O R Maloo & Co.
CHARTERED ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF
OSWAL EXTRUSION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **OSWAL EXTRUSION LIMITED**, which comprise the Balance Sheet as at **31/03/2020**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2020**, and its Profit and it's cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to notes to the financial results which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Key Audit Matters

Due to the COVID-19 related lock-down we were not able to participate in the physical verification of inventory that was carried out by the management prior to the year end. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items" and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on these Standalone Financial Results.

Conclusion: Based on the procedures performed above, we have concluded that management has complied with the requirements of AS 2 "Inventories".

Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

• Evaluate the appropriateness of accounting policies used and 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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

As required by the Companies (Auditors' Report) Order,2016("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

CHARTERED ACCOUNTANTS

As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on **31/03/2020** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2020** from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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.

Date: 28/09/2020
Place: Ahmedabad

FOR O R MALOO & CO.
(Chartered Accountants)
Reg. No. :0135561W

CA OMKAR MALOO
Partner
M.No.: 044074
UDIN: 20044074AAAAAW8618

ANNEXURE - A

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2020

To,
The Members of
OSWAL EXTRUSION LIMITED

(i) In Respect of Fixed Assets

(a) The company has maintained records showing particulars of fixed assets but such records does not include quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.

Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the original title deeds of the immovable properties included in property, plant and equipment have been pledged as security for loans, guarantees etc. with lenders.

(ii) In Respect of Inventories

As explained to us, the inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material. The discrepancies have been properly dealt with in the books of accounts.

Due to government-imposed shutdowns and due to unavailability of the client personnel, the physical valuation verification was not possible. The company had verified the stock not on the date of financial statements but at a later date.

(iii) Compliance under section 189 of The Companies Act, 2013

As informed, the company, company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) As the company has not granted any loans, this clause is not applicable.

(b) As the company has not granted any loans, this clause is not applicable.

(c) As the company has not granted any loans, this clause is not applicable.

(iv) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3(v) of the order is not applicable.

(vi) Maintenance of cost records

We have broadly reviewed the books of accounts relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

(vii) Deposit of Statutory Dues

(a) The company is regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales, tax wealth tax, service tax, custom duty, excise duty. Cess and other statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) Detail of Disputed amount payable to statutory authorities are as given below in Annexure.

(viii) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans. Hence this clause is not applicable.

(x) Reporting of Fraud During the Year

Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.

(xi) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) **Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

(xiii) **Related party compliance with Section 177 and 188 of companies Act - 2013**

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 section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) **Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

No Preferential Placement or Private Placement of shares or fully convertible debenture during the year under review was made by the company.

(xv) **Compliance under section 192 of Companies Act - 2013**

The company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) **Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

Annexure to Point No: (7)(b)

Related To	Authority where Pending	Financial Year	Disputed Amount
Income Tax Act, 1961	ITAT, Ahmedabad	2009	973,220.00
Income Tax Act, 1961	Commissioner of Income Tax, Appeals	2010	20,747,100.00
Income Tax Act, 1961	ITAT, Ahmedabad	2013	4,028,410.00
Income Tax Act, 1961	Commissioner of Income Tax, Appeals	2014	14,693,720.00

O R MALOO & CO
CHARTERED ACCOUNTANTS

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of OSWAL EXTRUSION LIMITED.

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

We have audited the internal financial controls over financial reporting of **OSWAL EXTRUSION LIMITED** as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 issues by the Institute of Chartered Accountants of India.

Date: 28/09/2020
Place: Ahmedabad

FOR O R MALOO & CO.
(Chartered Accountants)
Reg. No. :0135561W

CA OMKAR MALOO
Partner
M.No.: 044074

Note:
1. The Cash Flow Statement has been prepared under the Indirect method as per Accounting Standard-3 "Cash Flow Statement" specified under

Summary of significant accounting policies. 1-2

The accompanying notes are an integral part of these financial statements.

As per our report of even date
For O R MALOO & CO.
Chartered Accountants
ICAI Firm Registration No.: 135561W

per CA Omkar Maloo
Partner
Membership No.: 044074

Place : Ahmedabad
Date : September 28, 2020

For and on behalf of the Board of Directors of
Oswal Extrusion Limited
CIN No: U25200GJ2004PLC045239

Ashok Kumar Sharma
Director
DIN No. 07147046

Siddharth Parekh
Director
DIN No. 01688066

Chetan Parmar
Company Secretary
Place : Ahmedabad
Date : September 28, 2020

1. Corporate Information

Oswal Extrusion Limited ('the Company') is a Public Limited company which was incorporated on December 31,2004 under the provision of the Companies Act, 1956. The company is in business of manufacturing all kind of plastic product mainly includes jumbo bags, flexible packaging, woven sacks., Woven fabrics, Laminates, Multifilament yarns, Masterbatches for food Grain, Pharmaceuticals, Chemical, Cement etc.

2. Basis of Preparation of Financial Statements

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1. Significant accounting policies:

a. Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Property, Plant and Equipment:

I. PPE is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

All spare parts stand by and servicing equipment qualify as Property, Plant and Equipment (PPE) if they meet definition of PPE i.e if company intends to use these during more than a period of 12 Months. The spare parts capitalized in this manner are depreciated as per AS 10(R).

II. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any.

Intangible development cost is capitalized as and when technical and commercial feasibility of the assets is demonstrated, further economic benefits are probable. The cost which can be capitalized includes that are directly attributable to development of the assets for its intended use. Research costs are expensed as incurred. Intangible assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statement of profit and loss when the assets is derecognized.

c. Depreciation and amortization:

Leasehold improvements are amortized over the useful life of. lease or useful life of the leasehold improvement whichever is short.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives prescribed under part C of Schedule II to the Companies Act, 2013, which coincides with management's estimate of useful life. For the assets put to use during the financial period, the depreciation is charged on pro-rata basis from the date of put to use. The residual values, useful lives and methods of depreciation of fixed assets are reviewed at each financial year. Intangible assets are amortized over useful life as mentioned below:

Intangible Assets	Useful Life
Product Development	3 years
ERP Development	3 years

Tangible Assets	Useful Life
Computers and other peripherals	3 years
Office Equipment and Borewell	5 years
Vehicles	8 years
Electrical Installation and Furniture-Fixtures	10 years
Plant and Machinery	15 years
Factory and Other Buildings	30 years

d. Impairment on tangible assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the assets' recoverable amount. The assets recoverable amount is the higher of an assets net selling price and its value in use. The recoverable amount is determined for individual assets, unless the assets does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an assets exceeds its recoverable amounts, the assets considered as impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses of continuing operation, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment loss may no longer exists or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumption used to determine the assets recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the assets does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the assets in prior years. Such reversal is recognized in the statement of profit and loss.

e. Operating Leases:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in PPE. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

f. Investments:

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments, if any.

g. Inventories:

Inventories are valued as follows:

Raw Materials are valued at lower of cost and net realizable value. Cost is ascertained on FIFO (First In First Out) basis and includes all cost incurred in bringing the inventories to their present location and condition except for goods in transit which is ascertained on a specific identification basis. Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Work in progress and manufactured finished goods are valued on full absorption cost basis and include material, labour and factory overheads. Under absorbed/over absorbed overheads cost, if any, are added/reduced in the cost of inventory of finished goods.

Traded goods are valued at lower of cost and net realizable value. Cost is ascertained on FIFO (First -in-First-Out) basis and includes all cost incurred in bringing the inventories to their present location and condition.

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

h. **Revenue recognition:**

Revenue is recognized to the extent that is probable that economic benefit will flow to the company and the revenue can be reliably measured. The company collects Goods and Service Tax on behalf of government and, therefore, these are not economic benefits flowing to the Company, hence, they are excluded from respective revenues. Income is net of refunds.

Sale of goods is recognized on shipment or dispatch to customers when the risks and rewards of ownership are transferred to the customer.

Revenue from job work is recognized as and when the goods are removed from the plant and all significant risk and rewards are transferred.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Commission income from the consignment sales is recognized as and when the significant risks and rewards in relation to the goods is transferred to the ultimate buyer.

Claims are accounted to the extent lodged with the appropriate authorities. Export incentives are accounted on accrual basis based on shipment.

i. **Employees benefits:**

1. Short-term employee benefits:

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognized in the period in which the employee renders the related service.

2. Post-employment benefits (defined benefit plans):

All employees are covered under Employees Gratuity Scheme which is a defined benefit plan and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year end. All actuarial gains / losses arising during the accounting year are recognized immediately in the Statement of Profit and Loss as income or expense.

3. Post-employment benefits (defined contribution plans):

Retirement benefit in the form of provident fund is a defined contribution scheme. Employees covered under contributory provident fund benefit of a contribution of 12% of salary and certain allowances. The contributions to the provident fund are charged to the Statement of Profit and Loss of the year when the contributions are due. There are no obligations other than the contributions payable to the provident fund.

4. Long-term employee benefits:

Long term employee benefits comprise of compensated absences. These are measured on the basis of year-end actuarial valuation in pursuance of the Company's leave rules. All actuarial gains / losses arising during the accounting year are recognized immediately in the Statement of Profit and Loss as income or expense.

Previously, the management was following the policy of calculation of leave encashment expenses on the cost to company (CTC) of all the eligible employees. With effect from current year, the management has decided to follow the policy of calculation of leave encashment expenses on the basic salaries of all the eligible employees as per company leave encashment policy. The effect of the same has been given prospectively.

j. Provision for current and deferred tax:

Tax expense comprises of both current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rate and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of the current period timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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 that 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 recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset 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" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

k. Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after dividend on cumulative preference shares and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l. Segment reporting

The Company is in the business of manufacturing and selling of all kinds of plastic packaging products, plastic material and other ancillary products. The Company's business falls within a single business segment of 'Plastic Packaging Manufacturing'. The analysis of geographical segments is based on the geographical location of the customers (with in India and rest of world).

m. Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n. Contingent liabilities

A contingent liability is a possible obligation that may arise from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare case where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statements.

o. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and cash in hand and short-term investment with an original maturity of three months or less.

p. Finance Cost

Finance costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

q. Foreign Currency Translation

Foreign Currency Transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign Exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the statement of profit and loss.

CHARTERED ACCOUNTANTS

r. Impact of COVID-19

The COVID -19 pandemic is rapidly spreading throughout the world. The operations of the Company were impacted, due to shutdown of all offices, following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial results as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.

Oswal Extrusion Limited
Balance Sheet as at March 31st, 2020

Particulars	Notes	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Equity and liabilities			
Shareholders' funds			
Share capital	3	937.74	937.74
Reserves and surplus	4	6,602.56	6,373.56
		7,540.30	7,311.30
Non-current liabilities			
Long term borrowings	5	2,141.40	2,146.80
Deferred tax liabilities (net)	6	554.78	614.41
Other long-term liabilities	7	496.64	681.63
Long-term provisions	8	94.11	97.94
		3,286.93	3,540.78
Current liabilities			
Short term borrowings	9	5,315.05	5,970.13
Trade payables	10		
Total outstanding dues of micro and small enterprises		4.00	3.99
Total outstanding dues of creditors other than micro and small enterprises		5,042.18	4,032.23
Other current liabilities	11	964.66	966.78
Short-term provisions	8	72.17	9.82
		11,398.06	10,982.95
TOTAL		**22,225.29**	**21,835.03**
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	12	7,814.74	8512.18
Intangible assets	12	-	46.32
Capital work in progress	12	15.76	15.09
Loans and advances	13	621.25	640.97
Other non-current assets	14	-	-
		8,451.75	9,214.56
Current assets			
Inventories	15	6,023.60	5295.59
Trade receivables	16	6,437.23	6134.95
Cash and bank balances	17	221.12	116.14
Loans and advances	13	727.31	673.82
Other current assets	14	364.28	399.97
		13,773.54	12,620.47
TOTAL		**22,225.29**	**21,835.03**
Summary of significant accounting policies.	1-2		
Other Notes to Financial Statement	26-38		

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For O R MALOO & CO.
Chartered Accountants
ICAI Firm Registration No.: 135561W

per CA Omkar Maloo
Partner
Membership No.: 044074

For and on behalf of the Board of Directors of
Oswal Extrusion Limited
CIN No: U25200GJ2004PLC045239

Ashok Kumar Sharma
Director
DIN No. 07147046

Siddharth Parekh
Director
DIN No. 01688066

Chetan Parmar
Company Secretary
Place : Ahmedabad
Date : September 28, 2020

Place : Ahmedabad
Date : September 28, 2020

Oswal Extrusion Limited
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Income			
Revenue from operations (gross)		38,659.42	37,526.15
Revenue from operations (net)	18	38,659.42	37,526.15
Sale of services		197.87	802.20
Other revenue from operations		535.18	903.61
Total Revenue from operations		39,392.47	39,231.96
Other income	19	156.64	501.65
Total revenue		**39,549.11**	**39,733.61**
Expenses			
Cost of raw material and components consumed	20	24,577.90	24,271.51
Purchase of traded goods	21	5,019.00	5,628.90
Changes in inventories of finished goods, work-in-progress and stock in trade	22	294.27	(647.21)
Employee benefits expenses	23	1,792.90	1,945.57
Depreciation and amortization expenses	12	1,037.92	1,152.44
Finance costs	24	1,146.25	1,147.64
Other expenses	25	5,409.65	5,887.25
Total expenses		39,277.89	39,386.09
Profit before tax		271.22	347.52
Tax expenses			
Current tax		101.85	122.25
Deferred tax charge		(59.62)	9.48
		42.22	131.73
Profit for the year		229.00	215.79
Earnings per equity share [(nominal value of share Rs.10 (31 March 2019: Rs. 10)]			
Basic	26	2.44	9.23
Diluted		2.44	2.30
Summary of significant accounting policies.	1-2		
Other Notes to Financial Statement	26-38		
The accompanying notes are an integral part of these financial statements.			

As per our report of even date

For O R MALOO & CO.
Chartered Accountants
ICAI Firm Registration No.: 135561W

per CA Omkar Maloo
Partner
Membership No.: 044074

Place : Ahmedabad
Date : September 28, 2020

For and on behalf of the Board of Directors of
Oswal Extrusion Limited
CIN No: U25200GJ2004PLC045239

Ashok Kumar Sharma
Director
DIN No. 07147046

Siddharth Parekh
Director
DIN No. 01688066

Chetan Parmar
Company Secretary
Place : Ahmedabad
Date : September 28, 2020

Oswal Extrusion Limited
Statement of Cash Flow for year ended March 31, 2020

Particulars	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Cash Flow from Operating Activities		
Profit before tax	271.22	347.52
Depreciation and amortisation	1,037.92	1,152.44
Interest and finance charges	1,146.25	1,147.64
Interest income	-64.96	-218.61
Loss on Sale of Fixed Assets (net)	-5.79	52.42
Liabilities no longer required written back	-89.04	-51.04
Advances written off	-	-
Unrealised gain on foreign exchange	-68.56	-308.60
Operating profit before working capital changes:	**2,227.03**	**2,121.77**
Operating Profit Before Working Capital Changes :	2,227.03	2,121.77
Movement in working capital :		
(Increase) in inventories	-728.01	-669.14
Increase / (decrease) in trade receivables	-233.72	107.39
(Increase) / decrease in loans and advances	-33.77	2,402.24
(Increase) in other current and non-current assets	-	17.00
(Decrease) / increase in other long term liability	-184.99	-762.34
(Decrease) / increase in trade payables	1,009.99	433.26
Increase in other current liabilities	86.92	226.67
(Decrease) in short term provisions	62.35	-41.71
Increase in long term provisions	-3.83	-5.93
(Increase) in other non-current assets	35.69	-207.25
Cash generated from operations	**2,237.63**	**3,621.96**
Direct taxes paid (net of refunds)	-101.85	-122.25
Net operating cash flow from operating activities (A) :	**2,135.78**	**3,232.88**
Cash Flow from Investing Activities :		
Purchase of fixed assets, including increase or decrease in capital work in progress and capital advances	-548.99	-2,215.68
Investments in bank deposits (with maturity of more than three months)		-30.34
Proceeds from sale of fixed assets	259.94	132.42
Loan given to subsidiary company		-
Interest received	64.96	218.61
Net Operating cash flow (used in) from investing activities (B) :	**-224.09**	**-1,895.99**
Cash flow from financing activities :		
Proceeds from issuance of share capital		
Proceeds/(repayment) from long term borrowings	-5.40	-93.76
Proceeds/ (repayment) from short term borrowings	-655.06	-412.58
Repayments of short term borrowings		
Non Current Portion of Fixed Deposit maturing after one year		
Current Portion of fixed deposit accounts maturing after three months	-101.07	
Cash Credit & Short Term Borrowings		
Dividend paid		
Interest and finance charges	-1,146.25	-1,147.64
Net operating cash flow (used in) financing activities (C) :	**-1,907.78**	**-1,683.98**
Net Increase /(decrease) in cash and cash equivalents (A + B + C)	3.91	-80.27
Cash and cash equivalents at the beginning of the year	15.11	95.38
Cash and cash equivalents at the end of the year	**19.02**	**15.11**
	221.12	116.14
Components of cash and cash equivalents:		
Cash on hand	1.72	[illegible]
With Banks - On current account	17.29	12.63
With Bank - In Deposit Accounts*	-	-
With Banks - On cash credit account	-	-
With Banks - On deposit account	-	-
Total cash and cash equivalents (refer note 17)	**19.02**	**15.11**

O R MALOO & CO
CHARTERED ACCOUNTANTS

3. Share capital

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Authorised share capital:		
1,25,40,000 (previous year: 20,00,000) equity shares of Rs. 10 each	1,254.00	200.00
600,000 (previous year: 600,000) 'A' Ordinary Shares of differential voting rights of Rs. 10 each	60.00	60.00
NIL (previous year: 7,040,000) Convertible Preference Shares of Rs. 10 each	0.00	704.00
	1314.00	964.00
Issued, subscribed and fully paid-up share capital:		
A. Equity shares:		
'8,798,174 (previous year: 1,758,174) equity shares of Rs. 10 each fully paid up	879.82	175.82
B. Equity shares:		
579,200 (previous year: 579,200) 'Class A' Ordinary Shares of Rs. 10 each fully paid up	57.92	57.92
C. Preference shares		
'NIL (previous year: 7,040,000) convertible preference shares of Rs. 10 each fully paid up	0.00	704.00
	937.74	937.74

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year :

	31 March 2020		31 March 2019	
	No.	Amount (Rs. In Lakhs)	No.	Amount (Rs. In Lakhs)
A. Equity shares having nominal value of Rs. 10 per share				
At the beginning and at the end of the financial year	8,798,174	879.82	1,758,174	175.82
	8,798,174	879.82	1,758,174	175.82
B. Class A' Ordinary shares of Rs. 10 each fully paid up				
At the beginning and at the end of the financial year	579,200	57.92	579,200	57.92
	579,200	57.92	579,200	57.92
C. 0.1% Convertible Preference Shares of Rs. 10 each fully paid up				
At the beginning and at the end of the financial year	-	-	7,040,000	704.00
	7,040,000	704.00	7,040,000	704.00

(b) Terms / rights attached to equity shares:

A. Equity shares

The Company has issued two class of equity shares having at par value of Rs. 10 per share. Each holder of the equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval to the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The company has also increased its Authorised share Capital from 9.64Cr to 13.14Cr to augment the conversion of Preference Share Capital into Equity Share Capital during this financial year.

B. 'A' Ordinary Shares of differential voting rights

If any resolution at any general meeting of shareholders is put to vote on poll, or if any resolution is put to vote by postal ballot, each class 'A' Ordinary shareholder shall be entitled to 36 vote for every one class 'A' Ordinary shares held irrespective of differential dividend rights. In case there is a resolution put to vote in the shareholders meeting and is to be decided on a show of hands, the holders of class 'A' Ordinary shares shall be entitled to the same number of votes as available to holders of equity shares.

C. 0.1% Convertible Preference Shares

Company had issued 70,40,000 0.1% Convertible Preference Shares of face value of Rs. 10 each at par aggregating to Rs. 7,04,00,000 on March 24, 2014. The shares shall be convertible after a period of 20 years or as per the decision taken by the board and on such terms and conditions as in the benefit of the company and its share holders. Since the comapany has not paid any preference dividend since issuance and in order to protect the interest of the Preference Share holders entitleing them to bring them at par with Equity Share Holders and pusuant to the provisions of section 48 and 55 and other applicable provisions, if any, of the Companies Act 2013 and rules made thereunder and as consented by the preference shareholders, the company altered the terms of the Convertible Preference Shares for automatic conversion at the price being decided by the Board at any time after approval of members and Preference Shareholders. Consequent upon the approval of the preference shareholders and members of the company for change of terms of issuance of preference shares, the preference shares is being converted into equity into two tranches at par which shall rank parri passu in all respects.

The said preference shares have been converted to equity vide EGM held on 1st July 2019.

Name of Shareholder	31 March 2020		31 March 2019	
	No. of shares	% holding in class	No. of shares	% holding in class
Equity shares having nominal value of Rs. 10 per share:				
Plastene India Limited	1,758,174	19.98%	1,758,174	100.00%
Mrs. Manjudevi Parekh	1,760,000	20.00%	-	-
Mrs. Manisha Parekh	1,760,000	20.00%	-	-
Mr. Siddharth Parekh	1,760,000	20.00%	-	-
Mrs. Sushma Parekh	1,760,000	20.00%	-	-
Class A' Ordinary shares of Rs. 10 each fully paid:				
Mr. Shantilal Parekh	60,816	10.50%	60,816	10.50%
Mrs. Manjudevi Parekh	60,816	10.50%	60,816	10.50%
Shantilal Parekh-HUF	60,816	10.50%	60,816	10.50%
Miss Mahi Parekh (through Guardian Sushma Parekh)	60,816	10.50%	60,816	10.50%
Mrs. Manisha Parekh	60,816	10.50%	60,816	10.50%
Miss Dia Parekh (through Guardian Manisha Parekh)	60,816	10.50%	60,816	10.50%
Mr. Siddharth Parekh	60,816	10.50%	60,816	10.50%
Mrs. Sushma Parekh	60,816	10.50%	60,816	10.50%
Siddharth Parekh-HUF	60,816	10.50%	60,816	10.50%
Mr. Sanjay Salecha	31,856	5.50%	31,856	5.50%
0.1% Convertible Preference Shares of Rs. 10 each fully paid up:				
Mrs. Manjudevi Parekh	0	0.00%	1,760,000	25.00%
Mrs. Manisha Parekh	0	0.00%	1,760,000	25.00%
Mr. Siddharth Parekh	0	0.00%	1,760,000	25.00%
Mrs. Sushma Parekh	0	0.00%	1,760,000	25.00%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Reserves and surplus

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs In Lakhs)
Securities premium		
Balance at the beginning and at the end of the year	1,587.06	1,587.08
Closing balance	1,587.08	1,587.08
Surplus in the statement of profit and loss		
Balance as per the last financial statements	4,786.48	4,538.94
Add : Profit for the year	229.00	215.79
(i) Previous Year Tax Ajustments	-	31.75
Net Surplus in statement of profit/loss	5,015.48	4,786.48
	6,602.56	6,373.56

5. Long term borrowings

	Non-current		Current*	
	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Term loan/Corporate loan from banks				
Indian rupee loan from banks (secured)	2,057.50	2,042.51	678.31	656.11
Other loans and advances				
Vehicle loan (secured)	83.89	51.17	35.67	21.84
Loans from others (unsecured)	-	53.12	-	-
	2,141.40	2,146.80	713.98	677.95
The above amount includes				
Secured borrowings	2,141.40	2,093.68	713.98	677.95
*Amount disclosed under the head "other current liability" (refer note 11)			(713.98)	(677.95)
Net amount	2,141.40	2,146.80	-	-

a. Term Loan/Corporate Loan from banks

Terms of Repayment :

State Bank of India:

Corporate Loan of Rs. 3000 lakhs was sanctioned by State bank of India in financial year 2015-16 which is converted to USD loan by availing FCNR and carries interest @ 12 month USD L+400 basis points p.a. during the reporting period. It is repayable in 100 monthly instalments ranging from USD 15,423 - USD 61,690.

Dena Bank:

Term Loan of Rs. 453 Lakhs sanctioned by Dena Bank in financial year 2013-14 and carried interest @ 13.35% p.a. during the reporting period and being repaid fully in November 2019. Term Loan was repayable in 72 monthly instalments ranging from Rs. 7.24 – 16.67 lakhs.

Security:

Term Loan: Pari passu 1st charge over entire fixed assets of the Company under consortium arrangement except machines financed by SREI Equipment Finance Limited and Siemens Financial Service Pvt. Ltd and Tata Capital Financial Services Limited.

Corporate Loan: Pari passu 1st charge over entire fixed assets of the Company under consortium arrangement except machines financed by SREI Equipment Finance Limited and Siemens Financial Service Pvt. Ltd and Tata Capital Financial Services Limited . Pari passu 1st charge by way of hypothecation of the entire current assets with other working capital lenders of the company.

Collateral:

(1) EM over freehold immovable property located at 1st Floor, of HB Jirawala House, at Navbharat Co Op Housing Soc. Opp Panchsheel Bus stand, Usmanpura, Ahmedabad in name of Mr. Prakash H Parekh.

(2) EM over the freehold factory land & building located at 828, Near Ambica Estate, Kothari Char Rasta, Rakanpur Santej Ahmedabad in the name of HCP Enterprise Ltd (erstwhile known as M/s YMP Machineries Limited) admeasuring area 6469 Sq. Mt.

(3) EM over Residential Property at Plot no 156, Sector-4, Gandhidham in name of O.L. Chopra exclusively with SBI.

Guarantee:

All the facilities are also secured by personal guarantees of the director namely Shri Siddharth Parekh and third party guarantee of Shri Chetan Parekh, Mr. Prakash Parekh with SBI Consortium and third party Guarantee of Mr. Omprakash L. Chopra exclusively with SBI, along with Corporate guarantee by M/s HCP Enterprise Limited (erstwhile known as M/s YMP Machineries Limited) to further secure the above stated facilities.

Outside consortium:

SREI Equipment Finance Limited (SEFL): Equipment finance of Rs. 9.33 lakhs was sanctioned by SEFL in FY 2017-18 and carried interest of 9.19% p.a. and being fully paid during the reporting period and 83.07 lakhs and 449.85 was sanctioned by SFSPL in 2017-18 and 2018-19 and caries interest rate 11.11% to 11.15% p.a. and 114.37 lakhs was sanctioned by TCFSL in FY 2018-19 and carries interest 12% p.a. SREI Loan are repayable in 29 monthly instalments of Rs. 0.36 Lacs and SFSPL Loans are repayable in 54 month installment of 12.59 lacs and TCFSL loan are repayable in 60 Installments 2.12 Lakhs (excludig interest). Loans are secured by way of specific machine financed by SEFL and and SFSPL and TCFSL.

b. Vehicle Loan:

Bank of Baroda: The vehicle finance loan is taken during the year 2019-20 amounting to Rs. 18.0 Lakhs for 2 No of vehicles and being secured by hypothecation of the related vehicles. The same are repayable in Equated Monthly Instalment (EMI) of 31353 over a period 60 months and carrying a rate of interest of 08.40%.

HDFC Bank: The vehicle finance loan is taken during the year 2017-18 of Rs. 34.50 Lakhs for 1 No. of vehicle & is secured by hypothecation of the related vehicle. The loan is repayable in Equated Monthly Instalment (EMI) of Rs. 69500 over a period 60 months and carrying a rate of interest of 8.01%

ICICI Bank: The vehicle finance loans are taken during the years 2016-17, 2018-19 & 2019-20 from ICICI Bank amounting to Rs. 76.09 lakhs for 6 No. of vehicles & are secured by hypothecation of the related vehicles. The same are repayable in Equated Monthly Instalment (EMI) varying from 15650 to 35250 over a period 36 to 60 months and carrying a rate of interest of 8.51 % to 10%.
Kotak Mahindra Bank Ltd: The Equipment finance loan is taken during the year 2019-20 amounting to Rs. 42.37 Lakhs for 1 No of JCB and being secured by hypothecation of the related equipment. The same are repayable in Equated Monthly Instalment (EMI) of 104805 over a period 47 months and carrying a rate of interest of 08.64%.

Loan Against Property:

Cholamandalam Investment and Finance Limited and ICICI Bank Limited: The LAP finance loan is taken during the year 2019-20 amounting to Rs. 149.0 Lakhs and Rs. 195.00 Lakhs respectively against mortgage of third party residential properties. The same are repayable in Equated Monthly Instalment (EMI) of 205248 and 209605 over a period 10-15 years and carrying a rate of interest of 11% & 10% respectively.

6. Deferred tax liabilities (net)

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Deferred tax liability		
Total deferred tax liability(net)	554.78	614.41
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis on employee benefits		
Total deferred tax asset	-	-
Deferred tax liability (net)	554.78	614.41

7. Other long term liabilities

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Other long term liabilities	496.64	681.63
	496.64	681.63

CHARTERED ACCOUNTANTS

8. Provisions

	Non-current		Current	
	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Provision for employee benefits:				
Provision for leave benefits	18.67	21.86	4.33	3.78
Provision for gratuity	75.44	76.08	7.88	6.04
Other provisions:				
Provision for taxation (net of advance tax and TDS)	-	-	59.96	-
	94.11	97.94	72.17	9.82

9. Short term borrowings

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Other loans (repayable on demand)		
Working capital facilities (secured)	5,315.05	5,970.13
	5,315.05	5,970.13
The above amount includes		
Secured borrowings	5,315.05	5,970.13
Unsecured borrowings	-	-

Working capital facilities from banks:

10. Trade Payables

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Trade Payables (refer note 28)		
Total outstanding dues of micro and small enterprises	4.00	3.99
Total outstanding dues of creditors other than micro and small enterprises	5,042.18	4,032.23
	5,046.18	4,036.22

11. Other Current Liabilities

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Current maturities of long term debts (refer note 5)	713.98	677.95
Advance from customers	0.00	45.08
Creditors for capital goods	28.41	28.43
Statutory dues payable	10.35	33.10
Employee benefits payable	116.34	147.08
Other payables	95.57	35.14
	964.66	966.79

O R MALOO
CHARTERED ACCOUNTANTS

12 Property, Plant and Equipment, Intangible Assets & Capital Work in Progress

Particulars	Factory Buildings	Office / administrative building	Plant & Machinery	Electrical Installations	Computers	Office equipment's	Furniture and fixtures	Vehicles	Total	Software	New Product Development	Total	Capital Work In Progress
Gross block at cost													
At April 1, 2018	2,277.61	2.84	6,563.26	388.98	44.64	83.73	122.92	150.30	9,634.29	67.64	504.47	572.11	1,387.48
Additions	528.99	-	2,969.66	17.53	9.14	12.57	28.14	22.41	3,588.44	-	-	-	54.25
Deletions	-	-	439.67	5.98	1.93	7.87	6.42	10.79	472.67	-	-	-	1,426.64
At March 31, 2019	2,806.61	2.84	9,093.24	400.53	51.85	88.42	144.63	161.92	12,750.05	67.64	504.47	572.11	15.09
Addition	44.55	0.04	408.58	15.52	3.83	10.09	0.61	65.10	548.32	-	-	-	15.76
Deletion	7.48	-	638.90	2.07	1.23	3.11	5.97	-	658.77	-	-	-	15.09
At March 31 , 2020	2,843.67	2.88	8,862.93	413.98	54.45	95.40	139.28	227.02	12,639.61	67.64	504.47	572.11	15.76
Depreciation													
At April 1, 2018	437.19	0.82	2,662.46	220.61	44.78	68.17	61.28	69.43	3,564.73	40.81	294.27	335.09	-
									-				
Charge for the year	96.85	0.12	781.60	42.50	0.89	8.02	14.71	17.06	961.74	22.55	168.16	190.70	-
Deletions	-	-	263.82	3.21	1.92	7.36	4.06	8.22	288.59	-	-	-	-
At March 31, 2019	534.04	0.93	3,180.24	259.90	43.76	68.82	71.93	78.26	4,237.88	63.36	462.43	525.79	-
Charge for the year	110.31	0.12	804.71	35.13	3.71	7.49	13.96	16.18	991.60	4.28	42.04	46.32	-
Deletion	1.35	-	393.92	1.15	1.23	2.26	4.71	-	404.62	-	-	-	-
At March 31,2020	642.99	1.05	3,591.03	293.88	46.24	74.05	81.18	94.44	4,824.86	67.64	504.47	572.11	-
Net block													
At March 31 ,2020	2,200.68	1.84	5,271.90	120.10	8.21	21.35	58.09	132.58	7,814.75	-	-	-	15.76
At March 31 ,2019	2,272.57	1.91	5,913.00	140.63	8.09	19.60	72.70	83.66	8,512.17	4.28	42.04	46.32	15.09

13. Loans and advances (Unsecured, considered good)

	Non Current		Current	
	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Capital advances				
Capital advances (Unsecured considered good)	48.01	94.19	-	-
Security deposits				
Security deposits (Unsecured considered good)	476.23	469.81	-	-
Advances recoverable in cash or in kind for value to be received				
Advance for supply of goods and rendering of services	- -		124.53	51.47
Others loans and advances				
Advance tax and Tax deducted at source (net of provision for tax)	97.01	55.76		
MAT credit entitlement	-	21.20		
Pre-paid expenses			192.27	172.67
Advances to employees			18.55	15.26
Other advances			-	14.21
Balance with Govt. Authorities	-	-	391.98	420.23
	621.25	640.97	727.31	673.82

14. Other assets: (Unsecured, considered good)

	Non Current		Current	
	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Non-current bank balance (refer note 17)	-	-	-	-
Export incentives receivable	-	-	155.02	190.71
Interest receivable on fixed deposits	-	-	0.10	0.10
Insurance claim receivable	-	-	209.16	209.16
	-	-	364.28	399.96

15. Inventories (valued at lower of cost and net realizable value)

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Raw materials, stores and spares (*Including Job Work Stock)	2,616.80	1,602.07
Stores and spares	197.31	183.61
Work-in-progress	1,082.29	787.60
Finished goods	2,086.82	2,675.78
Packing materials	40.39	46.53
	6,023.60	5,295.59

16. Trade receivables

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Outstanding for a period exceeding six months from the date from which they are due for payment		
Unsecured, considered good	795.41	629.58
Unsecured, considered doubtful	-	-
	795.41	629.58
Less : Provision for doubtful debts	-	-
	795.41	629.58
Other receivable (unsecured, considered good)	5,641.82	5,505.37
	6,437.23	6,134.95

17. Cash and bank balances

	Non Current		Current	
	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Cash on hand			1.72	2.48
Balance with banks			-	-
On current accounts			17.29	6.63
On foreign currency accounts			-	6.00
			19.02	15.11
Other bank balances				
Deposits with remaining maturity for more than 12 months*	-	-	-	-
Deposits with remaining maturity for less than 12 months*	-	-	202.10	101.03
	-	-	202.10	101.03
(-) Amount disclosed under non-current assets (refer note 14)	-	-	-	-
	-	-	221.12	116.14

*Represent margin money deposit pledged as lien against working capital facilities from banks.

18. Revenue from operations

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Sales of products		
Sale of Finished goods	33,788.99	31,982.58
Sale of Traded goods	4,870.43	5,543.57
	38,659.42	37,526.15
Sale of Services		
Income from Job work charges	197.87	802.20
	197.87	802.20
Other operating revenue	0.72	-
Commission income	168.23	333.85
Export incentives	297.67	261.16
Exchange rate difference (Operational)	68.56	308.60
	535.18	903.61
Revenue from operations (gross):	39,392.47	39,231.96
Less: Excise duty		
Revenue from operations (net):	39,392.47	39,231.96

19. Other income

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Interest income on		
Interest from Bank deposits	10.70	4.95
Interest from customers	-	1.17
Interest from Others	54.26	213.66
Liabilities no longer required	89.04	51.04
Other non-operating income	2.63	230.83
	156.64	501.65

20. Cost of materials consumed

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Inventory of raw and packing material at the beginning of the financial year	1,648.60	1,577.02
Add : Purchase of Raw Material	25,139.03	23,969.73
Add : Purchase of Packing Material	346.48	314.26
Add : Purchase Related Expenses	100.97	59.10
Purchases during the period	25,586.48	24,343.09
	27,235.08	25,920.11
Less : Inventory of raw and packing material at the end of the period	2,657.18	1,648.60
	24,577.90	24,271.51

21. Purchase of traded goods

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Add : Purchase of Traded Goods	5,019.00	5,628.90
	5,019.00	5,628.90

25. Other expenses

	31 March 2020(Rs. In Lakhs)	31 March 2019(Rs. In Lakhs)
Power and fuel	1,167.61	1,114.61
Repairs and maintenance :		
- Plant & machinery	141.44	112.61
- Building	18.34	33.67
- Others	37.84	35.44
	197.62	181.72
Labour job work charges	1,705.81	2,216.05
Stores, Spares & Consumables :		
Inventory of Stores, Spares & Consumables at the beginning of the financial year	183.61	233.27
Purchase of Stores, Spares & Consumables	505.94	511.20
Inventory of Stores, Spares & Consumables at the end of the financial year	197.31	183.61
Stores, Spares & Consumables	492.24	560.85
Water charges	42.23	52.86
Testing charges	8.15	3.91
Postage & courier expenses	87.47	107.09
Selling and distribution expenses	997.16	901.25
Rental expense (Refer Note - 29)	357.34	317.19
Rates and taxes	5.16	8.31
Insurance	61.06	54.97
Electricity expenses	41.11	74.41
Legal and professional charges	92.46	94.14
Printing and stationery expenses	13.64	14.95
Loss on sale of Property, plant and equipment	(5.79)	52.42
Communication expenses	2.24	8.39
Auditors' remuneration	2.64	5.11
Security and housekeeping expenses	44.92	54.53
Miscellaneous expenses	96.58	64.48
	5,409.65	5,887.25

Payment to auditors:		
As Auditor		
Statutory audit fees	2.50	2.50
	2.50	2.50

26 Earnings per Share (EPS)

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Basic and diluted earnings per share :-		
Profit for the year attributable to equity share holders	229.00	215.79
Weighted average number of shares		
Weighted average number of equity Shares of Rs.10/-each used for Basic EPS	9,377,374	2,337,374
Weighted average number of equity Shares of Rs.10/-each used for Diluted EPS	9,377,374	9,377,374
Face value per share (Rs.)	10.00	10.00
Basic and diluted earnings per share (EPS) (Rs.)*	2.44	9.23
Diluted earnings per share (EPS) (Rs.)	2.44	2.30
Diluted earnings per share :-		
Computation of profit		
Net profit as above	229.00	215.79
Add: Dividend on preference shares and tax thereon	-	-
Net profit for calculation of diluted EPS	229.00	215.79
Weighted average number of shares		
Weighted average number of equity shares as above	9,377,374	9,377,374
Add: Convertible preference shares	-	-
Total weighted average number of shares in calculating Diluted EPS.	9,377,374	9,377,374
Diluted earnings per share (EPS) (Rs.)	2.44	2.30
Face value per share (Rs.)	10.00	10.00

27 Employees benefits

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution is charged to the Statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and other funds for the year are as follows:

Particulars	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Provident Fund	40.48	43.82
	40.48	43.82

Post employment benefits: Gratuity
The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Statement of profit and Loss		
Net employee benefit recognized in the employee cost:		
Current service cost	24.29	19.66
Interest cost on benefit obligation	6.31	6.04
Expected return on plan assets	-	-
Net actuarial (gain) / loss	(13.06)	6.87
Net benefit expense	17.54	32.57
Change in the present value of the define benefit are as follows:		
Obligation at the beginning of the year	82.11	76.60
Current service cost	24.29	19.66
Interest cost on benefit obligation	6.31	6.03
Actuarial (Gain) / Loss	(13.06)	6.86
Benefits paid during the year	(16.35)	(27.04)
Closing defined benefit obligation	83.30	82.11

Balance Sheet		
Reconciliation of liability recognised in the balance sheet		
Present Value of Unfunded Obligations	83.30	82.12
Fair value of plan asset	-	-
Net (liability) / asset in the balance sheet	**83.30**	**82.12**

The principal assumption used in determining gratuity for the company's are shown below:		
Discount rate	6.83%	7.69%
Employee turnover	6.00%	6.00%
Salary escalation	6.00%	6.00%

Experience adjustment for the current and previous periods:*

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)	31 March 2018 (Rs. In Lakhs)
Defined benefit obligation	83.30	82.12	76.60
Experience adjustments on plan liabilities	(1.20)	(6.04)	(5.25)

The estimates of future salary increase, considered in the actuarial valuation, take into account inflation, promotion and other relevant factors, such as supply and demand into the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.
*To the extent information available with the management.

Other Long term employee benefits:
The liability towards compensated absences for the year ended March 31, 2020 based on actuarial valuation carried out by using Projected Accrued Benefit Method resulted in an increase in liability by Rs. 1.20 lakhs (March 31, 2019 : Rs. 6.04 lakhs)

28 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The details of suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 is disclosed in notes. In the opinion of the management, the impact of interest is Rs 55828 , that may be payable in accordance with the provisions of the Act is not expected to be material.

29 Leases

Assets taken on operating leases:

The company has entered into lease agreements for office premises, factory sheds and guest houses. The lease typically runs for a period ranging between 11 to 33 months. These leasing arrangements are cancellable and are renewable on a periodic basis by mutual consent on mutually accepted terms including escalation of lease rent, as the case may be.

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Lease payments recognized in the statement of profit and loss for the year.		
In respect of premises taken on lease	357.34	317.19
	357.34	**317.19**

30 Contingent Liabilities

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Claims against the Company not acknowledged as debts:		
i) Income tax related matters:		
In respect of matters decided against the Company for which the Company is in appeal with higher authorities.	517.53	394.69
In respect of matters decided in favor of the Company for which the department is in appeal with higher authorities.	17.22	17.22
iii) Employee related and other matters:	17.12	17.12

31 Derivative instruments and unhedged foreign currency exposure

Category	31-Mar-20 Currency	Foreign Currency	Equivalent Rs.in lakhs
Forward exchange contracts (to hedge Payables)			
Bank Borrowing facilities - Term Loan	USD	25,66,963	1,942.42
Bank Borrowing facilities - Demand Loan	USD	20,02,490	1,515.28
	Equivalent Rs.in lakhs	45,69,453	3,457.71

Un-hedged foreign currency Exposure

	Currency	31 March 2020	31 March 2019
Trade Receivables (net of bill purchased)	EUR	11,13,620	18,33,043
	USD	17,24,538	14,89,345
	GBP	6,46,643	7,19,789
	Equivalent Rs.in lakhs	2,822.88	3,110.40
Import trade payable	EUR	-	9,01,412
	CHF	-	441
	USD	6,29,202	6,50,614
	Equivalent Rs.in lakhs	456.87	1,156.94
Advance from Customers	EUR	13,402	16,533
	USD	-	66,333
	GBP	-	1,583
	Equivalent Rs.in lakhs	10.98	61.43
Advance to supplier	EUR	10,172	6,180
	USD	3,877	36,453
	CHF	-	-
	Equivalent Rs.in lakhs	11.13	31.29
Bank Borrowing facilities	EUR	-	-
	USD	45,69,453	29,16,590
	Equivalent Rs.in lakhs	3,457.71	2,016.97

32 Value of imports calculated on CIF basis

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Raw materials, stores and spares	2,290.68	2,124.97
	2,290.68	2,124.97

33 Imported and indigenous raw materials, stores and spare parts consumed

	31 March 2020 % of total consumption	31 March 2020 Value (in Rupees)	31 March 2019 % of total consumption	31 March 2019 Value (in Rupees)
Raw materials, stores and spares				
Imported	9%	2,290.68	9%	2,124.97
Indigenous	91%	22,779.46	91%	22,707.39
	100%	25,070.14	100%	24,832.36

34 Expenditure in foreign currency (accrual basis)

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Interest charges	5.15	3.51
Commission expenses	18.75	36.68
Freight expenses	47.97	40.98
Travelling expenses	-	0.62
	71.87	81.79

SHAIVAL PLAZA, GUJARAT COLLEGE RD., AHMEDABAD-6. CHARTERED ACCOUNTANTS

35 Earnings in foreign currency (accrual basis)

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
Exports at F.O.B. value	17,607.36	15,729.90
	17,607.36	15,729.90

36 Segment Reporting

The Company is in the business of manufacturing and selling of all kinds of plastic packaging products, plastic material and other ancilliary products. Since the Company's business falls within a single business segment of 'Industrial Packing Manufacturing', no further financial information for Business Segments is given under Accounting Standard-17 "Segment Reporting".

Secondary segment - Geographical segment:

Reportable Geographical Segments have been identified based on location of customers. The geographical segments have been identified based on revenues from various geographical locations outside India (sales to customers located outside India).

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole. The following table presents segment information of the company by Geographical market:

(Rs. In Lakhs)

Year ended March 31, 2020	India	Rest of world	Total
Revenue			
Sales of goods to customers	21,052.06	17,607.36	38,659.42
Revenue from operations	21,052.06	17,607.36	38,659.42

(Rs. In Lakhs)

Year ended March 31, 2019	India	Rest of world	Total
Revenue			
Sales of goods to customers	21,796.25	15,729.90	37,526.15
Revenue from operations	21,796.25	15,729.90	37,526.15

Other segment information : Segment assets

The following table shows the carrying amount of segment assets and capital expenditure during the year by geographical market in which the

(Rs. In Lakhs)

Year ended March 31, 2020	India	Rest of world	Total
Segment assets	4,084.19	2,478.46	6,562.65

(Rs. In Lakhs)

Year ended March 31, 2019	India	Rest of world	Total
Segment assets	5,249.68	2,656.90	7,906.58

Cost incurred to acquire fixed assets (Rs. In Lakhs)

Year ended March 31, 2020	India	Rest of world	Total
Segment assets	548.32	-	548.32

(Rs. In Lakhs)

Year ended March 31, 2019	India	Rest of world	Total
Segment assets	3,588.44	-	3,588.44

37 As per section 135 of Companies Act, 2013, every company which fulfils the prescribed thresholds, shall constitute a CSR Committee, prepare a CSR policy and spend amount equal to 2% of the average profits of past 3 years. The company has formed CSR Committee as prescribed under Act however, not spent amount as mentioned in section 135 of the Act. The company should have spent Rs. 12 lakhs (31 March 2019: Rs. 16.40 lakhs) as CSR expense for financial year 2019-20 as per section 135 of the Act.

	31 March 2020 (Rs. In Lakhs)	31 March 2019 (Rs. In Lakhs)
a. Gross amount required to be spent by the group during the year	12.00	16.40
b. Amount spent for CSR till 31 March 2019		
i) Construction/Acquisition of any asset	-	-
ii) On purposes other than (i) above	-	0.90
Amount spent for CSR till 31 March 2018		
i) Construction/Acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-