pilsouth@pacificgranites.com)

Udaipur Phone : +91-294-2440933 / 2440934 / 2440388 / 2440196 Fax No. : +91-294-2440780

Bangalore Phone : +91-80 27723004, 8027725976, Fax : +91-80 27723005





Bangalore Unit



Udaipur Unit

### Udaipur

- 4 Granite Gangsaw
- 1 Bretan Multiwire to be installed having 59 wires
- 6 Circular Saws
- 2 Expory Line
- 2 Line polishing machine

### Bangalore

- 7 Granite Gangsaw
- 3 Line polishing machine
- 1 Expory line
- 1 Gaspari Multiwire having 69 wires



## CORPORATE INFORMATION

### Board of Directors

Mr. J. P. Agarwal	Chairman & Managing Director
Mr. Kapil Agarwal	Executive Director
Mr. Pradeep Kumar Jain	Non-executive Independent Director
Mr. Vikas Misra	Non-executive Independent Director
Mrs. Geeta Devi Agarwal	Non-executive Director
Mr. Vinod Choudhary	Non Executive Independent Director

<b>Audit Committee</b>	<b>Nomination &amp; Remuneration Committee</b>
Mr. Pradeep Kumar Jain	Mr. Pradeep Kumar Jain
Mr. Vikas Misra	Mr. Vikas Misra
Mrs. Geeta Devi Agarwal	Mrs. Geeta Devi Agarwal

<b>Stakeholder Relationship Committee</b>	<b>Corporate Social Responsibility Committee</b>
Mr. Pradeep Kumar Jain	Mr. Pradeep Kumar Jain
Mr. Vikas Misra	Mr. Vikas Misra
Mrs. Geeta Devi Agarwal	Mrs. Geeta Devi Agarwal

<b>Statutory Auditors</b>	<b>Registrar &amp; Share Transfer Agent</b>
M/s Ravi Sharma & Co. Chartered Accountants 3580, Moti Singh Bhomiyon ka Rasta, 4th Crossing Johari Bazar, Bohara ji ka Darwaja, Jaipur 302003	Link Intime India Private Limited C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000 Fax: +91 22 49186060 E-mail : mumbai@linkintime.co.in

<b>Bankers</b>
HDFC BANK HDFC House, Senapati Bapat Marg, Lower Parel W, Mumbai, Maharashtra - 400013, India

<b>Regd. Office</b>
Village : Survey No. 13, Kempalingahalli, Nelamangala Taluk (Rural) Bangalore - 562123 (Karnataka). E-mail: <a href="mailto:pilnorth@pacificgranites.com">pilnorth@pacificgranites.com</a> URL : <a href="http://www.pacificindustriesltd.com">www.pacificindustriesltd.com</a>



<b>Stock Exchange where Company's Securities are listed</b>	<b>Secretarial Auditors</b>
BSE Limited	M/s B K Sharma & Associates Company Secretaries, AB-162 Vivekanand Marg, Nirman Nagar, Ajmer Road, Jaipur-302019

<b>Company Secretary</b>	Mr. Sachin Shah
<b>Website</b>	<a href="http://www.pacificindustriesltd.com">www.pacificindustriesltd.com</a>
<b>Investor Relations Email ID</b>	<a href="mailto:pacificinvestor@rediffmail.com">pacificinvestor@rediffmail.com</a>

<b>Plant Locations</b>	
<b>Unit I :</b> Village: Bedla, Udaipur - 313004 (Rajasthan) Tel. No. 0294-2440933 Fax No. 0294-2440780.	<b>Unit II :</b> Village : Survey No. 13, Kempalingahalli Nelamangala Taluk (Rural) Bangalore - 562123 (Karnataka) Tel. No. 080-27723004 Fax No. 080-27723005.

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**NOTICE**

Notice is hereby given that the 31st Annual General Meeting of the members of M/s Pacific Industries Limited will be held on, Wednesday 30th December, 2020 at SURVEY No. 13, N.H. 48, KEMPALINGANHALLI, NELAMANGALA TALUKA BANGALORE KA 562123 at 12:30 P.M. (Indian Standard Time) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company along with Consolidated Financial Statements for the Financial Year ended on 31st March 2020, and the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kapil Agarwal (DIN:00386298) who retires by rotation, and being eligible, offers himself for reappointment.

Place: Udaipur

Date: 05.12.2020

**Registered Office**

Village: Survey No. 13, Kempalingahalli  
Nelamangala Taluk (Rural)  
Bangalore-562123(Karnataka)

By order of the Board

Pacific Industries Limited

Sd/-

Sachin Shah

(Company Secretary)

**NOTES:-**

In view of the massive outbreak of the COVID-19 pandemic and restrictions on the movement apart from social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020 and Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ("MCA circulars") followed by Circular No. 20/2020 dated May 05, 2020, and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12 May 2020 ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing obligations and disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), have permitted convening the Annual General Meeting ("AGM"/"Meeting") through VC or OAVM, without the physical presence of the Members at the common venue. The deemed venue for the AGM shall be the Registered Office of the Company i.e. Survey No. 13, Kempalingahalli Nelamangala Taluk (Rural) Bangalore-562123(Karnataka)

1. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the 31st AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence,

- Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
2. Corporate Members intending to send their authorized representative(s) to attend the meeting through VC /OAVM are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signature (s) of there presentative ( s ) authorizing under the said Board resolution to attend and vote on their behalf at the meeting.
  3. The Members can join the AGM held through VC /OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for all members on a first come first served basis. This will not include large Shareholders (i.e 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.
  4. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements inw hich the Directors are interested maintained under Section 189 of the Act and the relevant document sreferred to in the Notice will be available electronically fori nspection by the Members during the AGM.
  5. Attendance of the Members participating in the AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 oft he Act,
  6. Pursuant to the provisions of Section 108 of theC ompanies Act, 2013 read with Rule 20 of the Companies(Management and Administration) Rules, 2014 (as a mended) and Regulation 44 of SEBI (Listing Obligations& Disclosure Requirements) Regulations 2015 (as a mended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remotee-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Companyhas entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
  7. In compliance with the Ministry of Corporate Affairs(MCA) Circular No. 17/2020 dated April 13, 2020, the Notice of the AGM along with the Annual Report 2019-20is being sent only through electronic mode to those Members whose Email address registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com). The Notice and Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  8. The Notice of AGM along with the Annual Report 2019-20 is being sent to all members whose name appear in the Register of Member/list of beneficial owner received from NSDL and CDSL as on 27-11-2020 (cut off date) by electronic mode to those member whose email addresses are registered with the company/ depository, unless any member has requested for a physical copy

of the Same. For members who have not registered their email addresses physical copies are being sent by on request by the Members.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from 24-12-2020 to 30-12-2020 (both days inclusive).
10. Members, who have not registered their email id's so far, are requested to register their email id's for receiving all communications including any notices, circular etc from the Company electronically. Even after registering for e-communication, the members may also send requests to the Company at E-mail id: [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com)
11. In furtherance of the Go Green Initiative of the Government, electronic copy of Notice of AGM is being sent to all the members whose email addresses are registered with the Company/Depository Participants. Physical copy of the notice cannot be sent to member due to COVID.
12. Necessary documents including the Notice and the explanatory statement will be made available for inspection up to the date of AGM at the Company's Website [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com).
13. In case of joint holders attending the AGM, only such joint holders who are higher in order of names will be entitled to vote.
14. Members holding shares individually in physical form are advised to make nomination in respect of their share holding in the Company. The nomination form can be downloaded from the Company's website at [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com). Members who hold shares singly in Dematerialized form are advised to make a nomination through their Depository Participant.
15. Non - Resident Indian Members are requested to inform Registrar and Share Transfer Agents, immediately of :
  - a. Change in their residential status on return in India for permanent settlement.
  - b. Particulars of their bank account are maintained in India with complete name, branch, account type, account number and address of the bank with pincode number, if not furnished earlier.
16. Soft copy of necessary documents including the Notice will be made available for inspection in electronic form during the meeting, any member who wishes to inspect the said documents shall request for the same.
17. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM by electronic means and the business may be transacted through E-Voting Services) service provided by NSDL. E-Voting is optional. The Facility of E-voting shall also be made available at the AGM and Members attending the AGM



who have not already cast their vote by remote e-voting shall be able to exercise their right to cast vote at the AGM.

18. The instructions for shareholders for remote e-voting are as under:-

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

The remote e-voting period begins on 26-12-2020 at 09:00 A.M. and ends on 29-12-2020, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

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

Details on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
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 folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details 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. 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. 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) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. 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, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which

- you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
  4. Now you are ready for e-Voting as the Voting page opens.
  5. 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.
  6. Upon confirmation, the message “Vote cast successfully” will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board 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 [csronakjhuthawat@gmail.com](mailto:csronakjhuthawat@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
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.: 1800-222-990 or send a request to (Name of NSDL Official) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **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 for the resolutions set out in this notice:**

1. In case shares are held in physical mode please 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 [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com)
2. In case shares are held in demat mode, please 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) [topacificinvestor@rediffmail.com](mailto:topacificinvestor@rediffmail.com).

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

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

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com)
6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
19. The voting rights of Members shall be proportion to their shares of the paid up equity share capital of the Company as on the cut-off date and a person who is not a Member as on the cut-off

date should treat the Notice for information purpose only.

20. The Company has appointed Shri Ronak Jhuthawat (Certificate of Practice No.-12094) of M/s Ronak Jhuthawat & Co., Company Secretary in practice as Scrutinizer, to scrutinize the voting (at AGM venue) and remote e-voting process in a fair and transparent manner.
21. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast at the meeting and through remote e-voting and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall counter sign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
22. The results as declared by the Chairman or a person authorized by him in writing along with the Scrutinizer's Report shall be immediately placed on the website of the Company i.e. [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com) and NSDL after the declaration of results. The results shall also be simultaneously communicated to BSE Limited.
23. The resolutions listed in the Notice of the AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.
24. 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. 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Place: Udaipur

Date: 05.12.2020

**Registered Office**

Village: Survey No. 13, Kempalingahalli  
Nelamangala Taluk (Rural)  
Bangalore-562123(Karnataka)

By order of the Board

Pacific Industries Limited

Sd/-

Sachin Shah

(Company Secretary)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 26(4) AND 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

Particulars	Shri Kapil Agarwal
Director Identification Number	00386298
Date of Birth (Age)	18.06.1983
Nationality	Indian
Qualification	MBA
Expertise	Experienced in Marketing and Business Management
Date of Appointment on the Board	23/07/2005
Relationship with other Directors and Key Managerial Personnel	Son of Mr. J.P. Agarwal and of Mrs. Geeta Devi Agarwal
No. of shares held in the Company	375869
Directorships held in other Companies (excluding foreign Companies and Section 8 Companies) as on 31.03.2020	1. GALAXY REALVENTURE PRIVATE LIMITED 2. GEETANJALI BUILDTECH PRIVATE LIMITED 3. SURYA BUILDSQUARE PRIVATE LIMITED 4. BHASKAR BUILDMART PRIVATE LIMITED 5. PROCLAIM CONSTRUCTIONS PRIVATE LIMITED 6. GEETANJALI INVESTECH HOLDINGS INDIA PRIVATE LIMITED 7. SEA HORSE CONSTRUCTIONS PRIVATE LIMITED 8. PACIFIC IRON MANUFACTURING LIMITED 9. PEARL REALHOME DEVELOPERS PRIVATE LIMITED 10. MOUNT SAROLI INFRASTRUCTURES LIMITED 11. STEADFAST BUILDERS PRIVATE LIMITED 12. PACIFIC LEASING AND RESEARCH LTD 13. REYANSH INFRASTRUCTURE PRIVATE LIMITED 14. GEETANJALI AVIATION PRIVATE LIMITED 15. GEETANJALI INFOSYSTEMS PRIVATE LIMITED
Memberships /Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee) as on 31.03.2020	NIL
Memberships/ Chairmanships of the Committee of the Board of Directors of the Company	NIL

**BOARD'S REPORT**

To,

The Members of Pacific Industries Limited,

The Board of Directors have pleasure in presenting their 31<sup>st</sup> Annual Report on the business and operations of Pacific Industries Limited along with the Audited Financial Statements for the Financial Year Ended March 31, 2020.

**1. FINANCIAL HIGHLIGHTS**

The Standalone and Consolidated Financial Results of the company for the year ended 31<sup>st</sup> March, 2020 are as follows:

(Rs. In Lacs)

Particulars	Standalone (F.Y.)		Consolidated (F.Y.)	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations and Other Income	10,428.40	10347.24	10,904.89	10837.81
Less: Operating Cost	9,142.04	9361.80	9818.82	10243.27
<b>Operating Profit/PBDIT</b>	<b>1286.36</b>	<b>985.44</b>	<b>1086.07</b>	<b>594.54</b>
Less: Interest & Finance Charges	565.62	393.11	312.52	137.77
Less: Depreciation & Amortization Expenses	708.67	434.84	712.26	435.24
<b>Profit Before Tax and Exceptional Items</b>	<b>12.07</b>	<b>157.49</b>	<b>61.29</b>	<b>21.53</b>
Add: Exceptional items	-	-	-	-
<b>Profit Before Tax</b>	<b>12.07</b>	<b>157.49</b>	<b>61.29</b>	<b>21.53</b>
Less: Provision for Tax	(6.47)	27.32	16.73	33.90
Less: Prior Period Adjustment	-	-	-	-
<b>Profit After Tax</b>	<b>18.54</b>	<b>130.17</b>	<b>44.56</b>	<b>(12.37)</b>
Other Comprehensive Income	(40.62)	28.66	(41.49)	(4.33)
<b>Surplus carried to Balance Sheet</b>	<b>(22.08)</b>	<b>158.83</b>	<b>3.07</b>	<b>(16.71)</b>

**2. DIVIDENDS**

The Board of Directors thought it prudent not to recommend any Dividend for the financial year ended 31<sup>st</sup> March, 2020.

**3. TRANSFER TO RESERVES**

The Board of Directors didn't propose to transfer any sum to the General Reserve.

**4. STATE OF THE COMPANY'S AFFAIRS**

The Company achieved Revenues from Operations and Other Income (gross) of 10,428.40 lakhs during the financial year ended 31<sup>st</sup> March, 2020,. The profit after tax 18.54 Lakhs during the year. The Management is confident of rebound in the economy and expect growth coming back in the ensuing years.

Detailed analysis and future outlook of the Company's business are dealt in the Management Discussion and Analysis Report.

**5. IMPACT OF COVID-19**

COVID-19 pandemic has been rapidly spreading throughout the world, including India. Government of India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's manufacturing and other activities had to be closed down for some period of time however with the phased easing of restrictions the activities of the company has resumed and the manufacturing operations were re-commenced from 26th April 2020.

Management believes that it has assessed all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets and in the opinion of the management no significant impact of the same is there on the above matters.

However, given the effect of these lockdowns on the overall economic activity the impact assessment of COVID-19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and durations and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

**6. BUSINESS OVERVIEW**

Your Company continues to maintain its reputation as one of the most reputed manufacturers & providers of choicest and exclusive range of Indian & Imported Marbles & Granites. The Company has strived to innovate in technology and marketing and has evolved accepting the changing customer demands and aspirations.

Aggressive marketing and rational utilization of resources by the management of the Company has been an ongoing process as usual.

The Company has visualized on many uncharted territories in terms of creating a better future for itself in terms of new products and a wider range of colors and the Company is well positioned to capture benefits of the upturn.

Your Company is presently engaged in production and export of polished granite slabs, cut-to-size polished granite tiles, polished marble slabs and polished natural stones. It also trades and export in granite/marble slabs & tiles, rough granite/marble blocks, sand stone, slate stone and all other kinds of stone. Our Company is now venturing into new Quartz project.

**Customer Relationships**

Your Company believes that strengthening the relationships with its existing clients is as important as adding new names to its clientele. The Company has been exploring new opportunities with its existing clients and has also widened its client base both geographically



and numerically during the year under review and hopes to further expand it with the introduction of e-commerce facility on its website in the coming years.

The Company has also gained and maintained a reputation for importing and distributing only the highest quality stone while providing clients with personalized, detailed attention in selecting the right material for their projects.

#### **Personnel & Performance**

Your Company has been able to develop an environment, which is conducive to high growth and performance, a work culture that encourages meritocracy and rewards high performers in an adequate and fair manner.

#### **7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, in terms of the SEDI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), is presented in a separate section forming part of the Annual Report.

#### **8. MATERIAL CHANGES AFFECTING THE COMPANY AND COMMITMENT**

There have been immaterial changes and commitment affecting the financial position of the Company between the end of the financial year and date of this Report. There has been no change in the nature of business of the Company.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in Annexure 1 and is attached to this report.

#### **10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY**

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Companies Act 2013. This robust Risk Management framework enables identification and evaluation of business risks and opportunities, seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Company has laid down a well-defined risk management mechanism commensurate with its size and the nature of business covering risk mapping, risk exposure and risk mitigation process. The Company's Risk Management Policy has been developed to include various categories such as Human Resources, Financial, Business Processes and Systems, Strategy, Corporate Governance and Compliance and Information Security.

Further, the Board ensures risk reporting and updates, risk policy compliances and provide overall guidance and support to business risk owners.

**11. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Corporate Social Responsibility is not applicable to our company because the company not 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 Proceeding financial year 2018-19.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given Loans or guarantees or investments pursuant to Section 186 of the Companies Act, 2013 to other Body Corporates or persons as indicated in the notes to the financial statements.

**13. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company did not enter into any contract/ arrangement/ transaction with related parties, which could be considered material in accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has also disclosed related party transactions on a consolidated basis for the half year ended to the stock exchange and has also published the same on the website of the Company.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website The particulars as required under the Act are furnished in Annexure 4 (Form No. AOC-2) to this Report.

**14. SECRETARIAL STANDARDS**

The Company complies with all the applicable provisions of Secretarial Standards.

**15. AUDITORS AND AUDITORS' REPORT****A. Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, M/s Ravi Sharma & Co., Chartered Accountants, Jaipur (Firm Registration No. 015143C) were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 28th Annual General Meeting until the conclusion of 33rd Annual General Meeting of the Company, on such remuneration as may be decided by the Audit Committee and the Board of Directors.

Pursuant to Section 139 and 141 of the Companies Act, 2013 and relevant Rules prescribed there under, the Company has received certificate from the Auditors to the effect, inter-alia, confirming that their appointment continues to be within the limits laid down by the Act, is as per the term provided under the Act, that they are not disqualified for continuing such

appointment under the provisions of applicable laws and also that there are no pending proceedings against them or any of their partners with respect to professional matters of conduct.

#### **B. Secretarial Auditor**

The board has appointed M/s B K Sharma & Associates, Practising Company Secretaries, as secretarial auditor of the Company for the FY 2019-20 as per the provisions of Section 204 of Companies Act 2013 and rules made thereunder.

The Secretarial Audit Report for the financial year 2019-20 is attached herewith as Annexure 5. The report does not contain any reservation, qualification or adverse remark except delay in submission of documents with BSE as per SEBI (LODR) Regulations, 2015. Information referred in the Secretarial Auditor Report are self-explanatory and do not call for any further comments.

#### **Secretarial Audit of Material Unlisted Indian Subsidiary**

M/s Biswas Solar Instrument Private Limited , M/s Saha Coloured and Flavored Spirit Manufacturer Private Limited, M/s Radhika Vyapaar Private Limited and M/s Blood Hound Securities Company Private Limited material subsidiary of the Company undertakes Secretarial Audit under Section 204 of the Companies Act, 2013. The Secretarial Audit of M/s Biswas Solar Instrument Private Limited , M/s Saha Coloured and Flavored Spirit Manufacturer Private Limited, M/s Radhika Vyapaar Private Limited and M/s Blood Hound Securities Company Private Limited for the Financial Year 2019-20 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of M/s Biswas Solar Instrument Private Limited , M/s Saha Coloured and Flavored Spirit Manufacturer Private Limited, M/s Radhika Vyapaar Private Limited and M/s Blood Hound Securities Company Private Limited submitted by M/s Ronak Jhuthawat & Co., Practising Company Secretaries, does not contain any qualification, reservation or adverse remark or disclaimer and is attached herewith as Annexure 6.

#### **Cost Audit**

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

#### **16. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure 3.

#### **17. POLICY RELATING TO DIRECTORS APPOINTMENT AND REMUNERATION ETC.**

The Board has framed a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee. The details of this Policy

have been disclosed in the Corporate Governance Report, which forms part of this Report.

**18. ANNUAL EVALUATION OF BOARD'S PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual performance evaluation of the working of its own performance, the Directors individually as well as evaluation of its Committees.

The Board and Nomination and Remuneration Committee reviewed the performance of Individual Directors, the Board as a whole, Committees of the Board and Chairman and Managing Director after taking into consideration feedback received from Directors. The evaluation was done on various parameters such as vision and strategy, participation, disclosures of interests, good governance, leadership skills, operations, business development, human resources development, corporate communication etc. The feedback received from Directors were then consolidated and placed before the Committee/Board for its evaluation. The Directors expressed their satisfaction with the evaluation process.

**19. EXTRACT OF ANNUAL RETURN**

The extract of Annual Return (MGT - 9) pursuant to the provisions of Section 134 (3) (a) and Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and administration) Rules, 2014 the Annual Return of the Company is furnished in Annexure 7 of this Report and uploaded on the website of the Company which can be accessed at [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com).

**20. BOARD MEETINGS HELD DURING THE FINANCIAL YEAR 2019-20**

During the financial year 2019-20, four (5) Board Meetings were held on 30th May, 2019, 16th July 2019, 12th August, 2019, 13th November 2019, and 13th February 2020 details of which are furnished in the Corporate Governance Report forming part of this Report. The gap between any two Meetings did not exceed 120 days.

**21. DIRECTORS RESPONSIBILITY STATEMENT**

In terms of the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, in respect of the year ended 31st March, 2020, hereby confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affair soft he Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the Company and for preventing and detecting fraud an do therir regularities;

- d) they had prepared the annual accounts on a going concern basis;
- e) they had laid down proper internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

## 22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has the following subsidiaries and step-down subsidiaries:

Wholly owned Subsidiaries:-

- a) Gaze Fashiontrade Limited, a 100% Subsidiaries of the Company situated in the state of Karnataka.
- b) Gist Minerals & technologies Limited, a 100% Subsidiaries of the Company situated in the state of Karnataka.

Step Down Subsidiaries:-

- a) Biswas Solar Instrument Private Limited, a wholly owned step-down subsidiary of the Company.
- b) Blood hound Security Company Pvt. Ltd., a wholly owned step-down subsidiary of the Company.
- c) Radhika vyapaar Pvt. Ltd. a wholly owned step-down subsidiary of the Company.
- d) Saha Coloured & flavour Spirit Manufacturer Pvt. Ltd. a wholly owned step-down subsidiary of the Company.

There is no associate company within the meaning of section 2(6) of the Companies Act, 2013. There has been no material change in the nature of the business of the Subsidiaries.

The Subsidiary(Gist Minerals Technologies Limited) has applied for Merger of its wholly owned Subsidiary Saha Coloured & Flavour Spirit Manufacturer Private Limited with itself under Section 233 of Companies Act 2013 on 22.01.2020 and Scheme of Amalgamation is approved by the office of the Regional Director, South East Region, Hyderabad and Amalgamation Order between Gist Minerals Technologies Limited and Saha Coloured & Flavour Spirit Manufacturer Private Limited is registered and accepted by ROC Bangalore. Consequently, Status of Saha Coloured on MCA website is also changed to "Amalgamated" and Gaze Fashion trade Limited has applied for Merger of its wholly owned Subsidiaries Radhika Vyapaar Private Limited, Biswas Solar Instrument Private Limited and Blood Hound Security Company Private Limited with Itself under Section 233 of companies Act 2013 on 12.03.2020 and application for the same is under Process.

## 23. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company and all the subsidiaries form a part of this Annual Report and have been prepared in accordance with section 129(3) of the Companies Act, 2013. A separate statement containing salient features of the Financial Statements in prescribed format AOC-1 is annexed as Annexure-2 to this report.

This statement also provides the details of the performance and financial position of each of the Subsidiary Company.

**24. Credit Rating**

The Credit Rating has been affirmed for CARE RATING restated the Long term Rating CARE BB-, Stable, Short term rating CARE A4 and long term bank facilities/ short term bank facilities CARE BB-; Stable/CARE A4 on the bank facilities of the Company.

**25. LISTING OF SHARES**

The shares of the Company are listed on BSE Limited and the listing fee for the year 2020-21 has been duly paid.

**26. DEPOSITS**

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

**27. DEPOSITORY SYSTEM**

The Company has entered into agreement with the National Securities Depository Limited and Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in a dematerialized form. The Company also offers simultaneous dematerialization of the physical shares lodged for transfer.

**28. DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013**

The Company has received disclosures in Form DIR - 8 from all the Directors' of the Company and has noted that the none of the Director is disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

**29. DIRECTORS AND KEY MANAGERIAL PERSONNEL****Directors**

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Kapil Agarwal (DIN: 00386298), Director of the Company will retire by rotation at the ensuing AGM, and being eligible, offer themselves for re-appointment.

A brief resume of the Directors being appointed/ re-appointed, the nature of expertise in specific functional areas, names of companies in which they hold Directorships, committee memberships/ chairmanships, their shareholding in the Company, etc., have been furnished in the explanatory statement to the notice of the ensuing AGM.

**Key Managerial Personnel**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Shri Jagdish Prasad Agarwal, Chairman and Managing Director

Shri Kapil Agarwal Executive Director and Chief Financial Officer

Mr. Sachin Shah , Company Secretary and Compliance Officer

### 30. DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all Independent Directors of the Company, confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Independent directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent directors maintained with the Indian Institute of Corporate affairs in terms of Section 150 of the act read with rule 6 of the Companies (appointment & Qualification of directors) rules, 2014.

The Board is of the opinion that all the Independent Directors of the Company possess requisite qualifications, experience and expertise in their domain areas and that they hold highest standards of integrity.

### 31. INTERNAL FINANCIAL CONTROL SYSTEM

The Company continuously evolves in strengthening its internal control processes and has appointed Mr. Ravi Sharma, Chartered Accountants, as the Internal Auditor of the Company. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies.

Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities. Audit Committee periodically reviews the performance of internal audit system.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required. The Audit Committee reviews adherence to internal control systems and internal audit reports. Further, the Board annually reviews the effectiveness of the Company's internal control system.

### 32. CORPORATE GOVERNANCE

A detailed Report on Corporate Governance, pursuant to the requirements of Regulation 34(3) of the Listing Regulations, forms an integral part of this Report. A Certificate from the M/s B K Sharma & Associates , Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulations, is annexed to this Report and M/s B K Sharma & Associates issued a certificate with regards to Dis-Qualification of Directors of the Company as per Regulation 34(3) of SEBI (LODR) Regulations, 2015, is also annexed to this Report.

The Business Responsibility Reporting, as required by Regulation 34(2) of the Listing Regulations, is not applicable to the Company for the financial year ending 31st March, 2020.

The Vigil Mechanism of the Company also incorporates a Whistle Blower Policy in terms of the Listing Regulations thereby establishing a vigil mechanism for Directors and permanent employees for reporting genuine concerns, if any. Protected disclosures can be made by a whistle blower to the Chairman of the Audit Committee. The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <https://www.pacificindustriesltd.com/policies>.

### **33. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Company has constituted an Audit Committee as required under Section 177 of the Companies Act, 2013 and has also established Vigil Mechanism for their employees and Directors to report their genuine concerns or grievances.

The details of the same are presented in the Corporate Governance Report. The Board has accepted all the recommendations of the Audit Committee during the year under review.

### **34. GENERAL**

During the Financial year 2019-20 following transaction were reported:-

- \* No disclosure or reporting is required in respect deposits covered under Chapter V of the Act.
- \* During the year, there has been no change in the authorized share capital of the Company and Further, During the year Company has issued 2094825 number of Equity shares @ Rs.119 including per share premium of Rs. 109 per share having face value of Rs.10/- each under the Right Issue scheme. Consequently, the issued & Paid up Capital of the Company stands increase to Rs.34463250 w.e.f 26th August, 2019.
- \* During the year the company has not Issue of sweat equity shares, bonus shares or employees stock option plan.
- \* During the year under review, there were no cases were reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- \* There were no frauds reported by the Auditors under Sub section (12) of Section 143 of the Companies (Amendment) Act, 2015, to the Audit Committee, Board of Directors or Central Government.
- \* No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### **35. PREVENTION OF INSIDER TRADING**

In compliance with the provisions of Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board has adopted a code of conduct and code of practices and procedures for fair disclosure of unpublished price sensitive information to preserve the confidentiality of price sensitive information, prevent misuse thereof and regulate the trading by Insiders. The code of practice and procedures for fair disclosure of unpublished price



sensitive information is also available on the Company's website i.e. [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com).

**36. GREEN INITIATIVES**

As in the previous years, this year too, Electronic copies of the annual Report 2019-20 and the notice of the 31st Annual General Meeting are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). For the members who have not registered their email addresses, physical copies are sent in the permitted mode.

**37. ACKNOWLEDGEMENTS**

The Company has complete glorious 31 eventful years of the existence. Very few brands continue to remain relevant and become iconic over such a long passage of time. The Directors are proud of the rich heritage.

The Directors wish to place on record their appreciation, for the contribution made by the employees at all levels but for whose hard work, and support, the Company's achievements would not have been possible.

The Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

Place : Udaipur  
Date: 05.12.2020

By Order of the Board of Directors  
Pacific Industries Limited

J. P. Agarwal  
Chairman & Managing Director  
DIN: 00386183

Kapil Agarwal  
Executive Director  
DIN: 00386298

**ANNEXURE 1 TO THE DIRECTOR REPORT**

Statement pursuant to Section 134 (1) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

**A. CONSERVATION OF ENERGY**

The Company does not belong to the category of power intensive industry and hence consumption of power is not significant. However, the management gives due importance to conservation of energy wherever feasible, and also reviews from time to time, the measures taken / to be taken for reduced and prudent consumption and conservation of energy.

**B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT****i. Research & Development (R & D)**

The Company undertakes from time to time, studies for process improvement and plant design development, to improve quality and performance of its products, to substitute imported material and components and to economise the production costs. Based on these studies, appropriate actions are taken to achieve these goals. In absence of a separate research & development department, it is difficult to quantify the amount spent on research & development.

**ii. Technology Absorption, Adaption and Innovation**

Efforts are made to absorb the advances in technology with suitable modifications to cater to local needs. The Company keeps itself updated with the latest technological innovations by way of constant communication, personal discussions etc.

**C. FOREIGN EXCHANGE EARNINGS & OUT GO (Rs. in Lacs)**

F.O.B. Value of Export of Finished Goods:	5639.34
C.I.F. Value of Imports	1475.17

**Annexure - 2**
**FORM NO. AOC - 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014.

**Statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/ Joint Ventures**
**Part "A": Subsidiaries**

Particulars	Subsidiaries			Step-Down Subsidiaries		
	1	2	3	4	5	6
Sl. No.						(Amt. in '000)
Name of Subsidiary	Gaze Fashiontrade Ltd.	Gist Minerals & technologies Limited	Biswas Solar Instrument Pvt. Ltd.	Blood hound Security Company Pvt. Ltd.	Radhika vyapaar Pvt. Ltd.	Saha Coloured & Flavour Spirit Manufacture Pvt. Ltd.
The date since when subsidiary was acquired	21 <sup>st</sup> October, 2016	07 <sup>th</sup> November, 2016	15 <sup>th</sup> March, 2017	15 <sup>th</sup> March, 2017	15 <sup>th</sup> March, 2017	15 <sup>th</sup> March, 2017
Reporting period for the Subsidiary Concerned, if different from the holding	NA	NA	NA	NA	NA	NA
Share Capital	1,000.00	1,000.00	7902.00	6,002.00	5,000.00	1,050.00
Reserve & Surplus	20,252.47	7,085.80	7,75,333.24	5,78,699.65	2,39,154.95	9,06,686.93
Total Assets	30,581.29	1,28,139.34	7,90,952.04	5,87,894.29	2,47,852.60	9,96,977.42
Total Liabilities	9,328.82	1,20,053.54	7,716.80	3,192.64	3,697.65	89,240.49
Investments	29,729.49	52619.29	1,89,021.86	3,92,498.75	-	817601.86
Turnover	-	68,186.67	19042.47	6,486.63	3743.30	12728.12
Profit before taxation	(753.59)	4894.91	801.37	1372.89	353.88	5,063.47
Provision for Taxation	-	778.57	114.39	299.02	183.52	944.73
Profit after taxation	(753.59)	4116.34	686.98	1073.87	170.36	4,118.75
Proposed dividend	-	-	-	-	-	-
% of Shareholding	100%	100%	100%	100%	100%	100%

**Notes:**

1. Name of Subsidiaries which are yet to commence operation: NA
2. Name of Subsidiaries which have been liquidated or sold during the year: NIL

**Part “B”: Associates and Joint Ventures**

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint ventures

There is no Associates and Joint Ventures as on 31st March, 2020.

For and on behalf of the board

Sd/-  
J. P. Agarwal  
Chairman & Managing Director  
DIN: 00386183

Sd/-  
Kapil Agarwal  
Executive Director  
DIN: 00386298

Place : Udaipur  
Date: 05.12.2020

**Annexure- 3**
**Particulars of Employees**

- I. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A. Remuneration paid to Whole Time Director

Name of Director	Remuneration in FY 2019-20	Remuneration in FY 2019-20	% Inc./ (Dec) in Remuneration	Ratio of Remuneration to MRE
Mr. J.P Agarwal	Rs.24.00 Lacs	Rs.24.00 Lacs	0.00	10.57
Mr. Kapil Agarwal	Rs.24.00 Lacs	Rs.24.00 Lacs	0.00	10.57

B. Remuneration paid to KMPs

Name of Director	Remuneration in FY 2019-20	Remuneration in FY 2019-20	% Inc./ (Dec) in Remuneration	Ratio of Remuneration to MRE
Ms. Sachin Shah	3.24 Lacs	3.24 Lacs	NA	1.42

\*based on annualized salary, MRE – Median Remuneration of Employees

- C. The median remuneration of employees was Rs. 2,27,496/- in financial year 2019-20.
- D. Number of permanent employees on the rolls of Company was 149 employees as on 31.03.2020.
- E. The Average Remuneration of the employee was increase around 10%.
- F. There was no increase in the salary of Managing Director and Executive Director of the Company.
- G. Remuneration paid during the year ended 31st March, 2020 is as per the Remuneration Policy of the Company

**Annexure - 4**
**FORM NO. AOC -2**

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

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

**1. Details of contracts or arrangements or transactions not at Arm's length basis..**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-Not Applicable -
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis for the Financial year 2019-20**

Name (s) of related party & nature of relationship	Nature of contracts/ Arrangements /transaction	Amount (In lacs)	Duration of contracts/ arrangements/tr ansaction	Salient terms of the contracts/arran gements or transaction including the value, if any	Date of approval by the Board
Krishna Marbles ( Director is the Partner in the Firm)	Purchase	12.32	Ongoing	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arms length basis.	Since these related party transactions are in the ordinary course of business and are at arms length basis. However, necessary approvals were
Pacific Iron Manufacturing Ltd. (Director is the Director of the Company)	Purchase	2085.49	Ongoing		
SahaColoured and flavor manufacturer pvt. Ltd. (Step Dow Subsidiary of the Company)	Purchase	145.23	Ongoing		

Biswas Solar Instruments Pvt. Ltd. (Step Dow Subsidiary of the Company)	Purchase	<b>190.42</b>	Ongoing	granted by the Audit Committee from time to time.
Blood Hound Security Company Pvt Ltd (Step Dow Subsidiary of the Company)	Purchase	<b>72.65</b>	Ongoing	
Radhika Vyapaar Pvt. (Step Dow Subsidiary of the Company)	Purchase	<b>39.42</b>	Ongoing	
Chaitanya International Minerals LLP (Director is the Partner in the LLP)	Purchase	<b>490.80</b>	Ongoing	

Place : Udaipur  
 Date: 05.12.2020

By Order of the Board of Directors  
 Pacific Industries Limited

**J. P. Agarwal**  
 Chairman & Managing Director  
 DIN: 00386183

**Kapil Agarwal**  
 Executive Director  
 DIN: 00386298

Annexure-5

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To

The Members

PACIFIC INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pacific Industries Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Pacific Industries Limited ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings; there was no FDI, ODI and ECBs during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
  - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014. . Not applicable to the company during the period under review.



- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015. Not applicable to the company during the period under review.
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. Not applicable to the company during the period under review.
- (h) The Securities and Exchange Board of India (Buy Back of securities) Regulations, 2018. Not applicable to the company during the period under review.
- (i) The SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- (vi) As informed and certified by the management, the Mining Act, 1952 is applicable to the company based on sector/industry. The Company has complied with the provisions of the said Act during the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

For B K Sharma & Associates  
Company Secretaries

[BRIJ KISHORE SHARMA]  
Proprietor  
M. No. : FCS - 6206  
COP No.: 12636  
UDIN: F006206B001217768  
PLACE: Jaipur  
DATE: 12th November, 2020

'Annexure A'

To,  
The Members  
PACIFIC INDUSTRIES LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these 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 verification was 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 reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of event, etc.
5. The compliances of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For B K Sharma & Associates  
Company Secretaries

[BRIJ KISHORE SHARMA]  
Proprietor  
M. No. : FCS - 6206  
COP No.: 12636  
UDIN: F006206B001217768

PLACE: Jaipur  
DATE: 12th November, 2020

Annexure-6

Form No MR-3  
Secretarial Audit Report  
(For the Financial Year ended on 31.03.2020)  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
BISWAS SOLAR INSTRUMENT PRIVATE LIMITED  
SURVEY NO. 13, N.H.48, KEMPALINGANHALLI  
NELAMANGALA TALUKA  
BANGALORE KA 562123 IN

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period **April 01, 2019 to March 31, 2020**, complied with the statutory provisions listed here under to this Report and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; **Not Applicable during the Audit period**
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder; **Not Applicable during the Audit period**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under; **Not Applicable during the Audit period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit period**

- b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit period**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Audit period;**
  - d) The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Audit period;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the Audit period;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies, Act and dealing with client; - **Not applicable** as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Equity Shares of the Company are not Listed to any Stock Exchange during the year under review, hence Regulation is **Not Applicable during the Audit period**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Audit period**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015- **Not Applicable during the Audit period**
6. Company is wholly owned Subsidiary of Gaze Fashiontrade Limited.
7. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

**I further report that**

- Being Private Limited Company has two Executive Directors and No Changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- All decision at Board Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors.

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

I further report that during the review period, Company has taken following major action having a bearing on the Company's affairs in pursuance of the above referred laws, rule, regulations,

guidelines, standards, etc. have taken place.

I further report that during the audit period the company has:-

- The Company has shifted its Registered Office from State of Maharashtra (Mumbai) to State of Karnataka (Bangalore) vide RD ORDER NO RD/SECTION/13/SRN H89805220/4412 DATED 24.10.2019.
- The Company has adopted a new set of Memorandum of Association and Article of Association as per provisions of the Companies Act, 2013 vide passing special resolution in its EOGM held on 09th January 2020.
- The Board of Directors has approved the scheme of Amalgamation by amalgamating M/S Biswas Solar Instrument Private Limited (Transferor Company) with M/S Gaze Fashiontrade Limited (Transferee Company) pursuant to section 233 of Companies Act, 2013 in its Board meeting held on 06th March 2020.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN-F009738B000618588

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.

**“ANNEXURE-1”**

To,  
The Members,  
BISWAS SOLAR INSTRUMENT PRIVATE LIMITED  
SURVEY NO. 13, N.H.48, KEMPALINGANHALLI  
NELAMANGALA TALUKA  
BANGALORE KA 562123 IN

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

- A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- B. I 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 verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN-F009738B000618588

Form No MR-3  
Secretarial Audit Report  
(For the Financial Year ended on 31.03.2020)  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
BLOOD HOUND SECURITY COMPANY PRIVATE LIMITED  
SY NO. 121/9, KATHA NO. 261/25, 2ND FLOOR,  
NELAMANGALA TALUK, KASABA HOBLI,  
ARISHINAKUNTE GRAMA BANGALORE

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period **April 01, 2019 to March 31, 2020**, complied with the statutory provisions listed here under to this Report and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; *Not Applicable during the Audit period*
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder; **Not Applicable during the Audit period**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under; **Not Applicable during the Audit period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit period**
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not**

**Applicable during the Audit period**

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 -**Not Applicable during the Audit period;**
  - d) The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Audit period;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the Audit period;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies, Act and dealing with client; - Not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Equity Shares of the Company are not Listed to any Stock Exchange during the year under review, hence Regulation is **Not Applicable during the Audit period**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -**Not Applicable during the Audit period**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015-**Not Applicable during the Audit period**
6. Company is wholly owned Subsidiary of Gaze Fashiontrade Limited.
7. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

**I further report that**

- Being Private Limited Company has two Executive Directors and No Changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- All decision at Board Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors.

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

I further report that during the review period, Company has taken following major action having a bearing on the Company's affairs in pursuance of the above referred laws, rule, regulations, guidelines, standards, etc. have taken place.



We further report that during the audit period the company has:-

- The Company has adopted a new set of Memorandum of Association and Article of Association as per provisions of the Companies Act, 2013 vide passing special resolution in its EOGM held on 09th December 2019.
- The Board of Directors has approved the scheme of Amalgamation by amalgamating M/S Blood Hound Security Company Private Limited (Transferor Company) with M/S Gaze Fashion trade Limited (Transferee Company) pursuant to section 233 of Companies Act, 2013 in its Board meeting held on 06th March 2020.

**For Ronak Jhuthawat & Co.**  
**(Company Secretaries)**

**Ronak Jhuthawat**  
**Proprietor**  
**FCS: 9738 CP: 12094**

**Place: Udaipur**  
**Date: 26.08.2020**  
**UDIN-F009738B000618632**

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.

Form No MR-3  
Secretarial Audit Report  
(For the Financial Year ended on 31.03.2020)  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
RADHIKA VYAPAAR PVT LTD  
SURVEY NO. 13, N.H.48, KEMPALINGANHALLI,  
NELAMANGALA TALUKA,  
BANGALORE KA 562123 IN

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period **April 01, 2019 to March 31, 2020**, complied with the statutory provisions listed here under to this Report and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; **Not Applicable during the Audit period;**
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder; **Not Applicable during the Audit period;**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under; **Not Applicable during the Audit period;**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit period;**
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit period;**

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Audit period;**
  - d) The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Audit period;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the Audit period;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies, Act and dealing with client; - **Not applicable** as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Equity Shares of the Company are not Listed to any Stock Exchange during the year under review, hence Regulation is **Not Applicable during the Audit period**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable; and **Not Applicable during the Audit period**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015-**Not Applicable during the Audit period**
6. Company is wholly owned Subsidiary of Gaze Fashion trade Limited.
  7. I have also examined compliance with the applicable clauses of the following:
    - (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

**I further report that**

- Being Private Limited Company has two Executive Directors and No Changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- All decision at Board Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors.

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

I further report that during the review period, Company has taken following major action having a bearing on the Company's affairs in pursuance of the above referred laws, rule, regulations, guidelines, standards, etc. have taken place.

We further report that during the audit period the company has:

- The Company has shifted its place of Registered Office from State of Maharashtra (Mumbai) to State of Karnataka (Bangalore) via Order No. RD ORDER - RD (NWR) /SEC13/114/2019/3956 dated 22.10.2019.
- The Company has adopted a new set of Memorandum of Association and Article of Association as per provisions of the Companies Act, 2013 vide passing special resolution in its EOGM held on 03rd January 2020.
- The Board of Directors has approved the scheme of Amalgamation by amalgamating M/S Radhika Vyapaar Pvt Ltd (Transferor Company) with M/S Gaze Fashion trade Limited (Transferee Company) pursuant to section 233 of Companies Act, 2013 in its Board meeting held on 06th March 2020.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN- F009738B000618555

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.

“ANNEXURE-1”

To,  
The Members,  
RADHIKA VYAPAAR PVT LTD  
SURVEY NO. 13, N.H.48, KEMPALINGANHALLI,  
NELAMANGALA TALUKA,  
BANGALORE KA 562123 IN

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

- A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- B. I 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 verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN- F009738B000618555

Form No MR-3  
Secretarial Audit Report  
(For the Financial Year ended on 31.03.2020)  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
SAHA COLOURED & FLAVOUR SPIRIT MANUFACTURER PRIVATE LIMITED  
HOUSE NO. 5050, 2ND FLOOR, VIJAYNAGAR, SHAMANNA LAYOUT,  
NELAMANGALA TALUK, BANGALORE KA 562123 IN

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAHA COLOURED & FLAVOUR SPIRIT MANUFACTURER PRIVATE LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period April 01, 2019 to March 31, 2020, complied with the statutory provisions listed here under to this Report and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under; **Not Applicable during the Audit period**
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder; **Not Applicable during the Audit period**
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;**Not Applicable during the Audit period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit period**
  - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit period**

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 -**Not Applicable during the Audit period;**
  - d) The Securities and Exchange Board of India Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the Audit period;**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the Audit period;**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies, Act and dealing with client; - **Not applicable** as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Equity Shares of the Company are not Listed to any Stock Exchange during the year under review, hence Regulation is **Not Applicable during the Audit period**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 -**Not Applicable during the Audit period**
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015-**Not Applicable during the Audit period**
6. Company is wholly owned Subsidiary of GIST MINERALS TECHNOLOGIES LIMITED.
7. I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

**I further report that**

- Being Private Limited Company has two Executive Directors and No Changes in the composition of the Board of Directors that took place during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
- All decision at Board Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors.
- I further report that there are adequate systems and processes commensurate with its size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the review period, Company has taken following major action having a bearing on the Company's affairs in pursuance of the above referred laws, rule, regulations, guidelines, standards, etc. have taken place.

I further report that during the audit period the company has:-

- The Company has adopted a new set of Memorandum of Association and Article of Association as per provisions of the Companies Act, 2013 vide passing special resolution in its EOGM held on 09th December 2019.
- The Board of Directors has approved the scheme of Amalgamation by amalgamating M/S Saha Coloured & Flavour Spirit Manufacturer Private Limited (Transferor Company) with M/S Gist Mineral Technologies Limited (Transferee Company) pursuant to section 233 of Companies Act, 2013 in its Board meeting held on 05th February 2020 and the same has been approved by shareholders vide Special Resolution in EOGM held on 02nd March 2020.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN-F009738B000618577

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.



**“ANNEXURE-1”**

To,  
The Members,  
SAHA COLOURED & FLAVOUR SPIRIT MANUFACTURER PRIVATE LIMITED  
HOUSE NO. 5050, 2ND FLOOR, VIJAYNAGAR, SHAMANNA LAYOUT,  
NELAMANGALA TALUK, BANGALORE KA 562123 IN

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

- A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- B. I 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 verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ronak Jhuthawat & Co.  
(Company Secretaries)

Ronak Jhuthawat  
Proprietor  
FCS: 9738 CP: 12094

Place: Udaipur  
Date: 26.08.2020  
UDIN-F009738B000618577

**“ANNEXURE-7”**
**FORM NO. MGT 9**
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

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

**I. REGISTRATION & OTHER DETAILS:**

CIN	L14101KA1989PLC062041
Registration Date	13/07/1989
Name of the Company	Pacific Industries Limited
Category/Sub-category of the Company	Category: Company Limited by Shares Sub-category- Non-government company
Address of the Registered office & contact details	Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123. Tel. No.: 91-080-27723004 Fax No.: 91-080- 27723004 Email : <a href="mailto:pilnorth@pacificgranites.com">pilnorth@pacificgranites.com</a> Website: <a href="http://www.pacificindustriesltd.com">www.pacificindustriesltd.com</a>
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai-400083. Tel. :022-49186000 Fax :022-49186060

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the
1.	Manufacturer, Ex porter & Importer of Quality Granites & Marbles and Quartz	0810	100%

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

SN	Name and Address of the Company	CIN/GLN/	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1.	GAZE FASHIONTRADE LIMITED  FLAT NO. A6, -306, IN BLOCK NO.A IN JANAPRIYA 1ST AVENUE, ARISHINAGUNTE VILLAGE, NEEMANGALA BANGALORE KA 562123 IN	U17100KA2016PLC097289	Wholly Owned Subsidiary	100%	2(87)
2.	GIST MINERALS TECHNOLOGIES LIMITED  Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123.	U14290KA2016PLC126434	Wholly Owned Subsidiary	100%	2(87)
3.	BISWAS SOLAR INSTRUMENT PRIVATE LIMITED  Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123.	U51909KA1996PTC131385	Step Down Subsidiary	100% through Subsidiary Company	2(87)
4.	BLOOD HOUND SECURITY COMPANY PVT. LTD  SY NO. 121/9, KATHA NO. 261/25, 2ND FLOOR, NELAMANGALA TALUK, KASABA HOBLI, ARISHINAKUNTE GRAMA BANGALORE KA 562123 IN	U75302KA1997PTC112216	Step Down Subsidiary	100% through Subsidiary Company	2(87)
5.	RADHIKA VYAPAAR PVT LTD  Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123.	U51109KA2005PTC130931	Step Down Subsidiary	100% through Subsidiary Company	2(87)
6.	SAHA COLOURED & FLAVOUR SPIRIT MANUFACTURER PRIVATE LIMITED  HOUSE NO. 5050, 2ND FLOOR, VIJAYNAGAR, SHAMANNA LAYOUT, NELAMANGALA TALUK, BANGALORE Rural KA 562123 IN	U24200KA2008PTC104949	Step Down Subsidiary	100% through Subsidiary Company	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**  
**A) Category-wise Share Holding:**

Pacific Industries Limited										
Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	486175	0	486175	35.9730	1711778	0	1711778	48.6687	33.6957
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Persons Acting In Concert	20500	0	20500	1.5168	20500	0	20500	0.5048	0.9320
	Bodies Corporate	74610	0	74610	5.5225	817610	0	817610	23.7241	18.2036
	Sub-Total (A)(1)	581285	0	581285	43.0104	2549888	0	2549888	73.8886	30.9783
(2)	Foreign									
(a)	Individuals (Non-Residents Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub-Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	581285	0	581285	43.0104	2549888	0	2549888	73.8886	30.9782
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds / UTI	0	1140	1140	0.0044	0	1140	1140	0.0231	0.0511
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	20	40	60	0.0044	20	40	60	0.0017	0.0027
(g)	Insurance Companies	0	10	10	0.0007	0	10	10	0.0003	0.0004
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Foreign Financial Institution	0	10	10	0.0007	0	10	10	0.0003	0.0004
	UTI	0	3350	3350	0.2479	0	3350	3350	0.0972	0.1507
	Sub-Total (B)(1)	20	4550	4570	0.3381	20	4550	4570	0.1326	0.2035
(2)	Central Government/ State Government(s)/ President of India									
	Sub-Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(3)	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh	241224	278644	519868	38.4660	380449	272055	532504	18.4544	23.0146
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	107983	0	107983	7.8895	240681	0	240681	9.5895	11.0094
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(j)	Overseas Depositories (holding DRs) (Balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Foreign Nationals	0	4400	4400	0.3258	0	4340	4340	0.1259	0.1927
	Hindu Undivided Family	18845	0	18845	1.4084	18008	0	18008	0.5515	0.9169
	Non Resident Indians (NRI Repat)	933	0	933	0.0090	928	0	928	0.0260	0.0421
	Non Resident Indians (Repatri)	1873	20	1893	0.1441	4345	0	4345	0.1361	0.1620
	Clearing Member	750	0	750	0.0055	28	0	28	0.0008	0.0547
	Bodies Corporate	93370	14603	107973	7.9891	75230	14603	89833	2.6066	5.3825
	Sub-Total (B)(3)	467978	257667	725645	54.8515	600669	290998	891667	25.6768	30.7227
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	467998	302217	770215	56.9856	600689	295548	896437	26.0114	30.9782
	Total (A)+(B)	1049283	302217	1351500	100.0000	3150777	295548	3446325	100.0000	100.0000
(C)	Non-Promoter - Non Public									
	(C) Shares Underlying DRs									
(1)	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
	(C) Shares Held by Employee Trust									
(2)	Employee Benefit Trust (under SEBI (Share Based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	1049283	302217	1351500	100.0000	3150777	295548	3446325	100.0000	100.0000

**B) Shareholding of Promoter-**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	ANKIT AGARWAL	18259	'1.3510	'0.0000	171560	'4.9781	'0.0000	'3.6271
2	ANKUR AGARWAL	3333	'0.2466	'0.0000	20000	'0.5803	'0.0000	'0.3337
3	DWARIKA PRASAD AGARWAL	10000	'0.7399	'0.0000	10000	'0.2902	'0.0000	'-0.4497
4	GAURAV AGARWAL	10000	'0.7399	'0.0000	10000	'0.2902	'0.0000	'-0.4497
5	GEETA DEVI AGARWAL	190421	'14.0896	'0.0000	500574	'14.5249	'0.0000	'0.4353
6	JAGDISH PRASAD AGARWAL	42336	'3.1325	'0.0000	260101	'7.5472	'0.0000	'4.4147
7	JITENDRA KUMAR TAYLIA	5000	'0.3700	'0.0000	5000	'0.1451	'0.0000	'-0.2249
8	KANIKA AGARWAL	24250	'1.7943	'0.0000	164838	'4.7830	'0.0000	'2.9887
9	KAPIL AGARWAL	135635	'10.0359	'0.0000	375869	'10.9064	'0.0000	'0.8705
10	NARAYAN PRASAD AGARWAL	10330	'0.7643	'0.0000	10330	'0.2997	'0.0000	'-0.4646
11	PACIFIC LEASING AND RESEARCH LIMITED	14610	'1.0810	'0.0000	14610	'0.4239	'0.0000	'-0.6571
12	PIYUSH MAROD	11750	'0.8694	'0.0000	11750	'0.3409	'0.0000	'-0.5285
13	RAHUL MARBLES PRIVATE LIMITED	60000	'4.4395	'0.0000	803000	'23.3002	'0.0000	'18.8607
14	SHANTI LAL MAROD	8750	'0.6474	'0.0000	8750	'0.2539	'0.0000	'-0.3935
15	SHRUTI AGARWAL	23803	'1.7612	'0.0000	170698	'4.9530	'0.0000	'3.1918
16	SUDHA AGARWAL	12808	'0.9477	'0.0000	12808	'0.3716	'0.0000	'-0.5761
	Total	581285	'43.0104	'0.0000	2549888	'73.9886	'0.0000	'30.9782

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	RAHUL MARBLES PRIVATE LIMITED	60000	1.7410			60000	1.7410
	RIGHT ISSUE OF SHARE			30 Aug 2019	743000	803000	23.3002
	AT THE END OF THE YEAR					803000	23.3002
2	GEETA DEVI AGARWAL	190421	5.5253			190421	5.5253
	RIGHT ISSUE OF SHARE			30 Aug 2019	310153	500574	14.5249
	AT THE END OF THE YEAR					500574	14.5249

3	KAPIL AGARWAL	135635	3.9356			135635	3.9356
	RIGHT ISSUE OF SHARE			30 Aug 2019	240234	375869	10.9064
	AT THE END OF THE YEAR					375869	10.9064
4	JAGDISH PRASAD AGARWAL	42336	1.2284			42336	1.2284
	RIGHT ISSUE OF SHARE			30 Aug 2019	217765	260101	7.5472
	AT THE END OF THE YEAR					260101	7.5472
5	ANKIT AGARWAL	18259	0.5298			18259	0.5298
	RIGHT ISSUE OF SHARE			30 Aug 2019	153301	171560	4.9781
	AT THE END OF THE YEAR					171560	4.9781
6	SHRUTI AGARWAL	23803	0.6907			23803	0.6907
	RIGHT ISSUE OF SHARE			30 Aug 2019	146895	170698	4.9530
	AT THE END OF THE YEAR					170698	4.9530
7	KANIKA AGARWAL	24250	0.7036			24250	0.7036
	RIGHT ISSUE OF SHARE			30 Aug 2019	140588	164838	4.7830
	AT THE END OF THE YEAR					164838	4.7830
8	ANKUR	3333	0.0967			3333	0.0967
	Transfer			26 Apr 2019	16667	20000	0.5803
	AT THE END OF THE YEAR					20000	0.5803
9	PACIFIC LEASING AND RESEARCH LIMITED	14610	0.4239			14610	0.4239
	AT THE END OF THE YEAR					14610	0.4239
10	SUDHA AGARWAL	12808	0.3716			12808	0.3716
	AT THE END OF THE YEAR					12808	0.3716
11	PIYUSH MAROO	11750	0.3409			11750	0.3409
	AT THE END OF THE YEAR					11750	0.3409
12	NARAYAN PRASAD AGARWAL	10330	0.2997			10330	0.2997
	Transfer			09 Aug 2019	(330)	10000	0.2902
	Transfer			06 Sep 2019	330	10330	0.2997
	AT THE END OF THE YEAR					10330	0.2997
13	DWARKA PRASAD AGARWAL	10000	0.2902			10000	0.2902
	AT THE END OF THE YEAR					10000	0.2902
14	GAURAV AGARWAL	10000	0.2902			10000	0.2902
	AT THE END OF THE YEAR					10000	0.2902

**D) Shareholding Pattern of top ten Shareholders:  
 (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
		NO. OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	LAHAR SINGH SIROYA	0	0.0000			0	0.0000
	RIGHT ISSUE OF SHARE			30 Aug 2019	66500	66500	1.9296
	AT THE END OF THE YEAR					66500	1.9296
2	LALITA DEVI MODI	43081	1.2501			43081	1.2501
	AT THE END OF THE YEAR					43081	1.2501
3	AUTHUM INVESTMENT AND INFRASTRUCTURE LIMITED	0	0.0000			0	0.0000
	Transfer			14 Feb 2020	34000	34000	0.9866
	AT THE END OF THE YEAR					34000	0.9866
4	MENTOR CAPITAL LIMITED	62991	1.8278			62991	1.8278
	Transfer			14 Feb 2020	(34000)	28991	0.8412
	AT THE END OF THE YEAR					28991	0.8412
5	SANJAY KUMAR SIROYA	0	0.0000			0	0.0000
	Transfer			30 Aug 2019	22000	22000	0.6384
	AT THE END OF THE YEAR					22000	0.6384
6	MAHENDRA GIRDHARILAL	19613	0.5691			19613	0.5691
	Transfer			05 Apr 2019	22	19635	0.5697
	Transfer			12 Apr 2019	274	19909	0.5777
	Transfer			19 Apr 2019	165	20074	0.5825
	Transfer			26 Apr 2019	210	20284	0.5886
	Transfer			03 May 2019	819	21103	0.6123
	Transfer			10 May 2019	238	21341	0.6192
	Transfer			17 May 2019	1223	22564	0.6547
	Transfer			24 May 2019	568	23132	0.6712
	Transfer			31 May 2019	254	23386	0.6786
	Transfer			07 Jun 2019	156	23542	0.6831
	Transfer			14 Jun 2019	21	23563	0.6837
	Transfer			21 Jun 2019	1022	24585	0.7134
	Transfer			29 Jun 2019	131	24716	0.7172
	Transfer			05 Jul 2019	498	25214	0.7316
	Transfer			12 Jul 2019	55	25269	0.7332
	Transfer			19 Jul 2019	396	25665	0.7447
	Transfer			26 Jul 2019	490	26155	0.7589
	Transfer			09 Aug 2019	(3352)	22803	0.6617
	Transfer			16 Aug 2019	(70)	22733	0.6596
	Transfer			23 Aug 2019	(1722)	21011	0.6097
	AT THE END OF THE YEAR					21011	0.6097
7	SARITA AGARWAL	20083	0.5827			20083	0.5827
	AT THE END OF THE YEAR					20083	0.5827

8	DEEPAK KUMAR SIROYA	0	0.0000			0	0.0000
	RIGHT ISSUE OF SHARE			30 Aug 2019	16000	16000	0.4643
	AT THE END OF THE YEAR					16000	0.4643
9	SEEMA SIROYA	0	0.0000			0	0.0000
	RIGHT ISSUE OF SHARE			30 Aug 2019	15000	15000	0.4352
	AT THE END OF THE YEAR					15000	0.4352
10	BABITA MANSAKA	14246	0.4134			14246	0.4134
	AT THE END OF THE YEAR					14246	0.4134
11	CHIRAG MAROO	10960	0.3180			10960	0.3180
	AT THE END OF THE YEAR					10960	0.3180
12	DINESH AGRAWAL	10412	0.3021			10412	0.3021
	AT THE END OF THE YEAR					10412	0.3021
13	PRADEEP KUMAR MITTAL	9298	0.2698			9298	0.2698
	AT THE END OF THE YEAR					9298	0.2698
14	PARK CONTINENTAL PRIVATE LIMITED	10000	0.2902			10000	0.2902
	Transfer			31 Jan 2020	(20)	9980	0.2896
	Transfer			07 Feb 2020	(3980)	6000	0.1741

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Geeta Devi Agarwal, Director				
	At the beginning of the year	190421	14.09	190421	14.09
	Increase / Decrease	Increased			
	At the end of the year	500574	14.5249	500574	14.5249
2.	Kapil Agarwal, Executive Director & CFO				
	At the beginning of the year	135635	10.04	135635	10.04
	Increase / Decrease	Increased			
	At the end of the year	375869	10.90	375869	10.90
3.	Jagdish Prasad Agarwal, Chairman & Managing Director				
	At the beginning of the year	42336	3.13	42336	3.13
	Increase / Decrease	Increased			
	At the end of the year	260101	7.54	260101	7.54
3.	Vinod Choudhary				
	At the beginning of the year	60	0.001%	60	0.001%
	Increase / Decrease	No Change			
	At the end of the year	60	0.001%	60	0.001%

Note: No other Director and KMP held share during the Financial Year 2019-20.



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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	556,98,470	6810,21,696	2227587	7389,47,753
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	556,98,470	6810,21,696	22,27,587	7389,47,753
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	426,61,734	0	426,61,734
* Reduction	216,30,857	1853,81,516	0	2070,12,373
<b>Net Change</b>	-216,30,857	-1427,19,782	0	1643,50,639
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	340,67,613	5383,01,914	22,27,587	5745,97,114
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	340,67,613	5383,01,914	22,27,587	5745,97,114

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (in Lacs)**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. J. P. Agarwal Chairman & MD	Mr. Kapil Agarwal Executive Director & CFO	
1	Gross salary	2400000	2400000	4800000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit	--	--	--
5	Others, please specify	--	--	--
	<b>Total (A) Ceiling as per the Act</b>	<b>2400000</b>	<b>2400000</b>	<b>4800000</b>

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	<b>NA</b>				
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel		
		CEO	Mr. Sachin Shah	Total
1	Gross salary	--	3,24,677	3,24,677
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	- as % of profit	--	--	--
	others specify...	--	--	--
5	Others, please specify	--	--	--
	Total	--	3,24,677	3,24,677

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

## Corporate Governance Report

A report for the financial year ended 31st March, 2020 on the compliance by the Company with the Corporate Governance requirements as specified under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), is furnished below:

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Pacific Industries Limited ("the Company") strives to follow the best corporate governance practices, develop robust policies/guidelines, communicate and train all its employees in order to foster a culture of compliance and obligation at every level of the organization. At Pacific Industries Limited, it is not only Governance but better and better Governance. We consider it as achieving a balance of Business, Corporate, Social and Philanthropy goals.

We have established processes to ensure our Board functions effectively, promoting efficient and balanced decision-making, to effectively fulfill its duties in the best interest of our shareholders, employees and all other stakeholders.

The Company is in compliance with the provisions of Corporate Governance, as specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is committed to meeting the expectations of stakeholders as a responsible corporate citizen.

### 2. BOARD OF DIRECTORS

Corporate Governance acts as a pioneer factor for the decision making process by Board of Directors of the Company. The Board's role is to oversee the management and governance of the Company. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance.

Being a two tier Corporate Governance structure at the Company, the Board of Directors, along with its Committees, provides leadership and guidance to the management, leads, directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected.

In contracts that involve any potential conflict of interest, the Interested Directors excuse themselves and the ultimate decision-making authority is conferred upon the Independent Directors of the Company, representing fair, transparent and ethical business environment in the Company.

### 3. Code of Conduct

The Company has in place a comprehensive Code of Conduct ('the Code') applicable to the Directors and employees. The Code is applicable to Non-Executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put up on the Company's website and can be accessed at [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com). The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman and Managing Director is published in this Report.

#### 4. Composition of Board of Directors:

The Board of Directors of the Company comprises of eminent professionals and has an optimum combination of Executive Directors ("ED"), Non- Executive Directors ("NED") and Independent Directors ("ID"), including Women Director, with half of the Board comprising of Non-Executive and Independent Directors to maintain the Board's independence, and distinguish its functions of governance and management. The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors.

The strength of the Board is six Directors comprising two Executive including the Chairman of the Company and four Non-Executive Directors. Half of the Board of Directors consists of Independent Directors on account of Executive Director designated as the Chairman. All Directors possess relevant qualifications and experience in general corporate management, finance, banking, and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

Details of the Board of Directors are given below:

Category	Name of Director
Chairman and Managing Director	Shri Jagdish Prasad Agarwal
Executive Director & CFO	Shri Kapil Agarwal
Non - Executive, Independent Director	Shri Pradeep Kumarr Jain
Non - Executive, Independent Director	Shri Vikas Misra
Non - Executive, Independent Director	Shri Vinod Choudhary
Non - Executive, Non - Independent, Woman Director	Smt. Geetadevi Agarwal

**Attendance of Directors**

Name of Director	Category	Number of board Meeting during the year 2019-20		Whether attended last AGM held on September 30, 2019	Number of Directorship in other Public Companies		Number of Committee positions held in other Public Companies	
		Held	Attended		Chairman	Director	Chairman	Member
Mr. Jagdish Prasad Agarwal, Chairman & Managing Director	-Executive Director Promoter	5	5	Yes	-	3	-	-
Mr. Kapil Agarwal Whole-time Director	Executive Director Promoter	5	5	Yes	-	3	-	-
Mrs. Geeta Devi Agarwal	Non-Independent, Non-Executive Promoter	5	5	Yes	-	2	-	-
Mr. Vinod Choudhary	Independent, Non-Executive	5	5	No	-	-	-	-
Mr. Vikas Misra	Independent, Non-Executive	5	5	Yes	-	-	-	-
Mr. Pradeep Kumar jain	Independent, Non-Executive	5	5	Yes				

- i. Five Board Meetings were held during the year and the gap between two meetings did not 120 days. The Dates, on which the said meetings were held, were:
- ii. 30th May, 2019, 16th July 2019, 12th August, 2019, 13th November 2019, and 13th February 2020
- iii. The necessary Quorum was present for all the meetings.
- iv. The terms and Conditions of appointment of independent Directors are disclosed on the website of the Company.
- v. During the Year one meeting of independent director were held on 12th March, 2020. The independent directors reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.
- vi. There is no inter-se relationship between our Board members except Mrs. Geeta Devi Agarwal and Mr. Kapil Agarwal, who are spouse and son respectively of Mr. J. P. Agarwal, Chairman and Managing Director.

- vii. The details of familiarization programme of the independent Directors are available on the website of the company [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com)
- viii. Details of equity shares of the Company held by the directors as on March 31, 2020 are given below:

Name	Category	Number of Equity Shares
Mr. Jagdish Prasad Agarwal	Non-Independent, Executive	260101
Mr. Kapil Agarwal	Non-Independent, Executive	375869
Mrs. Geeta Devi Agarwal	Non-Independent, Non-Executive	500074
Mr. Vinod Choudhary	Independent- Non-executive	60

- viii. In the opinion of the Board, the independent directors fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and they are independent of the management.

#### Board Skills and Expertise

The Company recognises and embraces the benefits of having a diverse Board of Directors to enhance the quality of its performance. The Company considers increasing diversity at Board level as an essential element in maintaining a competitive advantage in the complex business that it operates.

The Board of the Company is composed of appropriately qualified people with a broad range of experience relevant to the business of the Company, which is important to achieve effective corporate governance and sustained commercial success of the Company. All appointments at Board level are made on merit, in the context of skills, experience, independence, knowledge and integrity which the Board requires to be effective.

The table summarizes the key skills and attributes which are considering while identifying, selecting and nominating the candidate to serve on the Board of the Company.

Sr. No	Particulars	Description
1	Business	Experience and understanding of the Industry, business environment, economic conditions, Strategic thinking.
2	Financial	Knowledge and understanding of finance management, accountancy, ability to read and understand financial statements
3	Board Services and Governance	Experience as director on other's Board, maintaining Board and management accountability, observing good governance practices
4	Specialised Skills	Specialised knowledge of Accounting/ Finance/ Law/Management / Information Technology / Sales & Marketing/Procurement / Manufacturing / Human Resource Management /E-commerce/ Public relations/ Corporate Social responsibility/Administration etc
5	Leadership and sound Judgment	Leadership and sound judgement ability in regular and complex business environment
6	Other diversity	Representation of gender, ethnic, geographic, culture and other perspective to compliment Board's understanding of our customers, employees, governments, community and various other stakeholders in different geographies.

## 5. Committees of the Board

The Board has five Committees Namely Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders Relationship Committee and Right Issue Committee .

### A. Audit Committee

- i. The audit Committee of the Company is constituted in line with the provisions of Regulations 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013 and rules made thereunder
- ii. The terms of reference of the audit committee are broadly as under:
  - 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.
  - Recommendation of appointment, remuneration and terms of appointment of the auditors and the fixation of audit fees.
  - Approval of payment to Statutory Auditors for any other services rendered by them.
  - Reviewing with the management, the annual financial statements and auditor's 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 in terms of clause (c) of sub-section of Section 134 of the Companies Act, 2013.
    - 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.
    - Approval and Disclosure of related party transactions.
    - Qualifications in the Draft Audit Report.
  - Reviewing with the management, the quarterly financial statements before submission to the board for approval.
  - 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 public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
  - Review and monitor the auditor's independence and performance and effectiveness of audit process.
  - Approval or any subsequent modification of transactions of the Company with related parties.
  - Scrutiny of inter-corporate loans and investments.



- Valuation of undertakings or assets of the Company wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, 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.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the 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.
- 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.
- 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.
- To review the Whistle Blower mechanism.
- 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.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee shall review the information required as per SEBI Listing Regulations.
- The Composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2019-20	
			Held	Attended
Mrs. Geeta Devi Agarwal	Non-Independent ,Non-Executive	Member	4	4
Mr. Pradeep Kumar Jain, Appointed	Independent ,Non-Executive	Chairman	4	4
Mr. Vikas Misra, Appointed	Independent ,Non-Executive	Member	4	4

Four audit committee meetings were held during the year and the gap between two meetings did not exceed one hundred twenty days. The dates on which the said meetings were held are as follows:

May 30, 2019 ; August 12, 2019; November 13, 2019 and February 13, 2020.

The necessary quorum was present at all the meetings.

**B. Nomination and Remuneration Committee**

i. The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and rules made there under

ii. The broad terms of reference of the nomination and remuneration committee are as under:

- Recommend to the board the setup and composition of the Board and its committees, to formulate a criteria for determining qualifications, positive attributes and independence of a Director.

- Formulate criteria for evaluation of Independent Directors and the Board.

- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.

- To carry out evaluation of every Director's performance.

- To recommend to the Board the appointment and removal of Directors and Senior Management.

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

- To devise a policy on Board diversity.

- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

- To perform such other functions as may be necessary or appropriate for the performance of its duties.

iii. The Composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2019-20	
			Held	Attended
Mrs. Geeta Devi Agarwal,	Non-Independent Non-Executive	Member	2	2
Mr. Pradeep Kumar Jain	Independent Non-Executive	Chairman	2	2
Mr. Vikas Misra	Independent Non-executive	Member	2	2

Two nomination and remuneration committee meetings were held. The dates on which the said meetings were held are as follows:

August 12, 2019 and 13th February 2020

i. The Company does not have any Employee Stock Option Scheme.

ii. Criteria for performance evaluation of Independent Directors and the Board

As per the provisions of SEBI (LODR), Regulations, 2015, the Nomination and Remuneration Committee (the "Committee") has laid down the evaluation criteria for performance evaluation of Independent Directors and the Board.

The Committee has established the processes for evaluation of performance of Independent Director and the Board. Once a year, the Board will conduct a self-evaluation.

Accordingly, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board. The performance evaluation of Independent Directors was also carried out by the entire board. The performance evaluation of the Chairman and Non-Independent Directors was also carried out by the Independent Directors.

iii. Remuneration to Managerial Person, KMP and Senior Management:

• Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee

in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

• Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

• Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iv. Remuneration to Non-Executive / Independent Director:

• Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

• Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

- Service Contracts, Notice period and severance Fee will be as per the Policy of the Company for the Employees.

Name of Director	Remuneration (Salary)	Sitting Fee	Share held as on 31 <sup>st</sup> March, 2020
Mr. J. P. Agarwal	24,00,000	NIL	260101
Mr. Kapil Agarwal	24,00,000	NIL	375869
Mrs. Geeta Devi Agarwal	NIL	NIL	500074
Mr. Vinod Choudhary	NIL	NIL	60
Mr. Pradeep Kumar Jain	NIL	NIL	NIL
Mr. Vikas Misra	NIL	NIL	NIL

### C. Stakeholders Relationship Committee

- The Stakeholders' relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 read with section 178 of the Companies Act, 2013 and rules made thereunder.
- The broad term of reference of the stakeholders' relationship committee are as under:
  - Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend/ notice/ annual reports, etc. and all other securities-holders related matters.
  - Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.
- Four meetings of the Stakeholders' relationship committee were held during the year on May 27, 2019 ; August 12, 2019; November 13, 2019 and February 13, 2020.
- The composition of the stakeholders' relationship committee and the details of meetings attended by its members are given below:

Name of Director	Category	Position held in the Committee	Number of meetings during the financial year 2019-20	
			Held	Attended
Mrs. Geeta Devi Agarwal	Non-Independent ,Non-Executive	Member	4	4
Mr. Pradeep Kumar Jain	Independent ,Non-Executive	Chairman	4	4
Mr. Vikas Misra	Independent ,Non-Executive	Member	4	4

#### Details of Complaints Received and Resolved

Particulars	No. of Complaints
Complaints pending as on 1st April, 2019	NIL
Complaints received during the period 1st April, 2019 to 31st March, 2020	10
Complaints disposed of during the period 1st April, 2019 to 31st March, 2020	10
Complaints outstanding as on 31st March, 2020	NIL

**Name and Designation of the Compliance Officer**

Name: Mr. Sachin Shah

Designation: Company Secretary

Address: Village Bedla, , Udaipur-313001

**D. Corporate Social Responsibility (“CSR”) Committee**

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 and rules made thereunder

The broad terms of reference CSR committee is as follows:

- Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in terms of Schedule VII of the Companies Act, 2013 or any amendment thereof.
- Recommend the amount of expenditure to be incurred on CSR activities and
- Monitor the CSR policy from time to time.

For the financial year 2019-20 No CSR committee meetings was held. The composition of the CSR committee are given below:

The composition of the CSR committee and details of the meeting attended by its members are given below:

Name of Director	Category of Directors	Position held in the Committee
Mrs. Geeta Devi Agarwal	Non-Independent ,Non-Executive	Member
Mr. Pradeep Kumar Jain	Independent ,Non-Executive	Chairperson
Mr. Vikas Misra	Independent ,Non-Executive	Member

**E. Independent Directors' Meeting**

As per the requirement of Regulation 25 of the SEBI Listing Regulations, the Independent Directors of the Company met on 12th March, 2020, inter alia to discuss:

- Review the performance of non - Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non - Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Name of Director	Category of Directors	Position held in the Committee	Number of meetings during the financial year 2019-20	
			Held	Attended
Mr. Pradeep Kumar Jain	Independent ,Non-Executive	Chairperson	1	1
Mr. Vikas Misra	Independent ,Non-Executive	Member	1	1
Mr. Vinod Choudhary	Independent ,Non-Executive	Member	1	1

#### F. Right Issue Committee:

The company is constitute the Right Issue Committee for the Purpose of Right issue of share for the Financial year 2019-20 and the Committee has review all the update and disclosure regarding right issue of the Share.

For the Financial Year three Right issue Committee Meeting was held i.e 30th May 2019, 26th August 2019 and 13th November 2019.

Name of Director	Category of Directors	Position held in the Committee	Number of meetings during the financial year 2018-19	
			Held	Attended
Mrs. Geeta Devi Agarwal	Non-Independent ,Non-Executive	Member	3	3
Mr. Kapil Agarwal	Executive Director	Member	3	3
Mr. Jagdish Prasad Agarwal	Chairman and Managing Director	Chairperson	3	3

#### G. Certificate of non- disqualification of directors

As per the requirements of SEBI (LODR) Regulations, 2015, a certificate issued by M/s. B K Sharma & Associates, Company Secretaries, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

#### 6. General Body Meetings

##### Particulars of last three Annual general meetings

AGM	Year ended 31st March,	Venue	Date	Time	No. of Special Resolutions Passed
30 <sup>th</sup>	2019	SurveyNo,13, N.H.48, Kempalinganhalli,	30 <sup>th</sup> September, 2019	10.00 A:M	Four
29 <sup>th</sup>	2018	Nelamangala Taluka,Bangalore,	29 <sup>th</sup> September, 2018	10.00 A:M	Three
28 <sup>th</sup>	2017	Karnataka-562123	29 <sup>th</sup> September, 2017	10.00 A:M	No

## 7. Disclosures

### i. Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business. These have been approved by the audit committee. The board has approved a policy for related party transaction which has been uploaded on the Company's Website at [pacificindustriesltd.com](http://pacificindustriesltd.com) (WEB LINK)

The details of related party transactions are given in Annexure- 2 of Board's Report in Form AOC-2. None of the transaction with any of the related party was in conflict with the interest of the Company

- ii. The Company has Disclosed all the Material events to the Stock exchange as time to time as required in SEBI, Listing Obligation and Disclosure Requirement (LODR), 2015 as amended from time to time.
- iii. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI listing Regulations for Directors and employees to report concerns about unethical behaviour. We affirm that no personnel has been denied access to the audit committee. The said policy has been also put up on the website of the company at [pacificindustriesltd.com](http://pacificindustriesltd.com)
- iv. All mandatory requirements of SEBI (LODR) Regulations, 2015, have been complied with during the year. The Company has also implemented discretionary requirements of SEBI (LODR) Regulations, 2015, regarding direct report by the internal auditor to the Audit Committee.
- v. There was no such case during the FY 2019-20, where the board had not accepted any recommendation of any committee of the Board.
- vi. There were no non-compliance/strictures, penalty imposed on the Company by stock exchange(s) or SEBI or any statutory authority on any matters related to the capital markets during the last three years.
- vii. During the year, no complaint was received to the Committee established, as per Policy on Anti Sexual Harassment of the Company, under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- viii. Total fees for all services paid by the company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part.

## 8. Means of Communication

- i. Annual report containing Financial Statements (Standalone and consolidated), Board's Report, Management Discussion & Analysis (MD&A) Report, Auditor's Report and other information is circulated to members and others who are entitled to it.
- ii. The Quarterly, half yearly and Annual Financial Results are published in leading Local

& National newspapers.

- iii. All important information relating to Company and its performance including the financial results and shareholding pattern are displayed on the Company's website [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com)
- iv. The Company puts all the price sensitive information's into public domain by way of intimating the same to Stock Exchange i.e. BSE Ltd.
- i. In case of any query, shareholders may write to the Company Secretary at [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com).
- ii. The company has not made any presentation to Investors or to the Analyst during the Financial Year.

## 9. General Shareholder Information

### i. Annual General Meeting for FY 2018-19

Date	:	30th December 2020
Time	:	12:30 P.M.
Venue	:	Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123 through video conferencing ("VC") or other audio visual means ("OAVM")

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the annexure to the notice of the AGM to be held on September 30, 2019.

- ii. Financial Year : 1st April, 2019 to 31st March, 2020
- iii. Date of Book Closure : As mentioned in the Notice of the AGM to be held on  
September : 30, December 2020
- iv. Dividend Date : NA
- v. Listing on Stock Exchange : Bombay Stock Exchange Limited (BSE)  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400 001
- Stock Codes/Symbol : Scrip Code: 523483
- vi. Listing Fees : Listing fees as applicable has been paid.
- vii. Custodian Fees to the Depository

Annual custodian fees for the financial year 2019-20 will be paid by the Company to NSDL and CDSL on receipt of the invoices.



**viii. Registrar & Share Transfer Agent:**

Name and Address : LINK INTIME INDIA PVT LTD.  
 C 101, 247 Park,  
 L B S Marg, Vikhroli West,  
 Mumbai 400 083  
 Tel No: +91 22 49186000 Fax: +91 22 49186060

**ix. Share Transfer System**

Registrar and Transfer Agents (the 'RTA'), on receipt of transfer deed with respective share certificates, scrutinizes the same and verify signatures of transferors on the transfer deed with specimen signatures registered with the Company. A list of such transfers is prepared and checked thoroughly and a transfer register is prepared. The transfer register is placed before the Stakeholders Relationship Committee for approval. Share transfers are registered and share certificates are returned within the prescribed time provided the documents submitted are valid and complete in all respects.

**x. Dematerialization of Shares:**

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both of the Depositories. The Status as on 31st March, 2020 is as under:

Particulars	No. of Shares	% (Percentage)
Physical Segment	295548	08.58%
Demat Segment		
NSDL	2812537	81.61%
CDSL	338240	9.81%
<b>Total</b>	<b>3446325</b>	<b>100 %</b>

**xi. Market Price Data:**

High, Low (based on daily closing prices) and number of equity shares traded during each month in 2019-20 on BSE :

Month	Share Price (In Rs.)		
	High	Low	Total number of equity shares traded
April,2019	128.55	116.00	3803
May,2019	130.00	115.65	3667
June,2019	120.10	114.65	2034
July,2019	132.30	111.60	3085
August,2019	127.85	106.55	12356
September,2019	119.80	95.10	1927
October,2019	100.00	72.05	3156
November,2019	89.20	72.55	1837
December,2019	91.20	78.05	3488
January,2020	113.60	80.05	21663
February,2020	108.30	88.20	136587
March,2020	94.05	67.75	21527

## xii. Performance of shares price of the Company in Comparison to the BSE Sensex



Monthly Closing Sensex Monthly Closing price

## xiii. Distribution of Shareholding

- Distribution of Shareholding as on March 31, 2020

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1.	1 to 500	16601	99.1341	381780	11.0779
2.	501 to 1000	57	0.3404	42048	1.2201
3.	1001 to 2000	29	0.1732	46086	1.3373
4.	2001 to 3000	10	0.0597	24527	0.7117
5.	3001 to 4000	7	0.0418	23795	0.6904
6.	4001 to 5000	6	0.0358	27729	0.8046
7.	5001 to 10000	12	0.0717	94878	2.753
8.	10001 to Above	24	0.1433	2805482	81.405
	<b>Total</b>	<b>16746</b>	<b>100.00%</b>	<b>3446325</b>	<b>100</b>

- Category of Shareholders as on March 31, 2020

Particulars	No. of shares held	%
Clearing Members	28	0.0008
Corporate Bodies (Promoter Co)	817610	23.7241
Directors	635970	18.4536
Foreign Financial Institutions	10	0.0003
Foreign Nationals	4340	0.1259
G I C & Its Subsidiaries	10	0.0003
Hindu Undivided Family	19008	0.5515
Mutual Funds	1140	0.0331
Nationalised Banks	60	0.0017
Non Resident (Non Repatriable)	928	0.0269
Non Resident Indians	4345	0.1261
Other Bodies Corporate	89833	2.6066
Persons Acting In Concert	20500	0.5948
Promoters	342258	9.9311
Public	773385	22.4409
Relatives Of Director	733550	21.285
Unit Trust Of India	3350	0.0972
<b>Total</b>	<b>3446325</b>	<b>100</b>

**xiv. Plant Locations**

The Company's plants are located at the following addresses:

Unit 1-Survey No.13, N.H.48,Kempalinganhalli, Nelamangala Taluka, Bangalore, Karnataka-562123-Unit 2- Village Bedla, Udaipur-313001

**xv. Address for Correspondence**

Shareholders may send their correspondence to the Company's Registrar & Transfer Agents (RTA) at the address mentioned in point (viii).

Shareholders may also contact the Company Secretary and Compliance Officer at:

The Company Secretary

Pacific Industries Limited

Village Bedla, Udaipur-313001

Tel No. 0294-2440933, 2440388

Fax: +91-294-2440780

Email: [pacificinvestor@rediffmail.com](mailto:pacificinvestor@rediffmail.com)

Website : [pacificindustriesltd.com](http://pacificindustriesltd.com)

Shareholders holding shares in dematerialization form should address all their correspondence to their respective Depository Participants (DP).

xvi. The Company has no outstanding GDR/ADR/warrants as on 31st March, 2020.

xvii. Details of Directors seeking appointment/reappointment

The brief profile of the Directors seeking appointment/re-appointment is provided in the Notice of convening the Annual General Meeting, which forms a part of the Annual Report.

xviii. Other useful information to shareholders

- Shareholders/beneficial owners are requested to quote their folio no. /DP and client ID nos., as the case may be, in all correspondence with the RTA/Company.
- Shareholders holding shares in physical form are requested to notify to the RTA/Company, PAN, change in their address/pin code number and bank account details promptly by written request under the signatures of sole/first joint holder. Beneficial owners of shares in demat form are requested to send their instructions regarding PAN, change of name, change of address, bank details, nomination, power of attorney etc., directly to their DP as the same are maintained by the DPs.
- To prevent fraudulent encashment of dividend instruments, members are requested to provide their bank account details (if not provided earlier) to the Company (if shares are held in physical form) or to the DP (if shares are held in demat form), as the case may be.
- Non-resident members are requested to immediately notify change in their residential status on return to India for permanent settlement and particulars of their NRE bank account with a bank in India, if not furnished earlier.
- In case of loss/misplacement of shares, investors should immediately lodge a FIR/complaint with the police and inform RTA/ Company along with original or certified copy of FIR/acknowledged copy of the complaint.
- For expeditious transfer of shares, shareholders should fill in their complete and correct particulars in the transfer deed.
- Shareholders are requested to keep a record of their specimen signature before lodgment of shares with the RTA/Company to obviate the possibility of difference in signature at a later date.
- Shareholders(s) of the Company who have multiple accounts in identical name(s) or holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the Company/RTA.
- Section 72 of the Companies Act, 2013, extends nomination facility to individuals holding shares in physical form in companies. Shareholders, in particular those holding shares in a single name, may avail of the above facility by furnishing the particulars of their nominations in the prescribed nomination form.
- Shareholders are requested to provide their valuable suggestions for improvement of our

investor services.

- Shareholders are requested to quote their e-mail IDs, telephone/faxnumbers for prompt reply to their communication.

#### **10. Risk Management**

The Company has adopted a well-defined procedure for risk management. The risk management procedure provides identification and mitigation of internal as well as external risks of the Company. The risk management procedure is periodically reviewed by the Board.

#### **11. Subsidiaries**

The performance of its Subsidiaries is also reviewed by the Board of Directors periodically.

#### **12. Management Discussion and Analysis**

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters.

#### **13. Reconciliation of Share Capital Audit**

As stipulated by the Securities Exchange Board of India, a qualified Practicing Company Secretary has carried out the reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL, total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

#### **14. Compliance Certificate of CEO/CFO**

The Compliance Certificate on the financial statements for the financial year ended 31st March, 2020 is enclosed at the end of this report.

#### **15. Report on Corporate Governance**

As required by Part E of Schedule V of Regulation 34(3) of the SEBI(LODR) Regulations, 2015, the practicing company secretaries is enclosed at the end of this report.

#### **16. Familiarization programme for Independent Director**

The Company conducts the familiarization programme for Independent Director as required under regulation 25(7) of the SEBI (LODR) Regulations, 2015 and details are available on Company's website [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com)

#### **17. Code for the Board of Directors and Senior Management Personnel**

The Company has laid down a code of conduct for the members of the board and senior management personnel of the Company. The code of conduct has been posted on the Company's website [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com)

The code of conduct has been circulated to all the members of the Board and Senior Management personnel and they have affirmed their compliance with the said code of conduct for the

financial year ended 31st March, 2020. A declaration to this effect signed by Mr. J.P. Agrawal, Chairman & Managing Director of the Company is appended at the end of this report.

**18. Code for the Independent Directors**

The Company has laid down a code of conduct for the Independent Directors of the Company and the same is available on the Company's [www.pacificindustriesltd.com](http://www.pacificindustriesltd.com)

Declaration by the Managing Director under Para D of Schedule V of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' of the Company for the financial year 2019-20.

For Pacific Industries Limited

Date: 05.12.2020  
Place: Udaipur

Sd/-  
J.P.Agarwal  
Chairman & Managing Director  
DIN: 00386183

## Certificate on Corporate Governance

To  
The Members of  
Pacific Industries Limited

1. We have examined the compliance of conditions of Corporate Governance by Pacific Industries Limited (“the Company”) for the year ended on March 31, 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) & other applicable regulations and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘the SEBI Listing Regulations’).

### Management Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### Auditors' Responsibility

3. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.
4. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance and Guidance Manual on Quality of Audit and Attestation Services issued by the Institute of Company Secretaries of India. It was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

### Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Management of the company, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

Other matters and Restriction on use

6. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
7. This Certificate is addressed to and provide to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For B K Sharma and Associates  
Company Secretaries

Place: Jaipur  
Date: 4th December, 2020  
UDIN: F006206B001404823

BRIJ KISHORE SHARMA  
Proprietor  
M. No. : FCS - 6206  
COP No.: 12636



### CEO/CFO Compliance Certification

To,  
The Board of Directors,  
**Pacific Industries Limited**  
Survey No.13, Kempalinganhalli,  
Nelamangala Taluka,  
BANGALORE-562123  
(Karnataka)

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of our knowledge and belief :
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 financial year 2019-2020 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 internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee that :
1. There are no significant changes in internal control over financial reporting during the year;
  2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. There are no instances of significant fraud of which they 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.

Date: 05.12.2020  
Place: Udaipur

Sd/-  
Kapil Agarwal  
Chief Financial Officer

**Declaration regarding compliance by board members and Senior Management Personnel with the Company's Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has received from the Senior Management team of the Company and the Members of the Board, a declaration of compliance with the code of Conduct as applicable to the them in respect of the year ended March 31, 2020.

Place: Udaipur  
Date: 05-12-2020

Sd/-  
Jagdish Prasad Agarwal  
Chairman & Managing Director  
DIN: 00386183

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Pacific Industries Limited is pleased to present the Management Discussion and Analysis Report, which lucidly explains the Company's business, industry structure, opportunities and concerns, performance of the Company with respect to the operations and other relevant information. Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

### ❖ BUSINESS OVERVIEW

Pacific Industries Limited has evolved through a simple thought way back in 1989 - the thought that the country deserves nothing short of the best when it comes to marbles and granites. Glancing at the past trends, makes the Company proud of the fact that it has managed to live up to the promise of providing our clients with high quality products and services that have constantly surpassed their expectations, and helped us create an enviable position over time. Building up on our modest inception, Pacific Industries Limited has grown tremendously in terms of quality, volume and variety, striving even further for the best.

Pacific Industries Limited is equipped to deal with a massive capacity to cater marble and granite processing needs, providing a wide spectrum of multiple colors to choose from.

### ❖ INDUSTRY OVERVIEW OF INDIAN ECONOMY AND COMPANY OUTLOOK

India continues to witness economic reforms in terms of tax regime post introduction of new corporate tax rates and subsequent amendments thereof. This tax regime, being very favorable, is expected to result in improvement bottom line apart from the benefits seen from GST which has translated in logistics and faster movements of goods on one side and indirect tax reforms on the other side. The consolidation of global economy continued during the Financial Year 2019-20 and the global economy ended with a lower benchmark with fears of revival of ensuing trade war between the U.S. and China. In spite of global turbulence, the financial year concluded on a reasonable footing but with an overall negative impact on the industry in varied ways.

The investors' confidence in this volatile environment was reflected by being bullish and taking an advantage of the correction phase of capital markets during the year under review. And thus, the business growth though subdued is likely to experience good flows in the ensuing times. Infrastructure, high end architectures coupled with real estate development is a must for maintaining such sustained growth and hence is on the highest priority of the Government making it to be the focal point for our

economy. Increasing per Capita income resulting due to all round economic high per capita spending affects the sale and off take of our products and we hopefully foresee a bright future in the coming times. The Attack of Covid19 in the country witnessed during the year instilled fear amongst people and its near and subsequent impact needs to be seen as is very uncertain. A vaccine once found will help negate the Covid19 fear and impact and revive Indian economy which will go a long way in boosting demand.

❖ **ECONOMIC OVERVIEW (2020-21)**

As we write this we enter the third year of the ruling BJP out of its renewed term of 5 years. We believe the government will continue to take very bold and positive steps which shall accelerate the economic growth to higher levels and shall improve ease of doing business and boost the economy. The Indian Economy had turned around dramatically with the real GDP growth rate of 7%, making India one of the fastest growing large economies in the world, but everything got derailed due to the impact of Covid-19 and halted the GDP growth. The World still sees india as a promising economy and expect it to bounce back as soon as the impact of Covid-19 starts fading. The growth in the next financial year is expected to be subdued due to Covid19 impact with predictions for a recovery in the FY 21-22 where we could see our early glory returning.

The policies of the Narendra Modi Government to transform India through “MAKE IN INDIA” and “AATMA NIRBHAR INDIA” initiatives will further yield results with the country emerging as the business hotspot and Foreign Investment destination. we see ourselves as well placed and prepared to seize this opportunity as and when it arises for the growth of our company.

❖ **INDUSTRY STRUCTURE AND DEVELOPMENT**

The macro environment during the year was one of uncertainty and volatility. Prolonged monsoons, floods in many key states, and changed policy in Kashmir led to disruption and general sombre mood in the economy with no aggressive consumer demand. The unprecedented slowdown in Real estate coupled with the credit crisis impacted demand for Marble and Granites. As we came to the end of the financial year the world and then India was hit by the Covid-19 pandemic, bringing businesses to a standstill, across industries and markets. Throughout the year, demand was at real low levels and showed a slow declining trend but we see this as temporary phenomena.

Real Estate sector and consumer spending shall soon pick up and demonstrate exuberance and witness a complete turnaround with signs of revival in industrial activity and rapid growth in global economic performance once there is a treatment for Covid19 in place.

Real estate in India also indicates signs of reviving during this time with the return of liquidity in the real estate sector by way of various packages announced by the government to provide liquidity in the recent months. Cash flows of realty players improved due to easy finance available at lower rates resulting in renewed construction of stalled projects and a few new launches as well. We can quite confidently assert that we will witness an exciting new era of development. We are fully prepared, equipped and updated to take advantage of the buoyant real estate demand which will generate a huge demand for the Company's multiple products.

Emerging out of the volatile economic situations with only minor bruises, the industry is poised to enter a growth phase and is on the threshold of a major transformation. In terms of demand, Marble and Granite Industry is comfortably placed and should see heightened demands in the days to come due to increase in infra and construction activities.

**Financial Result:-**

Particulars	Standalone (F.Y.)	
	2019-20	2018-19
Revenue from Operations and Other Income	10,428.40	10347.24
Less: Operating Cost	9,142.04	9361.80
<b>Operating Profit/PBDIT</b>	<b>1286.36</b>	<b>985.44</b>
Less: Interest & Finance Charges	565.62	393.11
Less: Depreciation & Amortization Expenses	708.67	434.84
<b>Profit Before Tax and Exceptional Items</b>	<b>12.07</b>	<b>157.49</b>
Add: Exceptional items	-	-
<b>Profit Before Tax</b>	<b>12.07</b>	<b>157.49</b>
Less: Provision for Tax	(6.47)	27.32
Less: Prior Period Adjustment	-	-
<b>Profit After Tax</b>	<b>18.54</b>	<b>130.17</b>
Other Comprehensive Income	(40.62)	28.66
<b>Surplus carried to Balance Sheet</b>	<b>(22.08)</b>	<b>158.83</b>

**Company**

Pacific Industries Limited (PIL) is a 100% EOU whose main plants are located at Village Bedla, Udaipur and, Kempalinganhalli, Bangalore. The promoters have been active in granite processing and trading for the last 31 years. Over 95% of the turnover comes from exports. The company's major exports destinations are USA, Europe, Indonesia,

Vietnam, Middle-east countries, etc. The Company is also importing the Granite from Italy.

The Company has been received the “Star Export House” Certification from Ministry of Commerce and Industry.

Company is establishing a new Production line for Artificial quartz slab production.

❖ **OPPORTUNITIES AND THREATS**

There are diverse opportunities in Marble & Granite industry due to large scale investment in Infrastructure, modern day architecture, interior designing, construction reforms and real estate activities. The constant growth of the Industry has escalated the demand for marbles and granites substantially both in domestic and international markets.

Further, the World is indeed becoming a Global city. Your company believes that niche opportunities exist in the Global arena which, if exploited, would yield positive results. The company has accordingly built a business model tapping these opportunities and is also aligning its strategies to utilise opportunities in the domestic market. Your company deals in special range of Granite & Marbles having exquisite textures, designs and colours for which the overseas and domestic markets, both are very demanding. Presently, it is one of the few companies which offer all natural stone products under one roof to the buyers. The demand for top quality natural stone products is also increasing in the domestic market. The availability of manufactured stone products as an alternative to natural stones is also likely to affect the performance of the company.

While Globalization presents a great opportunity for your Company to grow, protectionism is posing as a major threat. While your Company predicted the market trend in the space of natural stone products well in advance and to tap into the opportunity, invested handsomely in its facility for manufactured stone products of Quartz, some resistance was faced at the macro economic policy level. Your Company started the export of the Quartz product from 25th June 2019 primarily to USA market and built from strength to strength for next 3 months. However, in the month of October 2019, the federal government of the USA imposed an anti-dumping duty on the said products exported from India. As a result your Company could not export the Quartz manufactured products for the period October 2019 to February 2020. In the month of February 2020, some relief in the matter was received which made the export of Quartz manufactured products from India viable again. As a result the new Quartz unit showed un-favorable results for the FY 2019-20, owing to the upfront fixed cost incurred by your Company which inter-alia include depreciation related to the heavy

investment in establishment of plant & machinery, high manpower cost including the cost of highly skilled managers and labor, interest payments, electricity and maintenance charges. Indian export of quartz continue to be sold at share price and we are confident-export to US will remain viable. With the change in global political landscape your Company is hopeful that the worst is behind us and your Company will reclaim the path of growth from herein onwards.

Your Company has the necessary expertise and flexibility to quickly adapt to the changing market condition and capture the growth in sales leading to growth for the Company.

#### ❖ FUTURE OUTLOOK

India's economy is well placed to grow at a robust pace over the next five years owing to strong domestic consumption and increase in government spending on infrastructure. The implementation analysis and review of Goods & Service Tax (GST) mechanism will further simplify the supply chain and improve the operating environment and will act as an additional driver of consolidation at all levels market.

The Company is alert and in touch with the ground realities of the business dynamics and is confident of increasing its market share in all the spheres emerging as a leader in its segment. The overall business outlook for the Company is promising with improvement in the economic environment. Efforts towards optimisation and higher operational efficiencies are continuing.

The Company examines the possibilities of expansion and shall make investments when attractive opportunities arise.

#### ❖ THREATS AND RISK MANAGEMENT

The current economic environment, in combination with significant growth ambitions of the Company, carries with it an evolving set of risks. Your Company recognizes that these risks need to be managed to protect customers, employees, shareholders and other stakeholders to achieve our business objectives. In line with this, your Company has put in place a detailed Risk Management Policy which identifies the various types of risks at all levels of the Company. Early risk identification along with appropriate measures has enabled the Company to mitigate all threats which may arise from time to time. Also, the possibility of occurrence of the risk event and the magnitude of their consequences on the organization is determined and used to prioritize risk management.

❖ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has a sound internal control system, which ensures that (a) its financial reports are reliable, (b) its operations are effective and efficient, and (c) its activities comply with applicable laws and regulations. The internal control systems are further supplemented by internal audit carried out by an independent Chartered Accountant and periodical review by the Management. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all the significant areas of the Company's operations.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of the internal control systems and tracks the implementation of corrective actions. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit reports are submitted to the Chairman of the Audit Committee. Audit Committee plays a key role in providing assurance to the Board of Directors.

❖ **CSR ACTIVITIES**

Your Company believes that as a responsible corporate citizen, it must address the needs of underprivileged and committed to serving them. The Company is keen to fulfill its social responsibility by being actively involved in a variety of public services projects. We encourage collaboration with various NGOs to support in CSR activities at group level.

❖ **HUMAN RESOURCES**

The Company believes in making the optimum utilization of all the available resources, to achieve this, human power is highly important and thus the Company time over has been taking newer and effective initiatives for improving the human resource strength and creating a conducive and healthy work atmosphere.

The Company consider its Human Resource as the most valuable resource which has to be nurtured well and equipped to meet the challenges posed by the dynamics of business developments. The Company continuously provide training to its employees both in-house as well as through reputed Institutes. The staffs are highly motivated due to good work culture, training, remuneration packages and the values, which the Company maintains. The Board of Directors would like to record their appreciation of the efficient and loyal service rendered by the Company's employees.



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

The Company achieved Revenues from Operations and Other Income (gross) of 10,428.40 lakhs during the financial year ended 31st March, 2020,. The profit after tax 12.07 Lakhs during the year. The Management is confident of rebound in the economy and expect growth coming back in the ensuing years.

❖ **CAUTIONARY STATEMENT**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

By Order of the Board  
Pacific Industries Ltd.

Place: Udaipur  
Date: 05.12.2020

Sd/-  
J.P. Agarwal  
Chairman & Managing Director  
DIN: 00386183

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

To,  
 The Members of Pacific Industries Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors PACIFIC INDUSTRIES LIMITED having CIN L14101KA1989PLC062041 and having registered office at Survey No.13, N.H.48, Kempalinganhalli, Nelamangala Taluka Bangalore-562123 (Karnataka) (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](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 as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Jagdish Prasad Agarwal	00386183	13/07/1989
2	Kapil Agarwal	00386298	23/07/2005
3	Geetadevi Jagdish Agarwal	00386331	14/08/2014
4	Vinod Choudhary	03390234	14/08/2014
5	Pradeep Kumar Jain	08303628	17/12/2018
6	Vikas Misra	08304606	17/12/2018

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 B K Sharma & Associates  
 Company Secretaries

[BRIJ KISHORE SHARMA]  
 Proprietor  
 M. No. : FCS - 6206  
 COP No.: 12636  
 UDIN:F006206B001217944  
 PLACE: Jaipur  
 DATE: 12th November, 2020

**Independent Auditor's Report on the Standalone Ind AS Financial Statements**

To  
The Members of  
**PACIFIC INDUSTRIES LIMITED,**

**Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements**

**Opinion**

We have audited the accompanying Standalone Ind AS Financial Statements of Pacific Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and Statement of Cash Flow for the year then ended, and notes to the standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us "except for the effects of the matter described in the Basis for Qualified Opinion section" of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

Refer Note No. 38 of Notes on standalone Ind AS Financial Statements regarding confirmation & reconciliation of various Debit and Credit balances appearing under various heads & non-provision of exchange fluctuation w.r.t certain old balances. Final reconciliations/confirmations of the same may affect our disclosure.

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

**Emphasis of Matter Paragraph**

We invite attention to Note No-43 to the financial statements regarding uncertainties associated with the COVID-19 pandemic and impact assessment made by the company on its business and financial statements for the year ended 31st March 2020, the said assessment made by the management is highly dependent upon how the circumstances evolve in subsequent periods.

Our Opinion is not modified on the above matter.

#### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How was the matter addressed in our audit
<b>Revenue recognition</b>	
Revenue is one of the key profit drivers. Cut -off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches / deliveries, inventory reconciliations and substantive testing for cut -offs and analytical review procedures.

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. These reports are expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge.

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

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

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to 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.

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

### **Auditor's Responsibility for the Audit of Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal & Regulatory Requirement**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e. On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure II".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion, the managerial remuneration for the year ended 31st March 2020, has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 39 to the standalone financial statements.
  - ii. The Company did not have any long-term contract including derivatives contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Ravi Sharma & Company**  
Chartered Accountants  
FRN: 015143C

(CA Paras Bhatia)  
Partner  
M.No.:418196  
UDIN:

Date: 31st July, 2020  
Place: Udaipur

**Annexure I to the Independent Auditors' Report of Pacific Industries Limited**

With reference to the Annexure I referred to in the Independent Auditors' Report to the members of the Pacific Industries Limited on the Standalone Financial Statements for the year ended 31 March 2020, we report the following:

- (i)
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) All the assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets, No material discrepancies were noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the company except the land having cost of Rs. 64.76 Lacs in Bangalore held in the name of past director of the company.
- (ii)
  - (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
  - (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
- (iii) The Company has granted loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
  - (B) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;
  - (c) there is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security,



- (v) The Company has not accepted any deposits from the Public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable
- (vi) According to the information & explanation given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacture of its products by the company.
- (vii) In respect of statutory dues:
- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax, Cess, Goods and Service tax and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except for a few delays. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid due were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanation given to us, there are no pending dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Goods and service tax or Cess which are not deposited on account of dispute except Following: -

Particulars	Year	Amount of demand	Amount deposited against demand	Amount of demand to the extent not deposited (Rs.)	Forum where appeal is pending
Excise Demand, Udaipur	Norms 2007-08, 2010-11, 2011-12	11392642	5791962	5600680	CESTAT, Delhi
Excise Demand, Udaipur	2013-14	3610658	270799	3339859	CESTAT, Delhi
Excise Demand, Udaipur	2013-14	2255032	169128	2085904	CESTAT, Delhi
Custom Demand, Udaipur	2014-15	3346743	447055	2899738	Joint Commissioner, Udaipur
Custom Demand, Udaipur	2014-15 & 2015-16	2772476	207936	2564540	Joint Commissioner, Udaipur
Custom Demand, Udaipur	2015-16 & 2016-17	2648873	128990	2519883	Ass. Commissioner, Udaipur

- (viii) According to information and explanation given to us by the management, as on balance sheet date the company is not in default w.r.t. repayment of loans and borrowings to a financial institutions, banks or government, further the company has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management during the year under review, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. To the best of our knowledge and belief and according to the Information and Explanation given to us, term loans availed by the company were prima facie applied by the company during the year for the purpose for which the loan were Obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) According to information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed in Section 406 of the Act. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to information and explanations given to us and based on examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of the Act, and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to information and explanations given to us and based on examination of the records of the company, the company has made private placement of shares by making a Right Issue during the year under review. During the year Company has issued 20,94,825 number of Equity shares @ Rs.119 (including per share premium of Rs. 109 per share having face value of Rs.10/- each) under the Right Issue scheme. Consequently, the issued & Paid up Capital of the Company stands increase to Rs.34,463,250 w.e.f 26th August, 2019. The Amount raised have been used for the purposes for which the funds were raised.
- (xv) According to information and explanations given to us and based on examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

- (xvi) According to 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 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ravi Sharma & Company  
Chartered Accountants  
FRN: 015143C

(CA Paras Bhatia)  
Partner  
M.No.: 418196  
UDIN: 20418196AAAAI6679

Date: 31st July 2020  
Place: Udaipur

**Annexure II to the Independent Auditors' Report of Pacific Industries Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Standalone Ind AS Financial Statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Pacific Industries Limited (hereinafter referred to as "the Company"), which is a company incorporated in India, as of that date.

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

The Board of Directors of the company are responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were 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, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ravi Sharma & Company  
Chartered Accountants  
FRN: 015143C

(CA Paras Bhatia)  
Partner  
M.No.:418196  
UDIN: 20418196AAAAI6679

Date: 31st July, 2020  
Place: Udaipur

**Annexure I to the Independent Auditors' Report of Pacific Industries Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Pacific Industries Ltd (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were 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 and the audit evidence obtained by the other auditors of the relevant subsidiary companies, in terms of their reports referred to in the Other Matters

paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to six subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Ravi Sharma & Company**

**Chartered Accountants**

**FRN: 015143C**

**(Paras Bhatia)**

**Partner**

**M.No.: 418196**

**UDIN:**

**Date: 31st July, 2020**

**Place: Udaipur**

## Standalone Balance Sheet as at 31st March 2020

(Rupees in Lakhs)

S. No.	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
I	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant & Equipment	3	8,878.70	3,538.56
	(b) Capital work-in-progress	3	3.00	4,775.71
	(c) Other Intangible Asset	3	0.00	0.00
	(d) Financial Assets			
	(i) Investments	4	98.39	172.76
	(ii) Loans & Advances	5	183.33	185.52
	(e) Other non-current assets	6	60.54	218.91
	<b>Total Non-current Asset</b>		<b>9,223.96</b>	<b>8,891.47</b>
(2)	<b>Current assets</b>			
	(a) Inventories	7	5,584.66	4,628.56
	(b) Financial Assets			
	(i) Trade Receivable	8	2,845.97	3,244.76
	(ii) Cash and Cash equivalents	9	138.33	88.30
	(iii) Other Bank Balances	10	756.58	776.91
	(iv) Loans & Advances	5	986.66	1,833.53
	(v) Other Financial Asset	11	7.07	10.57
	(c) Other current assets	6	1,888.39	971.74
	<b>Total Current Asset</b>		<b>12,207.66</b>	<b>11,554.38</b>
	<b>Total Assets</b>		<b>21,431.62</b>	<b>20,445.85</b>
II.	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>EQUITY</b>			
	(a) Equity Share capital	12	344.63	135.15
	(b) Other Equity	13	8,594.75	6,341.78
	<b>Total Equity</b>		<b>8,939.38</b>	<b>6,476.93</b>
(2)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	7,311.63	7,130.08
	(b) Provisions	15	215.74	187.41
	(c) Deferred tax liabilities (Net)	16	-	-
	<b>Total Non-current Liabilities</b>		<b>7,527.36</b>	<b>7,317.49</b>
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,280.09	1,295.97
	(ii) Trade Payables	18	2,041.44	1,553.97
	(iii) Other Financial Liabilities	19	1,035.18	3,204.69
	(b) Other current liabilities	20	389.49	392.07
	(c) Provisions	15	215.55	177.41
	(d) Current tax liabilities (net)	21	3.14	27.32
	<b>Total Current Liabilities</b>		<b>4,964.88</b>	<b>6,651.43</b>
	<b>Total Liabilities</b>		<b>12,492.24</b>	<b>13,968.92</b>
	<b>Total Equity and Liabilities</b>		<b>21,431.62</b>	<b>20,445.85</b>

Significant accounting Policies  
 Notes forming Part of Financial Statements  
 As per our Report of even date

For Ravi Sharma & Co.  
 Chartered Accountants

(FRN 015143C)

(Paras Bhatia)

Partner

M.No. 418196

UDIN: 20418196AAAAI6679

Date: 31st July 2020

Place: Udaipur

1 & 2 For and on behalf of Board of Directors  
 1 to 44 Pacific Industries Limited

(J.P. Agarwal)  
 (Chairman & Managing  
 Director)  
 DIN:00386183

(Kapil Agarwal)  
 (Executive Director &  
 CFO)  
 DIN:00386298

(Sachin Shah)  
 (Company Secretary)  
 (PAN : CFLPS2451B)



**Standalone Statement of Profit & Loss for the Year ended 31st March 2020**

(Rupees in Lakhs)

S. No.	Particulars	Note No.	Year ended 31st March 2020	Year ended 31st March 2019
I.	Revenue from operations	22	9,719.16	10,044.38
II.	Other income	23	709.24	302.86
III.	<b>Total Revenue (I + II)</b>		<b>10,428.40</b>	<b>10,347.24</b>
IV.	<b>Expenses:</b>			
	Cost of Materials Consumed	24	3,845.94	2,281.50
	Purchases of Stock-in-Trade	25	2,070.37	2,680.99
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(1,038.67)	607.44
	Employee Benefits Expense	27	1,040.21	933.85
	Finance costs	28	565.62	393.11
	Depreciation and amortization expense	29	708.67	434.84
	Other expenses	30	3,224.18	2,858.03
	<b>Total expenses</b>		<b>10,416.33</b>	<b>10,189.75</b>
V.	Profit before exceptional items and tax (III-IV)		12.07	157.49
VI.	Exceptional items			
VII.	<b>Profit before tax (V- VI)</b>		<b>12.07</b>	<b>157.49</b>
VIII.	Tax expense:			
	(1) Current tax	32	3.14	27.32
	(2) Deferred tax and Other Taxes	32	(9.61)	-
	<b>Total Tax Expenses</b>		<b>(6.47)</b>	<b>27.32</b>
IX.	<b>Profit (Loss) for the period (VII-VIII)</b>		<b>18.54</b>	<b>130.17</b>
	<b>Other Comprehensive Income</b>			
(a)	(i) Items that will not be reclassified subsequently to profit or loss		(40.62)	28.66
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss			
(b)	(i) Items that will be reclassified subsequently to profit or loss:			
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss			
	<b>Total Other Comprehensive income</b>		<b>(40.62)</b>	<b>28.66</b>
	<b>Total Comprehensive Income for the year</b>		<b>(22.08)</b>	<b>158.84</b>
X.	<b>Earnings per equity share:</b>			
	(1) Basic (Rs)	33	0.71	9.63
	(2) Diluted (Rs)	33	0.71	9.63

Significant accounting Policies

1 &amp; 2

Notes forming Part of Financial Statements

1 to 44

As per our Report of even date

For Ravi Sharma &amp; Co.

Chartered Accountants

(FRN 015143C)

(Paras Bhatia)

Partner

M.No. 418196

UDIN: 20418196AAAAI6679

Date: 31st July 2020

Place: Udaipur

For and on behalf of Board of Directors

Pacific Industries Limited

(J.P. Agarwal)

 (Chairman & Managing  
Director)

DIN:00386183

(Kapil Agarwal)

 (Executive Director  
& CFO)

DIN:00386298

(Sachin Shah)

(Company Secretary)

(PAN : CFLPS2451B)

**Standalone Cash Flow Statement for the year ended 31st March, 2020**

(Rupees in Lakhs)

Particulars		Year ended 31st March 2020	Year ended 31st March 2019
<b>A.</b>	<b>Cash flow from Operating Activities</b>		
	Profit before income tax	12.07	157.49
	Adjustment for:		
	Depreciation and amortisation expenses	708.67	434.84
	Pre-Operative Expense	-	-
	Profit on sale of Fixed Assets	(10.01)	(2.56)
	Loss on Sale of Fixed Asset	-	6.89
	Finance Costs	565.62	382.43
	Actuarial Gain/ (Loss)	(11.48)	(11.23)
	Interest Income	(152.14)	(107.52)
	<b>Change in operating assets and liabilities:</b>		
	(Increase) In Inventories	(956.10)	923.92
	(Increase)/Decrease in trade receivables	398.80	(257.89)
	(Increase)/Decrease in financial assets	3.50	(3.29)
	(Increase)/Decrease in Loans & Advances	846.87	(916.41)
	(Increase)/Decrease in Other Current Assets	(916.65)	(321.44)
	Increase/(Decrease) in Provisions	66.47	45.67
	Increase/(Decrease) in Trade Payables	487.47	290.79
	Increase/(Decrease) in Other Current Liabilities	(2.58)	121.82
	Increase/(Decrease) in Other Financial Liabilities	(2,572.22)	2,334.14
	<b>Cash generated from operations</b>	<b>(1,531.71)</b>	<b>3,077.67</b>
	Income Tax paid	(14.57)	(20.34)
	<b>Net cash flow from operating activities</b>	<b>(1,546.28)</b>	<b>3,057.34</b>
<b>B.</b>	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	(1,280.49)	(5,107.29)
	Sale of Fixed Assets	14.43	73.66
	(Increase)/Decrease in Fixed Deposits	20.33	(217.17)
	(Increase)/(Decrease in Long term Loans & advances	2.19	(34.96)
	(Increase)/(Decrease in Other Non-current Assets	158.37	(45.13)
	(Purchase)/Sale of Investments	33.75	(38.97)
	Interest Income	152.14	107.52
	<b>Net cash flow from investing activities</b>	<b>(899.28)</b>	<b>(5,262.34)</b>
<b>C.</b>	<b>Cash flow from financing activities</b>		
	Increase in Long Term Borrowings	584.25	2,936.26
	Increase in Short Term Borrowings	(15.88)	(364.80)
	Issue Of Share Capital - Right Issue	2,492.84	-
	Finance Costs	(565.62)	(382.43)
	<b>Net cash flow from financing activities</b>	<b>2,495.59</b>	<b>2,189.03</b>
	<b>Net increase / ( decrease) in cash and cash equivalents</b>	<b>50.03</b>	<b>(15.98)</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>88.30</b>	<b>104.28</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>138.33</b>	<b>88.30</b>

Significant accounting Policies  
 Notes forming Part of Financial Statements  
 As per our Report of even date  
 For Ravi Sharma & Co.  
 Chartered Accountants  
 (FRN 015143C)

For and on behalf of Board of Directors  
 Pacific Industries Limited

(J.P. Agarwal) (Kapil Agarwal)  
 (Chairman & Managing (Executive Director & CFO)  
 Director)  
 DIN:00386183 DIN:00386298

(Paras Bhatia)  
 Partner  
 M.No. 418196  
 UDIN: 20418196AAAAI6679  
 Date: 31st July 2020  
 Place: Udaipur

(Sachin Shah)  
 (Company Secretary)  
 (PAN : CFLPS2451B)

## Pacific Industries Limited

Regd Office: Survey No. 13, N. H. 48, Kempalinganhalli, Nelamangala Taluk,  
Bangalore (Rural), Bengaluru, Karnataka, 562123, Phone: 0294-2440933  
Website: www.pacificindustriesltd.com, E-mail: pilnorth@pacificgranites.com,  
CIN: L14101KA1989PLC062041

### Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020

#### Note 1 Corporate Information

Pacific Industries Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the export, manufacturing & trading of Granite tiles & slabs and Quartz Slabs and other goods and commission activities.

#### Note 2 Significant accounting policies

The following are the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1 Basis of Preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016. These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on 31st July 2020.

##### 2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### 2.3 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees ("INR") which is the Company's presentation currency and the functional currency for its operations. All financial

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

information presented in INR has been rounded to the nearest lakhs with two decimal places unless stated otherwise.

**2.4 Use of Estimates and Judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to carrying value of assets and liabilities include useful lives of Property, plant and equipment, impairment of Property, plant and equipment, investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**2.5 Classification of Assets & Liabilities as Current & Non-Current**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**2.6 Recognition of Revenue and Expenditure**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020****2.6.1 Sale of Goods**

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

**2.6.2 Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method. Interest income is included under the head "Other Income" in statement of profit and loss.

**2.6.3 Expenses**

All expenses are charged in statement of profit and loss as and when they are incurred.

**2.7 Property, Plant & Equipment****Property, Plant & Equipment**

Property, plant and equipment are initially recognized at cost including the cost directly attributable for bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

**Depreciation**

Depreciation is provided on a Written Down Value basis except for New Quartz Plant (Tanj), where Depreciation is provided on Straight Line method over the estimated useful life of all the assets as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.8 Inventory**

Inventories consists of Raw Material, Work In Progress, Finished Goods , Scrap & Stores & Spares.

Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020

Inventories are valued at the lower of cost or net realisable value. Cost is determined on weighted average basis.

**Raw materials & Stores & Spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition on the weighted average basis.

**Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity on a weighted average basis. Cost of finished goods includes other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

## 2.9 Employee benefits

### a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is 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.

### b) Defined Contribution Plan

The Company makes defined contribution to Provident Fund managed by Government Authorities, which are accounted on accrual basis as expenses in the statement of Profit and Loss. The Company has no obligation other than the contribution payable to the provident fund.

### c) Defined Benefit Plan

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on an independent actuarial valuation using the projected unit credit method, carried out as at balance sheet date. The obligation determined as aforesaid less the fair value of the Plan assets is reported as a liability or assets as of the reporting date. Actuarial gain or losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

### d) Other Long-Term Benefits

Provision for other long term benefits in the form of long term compensated absences (leave encashment) are accounted for on the basis as if it becomes due for payment on the last day of accounting year.

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020****2.10 Income Tax**

Tax expenses comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent it relates to the items recognised directly in equity or in OCI.

**Current tax**

Current tax comprises the expected tax payable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**2.11 Lease**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.



**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**2.12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or where no reliable estimate is possible. Contingent liabilities are not recognised in financial statements but are disclosed in notes.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in financial statements and are disclosed in notes.

**2.13 Foreign Currency Transactions**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting date are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rate at date of initial transactions, are not retranslated.

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

In respect of forward contracts, the premium or discount on these contracts is recognized as income or expenditure over the period of the contract. Any profit or loss arising on the cancellation or the renewal of such contracts is recognized as income or expense for the year.

**2.14 Impairment****Non-financial assets**

The carrying amount of non- financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expenses in the Statement of Profit and Loss, 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 cost to sell and value in use. Value in use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

**Financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**2.15 Government Grant**

Government grants are recognised when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants relating to an expense item is recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate are expensed. Government grants relating to asset is recognised as income in equal amounts over the useful life of the asset.

**2.16 Earning Per Share (EPS)**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.17 Cash Flow Statement**

Cash flows are reported using the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.18 Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**2.19 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. The borrowing costs other than attributable to qualifying assets are recognised in the profit or loss in the period in which they incurred.

**2.20 Financial Instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and loss.

**2.21.1 Financial assets**

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

**Classification of Financial Assets**

- (i) **Financial assets carried at amortised cost**  
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets at fair value through other comprehensive income**  
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (iii) **Financial assets at fair value through profit or loss**  
A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.
- (iv) **Financial liabilities**  
Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.
- (v) **Equity instrument**  
An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.
- c) **Derecognition**  
The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.
- d) **Offsetting of financial instruments**  
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle

Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020

the liabilities simultaneously.

**2.21 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker and the Board of Directors of the company considers and maintains Stones - Granite and Quartz, trading other than Granite & Quartz & Other services as the Business Segments of the Company.

**2.22 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**2.23 Recent accounting pronouncements**

New and amended standards

The Company applied Ind AS 116 - Leases ('Ind AS 116') for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in year ended March 2020, but do not have an impact on the standalone financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions

**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on 1 April 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Based on the Company's evaluation, the standard did not have significant impact on the financial statements of the Company.

Statement of Changes in Equity for the Year ended 31st March 2020					
<b>A Equity Share Capital</b>					(Rupees in Lakhs)
Particular	Note	No. of Shares	Amount		
As on 1st April 2019	12	1,351,500	135.15		
Changes in equity share capital		2,094,825	209.48		
As on 31st March 2020	12	3,446,325	344.63		
<b>B Other Equity</b>					
Particular	Reserve & Surplus		Items of Other Comprehensive income		TOTAL
	Retained Earning & General Reserve	Security Premium	Investments	Remeasurement of net defined benefit Plans	
Balance at 1st April 2019	6,267.91	-	97.03	(23.16)	6,341.78
Profit for the year/ Transfer to reserve	18.53			-	18.53
Fair Value through OCI	(8.30)		(29.14)	-	(37.44)
Security Premium		2,283.36			2,283.36
Remeasurement of defined benefit Plans				(11.48)	(11.48)
Balance as at 31st March 2020	6,278.14	2,283.36	67.89	(34.64)	8,594.75

Statement of Changes in Equity for the Year ended 31st March 2019					
<b>Other Equity</b>					
Particular	Reserve & Surplus		Items of Other Comprehensive income		TOTAL
	Retained Earning & General Reserve	Security Premium	Investments	Remeasurement of net defined benefit Plans	
Balance at 1st April 2018	6,139.17	-	54.44	(11.93)	6,181.68
Profit for the year/ Transfer to reserve	130.16		1.27	-	131.43
Fair Value through OCI	(1.42)		41.32	-	39.90
Security Premium		-			-
Remeasurement of defined benefit Plans				(11.23)	(11.23)
Balance as at 31st March 2019	6,267.91	-	97.03	(23.16)	6,341.78

Significant accounting Policies  
 Notes forming Part of Financial Statements  
 As per our Report of even date  
 For Ravi Sharma & Co.  
 Chartered Accountants  
 (FRN 015143C)

(Paras Bhatia)  
 Partner  
 M.No. 418196  
 UDIN: 20418196AAAAI6679

Date: 31st July 2020  
 Place: Udaipur

For and on behalf of Board of Directors  
 Pacific Industries Limited

(J.P. Agarwal)  
 (Chairman & Managing Director)  
 DIN:00386183

(Kapil Agarwal)  
 (Executive Director & CFO)  
 DIN:00386298

(Sachin Shah)  
 (Company Secretary)  
 (PAN : CFLPS24518)

**PACIFIC INDUSTRIES LTD**

Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020

**Note 3 -Property, Plant & Equipments**

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019

Particulars	Tangible Assets							Capital Work in Progress	Intangible Assets - Software	Grand Total		
	Land	Building	Plant & Machinery	Furniture & Fixtures	Computer	Vehicles	Mining Equipments				Electrical Installation	Total
Gross Carrying value as at April 1, 2018	329.82	1631.73	7440.67	133.30	58.85	528.12	1205.04	0.00	11327.54	948.79	0.38	12276.71
Additions	27.50	170.26	706.13	45.07	3.82	263.52	0.00	64.00	1380.31	4787.28	0.00	6067.59
Deletions	0.00	12.18	1018.66	0.00	0.00	15.45	0.00	0.00	1046.29	960.36	0.00	2006.64
Gross Carrying value as at March 31, 2019	357.32	1,789.81	7,128.14	178.38	62.68	776.19	1,205.04	64.00	11,561.56	4,775.71	0.38	16,337.65
Accumulated depreciation as at April 1, 2018	0.00	739.69	6098.33	100.89	50.06	444.61	1122.87	0.00	8556.45	0.00	0.36	8556.82
Depreciation	0.00	75.15	255.72	12.44	2.37	65.10	9.86	14.20	434.84	0.00	0.02	434.86
Accumulated depreciation on deletions	0.00	4.59	949.91	0.00	0.00	13.79	0.00	0.00	968.29	0.00	0.00	968.29
Accumulated depreciation as at March 31, 2019	-	810.25	5,404.14	113.33	52.44	495.92	1,132.73	14.20	8,023.00	-	0.38	8,023.38
Net Carrying Value as at March 31, 2019	357.32	979.57	1,724.00	65.05	10.24	280.28	72.31	49.80	3,538.56	4,775.71	0.00	8,314.27

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020

Particulars	Tangible Assets							Capital Work in Progress	Intangible Assets - Software	Grand Total		
	Land	Building	Plant & Machinery	Furniture & Fixtures	Computer	Vehicles	Mining Equipments				Electrical Installation	Total
Gross Carrying value as at April 1, 2019	357.32	1,789.81	7,128.14	178.38	62.68	776.19	1,205.04	64.00	11,561.56	4,775.71	0.38	16,337.65
Additions	367.36	1,151.30	4,323.75	1.89	10.29	0.88	15.88	281.30	6,052.64	1,220.57	-	7,273.21
Deletions	-	-	-	-	-	63.69	-	-	63.69	5,993.28	-	6,056.97
Gross Carrying value as at March 31, 2020	624.68	2,941.11	11,451.89	180.27	72.97	713.37	1,220.92	345.30	17,550.51	3.00	0.38	17,553.89
Accumulated depreciation as at April 1, 2019	-	810.25	5,404.14	113.33	52.44	495.92	1,132.73	14.20	8,023.00	-	0.38	8,023.38
Depreciation	-	96.22	476.10	14.62	6.09	84.34	14.15	16.57	708.09	-	-	708.09
Accumulated depreciation on deletions	-	-	-	-	-	59.27	-	-	59.27	-	-	59.27
Accumulated depreciation as at March 31, 2020	-	906.47	5,880.24	127.95	58.53	520.98	1,146.88	30.77	8,671.81	-	0.38	8,672.19
Net Carrying Value as at March 31, 2020	624.68	2,034.64	5,571.65	52.32	14.44	192.39	74.04	314.53	8,878.70	3.00	-	8,881.70



**Notes to the Standalone Ind AS Financial Statement for the year ended 31st March 2020**

Particular		Long Term		(Rupees in Lakhs)	
		31-Mar-20	31-Mar-19	Short Term	
		31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>I. Investment in Equity Instruments</b>					
<b>Quoted</b>					
<b>(A) Designated and carried at FVTOCI</b>					
400 Equity Shares of Federal Bank Ltd. of Rs. 10/- each Fully Paid-up		0.16	0.39		
100 Equity Shares of Liberty Shoes Ltd. of Rs. 10/- each Fully Paid-up		0.10	0.15		
2400 Equity Shares of Bharat Immunologicals Biologicals Corporation Limited of Rs. 10/- each Fully Paid-up		0.14	0.18		
3200 Equity Shares of Bajaj Finance Ltd. of Rs. 10/- each Fully Paid-up		70.91	96.80		
<b>II. Investment in Government Securities</b>					
National Saving Certificate (Pledge with the Govt.)		0.40	0.40		
<b>III. Investment in Subsidiary Companies</b>					
100000 Shares of Gaze Fashiontrade Ltd of Rs. 10/- each Fully Paid-up		10.00	10.00		
100000 Shares in Gist Minerals Technologies Ltd of Rs. 10/- each Fully Paid-up		10.00	10.00		
<b>IV. Other Investment</b>					
<b>(A) Designated and carried at FVTOCI</b>					
Investment in IFCI Portfolio		0.05	6.98		
a) 5050 Shares Confidence Finance and Trading Ltd of Rs 10/- each Fully Paid up		0.027	(0.025)		
b) 1100 Shares Housing Development & Infra. Ltd of Rs 10/- each Fully Paid up		0.016	(0.284)		
c) 1.007 Units of Nippon India Mutual Fund		0.01	(-)		
d) 10 Shares of Goldline International Finvest Ltd of Rs 1/- each Fully Paid up		0.00002	(0.0005)		
e) 0 shares of Just Dial Ltd of 10/ each fully paid up		Nil	(6.668)		
*Note-( ) Denotes Previous Year Figures					
<b>(B) Measured at Amortised Cost(Unquoted)</b>					
Gamut Tradecom LLP (19% Share in Profit/Loss)		6.63	47.87		
<b>Total</b>		<b>98.39</b>	<b>172.76</b>		

**Note 4.1** Fair Value of Investments in Unquoted securities/other interest in Gamut Tradecom LLP has been determined on the basis of the latest available audited financial statements for the FY 2018-19 of the respective Investment.

**Note-5 Financial Asset :Loans & Advances**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Unsecured Considered Good</b>				
Deposits & Other Recoverables	183.33	185.52	195.50	0.50
Duties & Taxes Under Protest	-	-	72.20	100.00
Advance to Subsidiaries & Step-down Subsidiaries	-	-	718.96	1,733.03
<b>Total</b>	<b>183.33</b>	<b>185.52</b>	<b>986.66</b>	<b>1,833.53</b>

**Note-6 Other Asset**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Pre operative & Mining Development	60.54	218.91	-	-
Cenvat & Input tax credit	-	-	700.13	262.17
Advance to Vendors	-	-	395.31	548.84
Advance to Related parties	-	-	638.16	32.80
Advance to others	-	-	27.35	17.34
Advance against expenses	-	-	6.46	16.68
TDS/TCS Receivable	-	-	107.60	85.88
Prepaid expenses	-	-	13.37	8.04
<b>Total</b>	<b>60.54</b>	<b>218.91</b>	<b>1,888.39</b>	<b>971.74</b>

**Note-7 Inventories**

Particular	31-Mar-20	31-Mar-19
<b>(Valued at lower of cost and net realizable value)</b>		
Raw Materials	923.91	1,212.44
Work-in-progress;	124.92	272.57
Finished goods;	3,734.13	2,540.36
Consumable Stores and spares;	728.32	522.35
Scrap	73.38	80.84
<b>Total</b>	<b>5,584.66</b>	<b>4,628.56</b>

**Note - 7.1 Particulars of Inventory**

	31-Mar-20	31-Mar-19
<b>Raw Materials</b>		
Marble & Granites Blocks	712.69	1,212.44
Quartz Granule	211.22	-
Polyester Resin	-	-
<b>Total</b>	<b>923.91</b>	<b>1,212.44</b>
<b>Finished Goods</b>		
Granite Slabs	2,666.96	2,538.31
Quartz Slabs	1,065.13	-
Natural Sandstone Slabs	2.05	2.05
<b>Total</b>	<b>3734.13</b>	<b>2,540.36</b>
<b>Work-in-Progress</b>		
Unpolished Granite Slabs	124.92	272.57
<b>Total</b>	<b>124.92</b>	<b>272.57</b>

**Note-8 Trade Receivable**

Particular	31-Mar-20	31-Mar-19
<b>Unsecured, considered good unless stated otherwise</b>		
Others	2,845.97	3,244.76
<b>Total</b>	<b>2,845.97</b>	<b>3,244.76</b>

**Note-9 Cash & Cash Equivalents**

Particular	31-Mar-20	31-Mar-19
<b>Cash and Cash Equivalents</b>		
Balances with Banks In		
Current Account	107.92	64.79
Cash on Hand	30.41	23.52
<b>Total</b>	<b>138.33</b>	<b>88.30</b>

**Note-10 Other Bank Balances**

Particulars	31-Mar-20	31-Mar-19
<b>Other Bank Balances (Earmarked)</b>		
Balances with banks held as Margin Money on ILC/FLC/BG and other commitments	756.58	776.91
<b>Total</b>	<b>756.58</b>	<b>776.91</b>

**Note-11 Other Financial Asset**

Particular	31-Mar-20	31-Mar-19
Other Receivables	3.63	3.63
Accrued Interest	3.44	6.94
<b>Total</b>	<b>7.07</b>	<b>10.57</b>

**Note-12 Equity Share Capital**

(Rupees in Lakhs)

Particular	31-Mar-20	31-Mar-19
<b>Authorised</b>		
25000000 Equity Shares of Rs. 10 each (PY.25000000 Equity Shares of Rs. 10 each)	2,500.00	2,500.00
<b>Issued, Subscribed &amp; Paid-up</b>		
(1,351,500 Equity Shares of Rs. 10/- each, fully paid up)	135.15	135.15
<b>Right Issue</b>		
(20,94,825 Equity shares of Rs. 10/-each fully paid up)	209.48	-
<b>Total</b>	<b>344.63</b>	<b>135.15</b>

**Note 12.1 :** During the year Company has issued 20,94,825 number of Equity shares @ Rs.119 including per share premium of Rs. 109 per share having face value of Rs.10/- each under the Right Issue scheme. Consequently, the issued & Paid up Capital of the Company stands increase to Rs.34,463,250 w.e.f 26th August, 2019

**Note 12.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	31-Mar-2020		31-Mar-2019	
	Number	Amount	Number	Amount
At the beginning of the period	1,351,500	135.15	1,351,500	135.15
Changes during the period	2,094,825	209.48	-	-
Bought back during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>3,446,325</b>	<b>344.63</b>	<b>1,351,500</b>	<b>135.15</b>

**Note 12.3 Terms/ Rights attached to Equity Shares**

- The company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 12.4 Details of Shareholders holding more than 5% equity shares in the Company**

Shareholder	31-Mar-20		31-Mar-19	
	Number	% Holding	Number	% Holding
<b>Promoters and Promoter Group</b>				
Geeta Devi Agarwal	500,574	14.52	190,421	14.09
Kapil Agarwal	375,869	10.91	135,635	10.04
Jagdish Prasad Agarwal	260,101	7.55	42,336	3.13
Rahul Marble Private Limited	803,000	23.30	60,000	4.44
	<b>1,939,544</b>	<b>56.28</b>	<b>428,392</b>	<b>31.70</b>

**Note-13 Other Equity\***

Particular	31-Mar-20	31-Mar-19
<b>A) Security Premium</b>		
Balance as at the beginning of the period	-	-
Changes During the year	2,283.36	-
<b>Balance as at the end of the period</b>	<b>2,283.36</b>	<b>-</b>
<b>B) Retained Earnings &amp; General Reserve</b>		
Balance as at the beginning of the period	6,267.91	6,139.17
Changes During the year	10.23	128.74
<b>Balance as at the end of the period</b>	<b>6,278.14</b>	<b>6,267.91</b>
<b>C) Items of Other Comprehensive Income on Investments</b>		
Balance as at the beginning of the period	97.03	54.44
Changes During the year	(29.14)	42.59
<b>Balance as at the end of the period</b>	<b>67.89</b>	<b>97.03</b>
<b>D) Items of Other Comprehensive Income Remeasurement of Defined Benefit Plans</b>		
Balance as at the beginning of the period	(23.16)	(11.93)
Changes During the year	(11.48)	(11.23)
<b>Balance as at the end of the period</b>	<b>(34.64)</b>	<b>(23.16)</b>
<b>Balance as at 31 March 2020</b>	<b>8,594.75</b>	<b>6,341.78</b>

**Description and nature of other equity:-**

**Security Premium:** This reserve is used to record the premium on issue of shares. The same can be utilized in accordance with the provisions of the Act

**General Reserve :** It represents the actuarial gain or loss arising from the fair value measurement of investments made in Shares

**Retained Earnings:** It represents the surplus amount available in profit and loss as retained earnings and Gain/Loss on Sale of Investment on which Irrevocable Option taken for Designated at FVTOCI for Long Term Strategic Reason. The reserve can be distributed/ utilised by the company in accordance with the Companies Act,2013.

**Other Comprehensive Income:** It represent the actuarial gain or loss arising from the remeasurement of defined benefit obligation and fair value measurement of investments.

\*Quantitative data mentioned in statement of changes in equity

**Note-14 Long Term Borrowings**

Particular	Non Current Portion		Current Portion	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>LOANS - SECURED</b>				
(i) Vehicle Loan				
Axis Bank	70.68	168.64	97.96	39.51
(ii) Term Loan				
HDFC Bank	1,850.59	151.22	541.86	197.61
<b>LOANS - UNSECURED</b>				
(i) From Related parties				
From Directors	60.84	254.08	-	-
From Companies (Step-down Subsidiaries)	5,074.99	4,895.10	-	-
From Other Companies	226.35	1,632.87	-	-
(ii) From other than Related parties				
From Companies	5.89	5.89	-	-
<b>Securities Deposits from customers</b>	22.28	22.28	-	-
<b>Total</b>	<b>7,311.63</b>	<b>7,130.08</b>	<b>639.82</b>	<b>237.12</b>
<b>The above amount includes</b>				
Secured borrowings	1,921.28	319.86	639.82	237.12
Unsecured Borrowings	5,390.35	6,810.22	-	-
Amount Disclosed under Current Maturities of Long term Borrowing Under Note No.19	-	-	(639.82)	(237.12)
<b>Total</b>	<b>7,311.63</b>	<b>7,130.08</b>	<b>-</b>	<b>-</b>

(a) Loans from HDFC Bank for Vehicles carries interest @ 8.80%. The loans are repayable in 60 monthly installments and the loans are secured by hypothecation of respective assets.

(b) Term loan from HDFC bank carries Interest @ MCLR +1% (MCLR is 8.65 %) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 65 monthly installments.

(c) Term Loan For New Shed from HDFC Bank Carries Interest @ MCLR + 1%(MCLR is 8.65%) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 48 monthly installments.

(d) Term Loan For Quartz (Taanj) fom HDFC Bank Carries Interest @ MCLR + 0.5%(MCLR is 8.65%) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 60 monthly installments.

**Note-15 Provisions**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
(A) Provision for Expected Credit Loss	-	-	11.17	-
(B) Provision for Employees Benefit				
(i) Provision for Gratuity	215.74	187.41	117.82	98.60
(ii) Provision for Leave Encashment	-	-	42.41	35.49
(iii) Provision for Bonus & Ex-gratia	-	-	44.15	43.33
<b>Total</b>	<b>215.74</b>	<b>187.41</b>	<b>215.55</b>	<b>177.41</b>

**Note 15.1** The company has made provision for Gratuity based on actuarial valuation determined by Independent Actuary in accordance with IND AS-19.

**Note 15.2** The company has made provision for Leave Encashment based on Management policy.

**Note-16 Deferred Tax Liability (Net)**

Particular	31-Mar-20	31-Mar-19
Deferred Tax Liability	-	-
Deferred Tax Assets	-	-
<b>Total</b>	-	-

**Note 16.1** The company has deferred tax assets however, management has not recognised deferred tax assets during the year in view of uncertainty of future Income available against such tax.

**Note-17 Short-term Borrowings**

Particular	31-Mar-20	31-Mar-19
Foreign Currency Loan	1,280.09	1,295.97
<b>Total</b>	<b>1,280.09</b>	<b>1,295.97</b>

The above loan from HDFC Bank which carries Interest @ LIBOR+150 bps is secured by way of Hypothecation of Inventory i.e. Raw Materials, Stock in Process, Finished Goods, Stores & Spares and Book Debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, equitable mortgage of properties & the facility is subject to annual renewal and it also carries an unconditional and irrevocable personal guarantees of the Whole Time Directors and property holders.

**Note-18 Trade Payable**

Particular	31-Mar-20	31-Mar-19
Sundry Creditors for Material	1,777.96	1,300.50
Sundry Creditors for Services	132.13	124.80
Sundry Creditors for Others	131.35	128.67
<b>Total</b>	<b>2,041.44</b>	<b>1,553.97</b>

Note 18.1 - Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small and Medium Enterprises are as follows

Particular	31-Mar-20	31-Mar-19
<b>Dues Remaining Unpaid</b>		
Principal	-	-
Interest on the Above	-	-
<b>Total</b>	-	-

**Note-19 Financial Liability - Other**

Particular	31-Mar-20	31-Mar-19
Trade Payable for Capital Goods	230.36	2,800.79
Current maturities of long-term borrowings	639.82	237.12
Interest accrued but not due on Borrowings	2.02	3.82
Security deposits	9.60	10.64
Statutory Dues	21.59	32.33
Other Current Liabilities	131.78	120.00
<b>Total</b>	<b>1,035.18</b>	<b>3,204.69</b>

**Note-20 Other Current Liabilities**

Particular	31-Mar-20	31-Mar-19
Advances from Customers	389.49	392.07
<b>Total</b>	<b>389.49</b>	<b>392.07</b>

**Note-21 Current Tax Liability (net)**

Particular	31-Mar-20	31-Mar-19
Provision for Income Tax	3.14	27.32
<b>Total</b>	<b>3.14</b>	<b>27.32</b>

**Note-22 Revenue From Operation**

Particular	31-Mar-20	31-Mar-19
<i>Sale of products</i>		
Export Sales (Including Deemed Export)	5,639.34	5,191.17
Domestic Sales	4,014.25	4,846.20
Other Operating Revenue	65.57	7.02
<b>Revenue from Operation (Gross)</b>	<b>9,719.16</b>	<b>10,044.38</b>

**Note 22.1 Particulars of Products Sold**

	31-Mar-20	31-Mar-19
<b><u>(i) Export Sales (Including Deemed Export)</u></b>		
Granite Slabs	4151.39	5191.17
Granite Blocks	5.29	0.00
Quartz Slabs	1482.66	0.00
<b><u>(ii) Domestic Sales</u></b>		
Granite Slabs	1154.68	1319.00
Granite Blocks	0.00	29.00
Quartz Slabs	139.24	
Iron Ore	2712.64	3498.20
Scrap Sale	7.69	0.00

**Note-23 Other Income**

Particular	31-Mar-20	31-Mar-19
Share in Profit/loss of Limited Liability Partnership	213.76	56.88
Profit on Sales of Assets	10.01	10.02
Interest Income	171.55	107.52
Exchange Rate Fluctuation	111.86	114.31
Insurance Claim Received	-	1.10
Miscellaneous Income	7.06	13.03
Commission Income	195.00	-
<b>Total</b>	<b>709.24</b>	<b>302.86</b>

Note :- Share in Profit/loss of LLP has been taken on the basis of last available Audited Balance Sheet for the year Ending 31.03.2019

**Note-24 Cost of Materials Consumed**

Particular	31-Mar-20	31-Mar-19
<b>Raw Materials Consumed</b>		
Opening Stock	1,212.44	1,446.22
Add: Purchases	3,557.42	2,047.72
	4,769.86	3,493.94
Less: Closing Stock	923.91	1,212.44
<b>Cost of Material Consumed</b>	<b>3,845.94</b>	<b>2,281.50</b>

**Note 24.1 Particulars of Raw Materials Consumption**

	31-Mar-20	31-Mar-19
Granite Block	2,366.63	2,281.50
Quartz Granual	589.03	-
Polyester Resin	890.29	-
<b>Total</b>	<b>3,845.94</b>	<b>2,281.50</b>

**Note-25 Purchase of Stock-in-Trade**

Particulars	31-Mar-20	31-Mar-19
Granite	103.86	100.90
Iron Ore Concentrate	1966.52	2580.09
<b>Total</b>	<b>2070.37</b>	<b>2680.99</b>

**Note-26 Changes in inventories of Finished Goods, Work-in-Progress**

Particular	31-Mar-20	31-Mar-19
<b>Opening Stock</b>		
Work-in-Progress	272.57	187.65
Finished Goods	2,540.36	3,233.28
Scraps	80.84	80.28
<b>Total [I]</b>	<b>2,893.77</b>	<b>3,501.20</b>
<b>Closing Stock</b>		
Work-in-Progress	124.92	272.57
Finished Goods	3,734.13	2,540.36
Scraps	73.38	80.84
<b>Total [II]</b>	<b>3,932.43</b>	<b>2,893.77</b>
<b>Change in inventories Total [I-II]</b>	<b>(1,038.67)</b>	<b>607.44</b>

**Note-27 Employee Benefits Expense**

Particular	31-Mar-20	31-Mar-19
Salaries, Wages and Bonus	810.52	752.80
Contribution to Provident and other funds	144.62	141.47
Staff Welfare Expenses	85.07	39.58
<b>Total</b>	<b>1,040.21</b>	<b>933.85</b>

**Note-28 Finance Cost**

Particular	31-Mar-20	31-Mar-19
Bank Charges	11.02	10.68
Interest on Term Loan	188.98	59.29
Interest On PCFC	51.52	48.26
Interest on Other	3.36	0.33
Interest On Unsecured Loan	310.74	274.55
<b>Total</b>	<b>565.62</b>	<b>393.11</b>

**Note-29 Depreciation and Amortisation Expenses**

Particular	31-Mar-20	31-Mar-19
Depreciation	708.09	434.84
Pre-Operative Expenditure Written Off	0.58	-
<b>Total</b>	<b>708.67</b>	<b>434.84</b>

**Note-30 Other Expenses**

Particular	31-Mar-20	31-Mar-19
<b>Manufacturing Expenses</b>		
Consumption of Stores, Spares & Consumables	1,764.46	1,578.68
Power & Fuel Expenses	443.38	404.21
Factory Expenses	14.47	6.69
Freight Charges	5.75	7.68
Mining & Slurry Trans. Expenses	46.52	129.48
Repairs & Maintenance		
<i>Building</i>	1.85	-
<i>Plant &amp; Machineries</i>	20.93	5.03
<b>TOTAL [A]</b>	<b>2,297.36</b>	<b>2,131.77</b>



<b>Administrative &amp; Other Expenses</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Communication Expenses	24.38	27.40
Conveyance	6.61	8.20
Service Tax Demand & Interest	8.27	4.41
Exchange Rate Fluctuation	64.58	12.10
Festival Expenses	5.26	3.12
Fees & Subscription	21.72	18.27
Gardening Expenses	0.09	0.12
Income Tax	-	1.45
Insurance Expenses	9.08	8.65
Legal & Professional	15.39	12.67
Loss on sale of Shares	-	6.89
Listing, RTA & Related Expenses	3.36	5.36
Medical Exp.	0.19	0.42
Miscellaneous Expenses Written off	80.14	9.88
Office Expenses	13.77	8.03
Payment to Auditors (Refer details Below)	7.79	8.15
Penalties (Income Tax & TDS)	1.15	1.03
Other Penalties	0.53	-
Pre-operative Expenses written off	0.00	2.30
Printing & Stationary	12.70	4.05
Provision for ECL	11.17	-
Rates & Taxes	10.47	7.47
Repairs & Maintenance (Others)	8.28	5.97
Security Service Charges	36.83	21.69
Vehicle Running & Maintenance Expenses	34.85	25.84
Right issue expenses	0.74	-
Dead Rent/ Hire Charges	10.60	5.20
<b>TOTAL [B]</b>	<b>387.94</b>	<b>208.69</b>
<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Sales Promotion Expenses	14.20	2.29
Commission Expenses	12.18	1.18
Exhibition Expenses	71.32	27.06
Freight & Forwarding	330.78	345.49
Insurance - Marine	3.52	1.89
Marketing & Travelling Expenses	106.89	129.82
<b>TOTAL [C]</b>	<b>538.88</b>	<b>507.74</b>
<b>GRAND TOTAL [A+B+C]</b>	<b>3,224.18</b>	<b>2,848.20</b>

**Note-30.1 Payment to Auditor**

<b>Particular</b>	<b>31-Mar-20</b>	<b>31-Mar-19</b>
Audit Fees	5.00	5.00
Reimbursement of Expenses	2.79	3.15
<b>Total</b>	<b>7.79</b>	<b>8.15</b>

**Note-31 Corporate Social Responsibility Expenditure**

The company has no Obligation for CSR Expenses for FY 2019-20 as per Sec 135 of Company Act 2013.

**Note-32 Income Tax Recognised in Statement of Profit or Loss**

Particular	31-Mar-20	31-Mar-19
<b>Current Tax</b>		
<b>In respect of Current year</b>		
Regular Tax	3.14	-
MAT		27.32
MAT Credit		-
<b>In respect of earlier year</b>	(9.61)	-
<b>Total Current tax</b>	<b>(6.47)</b>	<b>27.32</b>
<b>Deferred Tax</b>		

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	31-Mar-20	31-Mar-19
Profit before income taxes	12.07	157.49
Enacted tax rate in India	26.000%	20.587%
Computed expected tax expenses	3.14	32.42
Effect of Allowances for tax purpose		6.61
Effect of Non deductible expenses		(11.71)
Others	9.61	
<b>Tax expense recognised in Statement of Profit and Loss</b>	<b>(6.47)</b>	<b>27.32</b>

**Note-33 Earning Per Share**

Particulars	31-Mar-20	31-Mar-19
Profit after tax	18.54	130.17
Weighted average no. of Equity Share Outstanding	2,604,961	1,351,500
Nominal value of Ordinary share (INR)	10.00	10.00
Basic & diluted earning per share (INR)	0.71	9.63

**Note-34 Lease**

The company has taken mines on Operating Lease from "Department of Mines & Geology" and minimum yearly rental is being paid which is adjusted against royalty amount, if payable.

**Note-35 Employee Benefit**
**(A) Defined Contribution Plan:-**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Contributions are made to registered provident fund and Employee state insurance administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	31-Mar-20	31-Mar-19
Contribution to Provident fund Statement of Profit and Loss	69.46	63.52
Contribution to ESI in Statement of Profit and Loss	12.06	14.60

**(B) Defined Benefit Plan:-**
**Gratuity**

In accordance with the provisions of Payment of Gratuity Act, 1972, the company has defined benefit plan which provides for gratuity payment. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the year of employment with the company. The company's gratuity plan is an unfunded plan.

These plans typically expose the Company to actuarial risks such as: Actuarial Risk, Investment Risk, Liquidity Risk, Market Risk & Legislative Risk:

**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience :** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk :**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

No other post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**Assumptions:**

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	31-Mar-20	31-Mar-19
Discount Rate	6.45%	7.20%
Future Salary Growth rate	6.00%	6.00%
Rate of Return on Plan Assets	-	-
Mortality table used Indian Assured Lives Mortality (2006-08) Ultimate	10% at younger ages reducing to 2% at older ages	

( Rupees in Lakhs)

Projected Benefit Obligation		
Particulars	31-Mar-20	31-Mar-19
Projected benefit Obligation at beginning of the year	286.00	242.52
Interest Cost	19.94	25.76
Current Service Cost	20.78	18.45
Past Service Cost	-	-
Actuarial (Gain)/Loss	11.48	11.23
Benefits paid	(4.64)	(11.96)
<b>Projected benefit Obligation at end of the year</b>	<b>333.55</b>	<b>286.00</b>

**Amount recognised in the Balance Sheet:**

Particulars	31-Mar-20	31-Mar-19
<b>Amount recognised in the Balance Sheet:</b>		
Projected benefit Obligation at end of the year	333.55	286.00
Fair Value of Plan Assets as at year end	-	-
<b>Net (Asset)/Liability recognized in the Balance Sheet</b>	<b>333.55</b>	<b>286.00</b>

**Cost of the defined benefit plan for the year:**

Particulars	31-Mar-20	31-Mar-19
Current Service Cost	20.78	18.45
Interest Cost	19.94	25.76
Past Service Cost	-	-
Expected Return on plan Asset	-	-
<b>Components of defined benefit cost recognised in the Statement of Profit &amp; Loss</b>	<b>40.72</b>	<b>44.21</b>

**Remeasurement on the net defined benefit liability:**
**Experience Adjustment**

Particulars	31-Mar-20	31-Mar-19
Present value of defined benefit obligation	333.55	286.00
Fair Value of plan assets	-	-
Balance Sheet (Liability)/ Asset	333.55	286.00
P&L (Income)/ expenses	-	30.61
Experience adjustment on plan liabilities (gain)/ loss	20.42	20.42
Experience adjustment on plan assets gain/ (loss)	-	-

**Sensitivity analysis in respect of the actuarial assumptions used in calculation of defined benefit obligation are given below:**

Particulars	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5%	321.55	346.34	275.93	296.73
Salary Growth rate - 0.5%	345.83	321.89	296.42	276.13
Withdrawal rate - 10%	334.45	332.58	287.31	284.61

**Leave Encashment**

Compensated absence liability recognised as expense for the year is Rs. 22.31 Lakhs (Previous Year Rs. 18.27 Lakhs). The said amount has been calculated by the management. It has been calculated on the basis of leaves accumulated during the year other relevant factors.

**Note-36 Capital Management**

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

**Note-37 Related Party Disclosures**

The Company has made the following transactions with related parties as defined under the provisions of Indian Accounting Standard-24 issued by the Institute of Chartered Accountants of India & notified by MCA under Companies (Indian Accounting Standard) Rules, 2015, as amended.

List of related parties with whom transaction have takenplace during the year along with the nature and volume of transaction is given below from 01.04.2019 to 31.03.2020.

Particulars	Relation
<b>Directors &amp; Key managerial persons &amp; their associate concerns</b>	
Jagdish Magniram Agarwal	Managing Director
Kapil Jagdish Agarwal	Executive Director
Geetadevi Agarwal Agarwal	Non Executive Director
Pradeep Kumar Jain	Non Executive Independent Director
Vikash Mishra	Non Executive Independent Director
Vinod Choudhary	Non Executive Independent Director
<b>Enterprises owned/controlled by directors &amp; their relatives</b>	
<b>Relations with Directors</b>	
Geetanjali Marble	Director is Partner in the Firm
Krishna Marble	Director is Partner in the Firm
Ojaswi Marble & Granites P Ltd	Director is the Director of the Company
Pacific Exports	Director is Partner in the Firm
Pacific Leasing And Research Ltd	Director is the Director of the Company
Rahul Marble Private Limited	Director is the Director of the Company
Yash Processors P Ltd	Director is the Director of the Company
Gaze Fashiontrade Limited	Subsidiary of Pacific Industries Ltd
Gist Minerals Technologies Limited	Subsidiary of Pacific Industries Ltd
Biswas Solar Instrument Private Limited	Subsidiary of Gaze Fashiontrade Limited
Saha Coloured & Flavour Spirit Manufacturer Pvt Ltd	Subsidiary of Gist Minerals Technology Limited
Blood Hound Security Company Pvt Ltd	Subsidiary of Gaze Fashiontrade Limited
Radhika Vyapaar Pvt Ltd	Subsidiary of Gaze Fashiontrade Limited
Geetanjali Investech Holding India Pvt Ltd	Director is the Director of the Company
M R Agarwal Holding LLP	Director is Partner in the LLP
Pacific Iron Manufacturing Ltd	Director is the Director of the Company
Bhola Motors Finance Pvt Ltd	Director is the Director of the Company
Chaitanya International Minerals LLP	Director is Partner in the LLP
Gamut Tradecom LLP	Director is Partner in the LLP

**Transactions with Key management persons**

Nature of transaction	31-Mar-20	31-Mar-19
Remuneration	48.00	48.00
Employer's Contribution to Provident Fund	5.76	5.76
Loan Outstanding as 31st march (Liabilities)	60.84	254.07

Out of the above items, transactions in excess of 10% of the total related party transactions are as under:

Remuneration	31-Mar-20	31-Mar-19
Kapil Agarwal	24.00	24.00
J.P. Agarwal	24.00	24.00

( Rupees in Lakhs)

Employer's Contribution to Provident Fund	31-Mar-20	31-Mar-19
Kapil Agarwal	2.88	2.88
J.P. Agarwal	2.88	2.88
<b>Loan outstanding as 31st march (Liabilities)</b>	<b>31-Mar-20</b>	<b>31-Mar-18</b>
Geeta Devi Agarwal	14.83	139.21
Kapil Agarwal	24.84	64.28
J.P. Agarwal	21.17	50.58

**Transactions with Enterprises owned & controlled by the Directors and their relatives**

Nature of transaction	31-Mar-20	31-Mar-19
Purchase	3404.46	4093.24
Sales	63.01	-
Interest Received	81.32	56.63
Interest Paid	369.39	335.00
Trade Payables	398.84	693.01
Advance outstanding as on 31st March (Assets)	1357.12	1765.83
Loan Outstanding as 31st March (Liabilities)	5301.35	6527.96
Investments	26.63	67.87
Out of the above items, transactions in excess of 10% of the total related party transactions are as under:		
<b><u>Purchase</u></b>		
Krishna Marble	12.32	960.69
Rahul Marbles Private Limited	-	-
Pacific Iron Manufacturing Ltd	2,085.49	2,736.19
Saha coloured and flavour manufacturer pvt ltd	145.22	44.97
Radhika Vyapaar pvt ltd	39.42	197.82
Biswas Solar Instruments Pvt Ltd	190.42	153.57
Chaitanya International Minerals LLP	490.80	-
Ojaswi Medical & Healthcare Private Limited	368.12	-
Blood Hound Security Company Pvt Ltd	72.65	-
Others ( Below 10%)	-	-
<b><u>Sales</u></b>		
Geetanjali University	63.01	-
<b><u>Interest received</u></b>		
Gist minerals technologies Ltd	74.93	48.41
Gaze Fashion Trade Ltd	6.39	5.44
Saha coloured and flavour manufacturer pvt ltd	-	2.77
<b><u>Interest Paid</u></b>		
Saha coloured and flavour manufacturer pvt ltd	14.98	-
Bhola Motor Finance Pvt Ltd	51.36	21.84
Radhika Vyaapar Pvt Ltd	27.07	37.04
Biswas Solar Instruments Pvt Ltd (Capitalised)	58.66	-
Biswas Solar Instruments Pvt Ltd	137.94	270.30
Blood Hound Security Company Pvt Ltd	79.39	5.82
Others (Below 10%)	-	-
<b><u>Trade Payable</u></b>		
Pacific Iron Manufacturing Ltd	0.00	267.12
Krishna Marble	37.81	34.42
Yash processors Pvt Ltd	67.89	67.89
Saha coloured and flavour manufacturer pvt ltd	95.09	2.99
Radhika Vyaapar pvt ltd	13.38	178.24
Biswas Solar Instruments Pvt Ltd	48.24	142.14
Chaitanya International Minerals LLP	136.23	-
Others (Below 10%)	0.20	0.20
<b><u>Advance Outstanding (Assets)</u></b>		
Pacific Iron Manufacturing Ltd	521.58	-
Gist Minerals Technologis Ltd	643.11	597.67
Biswas Solar Instruments Pvt Ltd	7.33	-
Gaze Fashion Trade Ltd	68.52	82.52
Saha coloured and flavour manufacturer pvt ltd	-	1,052.84
Others (Below 10%)	116.58	32.80

<u>Loan Outstanding (Liabilities)</u>		
Radhika Vyapaar Pvt Ltd	345.95	247.43
Saha coloured and flavour manufacturer Pvt. Ltd.	267.64	-
Bhola Motor Finance Pvt Ltd	226.35	1,632.87
Biswas Solar Instruments Pvt Ltd	3603.57	3,850.29
Blood Hound Security Company Pvt Ltd	857.82	797.37
<u>Investments</u>		
Gist Minerals Technologis Ltd	10.00	10.00
Gaze Fashion Trade Ltd	10.00	10.00
Gamut Tradecom LLP	6.63	47.87

**Note-38** Debit & Credit Balances appearing under Sundry Debtors, Loans & Advances, Unsecured Loans, Sundry Creditors are subject to confirmation & reconciliation. Adjustment, if any, in these accounts will be made as & when finally reconciled & confirmed. Trade Receivables & Trade Payables have been taken at their book value after making necessary adjustment on account of foreign exchange fluctuation except in case of some old balances lying in account.

**Note-39 Contingent Liabilities/Commitments, Contingent Assets & Pending Litigations**

**Contingent Liabilities**

(A) Claims against the company not acknowledged as debt.

A.1 Demand of Rs 8.66 lacs against which the company has deposited Rs 8.66 lacs under Central Excise act against which the company has filed an appeal.

A.2 Service Tax refund claim rejection of Rs 11.02 lacs against which the company is pursuing the matter with concerned department.

A.3 Demand Raised by the Central Excise Commissionerate of Rs 1.70 Crores against which Rs 62.32 Lacs is deposited by the company. The Said Matter has been taken to the High Court and the petition is still pending.

A.4 Demand Raised by the Central Excise Commissionerate of Rs 58.66 Lacs against which Rs 4.40 Lacs is deposited by the company against which the company has filed an appeal.

A.5 The company has a total demand of Rs. 88.36 lacs of Custom Duty out of which the company has deposited Rs. 7.84 Lacs under protest against which the company has filed an appeal.

**(B) Other Contingents Liabilities**

B.1 Show cause notice received from excise authorities of Rs 1.02 crore in respect of excise duty imposed on ground of availing wrong benefit of exemption notification on imported marble blocks, however no demand has been received from the excise authorities against the same and based on the legal opinion obtained, the company does not expect any liability on this account.

B.2 Show Cause notice received from excise authorities of Rs 4.94 crore in respect of custom duty under the provision of Custom Act 1962 imposed on ground of availing wrong benefit of exemption notification on imported marble blocks. However no demand has been received from the Custom authorities against the same and based on the legal opinion obtained, the company does not expect any liability on this account.

B.3 Show Cause notice Received From Custom Authorities of Rs 9.29 Lacs of Custom Duty under the Provision of Custom Act 1962 imposed on Ground of Wrongly Availing of Custom duty Benefits(Duty Forgone) on Saw Blades and Steel Grits imported /procured under concessional rate of duty during Period of July 2016 to June 2017. However, no demand has been received from the custom authorities against the same and based on Legal opinion obtained, the company does not expect any liabilities on this account

**(C) Capital Commitments and Other Commitments**

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated Amount of contracts remaining to be executed on capital account & not provided for (net of advance)		
Exports obligations under Export Promotion Capital Goods (EPCG) scheme*		

\*Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved. Total Duty to be saved/saved against licences outstanding as at March 31, 2020 is Rs.892.49Lacs (March 31, 2019 Rs.1131.36 Lacs). Export obligation on such licences outstanding as at year end is disclosed above.

**(D) Contingent Assets - Nil**
**Note 40: Fair Value Measurement**

The following table shows the carrying amounts and fair values of Investments including their levels in the fair value hierarchy.

Financial assets	Fair Value as at		Fair Value	Valuation techniques & key
	31-Mar-20	31-Mar-19		
Investments in quoted equity instruments at FVTOCI	71.36	104.49	Level-1	Quoted market price in an active market
Investments in unquoted instruments at Amortized Cost	27.03	68.26	Level-3	Refer Note (b)Below

Particulars	31-Mar-20		31-Mar-19	
	Amortised cost	Carrying value	Amortised cost	Carrying value
<b>Financial Assets</b>				
(i) Trade receivables	2,845.97	2,845.97	3,244.76	3,244.76
(ii) Loans	1,169.99	1,169.99	2,019.06	2,019.06
(iii) Others	7.07	7.07	10.57	10.57
(iv) Bank Balance	107.92	107.92	64.79	64.79
<b>Total</b>	<b>4,130.95</b>	<b>4,130.95</b>	<b>5,339.18</b>	<b>5,339.18</b>
<b>Financial Liabilities</b>				
(i) Borrowings	8,591.72	8,591.72	8,426.05	8,426.05
(ii) Trade payables	2,041.44	2,041.44	1,553.97	1,553.97
(iii) Other financial liabilities	1,035.18	1,035.18	3,204.69	3,204.69
<b>Total</b>	<b>11,668.34</b>	<b>11,668.34</b>	<b>13,184.71</b>	<b>13,184.71</b>

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the company is considered to be insignificant in valuation.

**Note 41: Financial Risk Management**
**Financial risk management policy and objectives**

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise Borrowings from Banks, trade and other payables. The main purpose of these financial liabilities to finance Company's operations and plant expansion. Company's principal financial assets include investments, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board oversees the management of these risks. The Company's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.



**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

The sensitivity analysis in the following sections relate to the position as at 31 March 2019 and 31 March 2018. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

**a) Foreign currency risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign exchange risk arising from foreign currency transactions primarily to USD & EURO. Company do not enter into any derivative instrument in order to hedge its foreign currency risks.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change by 5% in USD & EURO exchange rates, with all other variables held constant.

Financial Exposure	31-Mar-20	31-Mar-19
<b>Financial liabilities:</b>		
USD Converted in Rupees	1,520.90	2,840.71
EURO Converted in Rupees	400.18	1,338.20
<b>Net exposure</b>	<b>1,921.08</b>	<b>4,178.91</b>

**Sensitivity Analysis**

Currency	Amount in INR	
	31-Mar-20	31-Mar-19
USD	1,520.90	2,840.71
EURO	400.18	1,338.20

Currency	5% increase		5% decrease	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
USD	76.04	142.04	(76.04)	(142.04)
EURO	20.01	66.91	(20.01)	(66.91)

**b) Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will lead to change in interest income and expense for the Company. In order to optimize the Company's position with regards to interest income & expense and to manage the interest risk, the Company performs comprehensive interest risk management by balancing the proportion of fix & variable rate financial instruments.

Particulars	31-Mar-20	31-Mar-19
<b>Fixed rate instruments</b>		
Fixed deposit with Banks	756.58	776.91
<b>Borrowings</b>		
Vehicle loans	168.64	208.16
<b>Variable rate instruments</b>		
<b>Borrowings</b>		
Term Loan (HDFC)	2,392.45	348.83
Foreign Currency Loan	1,280.09	1,295.97

**Sensitivity analysis:**

A change in 50 basis point in interest rate at the reporting date would have increase/(decrease) Profit or Loss by the amount shown below.

This analysis assumes that all other variables, remain constant.

Particulars	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/decrease by 50 basis point	183.63	(183.63)	82.24	(82.24)

**c) Commodity Risk**

Commodity risk is defined as the possibility of financial loss as a result of fluctuation in price of Raw Material/Finished Goods and change in demand of the product and market in which the company operates. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The company forecast annual business plan and execute on monthly business plan. Raw material procurement is aligned to its monthly/annual business plan and inventory position is monitored in accordance with future price trend.

**ii) Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

Credit risk on trade receivables is managed by the Company 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. The Company has no concentration of risk as customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of outstanding and the Company's historical experience for customers.

**a) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment Company adjust its exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 42.

**Credit risk exposure**

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	31-Mar-20		31-Mar-19	
	Non Current	Current	Non Current	Current
Loans	183.33	986.66	185.52	1,833.53
Trade Receivables	-	2,845.97	-	3,244.76
Cash equivalents	-	894.91	-	865.21
Other financial assets	-	7.07	-	10.57
<b>Total</b>	<b>183.33</b>	<b>4,734.61</b>	<b>185.52</b>	<b>5,954.08</b>

Particulars	31-Mar-20		31-Mar-19	
	<6 months	>6months	<6 months	>6months
Trade Receivables	1572.14	1273.82	2410.51	834.25

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

The table summarises the maturity profile of Company's financial liabilities as follows:

Particulars	31-Mar-20		
	Within 1 year	>1 years	Total
Borrowings	1,280.09	7,311.63	8,591.71
Other liabilities	1,035.18	-	1,035.18
Trade and other payable	2,041.44	-	2,041.44
Particulars	31-Mar-19		
	Within 1 year	>1 years	Total
Borrowings	1,295.97	7,130.08	8,426.05
Other liabilities	3,204.69	-	3,204.69
Trade and other payable	1,553.97	-	1,553.97

**Note 42. Segement Reporting**

Company has considered business segment as the primary segment for disclosure. The business segments are Marble & Granite, Trading other than Marble & Granite & Other Services.

PARTICULARS	FOR THE YEAR ENDED	
	31-Mar-20	31-Mar-19
<b>Segment Revenue</b>		
A. Stone - Granite and Quartz	6811.52	6546.18
B. Trading Other than Granite and Quartz	2712.64	3498.20
C. Others Services	195.00	0.00
<b>Revenue From Operations (Including Other Income)</b>	<b>9719.16</b>	<b>10044.38</b>
<b>Segment Results</b>		
<b>Profit/Loss Before Charging Unallocable Expenditures</b>		
A. Stone - Granite and Quartz	(331.82)	(359.68)
B. Trading Other than Granite and Quartz	744.80	937.60
C. Others Services	164.71	0.00
Unallocable Expenses (Tax+Finance Cost)	565.62	420.43
<b>Net Result</b>	<b>12.07</b>	<b>157.49</b>
<b>Segment wise capital employed (Segment Assets- Segment Liabilities)</b>		
A. Stone - Granite and Quartz	15482.46	13163.00
B. Trading Other than Granite and Quartz	573.55	444.01
C. Others Services	195.00	0.00
<b>Total</b>	<b>16251.01</b>	<b>13607.01</b>

**Note 43. Disclosures regarding COVID-19 related measures**

Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's mining, Factory & other activities had to be closed down for some period of time however with the phased easing of restrictions the activities of the company has resumed.

Management believes that it has assessed all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets and in the opinion of the management no significant impact of the same is there on the above matters.

However, given the effect of these lockdowns on the overall economic activity the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results

44. The previous year's figures have been regrouped, rearranged and reclassified to conform to current year Ind-AS presentation requirements.

For Ravi Sharma & Co.  
Chartered Accountants  
(FRN 015143C)

(Paras Bhatia)  
Partner  
M.No. 418196  
UDIN: 20418196AAAAI6679  
Date: 31st July 2020  
Place: Udaipur

For and on behalf of Board of Directors  
Pacific Industries Limited

(J.P. Agarwal) (Kapil Agarwal)  
(Chairman & Managing Director) (Executive Director & CFO)  
DIN:00386183 DIN:00386298

(Sachin Shah)  
(Company Secretary)  
(PAN : CFLPS2451B)

**Independent Auditor's Report on the Consolidated Ind AS Financial Statements**

To  
The Members of  
**PACIFIC INDUSTRIES LIMITED,**

**Report on the Consolidated Financial Statements**

We have audited the consolidated financial statements of Pacific Industries Limited (hereinafter referred to as the ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us "except for the effects of the matter described in the Basis for Qualified Opinion section" and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to below in the Other Matter section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

**Basis for Qualified Opinion**

**Refer Note No. 38 of Notes on Consolidated Ind AS Financial Statements regarding confirmation & reconciliation of various Debit and Credit balances appearing under various heads & non-provision of exchange fluctuation w.r.t certain old balances. Final reconciliations/confirmations of the same may affect our disclosure.**

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that

the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us, these consolidated financial results include the financial results of the following entities:

- a. Gist Minerals Technologies Limited (Subsidiary)
- b. Gaze Fashion trade Limited (Subsidiary)
- c. Radhika Vyapaar Private Limited (Step Down Subsidiary)
- d. Biswas Solar Instrument Private Limited (Step Down Subsidiary)
- e. Blood Hound Security Company Private Limited (Step Down Subsidiary)
- f. Saha Coloured & Flavour Spirit Manufacturer Private Limited (Step Down Subsidiary)

#### Emphasis of Matter Paragraph

We invite attention to Note No-44 to the financial statements regarding uncertainties associated with the COVID-19 pandemic and impact assessment made by the company on its business and financial statements for the year ended 31st March 2020, the said assessment made by the management is highly dependent upon how the circumstances evolve in subsequent periods.

Our Opinion is not modified on the above matters.

#### Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How was the matter addressed in our audit
<b>Revenue Recognition: -</b>	
Revenue is one of the key profit drivers. Cut -off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches / deliveries, inventory reconciliations and substantive testing for cut -offs and analytical review procedures.

#### Information other than the Consolidated Financial Statements and Auditors' Report Thereon ("Other Information")

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' report thereon. These reports are expected to be made available to us.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements.**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its subsidiaries for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each Company 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 respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each Company

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statement**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

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

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We did not audit the financial statements of six subsidiaries and step down Subsidiaries, whose financial statements reflect total assets of Rs. 27823.93 Lacs as at 31 March 2020, total revenues of Rs. 1835.87 Lacs and total net profit after tax (before consolidation adjustments) of Rs. 90.95 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the audit reports of the other auditors. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

#### **Report on Other Legal & Regulatory Requirement**

1. The report does not include a statement on the matters specified in paragraph 3 & 4 of the companies (Auditor`s Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion the said order is not applicable to the presentation of Consolidated Financial Statements.
2. (A) 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 of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statement.
- d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion, the managerial remuneration for the year ended 31st March 2020, has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group. Refer Note 39 to the consolidated financial statements;
  - ii. The Company and its Subsidiaries did not have any long-term contract including derivatives contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.

For Ravi Sharma & Company  
Chartered Accountants  
FRN: 015143C

(CA Paras Bhatia)  
Partner  
M.No. 418196  
UDIN: 20418196AAAACL1575

Date: 31st July, 2020  
Place: Udaipur

**Annexure I to the Independent Auditors' Report of Pacific Industries Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Pacific Industries Ltd (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. 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 IFCoFR were 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 and the audit evidence obtained by the other

auditors of the relevant subsidiary companies, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

#### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to six subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**For Ravi Sharma & Company**  
Chartered Accountants  
FRN: 015143C

(Paras Bhatia)  
Partner  
M.No.: 418196  
UDIN: 20418196AAAACL1575  
Date: 31st July, 2020  
Place: Udaipur

**Consolidated Balance Sheet as at 31 March 2020**

(Rupees in Lakhs)

S. No.	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant & Equipment	3	8,827.55	3,585.59
	(b) Capital work-in-progress	3	3.00	4,715.26
	(c) Other Intangible Asset	3	1.28	0.00
	(d) Financial Assets			
	(i) Investments	4	12,704.56	9,196.62
	(ii) Loans & Advances	5	2,100.31	5,692.89
	(e) Other non-current assets	6	1,683.55	219.24
	<b>Total Non-current Asset</b>		<b>25,320.25</b>	<b>23,409.61</b>
(2)	<b>Current assets</b>			
	(a) Inventories	7	5,584.66	4,628.56
	(b) Financial Assets			
	(i) Investments	4	1,925.51	2,444.26
	(ii) Trade Receivable	8	3,930.30	5,304.07
	(iii) Cash and Cash equivalents	9	222.16	153.96
	(iv) Other Bank Balances	10	756.58	776.91
	(v) Loans & Advances	5	1,861.98	2,133.53
	(vi) Other Financial Asset	11	732.11	3,150.58
	(c) Other current assets	6	2,012.19	1,120.55
	<b>Total Current Asset</b>		<b>17,025.49</b>	<b>19,712.42</b>
	<b>Total Assets</b>		<b>42,345.74</b>	<b>43,122.03</b>
II.	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>EQUITY</b>			
	(a) Equity Share capital	12	344.63	135.15
	(b) Other Equity	13	33,677.99	31,399.87
	<b>Total Equity</b>		<b>34,022.62</b>	<b>31,535.02</b>
(2)	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	2,236.64	2,234.99
	(b) Provisions	15	215.74	187.41
	<b>Total Non-current Liabilities</b>		<b>2,452.38</b>	<b>2,422.40</b>
(3)	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,280.09	1,295.97
	(ii) Trade Payables	18	2,881.36	3,878.37
	(iii) Other Financial Liabilities	19	1,063.08	3,357.32
	(b) Other current liabilities	20	401.13	407.32
	(c) Provisions	15	215.55	177.41
	(d) Current tax liabilities (net)	21	29.53	48.21
	<b>Total Current Liabilities</b>		<b>5,870.74</b>	<b>9,164.61</b>
	<b>Total Liabilities</b>		<b>8,323.12</b>	<b>11,587.01</b>
	<b>Total Equity and Liabilities</b>		<b>42,345.74</b>	<b>43,122.03</b>

Significant accounting Policies

1 &amp; 2

Notes Forming Part of Financial Statements

1 to 46

As per our Report of even date

For and on behalf of Board of Directors

For Ravi Sharma &amp; Co.

Pacific Industries Limited

Chartered Accountants

(FRN 015143C)

(Paras Bhatia)

Partner

M.No. 418196

UDIN: 20418196AAAACL1575

Date: 31st July 2020

Place: Udaipur

(J.P. Agarwal)

(Chairman &amp; Managing Director)

DIN:00386183

(Kapil Agarwal)

(Executive Director &amp; CFO)

DIN:00386298

(Sachin Shah)

(Company Secretary)

(PAN : CFLPS2451B)

**Consolidated Statement of Profit & Loss for the Year ended 31st March 2020**

(Rupees in Lakhs)

S. No.	Particulars	Note No.	Year ended 31st March 2020	Year ended 31st March 2019
I.	Revenue from operations	22	9,883.52	10,216.03
II.	Other income	23	1,021.37	621.78
III.	<b>Total Revenue (I + II)</b>		<b>10,904.89</b>	<b>10,837.81</b>
IV.	<b>Expenses:</b>			
	Cost of Materials Consumed	24	3,425.94	2,281.50
	Purchases of Stock-in-Trade	25	2,472.51	2,828.40
	Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(1,038.67)	607.44
	Employee Benefits Expense	27	1,075.79	974.31
	Finance costs	28	312.52	137.77
	Depreciation and amortization expense	29	712.26	435.24
	Other expenses	30	3,883.26	3,551.64
	<b>Total expenses</b>		<b>10,843.60</b>	<b>10,816.28</b>
V.	Profit before exceptional items and tax (III-IV)		61.29	21.53
VI.	Exceptional items		-	-
VII.	<b>Profit before tax (V- VI)</b>		<b>61.29</b>	<b>21.53</b>
VIII.	Tax expense:			
	(1) Current tax	32	29.12	33.90
	(2) Deferred tax and Other Taxes	32	(12.39)	-
	<b>Total Tax Expenses</b>		<b>16.73</b>	<b>33.90</b>
IX	<b>Profit (Loss) for the period</b>		<b>44.56</b>	<b>(12.37)</b>
	<b>Other Comprehensive Income</b>			
a) (a)	(i) Items that will not be reclassified subsequently to profit or loss		(41.49)	9.98
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss		0.00	(14.32)
(b)	(i) Items that will be reclassified subsequently to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified subsequently to profit or loss		-	-
	<b>Total Other Comprehensive income</b>		<b>(41.49)</b>	<b>(4.33)</b>
	<b>Total Comprehensive Income for the year</b>		<b>3.07</b>	<b>(16.71)</b>
X.	<b>Earnings per equity share:</b>			
	(1) Basic	33	1.71	(0.92)
	(2) Diluted	33	1.71	(0.92)

Significant accounting Policies

1 &amp; 2

Notes Forming Part of Financial Statements

1 to 46

As per our Report of even date

For Ravi Sharma &amp; Co.

Chartered Accountants

(FRN 015143C)

For and on behalf of Board of Directors

Pacific Industries Limited

(Paras Bhatia)

Partner

M.No. 418196

UDIN: 20418196AAAACL1575

Date: 31st July 2020

Place: Udaipur

(J.P. Agarwal)

(Chairman &amp; Managing Director)

DIN:00386183

(Kapil Agarwal)

(Executive Director &amp; CFO)

DIN:00386298

(Sachin Shah)

(Company Secretary)

(PAN : CFLPS2451B)

**Consolidated Cash Flow Statement for the year ended 31st March, 2020**

		( Rupees in Lakhs)	
Particulars		Year ended 31st March 2020	Year ended 31st March 2019
A.	<b>Cash flow from Operating Activities</b>		
	<b>Profit before income tax</b>	<b>44.56</b>	<b>21.53</b>
	Adjustment for		
	Depreciation and amortisation expenses	712.26	435.24
	Pre-Operative Expense		
	Profit on sale of Fixed Assets	(10.01)	(2.56)
	Loss on sale of Fixed Assets	-	6.89
	Loss on FVTPL	-	10.54
	Loss on Sale Of Share	9.24	2.91
	Finance Costs	312.52	127.07
	Actuarial Gain/ (Loss)	(11.48)	(11.23)
	Interest Income	(440.04)	(418.17)
	<b>Change in operating assets and liabilities</b>		
	(Increase) in Inventories	(956.10)	923.92
	(Increase)/Decrease in Trade receivables	1,373.77	371.27
	(Increase)/Decrease in financial assets	2,418.48	5,247.39
	(Increase)/Decrease in Loans & Advances	271.55	1,176.68
	(Increase)/Decrease in Other Current Assets	(891.64)	(368.44)
	Increase/(Decrease) in Provisions	66.47	45.67
	Increase/(Decrease) in Trade Payables	(997.02)	(895.83)
	Increase/(Decrease) in Other Current Liabilities	(6.19)	137.32
	Increase/(Decrease) in Other Financial Liabilities	(2,294.25)	1,941.01
	<b>Cash generated from operations</b>	<b>(397.89)</b>	<b>8,751.21</b>
	Income Tax paid	(37.32)	(28.94)
	<b>Net cash flow from operating activities</b>	<b>(435.20)</b>	<b>8,722.27</b>
B.	<b>Cash flow from Investing Activities</b>		
	Purchase of Fixed Assets	(1,247.64)	(5,093.81)
	Sale of Fixed Assets	14.43	73.66
	(Increase)/Decrease in Fixed Deposits	20.33	(217.17)
	(Increase)/Decrease in Long term Loans & advances	3,592.58	807.39
	(Increase)/Decrease in Other Non-current Assets	(1,464.31)	(44.97)
	(Purchase)/Sale of Investments	(3,018.10)	(3,892.59)
	Interest Income	440.04	418.17
	<b>Net cash flow from investing activities</b>	<b>(1,662.67)</b>	<b>(7,949.32)</b>
C.	<b>Cash flow from financing activities</b>		
	Increase in Long Term Borrowings	1.63	(302.83)
	Increase in Short Term Borrowings	(15.88)	(364.80)
	Issue of Share Capital - Right Issue	2,492.84	-
	Finance Costs	(312.52)	(127.07)
	<b>Net cash flow from financing activities</b>	<b>2,166.07</b>	<b>(794.70)</b>
	<b>Net increase / ( decrease) in cash and cash equivalents</b>	<b>68.20</b>	<b>(21.75)</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>153.96</b>	<b>175.72</b>
	<b>Cash and cash equivalents at the end of the year</b>	<b>222.16</b>	<b>153.96</b>

Notes Forming Part of Financial Statements  
As per our Report of even date  
For Ravi Sharma & Co.  
Chartered Accountants  
(FRN 015143C)

(Paras Bhatia)  
Partner  
M.No. 418196  
UDIN: 20418196AAAACL1575

Date: 31st July 2020  
Place: Udaipur

For and on behalf of Board of Directors  
Pacific Industries Limited

(J.P. Agarwal)  
(Chairman & Managing Director)  
DIN:00386183

(Kapil Agarwal)  
(Executive Director & CFO)  
DIN:00386298

(Sachin Shah)  
(Company Secretary)  
(PAN : CFLPS2451B)

## Pacific Industries Limited

Regd Office: Survey No. 13, N. H. 48, Kempalinganhalli, Nelamangala Taluk,  
Bangalore (Rural), Bengaluru, Karnataka, 562123, Phone: 0294-2440933  
Website: www.pacificindustriesltd.com, E-mail: pilnorth@pacificgranites.com,  
CIN: L14101KA1989PLC062041

### Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020

#### Note 1 Corporate Information

Pacific Industries Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange in India. The company is engaged in the export, manufacturing & trading of Granite tiles & slabs and Quartz Slabs and other goods and commission activities.

#### Note 2 Significant accounting policies

The following are the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### 2.1 Basis of Preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 01, 2016. These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements for the year ended March 31, 2020 were approved by the Board of Directors and authorized for issue on 31st July 2020.

##### 2.2 Basis of measurement

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### 2.3 Functional and Presentation Currency

The financial statements are prepared in Indian Rupees ("INR") which is the Company's presentation currency and the functional currency for its operations. All financial



**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

information presented in INR has been rounded to the nearest lakhs with two decimal places unless stated otherwise.

**2.4 Use of Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgments and estimates relating to carrying value of assets and liabilities include useful lives of Property, plant and equipment, impairment of Property, plant and equipment, investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**2.5 Classification of Assets & Liabilities as Current & Non-Current**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**2.6 Recognition of Revenue and Expenditure**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020

**2.6.1 Sale of Goods**

Revenue from the sale of goods is recognised, when the significant risks and rewards of ownership of the goods have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

**2.6.2 Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate method. Interest income is included under the head "Other Income" in statement of profit and loss.

**2.6.3 Expenses**

All expenses are charged in statement of profit and loss as and when they are incurred.

**2.7 Property, Plant & Equipment**

**Property, Plant & Equipment**

Property, plant and equipment are initially recognized at cost including the cost directly attributable for bringing the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Any gain or loss on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

**Depreciation**

Depreciation is provided on a Written Down Value basis except for New Quartz Plant (Taanj), where Depreciation is provided on Straight Line method over the estimated useful life of all the assets as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.8 Inventory**

Inventories consists of Raw Material, Work In Progress, Finished Goods , Scrap & Stores & Spares.

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

Inventories are valued at the lower of cost or net realisable value. Cost is determined on weighted average basis.

**Raw materials & Stores & Spares:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition on the weighted average basis.

**Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity on a weighted average basis. Cost of finished goods includes other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.9 Employee benefits****a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is 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.

**b) Defined Contribution Plan**

The Company makes defined contribution to Provident Fund managed by Government Authorities, which are accounted on accrual basis as expenses in the statement of Profit and Loss. The Company has no obligation other than the contribution payable to the provident fund.

**c) Defined Benefit Plan**

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on an independent actuarial valuation using the projected unit credit method, carried out as at balance sheet date. The obligation determined as aforesaid less the fair value of the Plan assets is reported as a liability or assets as of the reporting date. Actuarial gain or losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the statement of profit and loss.

**d) Other Long-Term Benefits**

Provision for other long term benefits in the form of long term compensated absences (leave encashment) are accounted for on the basis as if it becomes due for payment on the last day of accounting year.

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020****2.10 Income Tax**

Tax expenses comprises current and deferred tax. It is recognised in Statement of profit and loss except to the extent it relates to the items recognised directly in equity or in OCI.

**Current tax**

Current tax comprises the expected tax payable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

**2.11 Lease**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments primarily comprise of fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

c) Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

of office spaces and certain equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**As a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**2.12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent Liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or where no reliable estimate is possible. Contingent liabilities are not recognised in financial statements but are disclosed in notes.

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in financial statements and are disclosed in notes.

**2.13 Foreign Currency Transactions**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting date are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recognised using the exchange rate at date of initial transactions, are not retranslated.

In respect of forward contracts, the premium or discount on these contracts is recognized as income or expenditure over the period of the contract. Any profit or loss arising on the

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

cancellation or the renewal of such contracts is recognized as income or expense for the year.

**2.14 Impairment****Non-financial assets**

The carrying amount of non- financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised as an expenses in the Statement of Profit and Loss, 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 cost to sell and value in use. Value in use is ascertained through discounting of estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment had been recognised.

**Financial assets**

The Company assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

**2.15 Government Grant**

Government grants are recognised when there is a reasonable assurance that the grant will be received and all attached conditions will be complied with. Government grants relating to an expense item is recognised in the statement of profit and loss over the period necessary to match them with costs that they are intended to compensate are expensed. Government grants relating to asset is recognised as income in equal amounts over the useful life of the asset.

**2.16 Earning Per Share (EPS)**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.17 Cash Flow Statement**

Cash flows are reported using the indirect method, as set out in Ind AS 7 'Statement of Cash Flows', whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.18 Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**2.19 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset, until such time as the assets are substantially ready for the intended use or sale. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. The borrowing costs other than attributable to qualifying assets are recognised in the profit or loss in the period in which they incurred.

**2.20 Financial Instruments**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and loss.

**2.21.1 Financial assets**

All regular way purchases or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.



**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020****Classification of Financial Assets****(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**(iv) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**(v) Equity instrument**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**c) Derecognition**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**d) Offsetting of financial instruments**

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

Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020

**2.21 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker and the Board of Directors of the company considers and maintains Stones - Granite and Quartz, trading other than Granite & Quartz, Investment and Finance & Other services as the Business Segments of the Company.

**2.22 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

**Level 1** - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3** - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**2.23 Principles for consolidation**

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, Income and expenses. Inter company transaction, balances and unrealised gains on transaction between group companies are eliminated. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

**2.24 Business combinations**

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date except deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements, which are recognised and measured in accordance with Ind AS 12- Income taxes and Ind AS 19- Employee benefits, respectively.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of non-controlling interest in the acquiree, and the fair value of acquirer's previously held equity instrument in the acquiree (if any) over the net of acquisition date fair value of identifiable assets acquired and liabilities assumed. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquirer's Identifiable Net Assets. The choice of measurement basis is made on an acquisition-by-acquisition basis.

**2.25 Recent accounting pronouncements**

**New and amended standards**

The Company applied Ind AS 116 - Leases ('Ind AS 116') for the first time. The nature and effect of the changes as a result of adoption of this new accounting standard is described below.

Several other amendments and interpretations apply for the first time in year ended March 2020, but do not have an impact on the Consolidated financial statements of the Company. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the Balance Sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

**Notes to the Consolidated Ind AS Financial Statement for the year ended 31st March 2020**

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on 1 April 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

Based on the Company's evaluation, the standard did not have significant impact on the financial statements of the Company.

**Consolidated Statement of Changes in Equity for the year ended 31st March 2020**

A Equity Share Capital				( Rupees in Lakhs)		
Particular	Note	No. of Shares	Amount			
As on 31st March 2019	13	1,351,500	135.15			
Changes in equity share capital		2,094,825	209.48			
As on 31st March 2020	13	3,446,325	344.63			

Particular	Reserve & Surplus			Items of Other Comprehensive income		TOTAL
	Retained Earning & General reserve	Security Premium	Capital Reserve	Investments	Remeasurement of net defined benefit Plans	
Balance at 1st April 2019	6,080.63	-	24,843.34	499.07	(23.16)	31,399.87
Profit for the year/ Transfer to Retained Earnings	44.56	-	-	(4.44)	-	40.12
Fair Value through OCI	(8.30)	-	-	(25.58)	-	(33.88)
Security Premium	-	2,283.36	-	-	-	2,283.36
Remeasurement of Defined Benefit Plans	-	-	-	-	(11.48)	(11.48)
Balance as at 31 March 2020	6,116.89	2,283.36	24,843.34	469.05	(34.64)	33,677.99

**Consolidated Statement of Changes in Equity for the year ended 31st march 2019**

Particular	Reserve & Surplus			Items of Other Comprehensive		TOTAL
	Retained Earning & General reserve	Security Premium	Capital Reserve	Investments	Remeasurement of net defined benefit Plans	
Balance at 1st April 2018	6,109.64	-	24,843.34	419.44	(11.93)	31,360.49
Profit for the year/ Transfer to Retained Earnings	(12.37)	-	-	-	-	(12.37)
Fair Value through OCI	(16.63)	-	-	(37.28)	-	(53.91)
Security Premium	-	-	-	-	-	-
Remeasurement of Defined Benefit Plans	-	-	-	116.90	(11.23)	105.67
Balance as at 31 March 2019	6,080.63	-	24,843.34	499.07	(23.16)	31,399.87

Significant accounting Policies

1 &amp; 2

Notes Forming Part of Financial Statements

1 to 46

As per our Report of even date

For and on behalf of Board of Directors

 For Ravi Sharma & Co,  
 Chartered Accountants  
 (FRN 015143C)

Pacific Industries Limited

 (Paras Bhatia)  
 Partner  
 M.No. 418196  
 UDIN: 20418196AAAACL1575

 (J.P. Agarwal)  
 (Chairman & Managing Director)  
 DIN:00386183

 (Kapil Agarwal)  
 (Executive Director & CFO)  
 DIN:00386298

 Date : 31st July 2020  
 Place: Udaipur

 (Sachin Shah)  
 (Company Secretary)  
 (PAN : CFLPS2451B)

**Pacific Industries Limited**
**Notes to the Consolidated IND AS Financial Statement for the year ended 31st March 2020**
**Note-4 Financial Asset : Investment**

(Rupees in Lakhs)

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>I. Investment in Equity Instruments</b>				
<b>Quoted</b>				
<b><u>(A) Designated and carried at FVTOCI</u></b>				
400 Equity Shares of Federal Bank Ltd. of Rs. 10/- each Fully Paid-up	0.16	0.39	-	-
100 Equity Shares of Liberty Shoes Ltd. of Rs. 10/- each Fully Paid-up	0.10	0.15	-	-
2,400 Equity Shares of Bharat Immunologicals Biologicals Corporation Limited of Rs. 10/- each Fully Paid-up	0.14	0.18	-	-
3,200 Equity Shares of Bajaj Finance Ltd. of Rs. 10/- each Fully Paid-up	70.91	96.80	-	-
<b><u>(B) Designated and carried at FVTPL</u></b>				
2,25,000 Equity Shares of Supernova Advertising Limited of Rs. 10/- each Fully Paid-up	-	-	-	517.50
<b>Unquoted</b>				
<b><u>(A) Designated and carried at FVTOCI</u></b>				
96,500 Equity Shares of Delite Buildpro Pvt Ltd @ Rs. 10/- each Fully Paid-up	101.02	100.94	-	-
98,500 Equity Shares of Deccan Buildwell Pvt Ltd @ Rs. 10/- each Fully Paid-up	109.62	109.56	-	-
65,135 Equity Shares of Shephali Hotel and Resorts Pvt Ltd @ Rs. 10/- each Fully Paid-up	50.26	50.19	-	-
87,700 Equity Shares of Ruby Infratech Pvt Ltd @ Rs. 10/- each Fully Paid-up	89.47	84.49	-	-
99,800 Equity Shares of Vighnhartha Vincom Pvt Ltd @ Rs. 10/- each Fully Paid-up	110.58	110.52	-	-
74,875 Equity Shares of Divya Finlease Pvt Ltd @ Rs. 10/- each Fully Paid-up	64.20	64.14	-	-
2,86,787 units of Next Orbit RE Scheme @ Rs. 10/- each Fully Paid-up	2,800.00	2,800.00	-	-
Icici Pru Mutual Fund A/c	-	-	-	123.67
Aditya Birla Sun life Liquid Fund A/c	-	-	-	1.66
26,000 Equity shares of Ptc India Financial Services Ltd @ Rs. 10/- each Fully Paid-up	-	-	-	4.13
7,979 Equity shares of Punjab National Bank @ Rs. 10/- each Fully Paid-up	-	-	-	7.69
5360 Equity shares of Bank Of India @ Rs. 10/- each Fully Paid-up	-	-	-	5.59

10000 Equity shares of Spicy Entertainment @ Rs. 10/- each Fully Paid-up	-	-	0.49	1.05
870000 Equity shares of Think INK Studio Ltd. (Oyee Media) Face Value of Rs. /- each	-	-	34.80	31.06
5120 Equity shares of Oriental Bank of Commerce @ Face Value Rs 10/- each	-	-	-	5.95
1000 Equity shares of Tv18 Broadcast Limited @ Face Value Rs 10/- each	-	-	-	0.36
7840 Equity Share of State Bank of India @ Face Value Rs 10/- each	-	-	-	25.15
<b>II. Investment in Preference Shares</b>				
<b>(A) Measured at Amortised Cost</b>				
26,00,000 Convertible Redeemable Preference Shares of Ojaswi Marble & Granite Pvt Ltd. @ Rs 76/- each	1,976.00	1,976.00	-	-
<b>III. Investment in Government Securities</b>				
National Saving Certificate (Pledge with the Govt.)	0.40	0.40	-	-
<b>IV. Other Investment</b>				
<b>(A) Designated and carried at FVTOCI</b>				
Investment in IFCI Portfolio	0.05	6.98	-	-
a) 5050 Shares Confidence Finance and Trading Ltd of Rs 10/- each Fully Paid up	0.027 (0.025)			
b) 1100 Shares Housing Development & Infra. Ltd of Rs 10/- each Fully Paid up	0.016 (0.284)			
c) 1.007 Units of Nippon india Mutual Fund	0.01 (-)			
d) 10 Shares of Goldline International Finvest Ltd of Rs 1/- each Fully Paid up	0.00002 (0.0005)			
e) 0 shares of Just Dial Ltd of 10/ each fully paid up	Nil (6.668)			
*Note-(i) Denotes Previous Year Figures				
Gamut Tradecom LLP (19% Share in Profit/Loss)	6.63	47.87	-	-
Chaitanya International Minerals LLP (15% Share in Profit/Loss)	6,200.02	3,748.02	-	-
Investment in Emerald Buildhome (16.50% Share in Profit/Loss)	1,125.00	-	-	-
Krishna Marble (15% Share in Profit/Loss)	-	-	1,890.22	1,720.46
<b>Total</b>	<b>12,704.56</b>	<b>9,196.62</b>	<b>1,925.51</b>	<b>2,444.26</b>

**Note 4.1** Fair Value of Investments in Unquoted securities/other interest in Gamut Tradecom LLP, Chaitanya International Minerals LLP and Krishna Marbles has been determined on the basis of the latest available audited financial statements for the Financial year 2018-19 of the respective investment.

**Note-5 Financial Asset :Loans & Advances**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>Unsecured considered goods</b>				
Deposits & Other Recoverables	183.33	5,692.89	195.50	0.50
Duties & Taxes Under Protest	-	-	72.20	100.00
Other Loans and Advances	508.44	-	517.43	2,033.03
Other Loans and Advances to Related Parties	1408.54	-	1,076.85	-
<b>Total</b>	<b>2,100.31</b>	<b>5,692.89</b>	<b>1,861.98</b>	<b>2,133.53</b>

( Rupees in Lakhs)

**Note-6 Other Asset**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Pre operative & Mining Development	60.54	219.24	-	-
Cenvat & Input tax credit	-	-	709.81	265.94
Advance to Vendors (Including related parties)	-	-	395.31	548.84
Advance to Related parties	-	-	638.16	32.80
Advance to Others	1,623.01	-	27.36	17.34
Advance against expenses	-	-	6.46	16.71
Income tax refundable	-	-	45.48	2.81
TDS/TCS Receivable	-	-	176.22	228.07
Prepaid Expenses	-	-	13.37	8.04
<b>Total</b>	<b>1,683.55</b>	<b>219.24</b>	<b>2,012.19</b>	<b>1,120.55</b>

**Note-7 Inventories**

Particular	31-Mar-20	31-Mar-19
<b>(Valued at lower of cost and net realizable value)</b>		
Raw materials	923.91	1,212.44
Work-in-progress;	124.92	272.57
Finished goods;	3,734.13	2,540.36
Consumable Stores and spares;	728.31	522.35
Scrap	73.38	80.84
<b>Total</b>	<b>5,584.66</b>	<b>4,628.56</b>

**Note - 7.1 Particulars of Inventory**

	31-Mar-20	31-Mar-19
<b>Raw Materials</b>		
Marble & Granites Blocks	712.69	1212.44
Quartz Granule	211.22	-
Polyester Resin	-	-
<b>Total</b>	<b>923.91</b>	<b>1212.44</b>
<b>Finished Goods</b>		
Granite	2,666.96	2,538.31
Quartz Slabs	1,065.13	-
Natural Sandstone Slabs	2.05	2.05
<b>Total</b>	<b>3,734.13</b>	<b>2,540.36</b>
<b>Work-in-Progress</b>		
Unpolished Granite Slabs	124.92	272.57
<b>Total</b>	<b>124.92</b>	<b>272.57</b>



**Note-8 Trade Receivable**

Particular	31-Mar-20	31-Mar-19
<b>Unsecured, considered good unless stated otherwise</b>		
Others	3,930.30	5,304.07
<b>Total</b>	<b>3,930.30</b>	<b>5,304.07</b>

**Note-9 Cash & Cash Equivalents**

Particular	31-Mar-20	31-Mar-19
<b>Cash and Cash Equivalents</b>		
<b>Balances with banks in</b>		
Current Account	161.58	88.80
Cash on Hand	60.59	65.16
<b>Total</b>	<b>222.16</b>	<b>153.96</b>

**Note-10 Other Bank Balances**

Particulars	31-Mar-20	31-Mar-19
<b>Other Bank Balances (Earmarked)</b>		
Balances with banks held as Margin Money on ILC/FLC/BG and other commitments	756.58	776.91
<b>Total</b>	<b>756.58</b>	<b>776.91</b>

**Note-11 Other Financial Asset**

Particular	31-Mar-20	31-Mar-19
Accrued Interest	3.44	6.94
Other Receivables	728.67	3,143.64
<b>Total</b>	<b>732.11</b>	<b>3,150.58</b>

**Note-12 Equity Share Capital**

Particular	31-Mar-20	31-Mar-19
<b>Authorised</b>		
25000000 Equity Shares of Rs. 10 each (P.Y.25000000 Equity Shares of Rs. 10 each)	2,500.00	2,500.00
<b>Issued, Subscribed &amp; Paid-up</b>		
(13,51,500 Equity Shares of Rs. 10/-each, fully paid up)	135.15	135.15
<b>Right Issue</b>		
(20,94,825 Equity shares of Rs. 10/-each fully paid up)	209.48	-
<b>Total</b>	<b>344.63</b>	<b>135.15</b>

**Note 12.1 :** During the year Company has issued 20,94,825 number of Equity shares @ Rs.119 including per share premium of Rs. 109 per share having face value of Rs.10/- each under the Right Issue scheme. Consequently, the issued & Paid up Capital of the Company stands increase to Rs.3,44,63,250 w.e.f 26th August , 2019

**Note 12.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	31-Mar-20		31-Mar-2019	
	Number	Amount	Number	Amount
At the beginning of the period	1,351,500	135.15	1,351,500	135.15
Changes during the period	2,094,825	209.48	-	-
Bought back during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>3,446,325</b>	<b>344.63</b>	<b>1,351,500</b>	<b>135.15</b>

**Note 12.3 Terms/ Rights attached to Equity Shares**

The company has only one class of Equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 12.4 Details of Shareholders holding more than 5% equity shares in the Company**

Shareholder	31-Mar-20		31-Mar-19	
	Number	% Holding	Number	% Holding
<b>Promoters and Promoter Group</b>				
Geeta Devi Agarwal	500,574	14.52	190,421	14.09
Kapil Agarwal	375,869	10.91	135,635	10.04
Jagdish Prasad Agarwal	260,101	7.55	42,336	3.13
Rahul Marble Private Limited	803,000	23.30	60,000	4.44
	<b>1,939,544</b>	<b>56.28</b>	<b>428,392</b>	<b>31.70</b>

**Note-13 Other Equity\***

Particulars	31-Mar-20	31-Mar-19
<b>A) Security Premium</b>		
Balance as at the beginning of the period	-	-
Changes During the year	2,283.36	-
<b>Balance as at the end of the period</b>	<b>2,283.36</b>	<b>-</b>
<b>B) Capital Reserve</b>		
Balance as at the beginning of the period	24,843.34	24,843.34
Changes During the year	-	-
<b>Balance as at the end of the period</b>	<b>24,843.34</b>	<b>24,843.34</b>
<b>C) Retained Earnings &amp; General Reserve</b>		
Balance as at the beginning of the period	6,080.63	6,109.64
Changes During the year	36.26	(29.01)
<b>Balance as at the end of the period</b>	<b>6,116.89</b>	<b>6,080.63</b>
<b>D) Items of Other Comprehensive Income on Investments</b>		
Balance as at the beginning of the period	499.07	419.44
Changes During the year	(30.02)	79.63
<b>Balance as at the end of the period</b>	<b>469.05</b>	<b>499.07</b>
<b>E) Items of Other Comprehensive Income Remeasurement of Defined Benefit Plans</b>		
Balance as at the beginning of the period	(23.16)	(11.93)
Changes During the year	(11.48)	(11.23)
<b>Balance as at the end of the period</b>	<b>(34.64)</b>	<b>(23.16)</b>
<b>Balance as at 31 March 2020</b>	<b>33,677.99</b>	<b>31,399.87</b>

**Description and nature of other equity:-**

**Security Premium:** This reserve is used to record the premium on issue of shares. The same can be utilized in accordance with the provisions of the Act

**General Reserve :** It represents the actuarial gain or loss arising from the fair value measurement of investments made in Shares

**Retained Earnings:** It represents the surplus amount available in profit and loss as retained earnings and Gain/Loss on Sale of Investment on which Irrevocable Option taken for Designated at FVTOCI for Long Term Strategic Reason. The reserve can be distributed/ utilised by the company in accordance with the Companies Act,2013.

**Capital Reserve:** The Reserve is created based on statutory requirement under the Companies Act, 2013, on account of consolidation.

**Other Comprehensive Income:** It represent the actuarial gain or loss arising from the remeasurement of defined benefit obligation and fair value measurement of investments.

\*Quantitative data mentioned in statement of changes in equity

Particular	( Rupees in Lakhs)			
	Non Current Portion		Current Maturities	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
<b>LOANS - SECURED</b>				
(i) Vehicle Loan				
Axis Bank	70.68	168.64	97.96	39.51
(ii) Term Loan				
HDFC Bank	1,850.59	151.23	541.86	197.61
<b>LOANS - UNSECURED</b>				
(i) From Related parties				
From Directors	60.84	254.08	-	-
From Companies	226.35	1,632.87	-	-
(ii) From other than Related parties				
From Companies	5.89	5.89	-	-
<b>Securities Deposits from customers</b>	22.28	22.28	-	-
<b>Total</b>	<b>2,236.64</b>	<b>2,234.99</b>	<b>639.82</b>	<b>237.12</b>
<b>The above amount includes</b>				
Secured borrowings	1,921.28	319.87	639.82	237.12
Unsecured Borrowings	315.36	1,915.12	-	-
Amount Disclosed under Current Maturities of Long term Borrowing Under Note No.19		-	(639.82)	(237.12)
<b>Total</b>	<b>2,236.64</b>	<b>2,234.99</b>	<b>-</b>	<b>-</b>

(a) Loans from HDFC Bank for Vehicles carries interest @ 8.80%. The loans are repayable in 60 monthly installments and the loans are secured by hypothecation of respective assets.

(b) Term loan from HDFC bank carries Interest @ MCLR +1% (MCLR is 8.65 %) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 66 monthly installments.

(c) Term Loan For New Shed from HDFC Bank Carries Interest @ MCLR + 1%(MCLR is 8.65%) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 48 monthly installments.

(d) Term Loan For Quartz (Taanj) fom HDFC Bank Carries Interest @ MCLR + 0.5%(MCLR is 8.65%) is secured by mortgage on property situated at village Bedla, District Udaipur and with respective Plant & Machinery and personal guarantee of some of directors of the company and the Loan is repayable in 60 monthly installments.

**Note-15 Provisions**

Particular	Long Term		Short Term	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
(A) Provision for ECL	-	-	11.17	-
(B) Provision for Employees Benefit				
(ii) Provision for Gratuity	215.74	187.41	117.82	98.60
(iii) Provision for Leave Encashment	-	-	42.41	35.49
(iv) Provision for Bonus & Ex-gratia	-	-	44.15	43.33
<b>Total</b>	<b>215.74</b>	<b>187.41</b>	<b>215.55</b>	<b>177.41</b>

**Note 15.1** The company has made provision for Gratuity based on actuarial valuation determined by Independent Actuary in accordance with IND AS-19.

**Note 15.2** The company has made provision for Leave Encashment based on Management policy.

**Note-16 Deferred Tax Liability (Net)**

Particular	31-Mar-20	31-Mar-19
Deferred Tax Liability		-
Deferred Tax Assets		-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 16.1** The company has deferred tax assets however, management has not recognised deferred tax assets during the year in view of uncertainty of future Income available against such tax.

( Rupees in Lakhs)

**Note-17 Short-term Borrowings**

Particular	31-Mar-20	31-Mar-19
Foreign Currency Loan	1,280.09	1,295.97
<b>Total</b>	<b>1,280.09</b>	<b>1,295.97</b>

The above loan from HDFC Bank which carries Interest @ LIBOR+150 bps is secured by way of Hypothecation of Inventory i.e. Raw Materials, Stock in Process, Finished Goods, Stores & Spares and Book Debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, equitable mortgage of properties & the facility is subject to annual renewal and it also carries an unconditional and irrevocable personal guarantees of the Whole Time Directors and property holders.

**Note-18 Trade Payable**

Particular	31-Mar-20	31-Mar-19
Sundry Creditors for Raw Material	1,628.58	3,589.01
Sundry Creditors for Services	132.13	124.80
Sundry Creditors for Others	1,120.65	164.56
<b>Total</b>	<b>2,881.36</b>	<b>3,878.37</b>

Note 18.1 - Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro, Small and Medium Enterprises are as follows

Particular	31-Mar-20	31-Mar-19
<b>Dues Remaining Unpaid</b>		
Principal	-	-
Interest on the Above	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note-19 Financial Liability - Other**

Particular	31-Mar-20	31-Mar-19
Trade Payable for Capital Goods	230.36	2,800.79
Current maturities of long-term borrowings	639.82	237.12
Interest accrued but not due	2.02	3.82
Security deposits	9.60	10.64
Statutory Dues	21.59	32.33
Other Current Liabilities	159.69	272.63
<b>Total</b>	<b>1,063.08</b>	<b>3,357.32</b>

**Note-20 Other Current Liabilities**

Particular	31-Mar-20	31-Mar-19
Interest Payable on Loan	11.64	-
Advance from Customers	389.49	407.32
<b>Total</b>	<b>401.13</b>	<b>407.32</b>

**Note-21 Current Tax Liability (net)**

Particular	31-Mar-20	31-Mar-19
Provision for Income Tax	29.53	48.21
<b>Total</b>	<b>29.53</b>	<b>48.21</b>

**Note-22 Revenue From Operation**

(Rupees in Lakhs)

Particular	31-Mar-20	31-Mar-19
Sale of Products		
Export Sales (Including Deemed Export)	5,639.34	5191.17
Domestic Sales	4016.61	5017.85
Other Operating Revenue	227.57	7.02
<b>Revenue from Operation (Gross)</b>	<b>9,883.52</b>	<b>10,216.03</b>

**Note 22.1 Particulars of Products Sold**

	31-Mar-20	31-Mar-19
<b>(i) Export Sales (Including Deemed Export)</b>		
Granite Slabs	4151.39	5191.17
Granite Blocks	5.29	-
Quartz Slabs	1482.66	-
<b>(ii) Domestic Sales</b>		
Granite Slabs	1154.68	1319.00
Granite Blocks	2.37	200.65
Quartz Slabs	139.24	-
Iron Ore	2712.64	3498.20
Scrap Sale	7.69	-

**Note-23 Other Income**

Particular	31-Mar-20	31-Mar-19
FVTPL	22.50	1.67
Profit from share in Limited Liability Partnership	215.52	56.90
Profit on Sales of Assets/Investment	29.18	13.67
Dividend Income	0.21	0.05
Discount Received	-	0.43
Interest Income	440.04	418.17
Exchange Rate Fluctuation	111.86	114.31
Insurance Claim Received	-	1.10
Miscellaneous Income	7.06	15.47
Commission Income	195.00	-
<b>Total</b>	<b>1,021.37</b>	<b>621.78</b>

Note :- Share in Profit/loss of LLP has been taken on the basis of last available Audited Balance Sheet for the year Ending 31.03.2019

**Note-24 Cost of Materials Consumed**

Particular	31-Mar-20	31-Mar-19
<b>Raw Materials Consumed</b>		
Opening Stock	1,212.44	1,446.22
Add: Purchases	3,137.41	2,047.72
	4,349.85	3,493.94
Less: Closing Stock	923.91	1,212.44
<b>Cost of Material Consumed</b>	<b>3,425.94</b>	<b>2,281.50</b>

**Note 24.1 Particulars of Raw Materials Consumption**

Particular	31-Mar-20	31-Mar-19
Granite Block	1,946.62	2,281.50
Quartz Granual	589.03	-
Polyester Resin	890.29	-
<b>Total</b>	<b>3,425.94</b>	<b>2,281.50</b>

**Note-25 Purchase of Stock-in-Trade**

Particulars	31-Mar-20	31-Mar-19
Granite	505.99	248.31
Iron Ore Concentrate	1,966.52	2,580.09
<b>Total</b>	<b>2,472.51</b>	<b>2,828.40</b>

**Note-26 Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

Particular	31-Mar-20	31-Mar-19
<b>Opening Stock</b>		
Work-in-Progress	272.57	187.65
Finished Goods	2,540.36	3,233.28
Scraps	80.84	80.28
<b>Total [I]</b>	<b>2,893.77</b>	<b>3,501.20</b>
<b>Closing Stock</b>		
Work-in-Progress	124.92	272.57
Finished Goods	3,734.13	2,540.36
Scraps	73.38	80.84
<b>Total [II]</b>	<b>3,932.43</b>	<b>2,893.77</b>
<b>Change in inventories Total [I-II]</b>	<b>(1,038.67)</b>	<b>607.44</b>

**Note-27 Employee Benefits Expense**

Particular	31-Mar-20	31-Mar-19
Salaries, Wages and Bonus	846.10	793.26
Contribution to Provident and other funds	144.62	141.47
Staff Welfare Expenses	85.07	39.58
<b>Total</b>	<b>1,075.79</b>	<b>974.31</b>

**Note-28 Finance Cost**

Particular	31-Mar-20	31-Mar-19
Bank Charges	11.03	10.70
Interest on Term Loan	188.98	59.29
Interest On PCFC	57.92	48.26
Interest on Others	3.36	0.33
Interest On Unsecured Loan	51.23	19.19
<b>Total</b>	<b>312.52</b>	<b>137.77</b>

**Note-29 Depreciation and Amortisation Expenses**

Particular	31-Mar-20	31-Mar-19
Depreciation	711.68	435.08
Pre-Operative Expenditure Written Off	0.58	0.16
<b>Total</b>	<b>712.26</b>	<b>435.24</b>

Note-30 Other Expenses	(Rupees in lakhs)	
Particular	31-Mar-20	31-Mar-19
<b>Manufacturing Expenses</b>		
Consumption of Stores, Spares & Consumables	1,771.59	1,578.68
Power & Fuel Expenses	443.38	404.21
Factory Expenses	16.46	6.69
Mining & Slurry Trans. Expenses	55.43	137.40
<b>Repairs &amp; Maintenance</b>		
- Plant & Machineries	1.85	-
- Building	20.93	5.03
<b>TOTAL [A]</b>	<b>2,309.64</b>	<b>2,132.01</b>
<b>Administrative &amp; Other Expenses</b>		
Accounting Charges	0.78	1.18
Commission Expenses	0.01	51.31
Communication Expenses	24.38	27.53
Conveyance	6.61	8.20
Demat charges/Bank Charges	0.31	0.33
Demand / Interest/ Late Fees	9.56	4.41
Discount on Debt Assignment/ Bad Debts	277.52	556.62
Exchange Rate Fluctuation	64.58	12.10
Electricity expenses	0.11	0.22
Fees & Subscription	21.79	18.27
Festival Expenses	5.26	3.12
Gardening Expenses	0.09	0.12
Internet Expenses	0.06	0.13
Income Tax	0.10	1.45
Insurance Expenses	9.08	8.65
Legal & Professional	49.32	46.49
Loss on sale of Shares	9.24	2.91
Loss on FVTPL	-	18.00
Excise on Sales	-	9.84
Loss on Futures & Options Trading	280.85	5.91
Listing, RTA & Related Expenses	3.36	5.36
Medical Exp.	0.19	0.42
Provision for ECL	11.17	-
Miscellaneous Expenses Written off	80.38	14.41
Office Expenses	15.21	8.10
Payment to Auditors (Refer details Below)	8.09	9.00
Penalties (Income Tax & TDS)	1.15	1.03
Other Penalties	0.53	0.55
Pre-operative Expenses written off	0.00	2.55
Postage & Telegram	-	0.31
Printing & Stationary	13.37	4.96
Loss on Sale of Fixed Asset	-	6.89
ROC expenses	0.59	0.13
Rent / Dead Rent	20.68	7.24
Rates & Taxes	10.47	7.47
Repairs & Maintenance (Others)	8.28	5.97
Security Service Expenses	36.90	21.69
Vehicle Running & Maintenance Expenses	35.36	25.84
Traveling Expenses	19.47	7.98
Royalty Expenses	-	5.20
<b>TOTAL [B]</b>	<b>1,024.84</b>	<b>911.89</b>

<b>SELLING &amp; DISTRIBUTION EXPENSES</b>		
Advertisement & Sales Promotion Expenses	22.59	2.29
Commission Expenses	12.18	1.18
Discount Expenses	-	-
Exhibition Expenses	71.32	27.06
Freight & Forwarding	332.29	345.49
Insurance - Marine	3.52	1.89
Marketing & Travelling Expenses	106.89	129.82
<b>TOTAL [C]</b>	<b>548.78</b>	<b>507.74</b>
<b>GRAND TOTAL [A+B+C]</b>	<b>3,883.26</b>	<b>3,551.64</b>

**Note-30.1 Payment to Auditor**

Particular	31-Mar-20	31-Mar-19
Audit Fees	5.30	5.86
Reimbursement of Expenses	2.79	3.15
<b>Total</b>	<b>8.09</b>	<b>9.00</b>

**Note-31 Corporate Social Responsibility Expenditure**

The company has no Obligation for CSR Expenses for FY 2019-20 as per Sec 135 of Company Act 2013.

**Note-32 Income Tax Recognised in Statement of Profit or Loss**

Particular	31-Mar-20	31-Mar-19
<b>Current Tax</b>		
<b>In respect of Current year</b>		
Regular Tax	29.12	33.90
MAT	(12.39)	-
MAT Credit	-	-
<b>Total Current tax</b>	<b>16.73</b>	<b>33.90</b>
<b>Deferred Tax</b>	<b>-</b>	<b>-</b>

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	31-Mar-20	31-Mar-19
Profit before income taxes	61.29	21.53
Enacted tax rate in India (MAT)	22.88%	20.587%
Enacted tax rate in India (Regular Tax Rate)	26.00%	27.82%
Computed expected tax expenses (MAT)	-	32.42
Computed expected tax expenses (Regular Tax)	14.02	6.58
Effect of Allowances for tax purpose	-	-
Effect of Non deductible expenses	-	6.61
Others	15.90	(11.71)
<b>Tax expense recognised in Statement of Profit and Loss</b>	<b>29.92</b>	<b>33.90</b>

**Note-33 Earning Per Share**

Particulars	31-Mar-20	31-Mar-19
Profit after tax	44.56	(12.37)
Weighted average no. of Equity Share Outstanding	2,604,961	1,351,500
Nominal value of Ordinary share(INR)	10.00	10.00
Basic & diluted earning per share in rupees	1.71	(0.92)



**Note-34 Lease**

The company has taken mines on Operating Lease from "Department of Mines & Geology" and minimum yearly rental is being paid which is adjusted against royalty amount, if payable.

**Note-35 Employee Benefit**
**(A) Defined Contribution Plan:-**

The Company operates defined contribution retirement benefit plans for all qualifying employees. Contributions are made to registered provident fund and Employee state insurance administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Particulars	31-Mar-20	31-Mar-19
Contribution to Provident fund Statement of Profit and Loss	69.46	63.52
Contribution to ESI in Statement of Profit and Loss	12.06	14.60

**(B) Defined Benefit Plan:-**
**Gratuity**

In accordance with the provisions of Payment of Gratuity Act, 1972, the company has defined benefit plan which provides for gratuity payment. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the year of employment with the company. The company's gratuity plan is an unfunded plan.

These plans typically expose the Company to actuarial risks such as: Actuarial Risk, Investment Risk, Liquidity Risk, Market Risk & Legislative Risk:

**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience :** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk :**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

No other post-retirement benefits are provided to the employees.

The actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2020 by a certified actuary of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**Assumptions:**

The principal assumptions used for the purposes of the actuarial valuations are given below:

Particulars	31-Mar-20	31-Mar-19
Discount Rate	6.45%	7.20%
Future Salary growth rate	6.00%	6.00%
Rate of Return on Plan Assets		-
Mortality table used Indian Assured Lives Mortality (2006-08) Ultimate	10% at younger ages reducing to 2% at older ages	

**Projected Benefit Obligation**

Particulars	31-Mar-20	31-Mar-19
Projected benefit Obligation at beginning of the year	286.00	242.52
Interest Cost	19.94	25.76
Current Service Cost	20.78	18.45
Past Service Cost	-	-
Actuarial (Gain)/Loss	11.48	11.23
Benefits paid	(4.64)	(11.96)
<b>Projected benefit Obligation at end of the year</b>	<b>333.55</b>	<b>286.00</b>

**Amount recognised in the Balance Sheet:**

Particulars	31-Mar-20	31-Mar-19
<b>Amount recognised in the Balance Sheet:</b>		
Projected benefit Obligation at end of the year	333.55	286.00
Fair Value of Plan Assets as at year end	-	-
<b>Net (Asset)/Liability recognised in the Balance Sheet</b>	<b>333.55</b>	<b>286.00</b>

**Cost of the defined benefit plan for the year:**

Particulars	31-Mar-20	31-Mar-19
Current Service Cost	20.78	18.45
Interest Cost	19.94	25.76
Past Service Cost	-	-
Expected Return on plan Asset	-	-
<b>Components of defined benefit cost recognised in the Statement of Profit &amp; Loss</b>	<b>40.72</b>	<b>44.21</b>

**Remeasurement on the net defined benefit liability:**
**Experience Adjustment**

Particulars	31-Mar-20	31-Mar-19
Present value of defined benefit obligation	333.55	286.00
Fair Value of plan assets	-	-
Balance Sheet (Liability)/ Asset	333.55	286.00
P&L (Income)/ expenses		30.61
Experience adjustment on plan liabilities (gain)/ loss	20.42	20.42
Experience adjustment on plan assets gain/ (loss)	-	-

**Sensitivity analysis in respect of the actuarial assumptions used in**

Particulars	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Discount rate - 0.5%	321.55	346.34	275.93	296.73
Salary Growth rate - 0.5%	345.83	321.89	296.42	276.13
Withdrawal rate - 10%	334.45	332.58	287.31	284.61

**Leave Encashment**

Compensated absence liability recognised as expense for the year is Rs. 22.31 Lakhs (Previous Year Rs. 18.27 Lakhs). The said amount has been calculated by the management. It has been calculated on the basis of leaves accumulated during the year other.

**Note-36 Capital Management**

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's risk management committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

**Note-37 Related Party Disclosures**

The Company has made the following transactions with related parties as defined under the provisions of Indian Accounting Standard-24 issued by the Institute of Chartered Accountants of India & notified by MCA under Companies (Indian Accounting Standard) Rules, 2015, as amended.

List of related parties with whom transaction have taken place during the year along with the nature and volume of transaction is given below from 01.04.2019 to 31.03.2020

Particulars	Relation
<b>Directors &amp; Key managerial persons &amp; their associate concerns</b>	
Jagdish Magniram Agarwal	Managing Director
Kapil Jagdish Agarwal	Executive Director
Geetadevi Agarwal	Non Executive Director
Pradeep Kumar Jain	Non Executive Independent Director
Vikas Mishra	Non Executive Independent Director
Vinod Choudhary	Non Executive Independent Director
<b>Enterprises owned/controlled by directors &amp; their relatives</b>	<b>Relations with Directors</b>
Geetanjali Marble	Director is Partner in the Firm
Krishna Marble	Director is Partner in the Firm
Ojaswi Marble & Granites Pvt Ltd	Director is the Director of the Company
Pacific Exports	Director is Partner in the Firm
Pacific Leasing And Research Ltd	Director is the Director of the Company
Rahul Marble Private Limited	Director is the Director of the Company
Yash Processors Ltd	Director is the Director of the Company
Geetanjali Investech Holding India Pvt Ltd	Director is the Director of the Company
M R Agarwal Holding LLP	Director is Partner in the LLP
Bhola Motor Finance Pvt. Ltd.	Director is the Director of the Company
Pacific Iron Manufacturing Ltd	Director is the Director of the Company
Gamut Tradecom LLP	Director is Partner in the LLP
Reyansh Infrastructure Pvt Ltd.	Director is the Director of the Company
Chaitanya International Minerals LLP	Director is Partner in the LLP

**Transactions with Key management persons**

Nature of transaction	31-Mar-20	31-Mar-19
Remuneration	48.00	48.00
Employer's Contribution to Provident Fund	5.76	5.76
Loan Outstanding as 31st march (Liabilities)	60.84	254.07

(Rupees in Lakhs)

Out of the above items, transactions in excess of 10% of the total related party transactions are as under:

Remuneration	31-Mar-20	31-Mar-19
Kapil Agarwal	24.00	24.00
J.P. Agarwal	24.00	24.00

Employer's Contribution to Provident Fund	31-Mar-20	31-Mar-19
Kapil Agarwal	2.88	2.88
J.P. Agarwal	2.88	2.88

Loan outstanding as 31st march (Liabilities)	31-Mar-20	31-Mar-19
Geeta Devi Agarwal	14.83	139.21
Kapil Agarwal	24.84	64.28
J.P. Agarwal	21.17	50.58

**Transactions with Enterprises owned & controlled by the Directors and their relatives**

Nature of transaction	31-Mar-20	31-Mar-19
Purchase	3005.10	3848.92
Sales	65.38	171.75
Interest Received	356.78	365.87
Interest Paid	51.36	21.84
Trade Payables	273.34	378.32
Trade Receivables	2.96	-
Advance Outstanding (Assets)	3123.56	7565.24
Loan Outstanding (Liabilities)	226.35	1637.92
Investments	8096.87	5516.35

Out of the above items, transactions in excess of 10% of the total related party transactions are as under:

<b>Purchase</b>		
Chaitanya international Minerals LLP	490.80	-
Ojaswi Medical & Healthcare Pvt Ltd.	368.12	-
Krishna Marble	-	960.69
Rahul Marbles Private Limited	-	-
Pacific Iron Manufacturing Ltd	2085.49	2,736.19
Pacific Exports	-	-
Geetanjali Investech Holding India Pvt Ltd	28.06	52.89
M R Agarwal Holding LLP	-	99.15
Others (Below 10%)	32.62	-
<b>Sales</b>		
Geetanjali University	63.01	-
Chaitanya International Minerals LLP	2.37	-
Krishna Marble	-	171.75
<b>Interest Received</b>		
Bhola Motor Finance Pvt Ltd	188.76	188.25
Pacific Iron Manufacturing Ltd	97.93	153.26
Reyansh Infrastructure Pvt Ltd	70.09	0.00
Others (Below 10%)	-	24.36
<b>Interest Paid</b>		
Bhola Motor Finance Pvt Ltd	51.36	21.84
Others (Below 10%)	-	-

	(Rupees in Lakhs)	
	31-Mar-20	31-Mar-19
<b>Trade Payables</b>		
Chaitanya International Minerals LLP	136.23	0.00
Krishna Marble	37.81	38.46
Pacific Iron Manufacturing Ltd	23.96	267.12
Yash processors Pvt. Ltd	67.89	67.89
Others (Below 10%)	7.46	4.85
<b>Trade Receivables</b>		
Geetanjali University	2.96	-
<b>Advance Outstanding (Assets)</b>		
Bhola Motor Finance Pvt Ltd	-	1244.62
Geetanjali Infoystems Pvt Ltd	-	4137.00
Pacific Iron Manufacturing Ltd	1930.13	1,370.36
M R Agarwal Holding LLP	-	101.89
Reyansh Infrastructure Pvt Ltd	1076.85	686.04
Others (Below 10%)	116.58	25.33
<b>Loan Outstanding (Liabilities)</b>		
Bhola Motor Finance Pvt Ltd	226.35	1632.87
Others (Below 10%)	-	5.05
<b>Investments</b>		
Gamut Tradecom LLP	6.63	47.87
Chaitanya International Minerals LLP	6200.02	3748.02
Krishna Marble	1890.22	1,720.46

**Note-38** Debit & Credit Balances appearing under Sundry Debtors, Loans & Advances, Unsecured Loans, Sundry Creditors are subject to confirmation & reconciliation. Adjustment, if any, in these accounts will be made as & when finally reconciled & confirmed. Trade Receivables & Trade Payables have been taken at their book value after making necessary adjustment on account of foreign exchange fluctuation except in case of some old balances lying in account.

**Note-39 Contingent Liabilities/Commitments, Contingent Assets & Pending Litigations**

**Contingent Liabilities**

(A) Claims against the company not acknowledged as debt.

A.1 Demand of Rs 8.66 lacs against which the company has deposited Rs 8.66 lacs under Central Excise act against which the company has filed an appeal.

A.2 Service Tax refund claim rejection of Rs 11.02 lacs against which the company is pursuing the matter with concerned department.

A.3 Demand Raised by the Central Excise Commissionerate of Rs 1.70 Crores against which Rs 62.32 Lacs is deposited by the company. The Said Matter has been taken to the High Court and the petition is still pending.

A.4 The company has a total demand of Rs. 88.36 lacs of Custom Duty out of which the company has deposited Rs. 7.84 Lacs under protest against which the company has filed an appeal.

A.5 Demand Raised by the Central Excise Commissionerate of Rs 58.66 Lacs against which Rs 4.40 Lacs is deposited by the company against which the company has filed an appeal.

**(B) Other Contingents Liabilities**

B.1 Show cause notice received from excise authorities of Rs 1.02 crore in respect of excise duty imposed on ground of availing wrong benefit of exemption notification on imported marble blocks, however no demand has been received from the excise authorities against the same and based on the legal opinion obtained, the company does not expect any liability on this account.

B.2 Show Cause notice received from excise authorities of Rs 4.94 crore in respect of custom duty under the provision of Custom Act 1962 imposed on ground of availing wrong benefit of exemption notification on imported marble blocks. However no demand has been received from the Custom authorities against the same and based on the legal opinion obtained, the company does not expect any liability on this account.

B.3 Show Cause notice Received From Custom Authorities of RS 9.29 Lacs of Custom Duty under the Provision of Custom Act 1962 imposed on Ground of Wrongly Availing of Custom duty Benefits(Duty Forgone) on Saw Blades and Steel Grits imported /procured under concessional rate of duty during Period of July 2016 to June 2017 . However, no demand has been received from yhe custom authorities against the same and based on Legal opinion obtained , the company does not expect any liabilities on this account.

**(C) Capital Commitments and Other Commitments**

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated Amount of contracts remaining to be executed on capital account & not provided for (net of advance)	NIL	NIL
Exports obligations under Export Promotion Capital Goods (EPCG) scheme*	5354.93 Lacs	6788.15 Lacs

\*Company is availing benefit under EPCG Scheme for import of capital goods and spare parts against obligation to export six times of the duty saved.Total Duty to be saved/saved against licences outstanding as at March 31, 2020 is Rs 892.49 Lacs (March 31, 2019 Rs 1131.36 Lacs). Export obligation on such licences outstanding as at year end is disclosed above.

**(D) Contingent Assets - Nil**
**Note 40: Fair Value Measurement**

The following table shows the carrying amounts and fair values of investments including their levels in the fair value hierarchy.

Financial assets	Fair Value as at		Fair Value Hierarchy	Valuation techniques & key inputs used
	31-Mar-20	31-Mar-19		
Investments in quoted equity instruments at FVTOCI	106.65	136.59	Level-1	Quoted market price in an active market
Investments in quoted equity instruments at FVTPL	-	566.36	Level-2	Quoted market price in an active market
Investments in unquoted instruments at FVTOCI	3325.16	3,445.18	Level-3	Refer Note (a) & (d) Below
Investments in unquoted instruments at Amortized Cost	11198.26	7,492.75	Level-3	Refer Note (b) & (c)Below
<b>Total</b>	<b>14,630.06</b>	<b>11,640.89</b>		

There were no changes in the fair value hierarchy levels in the above periods.

(a) Upon the application of IND AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI/FVTPL respectively.

(b) Investment in NSC and LLP is Valued at Cost as the company has opted to adopt cost method as per IND AS.

(c) Upon the application of IND AS 109, the Company has chosen to designate the investments in Preference share instruments at amortised cost.

(d) Investment in Next Orbit Fund has been designated at NAV & routed through FVTOCI.

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

Particulars	(Rupees in Lakhs)			
	31-Mar-20		31-Mar-19	
	Amortised cost	Carrying value	Amortised cost	Carrying value
<b>Financial Assets</b>				
(i) Trade receivables	3,930.30	3,930.30	5,304.07	5,304.07
(ii) Loans	3,962.29	3,962.29	7,826.42	7,826.42
(iii) Others	732.11	732.11	3,150.58	3,150.58
(iv) Cash & Cash Equivalents	222.16	222.16	153.96	153.96
<b>Total</b>	<b>8,846.86</b>	<b>8,846.86</b>	<b>16,435.04</b>	<b>16,435.04</b>
<b>Financial Liabilities</b>				
(i) Borrowings	3,516.73	3,516.73	3,530.96	3,530.96
(ii) Trade payables	2,881.36	2,881.36	3,878.37	3,878.37
(iii) Other financial liabilities	1,063.08	1,063.08	3,357.32	3,357.32
<b>Total</b>	<b>7,461.17</b>	<b>7,461.17</b>	<b>10,766.66</b>	<b>10,766.66</b>

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Long-term variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the company is considered to be insignificant in valuation.

#### **Note 41: Financial Risk Management**

##### **Financial risk management policy and objectives**

The key objective of the Company's financial risk management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company is focused on maintaining a strong equity base to ensure independence, security, as well as financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

Company's principal financial liabilities, comprise Borrowings from Banks, trade and other payables. The main purpose of these financial liabilities is to finance Company's operations and plant expansion. Company's principal financial assets include investments, trade and other receivables, deposits with banks and cash and cash equivalents, that derive directly from its operations.

Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board oversees the management of these risks. The Company's Board is supported by senior management team that advises on financial risks and the appropriate financial risk governance framework for the Company. The senior management provides assurance to the Company's Board that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include investments in equity shares, security deposits, trade and other receivables, deposits with banks and financial liabilities.

The sensitivity analysis in the following sections relate to the position as at 31 March 2020 and 31 March 2019. The sensitivity of the relevant income statement item is the effect of the assumed changes in respective market risks.

**a) Foreign currency risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is exposed to foreign exchange risk arising from foreign currency transactions primarily to USD & EURO. Company do not enter into any derivative instrument in order to hedge its foreign currency risks.

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change by 5% in USD & EURO exchange rates, with all other variables held constant.

Financial Exposure	31-Mar-20	31-Mar-19
<b>Financial liabilities:</b>		
USD Converted in Rupees	1,520.90	2,840.71
EURO Converted in Rupees	400.18	1,338.20
<b>Net exposure</b>	<b>1,921.08</b>	<b>4,178.91</b>

**Sensitivity Analysis**

Currency	5% increase		5% decrease	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
USD	76.04	142.04	(76.04)	(142.04)
EURO	20.01	66.91	(20.01)	(66.91)

**b) Interest rate risk**

Interest rate risk is the risk that changes in market interest rates will lead to change in interest income and expense for the Company. In order to optimize the Company's position with regards to interest income & expense and to manage the interest risk, the Company performs comprehensive interest risk management by balancing the proportion of fix & variable rate financial instruments.

Particulars	31-Mar-20	31-Mar-19
<b>Fixed rate instruments</b>		
Fixed deposit with Banks	756.58	776.91
<b>Borrowings</b>		
Vehicle loans	168.64	208.16
<b>Variable rate instruments</b>		
<b>Borrowings</b>		
Term Loan (HDFC)	2,392.45	348.84
Foreign Currency Loan	1,280.09	1,295.97

**Sensitivity analysis:**

A change in 50 basis point in interest rate at the reporting date would have increase/(decrease) Profit or Loss by the amount shown below.



This analysis assumes that all other variables, remain constant.

Particulars	31-Mar-20		31-Mar-19	
	Increase	Decrease	Increase	Decrease
Interest rate - increase/decrease by 50 basis point	183.63	(183.63)	82.24	(82.24)

### c) Commodity Risk

Commodity risk is defined as the possibility of financial loss as a result of fluctuation in price of Raw Material/Finished Goods and change in demand of the product and market in which the company operates. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The company forecast annual business plan and execute on monthly business plan. Raw material procurement is aligned to its monthly/annual business plan and inventory position is monitored in accordance with future price trend.

### ii) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk mainly from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

Credit risk on trade receivables is managed by the Company 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. The Company has no concentration of risk as customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as financial condition, ageing of outstanding and the Company's historical experience for customers.

### a) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Company monitors ratings, credit spread and financial strength of its counter parties. Based on ongoing assessment Company adjust its exposure to various counterparties. Company's maximum exposure to credit risk for the components of balance sheet is the carrying amount as disclosed in Note 41.

### Credit risk exposure

The following table shows the maximum exposure to the credit risk at the reporting date :

Particulars	31-Mar-20		31-Mar-19	
	Non Current	Current	Non Current	Current
Loans	2,100.31	1,861.98	5,692.89	2,133.53
Trade Receivables	-	3,930.30	-	5,304.07
Bank Balance	-	161.58	-	88.80
Other financial assets	-	732.11	-	3,150.58
<b>Total</b>	<b>2,100.31</b>	<b>6,685.97</b>	<b>5,692.89</b>	<b>10,676.99</b>

Liquidity risk is the risk that the Company may not be able to meet its present and future cash flow obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet its cash requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from banks at optimised cost and cash flow from operations.

The table summarises the maturity profile of Company's financial liabilities based on contractual undiscounted payments.

Particulars	31-Mar-20		31-Mar-19	
	Within 1 year	>1 years	Within 1 year	>1 years
Borrowings	1,280.09	2,236.64	1,295.97	2,234.99
Other liabilities	1,063.08		3,357.32	
Trade and other payable	2,881.36		3,878.37	

**Note 42. Segement Reporting**

Company has considered business segment as the primary segment for disclosure. The business segments are Marble & Granite, Trading other than Marble & Granite & Other Services.

PARTICULARS	FOR THE YEAR ENDED	
	31-Mar-20	31-Mar-19
<b>Segment Revenue</b>		
A. Stone - Granite and Quartz	7601.49	6705.35
B. Trading Other than Granite and Quartz	2712.64	3498.20
C. Investment & Finance	733.76	745.35
C.Others Services	195.00	0.00
<b>Total</b>	<b>11242.89</b>	<b>10948.90</b>
Less : Inter Segment Revenue	1359.37	732.88
<b>Revenue From Operations (Excluding Other Income)</b>	<b>9883.52</b>	<b>10216.03</b>
<b>Segment Results</b>		
<b>Profit/Loss Before Charging Unallocable Expenditures</b>		
A. Stone - Granite and Quartz	(1044.39)	(426.34)
B. Trading Other than Granite and Quartz	744.80	937.60
C. Investment & Finance	508.68	(318.04)
C.Others Services	164.71	0.00
Unallocable Expenses (Tax+Finance Cost)	312.52	171.68
<b>Total Profit (Before Tax &amp; OCI)</b>	<b>61.29</b>	<b>21.53</b>
<b>Segment wise capital employed (Segment Assets- Segment Liabilities)</b>		
A. Stone - Granite and Quartz	15214.81	7029.47
B. Trading Other than Granite and Quartz	573.55	444.01
C. Investment & Finance	20275.91	26296.53
C.Others Services	195.00	0.00
<b>Total</b>	<b>36259.26</b>	<b>33770.01</b>

**Note 44. Disclosures regarding COVID-19 related measures**

Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, Company's mining & other activities had to be closed down for some period of time however with the phased easing of restrictions the activities of the company has resumed.

Management believes that it has assessed all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets and the net realisable values of other assets and in the opinion of the management no significant impact of the same is there on the above matters.

However, given the effect of these lockdowns on the overall economic activity the impact assessment of COVID-19 on the abovementioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

**Note : 45** The previous year's figures have been regrouped, rearranged and reclassified to conform to current year Ind-AS presentation requirements.

**Note : 46** The Subsidiary (Gist Minerals Technologies Limited) has applied for Merger of its wholly owned Subsidiary Saha Coloured & Flavour Spirit Manufacturer Private Limited with itself under Section 233 of Companies Act 2013 on 22.01.2020 and Gaze Fashion trade Limited has applied for Merger of its wholly owned Subsidiaries Radhika Vyapaar Private Limited, Biswas Solar Instrument Private Limited and Blood Hound Security Company Private Limited with itself under Section 233 of companies Act 2013 on 12.03.2020 and application for the same is under Process.

For Ravi Sharma & Co.  
Chartered Accountants  
(FRN 015143C)

(Paras Bhatia)  
Partner  
M.No. 418196  
UDIN: 20418196AAAACL1575  
Date: 31st July 2020  
Place: Udaipur

For and on behalf of Board of Directors  
Pacific Industries Limited

(J.P. Agarwal)  
(Chairman & Managing Director)  
DIN:00386183

(Kapil Agarwal)  
(Executive Director & CFO)  
DIN:00386298

(Sachin Shah)  
(Company Secretary)  
(PAN : CFLPS2451B)

Note : 43 Statement containing salient features of the financial statements of subsidiaries :

(Rupees in Lakhs)

Name of the entity in the Group	Net Assets i.e. Total assets minus Total liabilities		Share in Profit or Loss		Share in Other Comprehensive income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of consolidated profit or Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
<b>Holding company:</b>								
Pacific Industries Limited	25.96%	8,939.38	16.93%	18.54	97.90%	(40.62)	-32.48%	(22.08)
<b>Subsidiaries (Indian):</b>								
Gist Minerals Technologies Limited	0.23%	80.86	34.69%	37.98	-7.66%	3.18	60.54%	41.16
Gaze FashionTrade Limited	0.62%	212.52	-6.88%	(7.54)	9.76%	(4.05)	-17.04%	(11.59)
Radhika Vyapaar Private Limited	7.09%	2,441.55	1.56%	1.70	-	-	2.51%	1.70
Saha Coloured & Flavour Spirit Manufacturer Private Limited	26.36%	9,077.37	37.62%	41.19	-	-	60.58%	41.19
Biswas Solar Instrument Private Limited	22.75%	7,832.35	6.27%	6.87	-	-	10.10%	6.87
Blood Hound Security Company Private Limited	16.98%	5,847.02	9.81%	10.74	0.00%	-	15.79%	10.74

**Pacific Industries Limited**  
**Notes to the Consolidated IND. AS Financial Statement for the year ended 31st March 2020**

**Note 3: Property, Plant & Equipments.**

FY 2018-19

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019

Particulars	Tangible Assets										Intangible Assets - Software		Grand Total
	Land	Building	Plant & Machinery	Furniture & Fixtures	Computer	Vehicles	Mining Equipments	Electrical Installation	Total	Capital Work in Progress	Intangible Assets - Software	Grand Total	
Gross Carrying value as at April 1, 2018	329.82	1651.73	7440.67	133.30	58.85	528.12	1,205.04	0.00	11,327.54	948.29	0.38	12,276.71	
Additions	70.35	374.45	706.14	45.07	4.11	263.52	0.00	64.09	1,327.34	4726.83	0.00	6654.17	
Deletions	0.00	12.38	1018.86	0.00	0.00	35.45	0.00	0.00	1082.29	960.36	0.00	2006.64	
Gross Carrying value as at March 31, 2019	400.17	1,793.70	7,128.15	178.38	62.96	776.19	1,205.04	64.00	11,608.60	4,715.28	0.38	16,324.23	
Accumulated depreciation as at April 1, 2018	0.00	739.69	6996.33	100.89	50.06	444.61	1122.87	0.00	8556.45	0.00	0.36	8556.82	
Depreciation	0.00	75.15	255.72	12.44	2.37	65.10	9.86	14.20	434.84	0.00	0.02	434.86	
Accumulated depreciation on deletions	0.00	4.59	949.91	0.00	0.00	13.79	0.00	0.00	968.29	0.00	0.00	968.29	
Accumulated depreciation as at March 31, 2019	-	810.24	5,404.14	113.33	52.43	495.52	1,132.73	14.20	8,023.00	-	0.38	8,023.39	
Carrying Value as at March 31, 2019	400.17	983.46	1,724.01	65.05	10.53	280.68	72.31	49.80	3,585.60	4,715.28	0.00	8,300.85	

FY 2019-20

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020

Particulars	Tangible Assets										Intangible Assets - Software		Grand Total
	Land	Building	Plant & Machinery	Furniture & Fixtures	Computer	Vehicles	Mining Equipments	Electrical Installation	Total	Capital Work in Progress	Intangible Assets - Software	Grand Total	
Gross Carrying value as at April 1, 2019	400.17	1,793.70	7,128.15	178.38	62.96	776.19	1,205.04	64.00	11,608.60	4,775.71	0.38	16,384.69	
Additions	283.40	1,151.50	4,196.39	2.44	10.54	12.47	17.92	281.30	5,967.76	1,220.57	1.52	7,178.84	
Deletions	-	-	-	-	-	63.69	-	-	63.69	5,993.28	-	6,056.97	
Gross Carrying value as at March 31, 2020	683.57	2,945.00	11,326.54	180.82	73.50	724.97	1,222.96	345.30	17,502.06	3.00	1.89	17,507.54	
Accumulated depreciation as at April 1, 2019	-	810.25	5,404.14	113.33	52.44	495.52	1,132.73	14.20	8,023.00	-	0.38	8,023.38	
Depreciation	-	86.23	476.11	14.69	6.34	87.02	14.46	16.58	711.43	-	0.25	711.68	
Accumulated depreciation on deletions	-	-	-	-	-	59.27	-	-	59.27	-	-	59.27	
Accumulated depreciation as at March 31, 2020	-	906.48	5,880.25	128.02	58.77	523.66	1,147.19	30.78	8,675.16	-	0.63	8,675.79	
Carrying Value as at March 31, 2020	683.57	2,038.53	5,446.30	52.91	14.74	201.32	75.77	314.53	8,827.55	3.00	1.28	8,831.63	

## PACIFIC INDUSTRIES LIMITED

**Registered Office :** Survey No. 13, N.h. 48, Kempalinganahalli Village,  
Nelamangala Taluk, Bangalore-Karnataka 562123

**Tel No. :** +91-8027723004 ; **Fax :** +91-8027723005

**Corporate Office:** Village Bedla, P.O. Box 119, Udaipur-313001,

**Tel No. +91-294-2440196, 2440388 ; Fax :** +91-294-2440780

**Email :** pacificinvestor@rediffmail.com.com ; **Website :** www.pacificindustriesltd.com

**CIN :** L14101KA1989PLC062041

### E-COMMUNICATION REGISTRATION FROM

Folio No. (For Physical Shares) : \_\_\_\_\_  
Name of 1st Registered Holder : \_\_\_\_\_  
Name(s) of Joint holder(s) : \_\_\_\_\_  
Registered Address : \_\_\_\_\_  
E-Mail ID (to be registered) : \_\_\_\_\_  
Phone No./ Mobile no. : \_\_\_\_\_

I/We, Shareholder(s) of Pacific Industries Limited agrees to receive communication from the company in electronic mode. Please register my/Our above e-mail in your records for sending communication through e-mail.

Signature of Shareholder(s) 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_  
(as appearing in the Company's records)

Date:

Notes:

1. Shareholder(s) is/are requested to keep the Company informed as and when there is any change in the e-mail address.
2. In case, shares are held in electronic form, kindly register your email particulars with your Depository Participant.

## Form No. SH-13-Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies(Share Capital and Debentures) Rules 2014]  
 For Attention of Individual shareholders holding Equity shares in Physical Form

Name of the Company: Pacific Industries Limited  
 Registered office of the Company: Survey No. 13, N.h. 48, Kempalinganahalli Village,  
 Nelamangala Taluk, Bangalore-Karnataka 562123  
 Corporate office: Village Bedla, Udaipur-313001 Rajasthan

I/We \_\_\_\_\_ the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

### 1) Particulars of the Equity Shares (in respect of which nomination is being made)

Folio No.	No. of securities	Certificate No.	Distinctive No.

### 2) Particulars of Nominee/s

Name:		Date of Birth:
_____		Occupation:
Nationality:	E-mail id: Phone No :	Relationship with the security holder:
Address:		

### 3) In case Nominee is a Minor

Date of birth:	Date of attaining majority	Name of guardian:	
Address of guardian:			
Name and Address			
Name of the Security Holder(s)	1.	2.	3.
Signature of the Security Holder(s)			
Name of witness	Address of witness		Signature of Witness with date
1.			
2.			



**PACIFIC**  
INDUSTRIES LTD. INDIA

# Global Presence



**GOVERNMENT OF INDIA**  
MINISTRY OF COMMERCE & INDUSTRY  
OFFICE OF THE DEVELOPMENT COMMISSIONER, SEZ/EOU

**Certificate of Recognition**  
for Star Export House

**STAR EXPORT HOUSE**

To: M/S. PACIFIC INDUSTRIES LTD., VALUE / BETA, LADKHA, RAJASTHAN

and Income Tax PAN No. AAACT2332L are hereby accorded the status of Star Export House in accordance with the provisions of the Foreign Trade Policy, 2004-2005. This Certificate is valid for a period of 5 years effective from 1st April 2007 to 31st March 2012.

For: Development Commissioner  
Date: 24/03/07  
Place: Jaipur

Special Economic Zone  
EXPORT ORIENTED UNIT







# TAANJ

stones, quartz & quartz grits

Pacific Industries Ltd. India



*If undelivered please return to:*  
**CORPORATE OFFICE & FACTORY :**  
Village Bedla, PO. Box 119,  
Udaipur 313001, INDIA  
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