



CIN No. L18101PB1993PLC013193

PACT INDUSTRIES LTD.

www.pactindustries.com

Date: 30.11.2020

To The Listing Department, Bombay Stock Exchange Limited 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001 Scrip Code No. 538963	To The General Manager-Operations, Metropolitan Stock Exchange of India Limited Vibgyor Towers, 4th Floor, Plot No C62. Opp. Trident Hotel, Bandra Kurla Complex, Bandra E Mumbai-400098
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Subject: Intimation of Submission of Annual Report.

Pursuant to specified regulations of SEBI (Listing Obligation and Disclosure Requirement), 2015, the Annual Report of the Company for the Financial Year ended 31st March, 2020 is attached herewith.

You are requested to kindly take note of the same and please take suitable action for dissemination of this Information through your website at the earliest.

This is for your information please.
Thanking You,

For Pact Industries Limited

Harpreet Singh
Managing Director
DIN: 00570541

PACT INDUSTRIES LIMITED

ANNUAL REPORT



2019-2020



CORPORATE INFORMATION

BOARD OF DIRECTORS	
Managing Director	Mr. Harpreet Singh
Chief Financial Officer	Mr. Sanjay Jain
Directors (Independent)	Mr. Sunil Rana Mrs. Jasjeet Kaur
Director	Mr. Eshaan Singh Takkar
Company Secretary	--
Statutory Auditors	M/s. Parmod G Gupta & Associates.
Secretarial Auditors	M/s. Rajeev Bhambri & Associates
Bankers	State Bank of India Overseas Branch Ludhiana
Registered Office	303, Hotel The Taksonz, Opp. Railway Station, Ludhiana-141008
Registrar & Share Transfer Agent	Skyline Financial Services Private Limited D-153 A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Tel:011- 64732681-88 Web: www.skylinerta.com
38th ANNUAL GENERAL MEETING	CONTENTS OF REPORT
Day: MONDAY Date: 28th December, 2020. Time: 12:00 Noon. Place: 303, Hotel The Taksonz, Opp. Railway Station, Ludhiana-141008	Notice Directors' Report Management Discussion & Analysis Report Corporate Governance Report Auditors' Report Profit & Loss Statement Balance Sheet Cash Flow Statement Notes on Accounts



NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of the Company will be held on Monday, the 28th December, 2020 at 12:00 Noon at the Registered Office of the company situated at 303, Hotel The Taksonz, Opp. Railway Station, Ludhiana-141008 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2020 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors.
2. To appoint Mr. Harpreet Singh (DIN: 00570541) who retires by rotation and being eligible offers himself for re-appointment.
3. **To Appoint M/S. Parmod G Gupta & Associates, Chartered Accountants as Statutory Auditors of the Company.**

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and subject to approval by members of the Company, the appointment of **M/S. Parmod G Gupta & Associates, Chartered Accountants**, as the Statutory Auditors of the Company commencing from Annual General Meeting for the Financial Year 2020-2021 till the conclusion of Annual General Meeting of the Company to be held in the Financial Year 2022-2023 i.e. till 29th Annual General Meeting at such remuneration as may be agreed upon by the Board of Directors and the Auditors."

SPECIAL BUSINESS

4. **Re-appointment of Mrs. Jasjeet Kaur (DIN: 07130910) as an Independent Director of the Company for term of Five Years.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, as recommended and approved by Nomination and Remuneration Committee, Mrs. Jasjeet Kaur (DIN: 07130910), whose term of office is expiring on 24th March, 2020 and in the express opinion of the Board, is eligible to be appointed/re-appointed as an Independent Director of the company, fulfills the conditions specified in the Companies Act, 2013 and all applicable rules thereof, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 25th March, 2020.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution and also to make necessary filings of any statutory forms or other documents and to do all such acts and things as may be necessary in this regard."

5. **To Increase the Borrowing Powers of the Company under Section 180(1) (c) of the Companies Act, 2013.**

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("Board") for borrowing from time to time, as it may think fit, any sum or sums of money in any currency on such terms and conditions as the Board may deem fit, by way of



loans, issuance of bonds, notes, debentures or other securities whether convertible into equity/ preference shares or not, from banks, financial or other institution(s), investors, mutual fund(s), or any other persons, up to an aggregate amount of Rupees Twenty Crore notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be necessary or desirable to give effect to this resolution and also to make necessary filings of any statutory forms or other documents and to do all such acts and things as may be necessary in this regard."

6. To Increase the Borrowing Powers of the Company for Creation of charges, mortgages, hypothecation on the immovable and movable properties of the Company under Section 180(1) (a) of the Companies Act, 2013.

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

"RESOLVED THAT pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, consent of the members of the Company be and is hereby accorded by way of a special resolution to the Board of Directors ("Board") of the Company to pledge, mortgage, lien, hypothecate and/or create charge, whether fixed or floating (in addition to any other hypothecation, pledge, lien, mortgage, charges created/to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the immovable properties and movable assets (both tangible and intangible) of the Company, both present and future, and the whole or substantially the whole of the undertaking(s) or any properties of the Company where so ever situated, in favour of banks, financial institutions, investors, debenture holders or any other lenders and their agents or trustees (together, the "Lenders") to secure any borrowings, debentures, financial assistance or financial indebtedness availed by the Company or any third party from time to time (including without limitation, the due payment of the principal and/or together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment charges, remuneration of the agent(s), trustee(s), prepayment premium, all other costs, charges and expenses and all other monies payable by the Company) (together, termed as "Financial Indebtedness") in terms of the financing documents, or any other documents, entered into or to be entered into between the Company and any Lender(s) in respect of the Financial Indebtedness, on such terms and conditions as may be agreed between the Company and any Lender(s), provided that the maximum extent of the Financial Indebtedness secured by the assets of the Company does not exceed Rupees Twenty Crore at any time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to approve pledge, mortgage, lien, hypothecation and/or charge created or to be created and all agreements, deeds, instruments or documents executed or to be executed and all acts necessary in terms of this resolution required and to do all such acts, deeds and things and to sign and execute all such deed, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution."

Date: 30.11.2020
Place: Ludhiana

By the Order of the Board
For Pact Industries Limited

(Managing Director)
Harpreet Singh
DIN: 00570541



NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and rules made there under, relating to the Special business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy/proxies to attend and vote on a poll instead of himself/ herself and the proxy so appointed need not be a member of the Company. The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form for the AGM is enclosed. A person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
3. Corporate Members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip herewith to attend the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. Only registered members of the Company or any proxy appointed by such registered member, as on the cut-off-date decided for the purpose, being 22nd December, 2020 may attend and vote at the "AGM" meeting as

provided under the provisions of the Companies Act.

7. ***In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent ONLY through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website <http://www.pactindustries.in>, website of the Stock Exchange , i.e., BSE Limited at www.bseindia.com and MSEI at <https://www.msei.in/> . Physical copies of the Annual reports will not be sent to the shareholders due to COVID-19 and exemption by SEBI. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.***
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses with Registrar and Share Transfer Agents of the Company/ Depository Participant (s), for receiving all communication including Annual Report, Notices, Circulars, etc from the Company electronically.
9. COVID note and Precautions while holding AGM
All the members who wishes to attend the AGM are requested to wear mask throughout the continuance of the meeting. Temperature of all the attendees shall be checked at the entrance of the venue of the meeting and anyone found having fever shall not be allowed to attend. Any shareholder having symptom of infection of COVID19 are requested not to attend the meeting.
10. Members may also note that the Notice of the said "AGM" will also be available on the Company's website www.pactindustries.com and on the website of CDSL at www.evotingindia.com for download. The physical copy of the notice will also be available at the Company's Registered Office at **303 Hotel The Taksonz, Opp. Railway Station, Ludhiana- 141008** for inspection during normal business hours on working days.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office and Head Office of the Company during normal



business hours (9.00 am to 5.00 pm) on all working days up to and including the date of the AGM of the Company.

12. Voting through electronic means

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 and any amendment there to, the Company is pleased to provide members, a facility to exercise their right to vote at the Annual General Meeting (AGM) on the item of business given in this notice by electronic means (remote- e-voting) and the business may be transacted through remote e-voting Services provided by Central Depository (Services) India Limited (CDSL).

Since the Company is providing the facility of remote e-voting to the shareholders, there shall be no voting by show of hands at the said meeting. The facility for voting through polling paper shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through polling paper. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

Steps for remote e-voting

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric "PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number (sequence number is mentioned on the address sticker) in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in

- (i) **The remote e-voting period** begins on **Friday, 25th December, 2020 at 9.00 a.m. and will end on Sunday, 27th December, 2020 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date i.e. **22nd December, 2020**, may cast their vote electronically. The remote e-voting modules shall be disabled by CDSL for voting thereafter. The members are requested to note that once vote on a resolution is cast electronically, he shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be



- also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xii) Click on the (EVS/N) for **<201124012>**.
 - (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - (xvii) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xix) Shareholders can also cast their vote using CDSL’s mobile app m- voting available for mobiles. The m- voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xx) Note for Non – Individual Shareholders and Custodians
- a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - d. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. **22.12.2020**, may follow the same instructions as mentioned above for remote e-voting. The Voting rights of the members shall be in proportion to their shares in the paid up capital of the company as on the cut off date i.e. **22.12.2020**. A person whose name is recorded in the Register of members or in the Register of Beneficial owners maintained by the Depositories as on the cut off date only shall be entitled to avail the facility of remote e-voting as well as voting at the said meeting. A person who is not a Member as on the cutoff date should treat this Notice for information purposes only.
- In case of any queries or issues regarding e-voting, members may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com. Further Mr. Wenceslaus Furtado Deputy Manager having address i.e. Central Depository Services (India) Limited 16th Floor, P. J. Towers, Dalal Street Fort, Mumbai – 400001, email id: helpdesk.evoting@cdslindia.com and contact number 18002005533 is responsible to address the grievances connected with facility for voting by electronic means.
 - The Board of Directors has appointed Mr. Rajeev Bhambri, Practicing Company Secretary (CP No.: 9491, FCS: 4327) of M/S Rajeev Bhambri & Associates, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner. He has communicated his willingness



PACT INDUSTRIES LIMITED

- to be appointed and will be available for same purpose.
- The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than forty eight 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 or a person authorized by him in writing who shall countersign the same.
 - Chairman or the person authorized by him in writing, shall forthwith on receipt of the consolidated Scrutinizer's Report declare the results of voting within 48 hours of the conclusion of this AGM. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.pactindustries.com and on the website of CDSL immediately after the result is declared by the Chairman and shall also be communicated to the BSE Limited (BSE) and Metropolitan Stock exchange of India Ltd, where the shares of the Company are listed.

Date: 30.11.2020
Place: Ludhiana.

By the Order of the Board
For Pact Industries Limited.

(Managing Director)
Harpreet Singh
DIN: 00570541



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

Mrs. Jasjeet Kaur was appointed as an Independent Director of the company in the annual general meeting held on 25th March, 2015 for a period/term of five years. Her term of office is expiring and in the express opinion of the Board, is eligible to be appointed/re-appointed as an independent director of the company, fulfills the conditions specified in the companies act 2013 and any applicable rules thereof. In accordance with the provisions of Section 149(10) of the Companies Act, 2013, Special Resolution is required for appointment of an Independent Director for the second term of five years.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mrs. Jasjeet Kaur is concerned or interested, financially or otherwise, in the resolution. The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

Item No.5 & 6:

The members of the Company wishes to approve resolution by way of a Special Resolution under Section 180(1) (c) of the Companies Act, 2013, borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rupees Twenty Crore. The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors / any of it's authorized Committee of the Company from time to time, in consultation with the lender(s). It is therefore, necessary for the members to pass a Special Resolution under Section 180(1) (a) and 180(1) (c) of the Companies Act, 2013, as set out at Item No. 5 and Item No. 6 of the Notice, to enable the Board of Directors to borrow money up to Rupees Twenty Crore and inter alia, authorized the Board to secure its borrowing by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

The Board recommends the Special Resolution as per the accompanying Notice, for approval by the Shareholders of the Company. None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

Date: 30.11.2020
Place: Ludhiana.

By the Order of the Board
For PACT Industries Limited.

(Managing Director)
Harpreet Singh
DIN: 00570541

**BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS**

The Members,
Pact Industries Limited.
Ludhiana.

Your directors feel pleasure in presenting the 27th Annual Report together with Audited Annual Accounts of Pact Industries Limited for the year ended 31st March, 2020.

1. FINANCIAL RESULTS:

The summary of the financial performance of the Company for the financial year ended March 31, 2020 compared to the previous year ended March 31, 2019 is given below:

Particulars	(in lakh)	
	Financial Year ended 31 st March,2020	Financial Year ended 31 st March,2019
Revenue from Operations and Other Income (Total Revenues)	3678.72	5607.50
Gross profit before interest and depreciation	93.62	143.78
Finance cost	55.27	96.40
Profit before depreciation and amortization- (Cash Profit)	38.35	47.37
Depreciation and Amortization	20.51	20.06
PBT before exceptional items	17.84	27.31
Exceptional items	0.00	0.00
Profit before Tax (PBT)	17.84	27.31
Provision for Tax- Current	6.43	9.16
Provision for Tax- Deferred	4.24	17.08
Profit after Tax	15.65	35.23
Earnings Per Share (EPS) (in Rs) (after exceptional item)		
- Basic	0.00	0.07
- Diluted	0.00	0.07

2. STATE OF COMPANY'S AFFAIRS:

Total Revenue from Operation for the year is Rs.3603.53 Lakhs as compared to Rs. 5484.92 Lakhs of previous year. The Net Profit for the year ended 31.03.2020 is Rs.15.65 Lakhs as compare to Net Profit of Rs.35.23 Lakhs for the previous year.

3. TRANSFER TO RESERVE:

The company has not transferred profits in Reserves and surplus.

4. DIVIDEND:

In order to accumulate funds for future projects, your directors do not recommend any dividend for the year under review.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there were no unpaid/unclaimed Dividend and other amounts, as prescribed under Sections 124 & 125 of Companies Act, 2013 lying with the company, therefore, the provisions of above mentioned sections do not apply to the company.

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

No Material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date on which this report has been signed.

**7. CHANGE IN THE NATURE OF BUSINESS:**

There was no change in the nature of business of the company during the year under review.

8. SHARE CAPITAL:

During the year No equity shares were allotted to promoters or public.

8.1 BUY BACK OF SECURITIES:

The Company has not bought back any of its securities during the year under review.

8.2 SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

8.3 BONUS SHARES:

No Bonus Shares were issued during the year under review.

8.4 EMPLOYEES STOCK OPTION PLAN:

The Company has not provided any Stock Option Scheme to the employees.

9. FINANCE:**9.1 CASH AND CASH EQUIVALENT:**

Cash and Cash equivalent as at 31st March, 2020 is Rs. 260.17 Lakh. The Company continues to focus on judicious management of working capital. Working Capital parameters are kept under strict check through continuous monitoring.

9.2 DEPOSITS/ FIXED DEPOSITS:

During the year, Company has not accepted deposit from the public falling within the ambit of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has not repaid any deposit to public and there is no deposits are pending as on 31st March, 2020.

9.3 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Detail of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes of Financial Statements.

10. BOARD:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

There has been change in the Board of Directors of the Company during the Financial Year 01st April, 2019 to 31st March, 2020. Mr. Eshaan Singh Takkar has been appointed as an Additional Director of the company w.e.f 02nd May, 2019 and was appointed as a Director of the company, liable to retire by rotation in the ensuing Annual General meeting. Mr. Harjinder Singh, Independent Director and Mr. Avtar Singh, Director of the Company have tendered their resignation on 08th July, 2019 and 04th December, 2019 respectively.

10.1 KEY MANAGERIAL PERSONNEL (KMP):

During the Financial Year 2019-20 Mrs. Amninder Kaur (Membership No-A31641) was appointed as Company Secretary cum Compliance Officer of the company on 28.09.2019 and resigned on 04.11.2019.

10.2 NO. OF MEETINGS OF THE BOARD:

Sixteen meetings of the Board of Directors were held during the year. The details of which are as following:

Details of the Meeting:-

S.No.	Date of Meeting	Name of the Director					
		Harpreet Singh	Avtar Singh	Harjinder Singh	Sunil Rana	Jasjeet Kaur	Eshaan Singh Takkar
1.	04 th April, 2019	Present	Present	Present	Present	Present	-
2.	02 nd May, 2019	Present	Present	Present	Present	Present	-
3.	18 th May, 2019	Present	Present	Present	Present	Present	Absent



4.	30 th May, 2019	Present	Present	Present	Present	Present	Present
5.	20 th June, 2019	Present	Present	Present	Absent	Present	Present
6.	24 th June, 2019	Present	Present	Present	Absent	Present	Present
7.	08 th July, 2019	Present	Present	Resigned	Present	Absent	Present
8.	14 th August, 2019	Present	Present	Resigned	Present	Absent	Present
9.	24 th August, 2019	Present	Present	Resigned	Present	Present	Absent
10.	04 th September, 2019	Present	Present	Resigned	Present	Present	Present
11.	28 th September, 2019	Present	Present	Resigned	Present	Present	Present
12.	26 th October, 2019	Present	Present	Resigned	Present	Present	Present
13.	01 st November, 2019	Present	Present	Resigned	Present	Absent	Present
14.	13 th November, 2019	Present	Present	Resigned	Present	Present	Absent
15.	04 th December, 2019	Present	Resigned	Resigned	Present	Present	Present
16.	13 th February, 2020	Present	Resigned	Resigned	Present	Present	Present

The provisions of Companies Act, 2013 and Listing Regulations and SEBI (Listing Obligations and Disclosure) Regulation, 2015 were adhered to while considering the time gap between two meetings.

11. COMMITTEES OF BOARD:

The details regarding Committees of the Board of Directors of the Company are given in the Report on Corporate Governance, which forms a part of this Report.

12. REMUNERATION POLICY AND BOARD EVALUATION:

Company has Nomination and Remuneration policy in place pursuant to Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

Independent directors in their meeting held on 24.06.2019, evaluated the performance of the non independent director of the board including Managing Director. The minutes of the meeting were placed before the board and board affirmed the same. The Board has carried out an annual evaluation of its own performance, performance of its Committees as well as the directors individually.

The details regarding process and criteria for evaluation are given in the Report on Corporate Governance, which forms a part of this Report

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 and SEBI(LODR) Regulation, 2015 is enclosed herewith as 'Annexure - 6'.

13. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and regulation 16(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

14. CODE OF CONDUCT COMPLIANCE:

The declaration signed by the Managing Director affirming compliance with the Code of Conduct by Directors and Senior Management, for the financial year ended March 31, 2020 is given in Report on Corporate Governance, which forms a part of this Report.

15. TRAINING OF INDEPENDENT DIRECTORS:

Every new independent director of the Board attends an orientation program. To familiarize the new inductees with the strategy, operations and functions of our Company, the executive directors / senior managerial personnel make presentations to the inductees about the Company's strategy, operations, product, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.

16. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

a) in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2020 the applicable Accounting Standards have been followed along with proper explanation relating to material departures if any;



b) the directors had selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis; and

e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. AUDITORS:

17.1 STATUTORY AUDITORS:

At the Annual General Meeting the members will be required to appoint Auditors and fix their remuneration. **M/s. Parmod G Gupta & Associates, Chartered Accountants**, will be appointed as statutory auditors of the company in the ensuing Annual General Meeting and **M/s. Parmod G Gupta & Associates, Chartered Accountants, Statutory Auditor (FRN No. 018870N)** is eligible for appointment. The appointment, if approved, will be for a period of three year i.e. till the 29th Annual General Meeting to be held in a Financial Year 2022-2023 as required by Sec 139(1) of the act. The Company has received a certificate from M/s Parmod G Gupta & Associates to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

17.2 SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Rajeev Bhambri & Associates (C.P No.: 9491) was appointed as Secretarial auditor of the Company for the Financial Year 2019-2020. The Secretarial Audit Report is annexed herewith as 'Annexure – A'.

The Board of Directors of the Company has appointed M/s Bhambri & Associates, Company Secretaries to undertake the secretarial audit of the company for the Financial Year 2020-2021.

17.3 INTERNAL AUDITORS:

Mr. Bipin Bihari Singh performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

17.4 COST AUDITOR:

The Cost Audit was not applicable on the Company during the Financial Year 2019-20 as per Companies (Cost record & audit) Rules, 2014.

18. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

19. LISTING OF SECURITIES:

The Securities of the Company are listed on Bombay Stock Exchange Limited and Metropolitan Stock Exchange of India Ltd. The Company has not paid annual listing fee to Metropolitan Stock Exchange of India Limited for the year Financial Year 2018-19, 2019-20 and 2020-21.

20. COMMITTEES OF THE BOARD:

a) Audit Committee: The Audit Committee was re - constituted in accordance with the provisions of Companies Act, 2013. There has been change in the members of the Committee during the Financial Year 01st April, 2019 to 31st March, 2020. Mr. Harjinder Singh resigned from the committee on 08th July, 2019 and Mr. Eshaan Singh Takkar was appointed as a member of the committee. The committee comprises of following Directors.



Name	Status	Category
Mr. Sunil rana	Chairman	Independent and Non-Executive Director
Mr. Eshaan Singh Takkar	Member	Non-Executive Director
Mr. Harpreet Singh	Member	Executive Director

b) Nomination and Remuneration Committee: The **Nomination and Remuneration** Committee was re - constituted in accordance with the provisions of Companies Act, 2013. There has been change in the members of the Committee during the Financial Year 01st April, 2019 to 31st March, 2020. Mr. Harjinder Singh resigned from the committee on 08th July, 2019 and Mr. Eshaan Singh Takkar was appointed as a member of the committee. The committee comprises of following Directors.

Name	Status	Category
Mr. Sunil Rana	Chairman	Independent and Non-Executive Director
Mrs. Jasjeet Kaur	Member	Independent and Non-Executive Director
Mr. Eshaan Singh Takkar	Member	Non-Executive Director

c) Stakeholder's Relationship Committee: The Stakeholders' Relationship Committee was re-constituted by the Board on consequent to the dissolution of the Share transfer cum Investors' Grievance Committee. This Committee includes Mr. Sunil Rana (Chairman), Mr. Harpreet Singh (Member) and Mr. Eshaan Singh Takkar (Member). Mr. Harjinder Singh, who was also the member of the committee resigned from the company as on 08th July, 2019. Term of reference and other details are given in Corporate Governance Report and forms part of this report.

d) Risk Management Committee: The Company has formed the Risk Management Committee with its members as Mr. Eshaan Singh Takkar (Chairman), Mr. Sunil Rana (Member) and Mrs. Jasjeet Kaur (Member) and the committee will perform its activities according to the Risk Policy finalized by the Board indicating the development and implementation of Risk Management.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

22. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return for the Financial Year 2019-2020 in Form MGT-9 can be found on the website of the Company for which the link has been provided as follows:

<https://www.pactindustries.in/financial-reports/>

The Annual Return of the Company for the Financial Year 2018-2019 (Form MGT-7) can be found on the website of the Company for which the link has been provided as follows:

<https://www.pactindustries.in/financial-reports/>

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and directors to report genuine concerns, unethical behavior and irregularities, if any, in the company noticed by them which could adversely affect company's operations. The same is reviewed by the Audit Committee from time to time. No concerns or irregularities have been reported till date. The details of the Whistle Blower Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company.

25. RELATED PARTY TRANSACTIONS/ PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year



which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The report of the Board in respect of the particular of contracts or arrangements with related parties referred to sub section (1) of Section 188 in form AOC-2 is annexed to this report in annexure- B.

26. CORPORATE GOVERNANCE:

SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from Practicing Company Secretary confirming compliance forms an integral part of this Report.

27. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place a prevention of sexual Harassment policy in line with the requirements of the sexual Harassment of Women at the Workplace (prevention, prohibition and Redressal) Act, 2013. During the year 2018-19 no complaint were received by the Company related to sexual Harassment.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure- C".

29. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The Composition of company constitutes One Executive Director (MD) only. No sitting fees have been paid to any director during the Financial Year. The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

The remuneration paid to Managing Director is 600000/- per annum.

30. APPRECIATION AND ACKNOWLEDGEMENTS:

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company. Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation. We look forward to receiving the continued patronage from all quarters to become a better and stronger company.

31. CAUTIONARY STATEMENT:

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statues, market forces and other associated and incidental factors may however lead to variation in actual results.

Date: 30.11.2020
Place: Ludhiana.

By the Order of the Board
For Pact Industries Limited.

(Managing Director)
Harpreet Singh
DIN: 00570541



SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**The Members,
Pact Industries Limited,
303, Hotel The Taksonz, Opp. Railway Station,
G.T. Road, Ludhiana - 141008
CIN: L18101PB1993PLC013193**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Pact 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 my 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 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020, to the extent applicable and 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) SEBI(Prohibition of Insider Trading) Regulations, 1992 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) 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 laws relating to, inter alia:
 - All labour & industrial laws;
 - All environmental laws;

However, ESI Rs. 23588/- and Labour Welfare Fund Rs. 10325/- was outstanding as on 31.3.2019 which has been written off during 2019-20.

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



- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) The Listing Agreement entered into by the Company with the BSE Limited read with SEBI (Listing Obligations 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 except as follows:

Company has not paid listing fee of Metropolitan Stock exchange of India Ltd (MSEI) and due to this reason MSEI have suspended the trading in the scrip of the Company. Due to non-payment of listing fee of MSEI, BSE has also suspended trading in the scrip of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Ludhiana
Dated: 18.11.2020
UDIN: F004327B001248251

Rajeev Bhambri & Associates
Company Secretary in Whole Time Practice
C.P. No. 9491

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



‘ANNEXURE’

**The Members,
Pact Industries Limited,
303, Hotel The Taksonz, Opp. Railway Station,
G.T. Road, Ludhiana - 141008**

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

1. 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as we have relied upon the Audit done by Statutory Auditors as required under Companies Act, 2013.
3. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Place: Ludhiana
Dated: 18.11.2020**

**Rajeev Bhambri & Associates
Company Secretary in Whole Time Practice
C.P. No. 9491**



ANNEXURE- B

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended on 31st March, 2020, which were not at Arm's Length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

	Name(s) of the related party and nature of relationship	Duration of the contracts/arrangement s/ transactions	Salient terms of the contracts or arrangements or transactions	Amount paid as advances, if any:	Amount (in Rs.)
(a)	Loan Taken (from KMP & relatives of KMP)	2019-20	N.A.	-	1225
(b)	Loan Repaid (from KMP & relatives of KMP)	2019-20	N.A.	-	1652
(c)	Sale of Goods (Associates & relatives of KMP)	2019-20	N.A.	-	136468
(d)	Purchase of goods (Associates & relatives of KMP)	2019-20	N.A.	-	198627

ANNEXURE – C

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

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

E. CONSERVATION OF ENERGY:

(i) **Efforts made for conservation of energy:-** – Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution system and through improved operational techniques.

(ii) **The steps taken by the company for utilizing alternate sources of energy :** NIL

(iii) **The capital investment on energy conservation equipments** – Due to Industry scenario in previous year company was not able to spend any money on equipments for energy conservation.

A	Power and Fuel Consumption		2018-19	2019-20
1.	Electricity – Own			
	Electricity Generation			
	Unit Produced	KWH	0	0
	Cost of Diesel	Rs.	0	0
	Cost Per Unit	Rs.	0	0
2.	Electricity – Purchased			



	Unit Purchased	KWH	-	-
	Total Amount	Rs.	-	-
	Rate Per Units	Rs.	-	-
B.	Other/ Internal Generations	-	-	-

B. Technology absorption:

- (i) **The efforts made towards technology absorption:** The Company is continuously endeavoring to upgrade its technology from time to time in all aspects through in-house R&D primarily aiming at reduction of cost of production and improving the quality of the product. The Company has successfully achieved results in reducing the cost of production, power consumption and improving technical efficiencies and productivity.
- (ii) **The benefit derived like product improvement, cost reduction, product development or import substitution:** NONE
- (iii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :** NONE
 - a. The details of technology imported;
 - b. The year of import;
 - c. Whether the technology been fully absorbed;
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons the reasons thereof; and
- (iv) **The expenditure incurred on Research and Development:** No specific expenditure exclusively on R&D has been incurred. The indigenous technology available is continuously being upgraded to improve the overall performance of the Company.

C. FOREIGN EXCHANGE EARNING AND OUTGO

	(12 months)	
	2018-19	2019-20
a) Earning (Export Sales- FOB Value)	NIL	NIL
b) Outgo:		
i) Imports-Raw Material & Spares	NIL	\$32153.55
Capital Goods	NIL	NIL
ii) Expenditure	NIL	NIL
c) Net Foreign Exchange Earnings	NIL	NIL

By the Order of the Board
For PACT INDUSTRIES LIMITED.

Date: 30.11.2020
Place: Ludhiana

(Managing Director)
Harpreet Singh
DIN: 00570541



CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company

It is the consistent conviction of the company that sound and strong corporate governance standards lead to durable sustenance of business and generate long term value for all stakeholders ensuring the robust health of the corporate entity. The corporate governance process and systems have gradually been strengthened over the years to ensure full compliance with regulatory requirements. While the company's compliance of legislative and regulatory requirements is total and absolute, the company believes that good corporate governance goes much beyond the mere fulfilling of statutory requirements, but is also a projection towards the sound formulation of a distinct corporate culture. The Company further presumes that corporate governance is more about creating organizational excellence leading to increased customer satisfaction and stakeholder value.

We firmly believe the concept of corporate governance is founded upon the core values of transparency, empowerment, accountability and independent monitoring. The company has always given its best efforts to uphold and nurture these core values across all operational aspects.

BOARD COMPOSITION

Size and Composition of Board of Directors

Board of Directors

The Company has 4 Directors Comprising of One Executive Director; Three Non-Executive Director out of which Two are Non-Executive Independent Director. The Board periodically evaluates the need for change in its composition and size.

Details of composition of the board, Category of Directors, shareholding details, number of board meeting attended, attendance at last AGM, Total Number of directorship held, Chairpersonship & Membership of the committees are as given below. Directorship for this purpose also includes alternate directorship but does not include directorship in foreign company. Chairmanship / Membership of Board Committees include only Audit committee, and Stakeholders Relationship Committee.

Name of the Director	Category	Attendance Particulars		No. of Directorship and other committee Membership/Chairmanship			No. of shares held in the Company
		Board Meeting	Last AGM	Directorship	Committee Membership	Committee Chairmanship	As on 31.03.2020
Mr. Harpreet Singh	Managing Director and Promoter	16	Yes	8	2	Nil	4468100
Mr. Sunil Rana	Independent Director	14	Yes	1	6	4	Nil
Mrs. Jasjeet Kaur	Independent Director	13	Yes	1	4	Nil	Nil
Mr. Eshaan Singh	Non-Executive Director	11	Yes	-	5	1	Nil
Mr. Sanjay Jain	Chief Financial Officer	16	Yes	7	Nil	Nil	Nil

*No. of Directorship is inclusive of companies in which directors has resigned during the year.

**Mr. Harjinder Singh and Mr. Avtar Singh resigned from the post of directorship on 08th July, 2019 and 04th December, 2019. Mr. Eshaan Singh Takkar was appointed as an Additional Director w.e.f 02nd May, 2019 and was appointed as a Director of the company, liable to retire by rotation in the ensuing Annual General meeting.

Sixteen Board Meetings were held during the Financial Year 01st April, 2019 to 31st March, 2020. Details of the meetings are as following:-

Sr.No.	Date of Meeting
1.	04 th April, 2019



2.	02 nd May, 2019
3.	18 th May, 2019
4.	30 th May, 2019
5.	20 th June, 2019
6.	24 th June, 2019
7.	08 th July, 2019
8.	14 th August, 2019
9.	24 th August, 2019
10.	04 th September, 2019
11.	28 th September, 2019
12.	26 th October, 2019
13.	01 st November, 2019
14.	13 th November, 2019
15.	04 th December, 2019
16.	13 th February, 2020

There was not a gap of more than 120 days between two consecutive meetings. All the information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 has been placed before the Board.

The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company. The company has formulated a policy to familiarize the independent directors which is disclosed in the website of the company.

Information to Directors:

All the meetings are conducted as per well designed and structured agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated at the meeting) to enable the Board to take informed decisions. Additional agenda items in the form of "Other Business" are included with the permission of the Chairman. In addition, for any business exigencies, the resolutions are passed by circulation and later placed in the ensuing Board Meeting to take note of the same.

Apart from the Board members, the Company Secretary is invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

Post Meeting Action:

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the Company Secretary for the action taken / pending to be taken.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. Company Secretary acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

Training/Familiarization of Board of Directors:

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The details of familiarization programme have been posted in the website of the Company under the web link www.pactindustries.com

Remuneration Paid to Directors:

Looking the scenario of the iron and steel Industry and financial position of the company none of the Executive Directors have taken any remuneration except Mr. Harpreet Singh, Managing Director to whom remuneration of Rs. 6,00,000/- per annum has been paid for the Financial Year 2019-20.



Non Executive Directors are not paid any remuneration for attending Board Meeting and Committee Meetings.

Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 24th June, 2019 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

Code of Conduct for Board members and Senior Management:

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Code of Conduct is available on the website of the company.

BOARD COMMITTEES

AUDIT COMMITTEE

The committee continues to perform its tasks under the companies Act, 2013 as well as newly introduced SEBI (Listing Obligations and Disclosures) Regulations, 2015. The major tasks performed by the audit committee may be grouped under the following heads:

Statutory audit, internal audit, reporting and other aspects

- 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 for appointment, remuneration and terms of appointment of auditors of the Company; ·
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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 (3) 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;
 - disclosure of any related party transactions;
 - modified opinion(s) 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 a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring 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 listed entity, wherever it is necessary; \
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, 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 functioning of the whistle blower mechanism;
- approval of appointment of Chief Financial Officer 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. In addition to the above, the following items will be reviewed by the Audit Committee:-
- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the Head - Internal Audit

The Audit Committee is vested with the necessary powers to achieve its objectives. The Committee has discharged such other role/function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act. The committee comprises of three Directors, out of which two are Independent Directors. All the members, including Chairman of Audit Committee are financially literate and have the ability to read and understand the financial statement. In the Financial Year 2019-20, four meetings were held on 30.05.2019, 14.08.2019, 13.11.2019, 13.02.2020. Composition of committee as on 31st March, 2020 and member's attendance at the meetings during the year are as under:

Composition of Audit Committee and attendance of each Director during the meetings held in financial year 2019-20 are given below:

Name	Status	Category	Held	Attended
			No of Meetings Attended during the year 2019-20	
			Held	Attended
Mr. Sunil Rana	Chairman	Non Executive & Independent Director	4	4
Mr. Harjinder Singh	Member	Non Executive & Independent Director	4	1



Mr. Harpreet Singh	Member	Executive Director	4	4
Mr. Eshaan Singh Takkar	Member	Non-Executive Director	4	3

NOMINATION AND REMUNERATION COMMITTEE

The committee continues to perform its tasks under the companies Act, 2013 as well as newly introduced SEBI (Listing Obligations and Disclosures) Regulations, 2015. The major tasks performed by the Nomination and Remuneration committee may be grouped under the following heads:

The brief terms of reference of the committee inter alia includes:

1. Formulation of the criteria for determining candidature of director and evaluation of Independent Directors and the Board
2. formulate policy relating to the remuneration of the directors, key managerial personnel and other employees and policy on Board diversity;

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. However, the Company has been paying the remuneration during the year as per performance of the Company.

• Meetings

In the Financial Year 2019-20, two meetings were held on 02.05.2019 and 25.08.2019.

Name	Status	Category	Held	Attended
			No of Meetings Attended during the year 2019-20	
			Held	Attended
Mr. Sunil Rana	Chairman	Non Executive & Independent Director	2	2
Mr. Harjinder Singh	Member	Non Executive & Independent Director	2	1
Mrs. Jasjeet Kaur	Member	Non Executive & Independent Director	2	2
Mr. Eshaan Singh Takkar	Member	Non-Executive Director	2	1

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee is primarily responsible to review and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholders' Relationship Committee's composition and the terms of reference meet with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and provisions of the Companies Act, 2013.

The details of composition & Meeting Details of the Committee are as under:

Name	Status	Category	No. of Meetings Attended during the year 2019-20	
			Held	Attended
Mr. Sunil Rana	Chairman	Non-Executive & Independent Director	4	4
Mr. Harjinder Singh	Member	Non-Executive & Independent Director	4	1



Mr. Harpreet Singh	Member	Executive Director	4	4
Mr. Eshaan Singh Takkar	Member	Non-Executive Director	4	3

Mr. Rajeev Bhambri, the Company Secretary was the Compliance Officer during the year under review. He performed the functions of monitoring the complaints received vis-à-vis share transfer and other related processes and reported them to the Board. He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchanges, Registrar of Companies, in respect of implementing laws rules and regulations, and directives of such authorities concerning investor service and complaints.

No complaints were received from the shareholders during the year.

RISK MANAGEMENT COMMITTEE

The Board comprises of Three Non-Executive Directors including 2 Independent Directors out of which 1 is Women Director viz. Mr. Eshaan Singh Takkar, Mr. Sunil Rana and Mrs. Jasjeet Kaur.

FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee through discussion evaluated the performance of all non independent directors, Whole time directors and Board. The nomination and remuneration policy is available at the website of the Company.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under Regulation 23 of the SEBI(Listing Obligation & Disclosure Requirements) Regulation 2015 during the financial year were in the ordinary course of business and on an arm length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website www.pactindustries.com

SUBSIDIARY COMPANIES

There is no subsidiary, associate and joint venture of the Company. Thus disclosure on subsidiary and provisions related to consolidated financial statement etc are not applicable.

POLICY FOR PRESERVATION OF DOCUMENTS

In accordance with regulation 9 of SEBI (Listing Obligations and Disclosures) Regulations, 2015 the board has during the year adopted a policy for preservation of documents which has been uploaded on the website of the company.

POLICY FOR DETERMINATION OF MATERIALITY OF THE DISCLOSURE OF EVENTS & INFORMATION

In accordance with regulation 30 (4) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material and the same is also available on the website of the company.

ARCHIVAL POLICY

In accordance with regulation 30 (8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 an archival policy has been adopted during the year by the year which has also been uploaded on the website of the company.

WHISTLE BLOWER POLICY

The company had earlier in accordance with requirement of Companies Act,2013 and erstwhile clause 49 of listing agreement with stock exchange drafted and adopted a whistle blower policy and which is available in the website of the company. Further in accordance with requirement of Para C 10 (c) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 affirmation is also given that no personnel has been denied access to audit committee.



Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

GENERAL BODY MEETING

The details of last three Annual General Meeting of the Company held are given below:

Financial Year	Location of the Meeting	Date	Time
2016 – 2017	303, Hotel The Taksonz, Opp.Railway Station, Ludhiana	18.07.2017	11.00 A.M.
2017- 2018	303, Hotel The Taksonz, Opp.Railway Station, Ludhiana	28.09.2018	11.00 AM.
2018 – 2019	303, Hotel The Taksonz, Opp.Railway Station, Ludhiana	30.09.2019	11.00 AM.

MANAGING DIRECTOR/CFO CERTIFICATION

As required under regulation 17(8) read with schedule II of part B of SEBI (Listing Obligations and Disclosures) Regulations, 2015, Mr. Harpreet Singh, Managing Director and Mr. Sanjay Kumar Jain, CFO certifies to the Board that:

- a) The financial statements and the Cash Flow Statement for the year have been reviewed and to the best of their knowledge and belief:
 - i) these statements do not contain any untrue statement of material fact, have not omitted any material fact and do not contain any statement that is misleading;
 - ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- b) To the best of their knowledge and belief no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct
- c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- d) They have indicated to the auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year.
 - ii) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii) There have been no instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

MEANS OF COMMUNICATION

Annual Reports in respect of each financial year were mailed to all shareholders in November of each calendar year. Each Report contains the annual accounts of the company in respect of the financial year with the Directors' and Auditors' Reports. Also included in each Annual Report is the Notice convening the annual general meeting, the financial year's Corporate Governance Report and the cash flow statement together with the corresponding reports by the auditor.

The quarterly, half-yearly and annual financial results were/will be published in eminent daily newspapers like **The Financial Express, Business Standard, and Pehredar** (English & Punjabi) and also displayed on Company's website: www.pactindustries.com.

SHAREHOLDER INFORMATION



Registered Office : 303, Hotel The Taksonz,
Opp. Railway Station,
Ludhiana Punjab-141008
Telephone No. – 0161-2731851/852
Fax no.0161-2721876,
Email: pactindustries1993@gmail.com

PARTICULARS OF DIRECTORS REAPPOINTED

As required under erstwhile clause 49 of the Listing Agreement, the details of Director appointment/reappointment is given in this annual Report and forms part of this report.

Registrar and Transfer Agent

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, non-receipt of annual report and any other query relating to the shares of the Company:

M/s. Skyline Financial Services (P) Limited
D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi- 110020
Tel: 011 – 26812682 / 83 & 64732681 to 88
Fax: 011 – 26812682
Email: info@skylinerta.com
Website: www.skylinerta.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

Plant Location: The Company has sold out movable and/or immovable assets of the company, situated at Bilga Road, Sahnewal Khurd, Ludhiana- Punjab on account of shortage of space required for the smooth working of the premises.

COMPLIANCES

Mandatory Requirements

The Company has fully complied with the applicable mandatory requirement of SEBI (Listing Obligations and Disclosures) Regulations, 2015. As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by M/S **Rajeev Bhambri & Associates** (CP No.:9491, FCS: 4327) Company Secretaries with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited & Metropolitan Stock Exchange of India Ltd.

Shareholders Rights:

The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website www.pactindustries.com. Hence, these are not individually sent to the Shareholders.

Reporting of Internal Auditor:

The internal auditor reports to audit committee.

General Shareholders Information's

Annual General Meeting

Date : 28th December, 2020
Day : Monday
Time : 12:00 Noon.
Venue : 303, Hotel The Taksonz, Opp.Railway Station, Ludhiana

FINANCIAL CALENDAR

Financial Year : 01st April 2019 to 31st March 2020

Financial results were announced on:



- o June 2019 : First Quarter
- o September 2019 : Second Quarter
- o December 2019 : Third Quarter
- o March 2019 : Audited Results

Book Closure

The dates of book closure are from **22nd December, 2020 to 28th December, 2020** (inclusive of both days).

Demat ISIN Number for NSDL and CDSL : INE494K01024

Listing

At present, the equity shares of the company are listed on the Bombay Stock Exchange Limited (BSE) and Metropolitan Stock Exchange of India Limited.

Stock Exchange	Stock Code
Bombay Stock Exchange Limited 25 TH Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	Demat Segment- 538963
Metropolitan Stock Exchange of India Ltd	

SHARE TRANSFER SYSTEM

The Company's shares are in Demat Form. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respect.

STOCK MARKET DATA

Market Price Data as compared to closing Sensex during 2019-20

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Sensex Closing
Apr-19	1.64	1.64	1.44	1.44	39,456	22	59,767	39,031.55
May-19	1.37	1.39	1.25	1.39	4976	11	6491	39,714.20
Jun-19	1.39	2.00	1.39	2.00	1902	17	3452	39,394.64
Jul-19	2.09	2.27	1.96	2.06	3279	16	7395	37,481.12
Aug-19	2.05	2.05	2.05	2.05	1	1	2	37,332.79
Sep-19	2.05	2.15	2.05	2.05	25	4	51	38,667.33
Oct-19	2.14	2.51	2.14	2.45	1591	9	3721	40,129.05
Nov-19	2.56	2.77	2.23	2.77	6495	21	15417	40,793.81
Dec-19	2.90	2.90	2.90	2.90	100	1	290	41,253.74
Jan-20	2.77	2.77	2.76	2.76	20000	6	55300	40,723.49
Feb-20	2.76	2.76	2.76	2.76	100	1	276	38,297.29
Mar-20	2.63	2.63	2.63	2.63	10	1	26	29,468.49

DEMATERIALISATION OF SHARES:

As on 31st March, 2020, 86.088% of the capital comprising 4,77,00,000 shares out of total of 5,54,08,000 shares were dematerialized.

ADDRESS OF CORRESPONDENCE

Shareholders may contact:

Ms. Harpreet Singh (Managing Director) at :
Registered Office & Works

303, Hotel The Taksonz
Opp. Railway Station,
Ludhiana (Punjab) 141008
Email: pactindustries1993@gmail.com



TO WHOMSOEVER IT MAY CONCERN

I, Harpreet Singh, the Managing Director of the Company, do hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of para D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Place: Ludhiana
Date: 30.11.2020

Harpreet Singh
Managing Director

Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Schedule V of the SEBI (LODR) regulations, 2015.

To
Pact Industries Limited,

I have examined the compliance of conditions of Corporate Governance by **Pact Industries Limited ('the Company')**, for the year ended on 31st March, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) regulations, 2015 for the year ended on March 31, 2020.

I further state that 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 Rajeev Bhambri & Associates
Company Secretary in Whole-time Practice**

Place: Ludhiana
Date: 18.11.2020
UDIN: F004327B001248295

(Rajeev Bhambri)
Proprietor
C.P No. 9491



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)

Pact Industries Limited,
303, Hotel The Taksonz, Opp. Railway Station,
G.T. Road, Ludhiana - 141008
CIN: L18101PB1993PLC013193

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Pact Industries Limited** having CIN:L18101PB1993PLC013193 and having registered office at **303, Hotel The Taksonz, Opp. Railway Station, G.T. Road, Ludhiana - 141008** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1			
2			
3			
4			

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

For Rajeev Bhambri & Associates

Place: Ludhiana
Dated: 18.11.2020
UDIN: F004327B001248273

(Rajeev Bhambri)
Proprietor
Membership No.:F4327
CP No.: 9491



INDEPENDENT AUDITOR'S REPORT

To the Members of
PACT INDUSTRIES LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, 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 standalone financial statements.

Key Audit Matters

As all the matters are duly disclosed in the accompanying notes to accounts and financial statements so no other matters as a key audit matters is communicated.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements



The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility

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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.



iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2.As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For PARMOD G GUPTA & ASSO.
CHARTERED ACCOUNTANTS
(FIRM'S REG. NO. 018870 N)**

**Place: LUDHIANA
Dated: 30.07.2020**

**(PARMOD GUPTA)
PARTNER
M. NO. 096109**



Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of PACT INDUSTRIES LIMITED of even date)

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

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

Management's Responsibility for Internal Financial Controls.

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that



the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

**For PARMOD G GUPTA & ASSO.
CHARTERED ACCOUNTANTS
(FIRM'S REG. NO. 018870 N)**

**Place: LUDHIANA
Dated: 30.07.2020**

**(PARMOD GUPTA)
PARTNER
M. NO. 096109**



ANNEXURE REFERRED TO IN PARAGRAPH 2 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT'S SECTION OF OUR REPORT TO THE MEMBERS OF PACT INDUSTRIES LIMITED OF EVEN DATE).

- (i) (a) The company has maintained the proper records showing the full particulars including quantitative details and situation of all the fixed assets.
- (b) The fixed assets are physical verified by the management according to a phased programme designed to cover all the items every year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has no immovable properties i.e. land & building during the year 2019-20.
- (ii) (a) In our opinion, and according to the information and explanations given to us, the inventory has been physically verified by the management during the year.
- (b) In our opinion and according to the information and explanations given to us, the discrepancies noticed on verification between the physical stock and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) As per information & explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the companies act, 2013. Accordingly the provision of clause 3(ii)(a),(b) and(c) of the order is not applicable to the company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 and 186 of the Act, with respect to the loans and investment made and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) The Central Govt. has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the services/material rendered or supply by the company. Thus reporting under Clause-3 (vi) of the order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provided fund, investor education and protection fund, employee's state insurance, income tax, sale tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable except ESI Rs. 23588/- and Labour welfare Fund Rs. 10325/- was o/s as on 31.3.2019 has been w/off during 2019-20.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the company has no dues of Income Tax, Sales tax, Custom Duty, Wealth tax, Excise duty, Service Tax and cess, which have not been deposited on account of any dispute.
- (viii) According to the records of the company examined by us and the information and explanation given to us, in our opinion, the company has not defaulted in repayment of loan taken earlier.
- (ix) The Company has not raise any money by way of initial public offer or further public offer (including debt instruments) or term loan and hence reporting under clauses 3 (ix) of the order is not applicable to the company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to The Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him with regards to acquisition or to be acquired any fixed assets. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934.

**For PARMOD G GUPTA & ASSO.
CHARTERED ACCOUNTANTS
(FIRM'S REG. NO. 018870 N)**

**Place : LUDHIANA
Dated : 30.07.2020**

**(PARMOD GUPTA)
PARTNER
M. NO. 096109**

PACT INDUSTRIES LIMITED

(CIN : L18101PB1993PLC013193)

303, Hotel The Taksonz, Opp. Railway Station, G.T. Road, Ludhiana

BALANCE SHEET AS AT 31ST MARCH, 2020

(Amt. In '000)

Particulars	Refer Note No.	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
ASSETS			
<u>(1) Non Current Assets</u>			
(a) Property, Plant & Equipment	2	13,063.00	11,664.00
(b) Capital Work-in-Progress			
(c) Tangible Assets			
(d) Financial Assets			
- Investments	3	-	100.00
- Other Financial Assets			
(e) Deferred tax assets (net)		424.00	1,277.00
(f) Other non-current Assets	4	8,342.00	2,923.00
<u>(2) Current Assets</u>			
(a) Inventories	5	59,521.00	57,448.00
(b) Financial Assets			
- Investments			
- Trade receivables	6	1,09,204.00	93,666.00
- Cash and cash equivalents	7	26,017.00	4,608.00
- Bank Balances Other than above Loans			
- Other Financial Assets	8	-	68,108.00
(c) Other current assets	9	5,612.00	2,708.00
Total Assets		2,22,183.00	2,42,502.00
II. EQUITY AND LIABILITIES			
<u>EQUITY</u>			
(a) Equity Share Capital	10	55,408.00	55,408.00
(b) Other Equity	11	37,012.00	35,358.00
Total Equity		92,420.00	90,766.00
Liabilities			
<u>(1) Non Current Liabilities</u>			
(a) Financial Liabilities			
- Borrowings	12	1,668.00	2,477.00
(b) Provisions			
(c) Deferred tax Liabilities (Net)		-	-
(d) Other Non Current Liabilities			
<u>(1) Current Liabilities</u>			
(a) Financial Liabilities			
- Borrowings	13	66,167.00	43,346.00
- Trade Payables	14	42,040.00	40,295.00
- Other Financial Liabilities	15	2,091.00	54,565.00
(b) Other Current Liabilities	15.1	16,772.00	2,981.00
(c) Provisions	16	1,025.00	8,072.00
Total Equity & Liabilities		2,22,183.00	2,42,502.00

SIGNIFICANT ACCOUNTING POLICIES

See accompanying Notes to the Financial Statements
2-46
*This is the Balance Sheet referred to in our Report of even date
addressed to the Members of Pact Industries Limited*

AUDITOR'S REPORT

SUBJECT TO OUR SEPRATE REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

for PARMOD G. GUPTA & ASSO.
CHARTERED ACCOUNTANTS

(HARPREET SINGH)
MG. DIRECTOR
DIN: 00570541

(ESHAAN SINGH TAKKAR)
DIRECTOR
DIN: 07194501

(PARMOD GUPTA)
PARTNER
(FIRM REGN. NO. 018870 N)
(MEMBERSHIP NO. 096109)

(SANJAY JAIN)
CFO (KMP) AAQPJ0106J

PLACE : LUDHIANA
DATE : 30.07.2020
UDIN : 20096109AAAADB4963

PACT INDUSTRIES LIMITED

(CIN : L18101PB1993PLC013193)

303, Hotel The Taksonz, Opp. Railway Station, G.T. Road, Ludhiana

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2020

Sr. No	Particulars	Refer Note No.	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
I	Revenue from operations	17	360353.00	548492.00
II	Other Income	18	7519.00	12258.00
III	Total Revenue (I +II)		3,67,872.00	5,60,750.00
IV	Expenses:			
	Cost of materials consumed	19	-	1,39,850.00
	Purchase of Stock in Trade		356996.00	3,49,273.00
	Change in Inventory in WIP, Finished and Traded Goods	20	-2072.00	16,516.00
	Manufacturing Expenses	21	0.00	37,529.00
	Employee Benefit Expense	22	883.00	1459.00
	Financial Costs	23	5527.00	9640.00
	Administrative Expenses	24	1144.00	1281.00
	Selling & Distribution Expenses	25	1472.00	36.00
	Repair & Maintenance	26	87.00	429.00
	Depreciation and Amortization Expense	27	2051.00	2006.00
			-	-
	Total Expenses (IV)		3,66,088.00	5,58,019.00
V	Profit before exceptional and extraordinary items and tax	(III - IV)	1,784.00	2,731.00
VI	Less: Exceptional Items (Preliminary Exp. W/Off)		-	-
VII	Profit before extraordinary items and tax (V - VI)		1,784.00	2,731.00
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		1,784.00	2,731.00
X	Tax Expenses:	28		
	(1) Current tax		643.00	916.00
	(2) Deferred tax		424.00	1,708.00
XI	Profit(Loss) from the continuing operations (IX-X)	(IX-X)	1,565.00	3,523.00
XII	Profit/(Loss) from discontinuing operations		-	-
	Loss on Sale of Fixed Assets		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		1,565.00	3,523.00
XV	Profit/(Loss) for the period (XI + XIV)		1,565.00	3,523.00
XVI	Earning per equity share:			
	(1) Basic	29	0.00	0.07
	(2) Diluted	29	0.00	0.07
	SIGNIFICANT ACCOUNTING POLICIES	1		
	See accompanying Notes to the Financial Statements	2-46		
	<i>This is the Balance Sheet referred to in our Report of even date addressed to the Members of Pact Industries Limited</i>			

FOR AND ON BEHALF OF THE BOARD

AUDITOR'S REPORT

SUBJECT TO OUR SEPRATE REPORT OF EVEN DATE

(HARPREET SINGH)
MG. DIRECTOR
DIN: 00570541

(ESHAAN SINGH TAKKAR)
DIRECTOR
DIN: 07194501

for PARMOD G. GUPTA & ASSO.
CHARTERED ACCOUNTANTS

(PARMOD GUPTA)
PARTNER

(FIRM REGN. NO. 018870 N)
(MEMBERSHIP NO. 096109)

(SANJAY JAIN)
CFO (KMP) AAQPJ0106J

PLACE : LUDHIANA
DATE : 30.07.2020
UDIN : 20096109AAAADB4963

PACT INDUSTRIES LIMITED
CASH FLOW STATEMENT

(AMT.in '000)

A . Cash Flow From Operating Activities	Details	31.03.2020	Details	31.03.2019
Net Profit as Per Balance Sheet before Tax		1784.00		3523.00
Add:- Provision for Tax net of D.T.A		0.00		792.00
Add:- Non Operating /Non Cash Expenses				
Depreciation & Amortisation	1330.00		1285.00	
Bank Charges	771.00		895.00	
Rent Paid	132.00		138.00	
Interest Expenses	4756.00		8745.00	
Prior Period Adjustment	36.00		-1842.00	
Net DTA	-853.00			
Less: Profit on exempted Items	-59.00	6113.00	0.00	9221.00
		7897.00		13536.00
Changes in Working Capital:-				
Increase/(Decrease) in Current Liabilities	-21164		-61573	
Less:- Increase/(Decrease) in Current Assets	-47593	26429	29029	-32544
Cash Generated from Operations		34326.00		-19008.00
Less:- Net of Taxes		643.00		792.00
Net Cash Flow From Operating Activities (A)		33683.00		-19800.00
B . Cash Flow From Investing Activities				
Rent Paid	-132.00		138.00	
Sale of Investments	100.00		0.00	
Profit on sale of Investments	59.00		0.00	
Sale of Fixed Assets	0.00		33500.00	
Purchase of Fixed Assets	-1399.00		-165.00	
Decrease in Non current Assets	-5418.00	-6790.00	0.00	33197.00
Net Cash Flow From Investing Activities (B)		-6790.00		33197.00
C . Cash Flow From Financing Activities (D)				
Share Issued	0.00		6000.00	
Share Premium	0.00		20400.00	
Buy Back of Shares	0.00		-10000.00	
Loan and Advances (Repaid)	-809.00		-24298.00	
Increase in Loans & Advances Assets	0.00		0.00	
DTA	853.00		-1707.00	
Decrease in Non Current Assets	0.00		7522.00	
Interest on loans	-4756.00		-8745.00	
Bank Charges	-771.00	-5483.00	-896	-11724.00
Net Cash Flow From Financing Activities (D)		-5483.00		-11724.00
Net Cash & Cash Equivalents (a-b-c)		21410.00		1673.00
Cash & Cash Equivalents as on 01.04.2019		4607.00		2934.00
Cash & Cash Equivalents as on 31.03.2020		26017.00		4607.00

NOTE: Net profit after tax has been considered during 2018-19

FOR AND ON BEHALF OF THE BOARD

For PARMOD G. GUPTA & ASSO.
CHARTERED ACCOUNTANTS

(HARPREET SINGH) (ESHAAN SINGH)
MG. DIRECTOR DIRECTOR
DIN: 00570541 DIN: 07194501

(PARMOD GUPTA)
PARTNER
(MEMBERSHIP NO. 096109)
(FIRM REG. NO. 018870 N)

PLACE : LUDHIANA
DATE : 30.07.2020

PACT INDUSTRIES LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2020

A. Equity and Preference share capital

(Amt. in '000')

Particulars	Note No.	Number	Amount
As at April ,1 2018	10	49408000	49408.00
As at march 31, 2019		55408000	55408.00
As at march 31, 2020		55408000	55408.00

B. Other Equity

(Amt. in '000)

Particulars	Note No.	Reserves and Surplus					Surplus/(deficit) in the Statement of Profit and Loss	Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Total other Equity
		Securities Premium	Capital Reserve	Depreciation Reserve	Statutory Reserve Fund	General Reserve				
As at April 1, 2018	11	-	490.00	42,469.00	-	2,200.00	11,421.00	-	-	56,580.00
Profit for the year		-	-	-	-	-	3,523.00	-	-	3,523.00
Other comprehensive income		-	-	-	-	-	-	-	-	-
Prov. for bad /doubtful Debtors		-	-	1,286.00	-	-	-	-	-	1,286.00
		-	490.00	43,755.00	-	2,200.00	14,944.00	-	-	61,389.00
Transactions with owners in their capacity as owners										
- Issue of equity share net of transaction cost		20,400.00	-	-	-	-	-	-	-	20,400.00
-Previous Year's adjustment		-	-	-	-	-	1,843.00	-	-	1,843.00
-Loss on sale of assets		-	-	-	-	-	10,150.00	-	-	10,150.00
- Depreciation written back		-	-	34,438.00	-	-	-	-	-	34,438.00
		20,400.00	490.00	9,317.00	-	2,200.00	2,951.00	-	-	35,358.00
As at march 31, 2019		20,400.00	490.00	9,317.00	-	2,200.00	2,951.00	-	-	35,358.00
Profit for the year		-	-	-	-	-	1,565.00	-	-	1,565.00
Depreciation for the year		-	-	1,330.00	-	-	-	-	-	1,330.00
Other comprehensive income		-	-	-	-	-	-	-	-	-
		20,400.00	490.00	10,647.00	-	2,200.00	4,516.00	-	-	38,253.00
Transactions with owners in their capacity as owners										
- Issue of equity share net of transaction cost		-	-	-	-	-	-	-	-	-
- Op. Prov. of DTA		-	-	-	-	-	1,277.00	-	-	1,277.00
-Previous Year's adjustment		-	-	-	-	-	36.00	-	-	36.00
-Loss on sale of assets		-	-	-	-	-	-	-	-	-
-Depreciation written back		-	-	-	-	-	-	-	-	-
		20,400.00	490.00	10,647.00	-	2,200.00	3,275.00	-	-	37,012.00
As at march 31, 2020		20,400.00	490.00	10,647.00	-	2,200.00	3,275.00	-	-	37,012.00

Significant Accounting Policies

The accompanying notes (2-46) forms integral part of the Standalone Ind AS financial statements.

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 2 :

(AMT. IN '000)											
Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value as at 01.04.2019	Addition during the year	Deduction during the year	Value at the end on 31.03.2020	Value as at 01.04.2019	Addition during the year	Deduction during the year	Value at the end on 31.03.2020	WDV as on 31.03.2020	WDV as on 31.03.2019
I Tangible Assets											
1	Car	11,123.00	800.00	-	11,923.00	8,921.00	1,266.00	-	10,187.00	1,736.00	2,202.00
2	Data Processing machines	255.00	36.00	-	291.00	205.00	23.00	-	228.00	63.00	50.00
3	Office Equipment	285	-	-	285.00	191.00	8.00	-	199.00	86.00	94.00
4	Furniture & Fixture	0.00	564.000	-	564.00	-	33.00	-	33.00	531.00	-
Total C.Year		11,663.00	1,400.00	-	13,063.00	9,317.00	1,330.00	-	10,647.00	2,416.00	2,346.00
Total P.Year		89,586.00	165.00	78,088.00	11,664.00	42,469.00	1,285.00	34,438.00	9,317.00	2,347.00	47,117.00

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

(Amt. in '000)

Note No. 3:

INVESTMENTS (NON CURRENT ASSETS)	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
10000 Units Of SBI Infrastructure Funds having face value Rs. 10/-	-	100.00
Total in `	-	100.00

Note No. 4:**OTHER NON CURRENT ASSETS**

1 Adv. for capital goods to related Parties	6,156.00	-
2 Prepaid Ins.	24.00	-
3 Misc. Exp. (Not Written Off)	2,162.00	2,883.00
4 Security to BSE	-	40.00
Total in `	8,342.00	2,923.00

Note No. 5:**INVENTORIES**

1 Inventories	59,521.00	57,448.00
(Valued at cost or Net realiseable Price whichever is less as certified by the directors)		
Total in `	59,521.00	57,448.00

Note No. 6**TRADE RECEIVABLES**

1 <u>Outstanding for a period less than six months from the date they are due for payment</u>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	91,726.00	75,290.00
c) Unsecured, Considered doubtful	-	-
Less:- Prov. for doubt debt	-	-
2 <u>Outstanding for a period more than six months from the date they are due for payment</u>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	17,478.00	18,376.00
c) Unsecured, Considered doubtful	-	-
Less:- Prov. for doubt debt	-	-
Total in `	1,09,204.00	93,666.00

PACT INDUSTRIES LIMITED

(Amt. in '000)

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 7

CASH & CASH EQUIVALENT	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
A Balances with banks		
1 State bank of India C/A	24.00	2.00
2 FDR	4,046.00	3,727.00
3 Cash on hand	2,130.00	879.00
4 Cheque in Hand	19,817.00	-
Total in `	26,017.00	4,608.00

Note No. 8:**OTHER FINANCIAL ASSETS**

1 Advance to Suppliers	-	13,814.00
2 Cheque in Hand	-	54,294.00
Total in `	-	68,108.00

Note No. 9:**OTHER CURRENT ASSETS**

1 Advance to Suppliers	3,295.00	
2 Prepaid Insurance	-	63.00
3 TDS (A.Y. 2020-21)	-	655.00
4 GST Adjustment	329.00	-
5 TCS (A.Y. 2020-21)	-	2.00
6 Adv. Deposit (PSPCL)	1,988.00	1,988.00
Total in `	5,612.00	2,708.00

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 10:

(Amt. in '000)

Particulars	As at 31 March 2020		As at 31 March 2019		As at April 1, 2018	
	Number		Number		Number	
Share Capital						
Authorised Share						
Equity Shares of Rs. 1 each	6,00,00,000	60,000.00	6,00,00,000	60,000.00	6,00,00,000	60,000.00
Preference Shares of Rs. 10/- each	10,00,000	10000.00	1000000	10000.00	1000000	10000.00
Issued and Subscribed						
Equity Shares of Rs. 1 each	5,54,08,000	55,408.00	5,54,08,000	55,408.00	4,94,08,000	49,408.00
Preference Shares of Rs. 10/- each	-	-	-	-	10,00,000	10,000.00
Paid Up						
Equity Shares of Rs. 1 each	5,54,08,000	55,408.00	5,54,08,000	55,408.00	4,94,08,000	49,408.00
Preference Shares of Rs. 10/- each	-	-	-	-	10,00,000	10,000.00
Total	5,54,08,000	55,408.00	5,54,08,000	55,408.00	5,94,08,000	59,408.00

a. **DETAIL OF SHAREHOLDERS HOLDING SHARES MORE THAN 5% (Equity Shares)**

Name of Shareholder	Equity Shares			
	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 Kartar Finvest Pvt. Ltd.	6600000	11.91	6600000	11.91
2 S. Gurdeep Singh	4267000	7.70	4267000	7.70
3 S. Harpreet Singh	4468100	8.06	4468100	8.06
4 S. Tarunjeet Singh	2857500	5.16	2857500	5.16
5 S. Avtar Singh	2927000	5.28	2927000	5.28

b. **Reconciliation of Equity Shares**

Particulars	Equity Shares			
	As at 31 March 2020		As at 31 March 2019	
	Number		Number	
1 Shares outstanding at the beginning of the year	55408000	55408.00	49408000	49408.00
2 Shares Issued during the year	0	0.00	6000000	6000
3 Shares bought back during the year	0	0	0	0
4 Any other movement (please specify)	0	0	0	0
5 Shares outstanding at the end of the year	55408000	55408.00	55408000	55408.00

c. **Reconciliation of Preference Shares**

Particulars	Equity Shares			
	As at 31 March 2020		As at 31 March 2019	
	Number		Number	
1 Shares outstanding at the beginning of the year	0	0.00	10000000	10000.00
2 Shares Issued during the year	0	0	0	0
3 Shares Redeemed during the year	0	0.00	10000000	10000.00
4 Any other movement (please specify)	0	0	0	0
5 Shares outstanding at the end of the year	0	0.00	0	0.00

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 11:

(Amt. in '000)

		AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
OTHER EQUITY			
A	Security Premium		
	Opening Balance	20,400.00	-
	Add: Share Premium on Shares Issued	-	20,400.00
	Closing Balance	20,400.00	20,400.00
B	Capital Reserve		
	Opening Balance	490.00	490.00
	Add: Current Year Transfer	-	-
	Less: Written Back in Current Year	-	-
	Closing Balance	490.00	490.00
C	Depreciation Reserve		
	Opening Balance	9,317.00	42,469.00
	Add: Current Year's Depreciation	1,330.00	1,286.00
	Less: Written Back	-	34,438.00
	Closing Balance	10,647.00	9,317.00
D	General Reserve		
	Opening Balance	2,200.00	2,200.00
	Add: Current Year Transfer	-	-
	Less: Written Back in Current Year	-	-
	Closing Balance	2,200.00	2,200.00
E	Surplus (Profit & Loss Account)		
	Opening Balance	2,951.00	11,421.00
	Add: Net Profit for the current year	1,565.00	3,523.00
	Less: Depreciation Written back	-	-
	Less: Earlier Year Adjustment	-	687.00
	Less: Loss on sale of assets	-	10,150.00
	Less: Bad debts	-	1,989.00
	Less: Op. Balance of DTA	1,277.00	-
	Add: Income Tax related to previous Year/excess Prov.	36.00	833.00
	Closing Balance	3,275.00	2,951.00
F	Other Comprehensive Income		
	Opening balance	-	-
	(Less): Changes during the year	-	-
	Closing Balance	-	-
Total in `		37,012.00	35,358.00

Note No.12:

LONG TERM BORROWINGS (NON-CURRENT)

1	Secured Loans		
A	Term Loan	1,877.00	2,259.00
	Less: Installments Due Next Year Shown as Current Liabilities		
	Term loan of Rs. 1877, twelve principal repayments during one year is shown as current liabilities)	330.00	330.00
	Balance	1,547.00	1,929.00
2	Unsecured Loans		
A	Loans from directors & their relatives	121.00	548.00
Total		1,668.00	2,477.00

PACT INDUSTRIES LIMITED

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 13:

(Amt. in '000)

SHORT TERM BORROWINGS (CURRENT)	AS AT	AS AT
	MARCH 31, 2020	MARCH 31, 2019
1 <u>Secured</u>		
(a) Loans repayable on demand		
State Bank of India (C/C)	49,939.00	28,412.00
(Secured against Hyp. of stock & Book debts, Collateral Security of Plot)		
State Bank of India (Car Loan Instalment repayable in a year)	330.00	-
State Bank of India (SLC)	4,953.00	44.00
State Bank of India (L/C)	10,945.00	14,890.00
Total	66,167.00	43,346.00

Note No.14:

TRADE PAYABLES

1 -Sundry Creditors for Materiel/Supplies:

Dues towards MSME Units	38,209.00	-
Other than MSME Units	3,831.00	40,295.00
Total in `	42,040.00	40,295.00

Note No. 15:

OTHER FINANCIAL LIABILITIES

1 Cheque issued but not presented	1,891.00	53,723.00
2 Repayment of Term Loan	-	330.00
3 Rent Payable	-	36.00
4 Expenses Creditors	200.00	476.00
		-
Total in `	2,091.00	54,565.00

Note No. 15.1:

OTHER CURRENT LIABILITIES

1 Advance from Customers	16,772.00	2,981.00
Total in `	16,772.00	2,981.00

Note No. 16:

SHORT TERM PROVISIONS

1 Provision For Employees Benefit

A ESI Payable	-	24.00
EPF Payable	-	15.00
Salary payable	63.00	113.00
Labour Welfare Fund Payable	-	10.00

OTHERS

RCM/ GST Payable	33.00	6,831.00
Audit Fees Payable	77.00	77.00
TDS Payable	42.00	33.00
TCS Payable	-	53.00
Interest to Bank Payable	350.00	
Provision for Tax		
- Income Tax net of adv.tax,TCS and TDS	460.00	916.00

Total in `	1,025.00	8,072.00
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PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

(Amt. In '000)

Note No.17:

REVENUE FROM OPERATIONS		AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
1	Sales & Other Income	3,60,353.00	5,48,492.00
Total in `		3,60,353.00	5,48,492.00

Note No.18:

OTHER INCOME			
1	Commission	2,734.00	7,901.00
2	Lease Rent	-	2,553.00
3	Rebate & Discount	4,219.00	1,507.00
4	Interest Income	469.00	297.00
5	Long Term Capital Gain on Mutual Fund	59.00	-
6	Exchange rate Fluctuation	38.00	-
Total in `		7,519.00	12,258.00

Note No. 19:

COST OF MATERIAL CONSUMED

DIRECT/PRODUCTIONS EXPENSES/TRADED

	Opening Stock	11,706.00	39,098.00
1	Purchase	-	1,12,458.00
	Less: Closing Stock/Trfd. To change in inventory	11,706.00	11,706.00
		-	1,39,850.00
Material Consumed		-	1,39,850.00

Note No. 20:

CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN

1	<u>Inventories (Op. Stock)</u>	-	6,136.00
	Finished Goods	-	31,158.00
	Traded Goods	32,117.00	11,339.00
	<u>Trfd. From</u>		
	Consumption of raw material	11,706.00	-
	Consumable	5,016.00	-
	Ferr. Alloys	8,610.00	-
		Total (A)	57,449.00
2	<u>Inventories (Closing Stock)</u>		
	Finished Goods	-	7,101.00
	Traded Goods	59,521.00	25,016.00
		Total (B)	59,521.00
Total in ` (A-B)		-	2,072.00

Note:- Openig of Stock of Consumable, Ferro Alloys and Raw Material treated as trading stock by trfd. From resepective head to trading stock.

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020 PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

(Amt. In '000)

Note No.21:

MANUFACTURING EXPENSES

		AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
1 Opening Stock			
Consumeables Stores		-	2,823.00
Add : Purchase		-	3,390.00
Less:- Closing Stock		-	5,015.00
	Consumption A.	-	1,198.00
		-	
Opening Stock			
Ferro Alloys/Misc. Items		-	7,047.00
Add : Purchase		-	3,612.00
Less:- Closing Stock		-	8,610.00
	Consumption B.	-	2,049.00
Cartage Inward		-	-
Electricity Chagres		-	33,376.00
Duty Unrecoverable Shortage		-	-
Import Exp.		-	-
Wages Expenses		-	906.00
	C.	-	34,282.00
		-	
	TOTAL A +B+C	-	37,529.00

Note No. 22:

EMPLOYEE BENEFIT EXPENSES

1	Salaries and incentives	283.00	909.00
2	ESI	-	17.00
3	EPF	-	32.00
4	Directors Remuneration	600.00	500.00
5	Labour Welfare Fund	-	1.00
	Total in `	883.00	1,459.00

Note No. 23:

FINANCE COST

1	Bank Charges	771.00	896.00
2	Bank Interest on C/C	4,568.00	8,525.00
3	Bank Intt. on Loan	188.00	219.00
	Total in `	5,527.00	9,640.00

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 24:

	(Amt. In '000)	
ADMINISTRATIVE EXPENSES	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
1 AGM Exp.	8.00	9.00
2 Audit Fees	85.00	85.00
3 Conveyance Exp.	14.00	48.00
4 Depository Charges	47.00	-
5 Fees & Taxes	17.00	643.00
6 Electricity Exp.	211.00	-
7 General Expenses	19.00	57.00
8 Insurance	70.00	200.00
9 Legal & Professional Charges	75.00	68.00
10 Late deposit of Tax and GST	55.00	-
11 Listing Fees	355.00	-
12 Printing & Stationery	1.00	5.00
13 Rent	132.00	138.00
14 RTA Charges	38.00	-
15 Telephone Expenses	17.00	28.00
Total in `	1,144.00	1,281.00

Note No. 25:

SELLING & DISTRIBUTION EXPENSES		
1 Cartage Outward	954.00	-
2 Advertisement Expenses	27.00	36.00
3 Tour & Travelling	491.00	-
Total in `	1,472.00	36.00

Note No. 26:

REPAIR & MAINTANANCE		
1 Car & maintenance	87.00	132.00
2 Truck Repair & Running Exp.	-	224.00
3 Repair & Maintanance	-	73.00
Total in `	87.00	429.00

Note No. 27:

DEPRECIATION & AMORTIZATION EXPENSES		
1 Depreciation	1,330.00	1,285.00
2 Preliminary Exp. W/off	721.00	721.00
Total in `	2,051.00	2,006.00

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

PACT INDUSTRIES LIMITED

Notes to the Standalone Financial Statement for the year ended March 31, 2020

Note No. 28:

	(Amt. In '000)	
	AS AT	AS AT
	MARCH 31, 2020	MARCH 31, 2019
A. TAXATION		
Income Tax as recognised in the statement of P/L account		
Current Tax	643.00	916.00
Deffered Tax	424.00	1,708.00
<hr/>		
Total Income Tax Expenses recognised during current year	1,067	2,624
<hr/>		
B. RECONCLIATION OF TOTAL TAX EXPENSES		
Reconciliation of profit before tax to taxable profit	1,784	2,731
Add: Exp. not deductible in determining th etaxable profit	695	705
Add:Expenses to be add back in determing the taxable profit	55	94
Less:Exempted Income	59	-
TAXABLE PROFIT	2,475	3,530
Income Tax expenses at effective rate	643	916
Effective rate of Tax	26%	
<hr/>		
Total Income Tax Expenses recognised during current year	643	916
<hr/>		
C. RECONCLIATION OF DEFFERED TAX ASSETS/LIABILITIES		
Deffered Tax assets relates to Fixed Assets	424	1,708
<hr/>		
Total Income Tax Expenses recognised during current year	424	1,708
<hr/>		

Note No. 29:

EARNING PER SHARE		
Net profit after tax available for Equity Shareholders	1,565	3,523
Weighted Average number of Equity shares	5,54,08,000	5,54,08,000
Basic Earning Per Share in Rs.	0.02	0.07
Diluted Earning Per Share in Rs.	0.02	0.07

PACT INDUSTRIES LIMITED, LUDHIANA
CIN: L18101PB1993PLC013193
F.Y. 2019-20

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

A. CORPORATE INFORMATION:-

Pact Industries Limited company incorporated in India under the Companies Act, 1956 (now 2013). The company is engaged in trading activities during the year 2019-20.

The company is a public limited company incorporated and domiciled in India and having its registered office at 303, Hotel The Taksonz, Opp. Railway Station, G.T. Road, Ludhiana, Punjab India. The company has its primary listing on BSE Limited and MCX Stock Exchange in India.

B. 1 SIGNIFICANT ACCOUNTING POLICIES:

i) BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Ind AS (Indian Accounting Standard) Rule, 2015 as amended and relevant notified under the Companies provisions of the Act.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rule, 2006 (Indian GAAP). The company has adopted the Ind AS first time and prepared the financial statement accordance with Ind AS for the year ending 31st March 2018 and thereafter. The financial statements have been prepared on a historical cost basis. The accounting policies have been consistently applied except where a newly issued Ind AS accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii) FUNCTIONAL AND PRESENTATION CURRENCY :-

The Company's Financial Statements are presented in Indian Rupees which is also its functional currency and all values are rounded to the nearest thousands (`000), except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

ii) **VALUATION OF INVENTORIES (IND AS-2)** :-

Inventories are valued at cost or net realizable value, whichever is lower after providing obsolescence if any except in case of by-products which are valued at net realisable value as on 31.03.2020 as per Ind AS-2 issued by The Institute of Chartered Accountants of India. The cost in respect of the various items of inventory is computed as under:-

The cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

- The raw material/traded goods is valued at cost or net realizable value whichever is less at the end of financial year.
- In case of Work in Progress & Finished Goods at weighted average material cost plus conversion costs depending upon the stage of completion.
- In case of Wastage at cost or Net Realizable value whichever is less.
- In case of Goods in transit at cost plus expenses incurred up to their present condition and location.

iii) **CASH FLOW STATEMENTS (IND AS-7)**:-

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 “Statement of cash flow’s using the indirect method for operating activities. Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

iv) **CURRENT TAXES (IND AS-12)**:-

Tax Expenses

The tax expenses for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income. In which case, the tax is also recognised in Other Comprehensive Income.

i. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT Credit is allowed to be carried forward. In the year in which the company recognize MAT Credit as an assets in accordance with the Guidance Note on Accounting for credit Available in respect of Minimum alternate tax under the Income Tax Act, 1961, the said assets is created by way of credit to the statement of Profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" assets at each reporting date and writes down the assets to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

v) FIXED ASSETS PROPERTY, PLANT & EQUIPMENT (IND AS-16) :-

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under Ind AS.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date as disclosed under 'Capital work-in-progress'.

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 cost of the item can

be measured reliably. Repair and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is provided on straight line method on the basis of useful lives of such assets specified in Schedule II to the Companies Act, 2013 in respect of the assets acquired after 01.04.2014 and for the assets acquired prior to April 2014 the carrying amount as on 01.04.2014 is depreciated over the remaining useful life based on valuation. Further, significant components of assets identified pursuant to the requirements under Schedule II of the Companies Act, 2013 are depreciated over their useful life based on the technical evaluation done by the management.

vi) **REVENUE (IND AS-18):-**

Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. Generally, the credit period varies between 0-90 days from the shipment or delivery of goods or services as the case may be. The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified.

Contract Balances

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays

consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

vii) **EMPLOYEE BENEFIT EXPENSES (IND AS-19):-**

Short-Term Employee Benefits

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

Post-Employment Benefits Defined Contribution Plans

-The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund. But the company has less number of employees so not paying any contribution towards provident fund and ESI.

Defined Benefit Plans

No provisions has been made for Gratuity during the year 2019-20.

viii) **FOREIGN CURRENCY TRANSACTIONS (IND AS-21):-**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognised. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

ix) **BORROWING COSTS (IND AS-23):-**

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expenses in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

x) **EARNINGS PER SHARE (IND AS-33):-**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

xi) **IMPAIRMENT OF FINANCIAL ASSETS (IND AS-36):-**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognised at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

xii) **PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS (IND AS-37) :-**

A provision shall be recognized when:-

- (a) an entity has a present obligation as a result of a past event;
- (b) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) A reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

xiii) **INTANGIBLE ASSETS (IND AS-38):-**

Intangible assets are stated at cost less accumulated of amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, etc. The amortization method and useful lives are reviewed periodically at end of each financial year.

xiv) **CASH & CASH EQUIVALENTS:-**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

xv) **NON-CURRENT ASSETS HELD FOR SALE (IND AS – 105)**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Non-current assets held for sale are neither depreciated nor amortised. Assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

xvii) FINANCIAL INSTRUMENTS (IND AS-109):-

The company has not lend /invested any amount through the debt instrument during 2019-20. However the accounting policy is explained below.

Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is 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 represent solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI 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 represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (IND AS-28):-

The Company has accounted for its investments in Subsidiaries, associates and joint venture at cost less impairment loss (if any). The investments in preference shares with the right of surplus assets which are in nature equity in accordance with Ind AS 32 are treated as separate category of investment and measured as at FVTOCI.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value

changes in 'Other Comprehensive Income'. However, dividend on such equity investments are recognised in Statement of Profit and loss when the Company's right to receive payment is established.

E. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

xviii) **RESEARCH AND DEVELOPMENT EXPENDITURE:-**

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss as and when incurred. Development costs are capitalised as an intangible asset if it can be demonstrated that the project is expected to generate future economic benefits, it is probable that those future economic benefits will flow to the entity and the costs of the asset can be measured reliably, else it is charged to the Statement of Profit and Loss but the company has no activity of Research & Development during the year 2019-20.

xix) **USE OF ESTIMATES:-**

The preparation of financial statements requires the management of the Company to make estimates and assumptions that effect the reported amount of revenue ,expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years . Example of such estimates include provisions for doubtful debts, employee benefits, provision for income taxes, the useful lives of depreciable property, plant and equipments and provisions for impairment.

xx) **EFFECT OF GLOBAL HEALTH PANDEMIC ON COVID-19 .**

The outbreak of Corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Nationwide lockdown in India as announced by Govt. Of India resulting in significant reduction in economic activities. In assessing the recoverability of Company's assets such as Investments, Loans, intangible assets, Trade receivable etc. the Company has considered internal and external information. The Company has performed sensitivity analysis on the assumptions used basis the internal and external information/indicators of future economic conditions, the Company expects to recover the carrying amount of the assets. The impact of COVID-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements.

NOTES TO ACCOUNTS

30. RELATED PARTY TRANSACTIONS (IND AS-24):-

The company has transacted the following transactions with its related parties required to be disclose as per The Indian Accounting Standard “Related Party Disclosures” (IND AS-24) issued by The Institute of Chartered Accountants of India.

A. Key Management personnel and relatives of key management personnel:-

1. Key Management Personnel:

- i) S. Harpreet Singh, Mg. Director
- ii) Smt. Jasjeet Kaur
- iii) S. Eshaan Singh Takkar, Director
- iv) Sh. Sunil Rana, Director
- v) Sh. Sanjay Jain, CFO (KMP)

2. Relatives of Key Management Personnel

S. Charanpreet Singh, S. Gurdeep Singh, Smt. Tanupreet Kaur, Smt. Kartar kaur, S. Tarunjeet Singh, S. Parav Singh

B. Associates Concerns :-

The company has provided the detail of those concerns with whom the transaction has been made during the year 2019-20.

Kartarz Alloys P. Ltd (S.Harpreet Singh and Eshaan Singh are director)
M/s Pact Automobiles, (S. Eshaan Singh is partner)
Preet Builders Pvt. Ltd (S.Harpreet Singh is director)
M/s Preet Steel, Ludhiana ,(a unit of Preet Builders Pvt. Ltd.)
Taksonz Developers & Infrastructure Limited

TRANSACTION WITH RELATED PARTIES:-

(Amt. in '000')

Nature of Transactions During the year	Associate	Key Management Personnel	Relatives of Key Management Personnel
Remuneration	0.00 (0.00)	600.00 (500)	0.00 (600.00)
Rent Paid	132 (0.00)	0.00 (144.00)	0.00 (0.00)
Adv. Given	6156 (0.00)	0.00 (0.00)	0.00 (0.00)
Sale of Goods	136468 (251349)	0.00 (0.00)	0.00 (0.00)
Purchase of Goods	198627 (130925)	0.00 (0.00)	0.00 (0.00)
Loans Taken by the Company	0.00 (0.00)	1225 (0.00)	0.00 (700)
Loans Repaid by the Company	548 (23842)	1104 (0.00)	0.00 (700)
Shares Buy back	0.00 (0.00)	0.00 (7500)	0.00 (2500)
Fresh Equity Share issued	0.00 (0.00)	0.00 (13200)	0.00 (13200)
Advance received for supply of goods	15315 (0.00)	0.00 (0.00)	0.00 (0.00)

*Note :- Amount shown in brackets relates to previous year figures.

31. CONTINGENT LIABILITIES	(Amt. in '000')	
	2019-20	2018-19
a. Claims against the company not acknowledged as debts	NIL	NIL
b. Contingent Liabilities not provided for	0.00	14070
c. Estimated amount of contracts remaining to be executed	NIL	NIL

32. **FOREIGN TRANSACTION (IND-21):**

The company has Import of material for 32153.55 USD (INR 2286.00) but payment made for Rs. 2248 and the exchange rate fluctuation is 38.00 during the year 2019-20. (Pr. Year NIL)

33. **OPERATING SEGMENT INFORMATION (IND-108):**

The disclosure requirement of the IND AS-108 i.e. "Segment Reporting" is applicable to the company which is given in the Annexure-I attached herewith.

34. The company has total cheque in Hand for 19817.00 and cheque issued but not presented for 1891.00 O/S as on 31.03.2020 which is duly considered in the financial statements.

35. The debit & credit balances are subject to their confirmation from respective parties.

36. **PAYMENT TO AUDITORS:** (Amt. in '000')

<u>PARTICULARS</u>	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Statutory Audit Fee	60.00	60.00
Income Tax Matter	25.00	25.00

37. **Break up value of exp. incurred on employees who:**

(a) if employed for one or more than one full year were in receipt of remuneration which, in aggregate was not less than Rs. 6000 NIL NIL

(b) if employed for a part of the year were in receipt of remuneration which, for any month of that year Was not less than Rs. 500 NIL NIL

38. As the net worth, sale and net profit of the company is less than the limits prescribed during the current year so section 135 of the Companies Act, 2013 regarding the Corporate Social Responsibility is not applicable to the company.

39. Previous year figure have been regrouped and/or reclassified, wherever necessary.

40. The company has made a advance of Rs. 6156 for the purchase of Land to the related party but no agreement has been provided for verification.

41. Balance of FDR and LC is subject to confirmation from bank.

42. **GRATUITY:-** No provision has been made for 2019-20.

43. **AMORTIZATION** :- The company has amortized 1/5th of the preoperative expenses during the year 2019-20 Rs. 721.00.

44. **DISCLOSURE OF INTEREST IN OTHER ENTITIES (IND AS-112):-**

The board of directors has interest in other entities as listed under Related party disclosure.

45. The company has trade payables /creditors as below:-

i.	Dues towards MSME	38209.00
ii.	Due towards other than MSME	3831.00

- i) Out of dues towards MSME, amount 19381.00 is outstand FOR more than 45 days as on 31st March 2020 and no provision has been made for interest on it.

46. **APPROVAL OF FINANCIAL STATEMENTS**

The finance statements were approved for issue by the Board of Directors on 30.07.2020.

For & on Behalf of the Board of Directors

**For PARMOD G GUPTA & ASSO.
CHARTERED ACCOUNTANTS
(FIRM'S REG. NO. 018870 N)**

**(HARPREET SINGH) (ESHANN SINGH) (SANJAY JAIN)
MG. DIRECTOR DIRECTOR CFO (KMP)
DIN:00570541 DIN: 07194501 PAN:AAAQPJ0106J**

**(PARMOD GUPTA)
PARTNER
M. NO. 096109**

**Place : LUDHIANA
Dated : 30.07.2020**

OPERATING SEGMENT INFORMATION:**ANNEXURE-I**

The Company has identified two reportable segments mainly via, trading of steel & iron and textile/garments. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting.

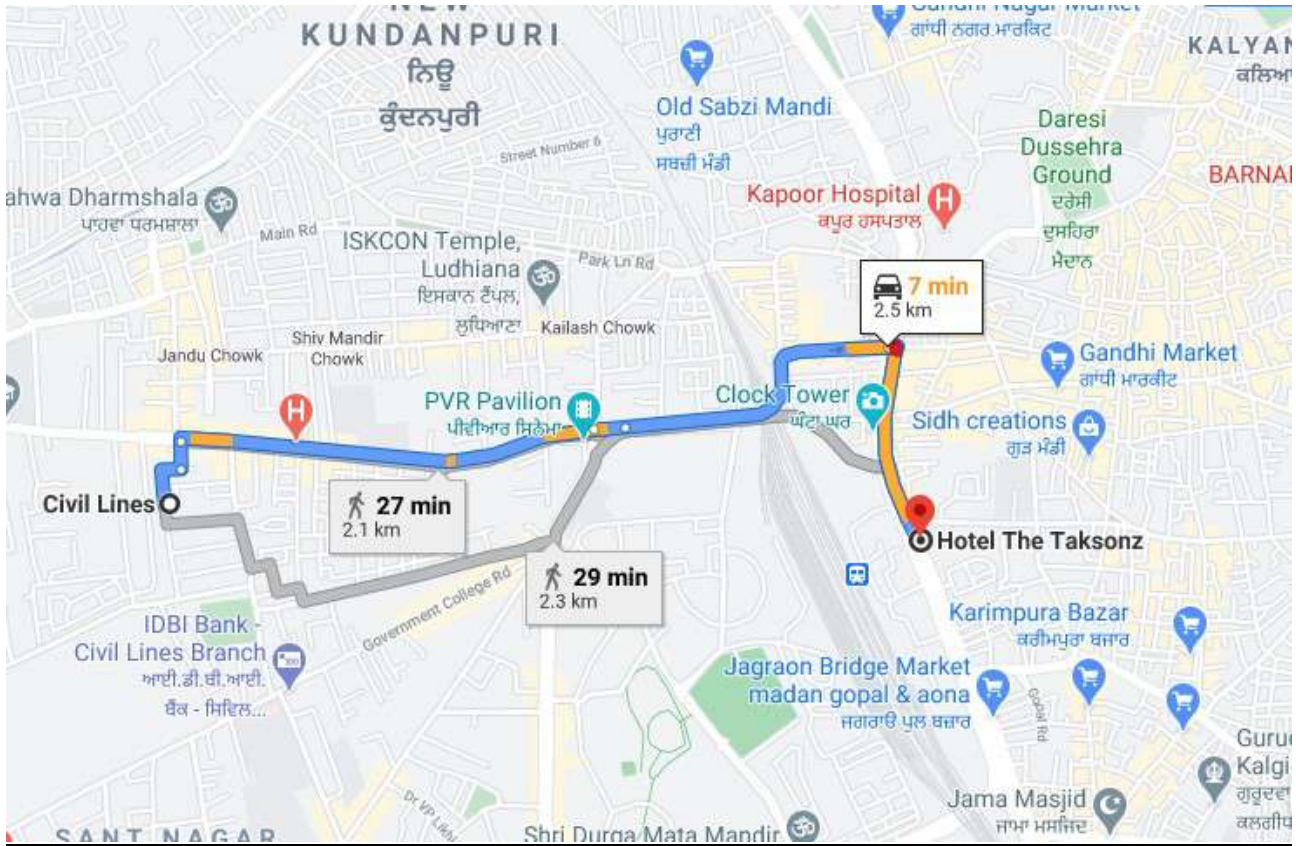
- a) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprises as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Un - allocable”.
- b) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Un-allocable”.
- (i) As per Ind AS on Segment Reporting (Ind AS 108) “Operating Segment Reporting”, the Company has reported segment information as per sheet enclosed.
- (ii) Further explained that the commission, Rebate & Discount, Interest, Income has been disclosed as un-allocable.
- (iii) As the company is not maintaining the separate books of accounts so the segment assets & liabilities has been disclosed as un-allocable .

SEGMENT REPORTING FOR THE YEAR ENDING 31.03.2020

(Amt in '000')

PARTICULARS	TRADING OF STEEL & IRON	TRADING OF TEXTILE/ GARMENTS	UNALLOCABLE	TOTAL
1 <u>SEGMENT REVENUE</u>				
Gross Turnover	270525.00	89828.00	7519.00	367872.00
Net Turnover	270525.00	89828.00	7519.00	367872.00
2 <u>SEGMENT RESULT</u>				
<u>BEFORE INTEREST & TAXES</u>			7311.00	7311.00
Less: Interest Expense			5527.00	5527.00
Add: Exceptional Item			0.00	0.00
Profit Before Tax			1784.00	1784.00
Current Tax			643.00	643.00
Deferred Tax (Assets)			424.00	424.00
Profit After Tax			1565.00	1565.00
3 <u>Other Information</u>				
Segment Assets			222183.00	222183.00
Segment Liabilities			129763.00	129763.00
Capital Expenditure			1400.00	1400.00
Depreciation			1330.00	1330.00
Non Cash Expense			721.00	721.00

Route map to the venue of the 27th AGM of Pact Industries Limited





ATTENDANCE SLIP

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Member's Folio No
Client ID No.
DP ID No.
Name of the Member
Name of Proxy holder
No of shares held

I hereby record my presence at the 27th Annual General Meeting of the Company held on Monday, 28th day of December, 2020 at 12:00 Noon at the Registered Office of the Company at 303, Hotel The Taksonz, Opp. Railway Station, Ludhiana-141008.

Signature of Member/Proxy

Notes :

- 1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.**





PROXY FORM

Member's Folio No : _____
I/We _____ of _____ in the district of _____ being a member/members of **PACT INDUSTRIES LIMITED**, hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district of _____ as my/our proxy to vote for me/us on my/our behalf at the 27TH Annual General Meeting of the Company held on Monday, 28th day of December, 2020 at 12:00 Noon at the Registered Office of the Company at 303, Hotel The Taksonz, Opp. Railway Station, Ludhiana-141008 and at any adjournment thereof.
Signed this _____ day of _____ 2020.

Affix Re. 1/-
Revenue Stamp here

Note :

1. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll instead of himself / herself.**
2. **If it is intended to appoint a proxy, the form of proxy should be deposited at the Registered Office of the Company at least 48 hours before the commencement of meeting.**

No.	Resolution	For	Against
1.	To receive, consider and adopted audited financial statements along with reports of the Board of Directors and Auditors thereon for the financial year ended 31 st March, 2020. (Ordinary Resolution)		
2.	To consider the appointment of Mr. Harpreet Singh (DIN: 00570541), who retires by rotation and being eligible, offers himself for reappointment (Ordinary Resolution).		
3.	To consider the Re-appointment of Mrs. Jasjeet Kaur (DIN: 07130910) as Independent Director of the company for Five years (Special Resolution).		
4.	To Increase the Borrowing Powers of the Company under Section 180(1) (a) of the Companies Act, 2013.		
5.	To Increase the Borrowing Powers of the Company under Section 180(1) (c) of the Companies Act, 2013		

