

2021

33rd Annual Report



Purity Flexpack Limited

Think Packaging, Think us

Board of Directors

Mr. Anil Patel - Chairman & Managing Director (CEO)
 Mrs. Kokila Patel - Director
 Mr. Kunal Patel - Whole-time Director (CFO)
 Mrs. Vaishali Amin - Director (w.e.f. 12.09.2020)
 Mr. Harshad Bhatt - Director (upto 26.06.2021)
 Mr. Manish Baxi - Director
 Mr. Darshak Sheth - Director
 Mr. Nilesh Patel - Director
 Mr. Avant Amin - Director
 Mr. Nirat Kothari – Director (w.e.f. 15.03.2021)

Company Secretary & Compliance Officer

Ms. Vandana J Machhi
 (From 29.10.2020 to 15.03.2021)

Bankers

Axis Bank Limited

Statutory Auditors

M/s. Modi & Joshi
 Chartered Accountants
 301, Sumangal Chamber,
 Kharivav Road,
 Jambubet,
 Dandia Bazar,
 Vadodra 390 001

Factory & Registered Office

At: Vanseti,
 Post: Tajpura, Near Halol,
 Dist: Panchmahal 389 350

Registrar & share transfer agents

Universal Capital Securities Pvt. Ltd.
 (Erstwhile Mondkar Computers Pvt Ltd.)
 C-101, 247 Park,
 L.B.S Marg, Vikhroli (West),
 Mumbai – 400 083

Contents

	Page No.
Notice	03
Board's Report	15
Report on Corporate Governance	20
Management Discussion & Analysis Report	33
Auditors' Report	42
Balance Sheet	50
Statement of Profit and Loss Account	51
Cash Flow Statement	52
Notes to Financial Statements	54

33rd Annual General Meeting

Saturday, 25th September, 2021 at 11.00 a.m. (IST)
 through Video Conferencing / Other Audio Visual Means

NOTICE

Notice is hereby given that the **33rd Annual General Meeting** of the Shareholders of **Purity Flexpack Limited** is to be held on **Saturday, 25th September, 2021 at 11.00 a.m.** IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 together with the reports of the Board of Directors and Auditors' thereon.
2. To appoint a director in place of Mrs. Kokila Patel (DIN 00106487), who retires by rotation, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Nirat Kothari (DIN 06417387) as an Independent Director of the Company.**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 161 read with Schedule IV and such other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Nirat Kothari (DIN 06417387) who was appointed as an Additional Director of the Company with effect from 15th March, 2021 pursuant to Section 161 of the Companies Act 2013 and who has submitted a declaration that he is eligible for appointment and he meets the criteria of independence as provided under Section 149(6) of the Act for a period of five consecutive years i.e. upto 14th March, 2026 and that he shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. **Authorisation under Section 180 of the Companies, Act, 2013**

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

"RESOLVED THAT in supersession of all the earlier resolutions passed in this regard and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/ or other Financial Institution and/or foreign lender and/or any body corporate/ entity/ entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs. 40,00,00,000/- (Rupees Forty Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital, its free reserves and securities premium of the Company.

RESOLVED FURTHER THAT in supersession of all the earlier resolutions passed in this regard and subject to the provisions of Section 180 (1) (a) and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, consent of the shareholders of the company be and is hereby accorded, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed a sum of Rs. 40,00,00,000/- (Rupees Forty Crores Only).

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and

writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

5. **To approve the revision in payment of remuneration to Mr. Anil Patel (DIN: 00006904), Chairman and Managing Director of the Company for the remaining period of his present tenure.**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee , Nomination & Remuneration Committee and subject to other approvals as required, consent of the members, be and is hereby accorded for revision in payment of consolidated remuneration w.e.f. 01.10.2021 not exceeding Rupees One Crore per annum to Mr. Anil Patel (DIN: 00006904), Chairman & Managing Director of the Company for remaining duration of re-appointment upto three years from the effective date under the relevant provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

- a) Consolidated Salary, Perquisites and Performance Bonus, etc Rupees One Crore p.a.
- b) Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- c) Encashment of leave at the end of tenure.
- d) Provision of car for use on Company's business.
- e) Free landline telephone / electricity etc facility at residence along with free mobile telephone facility. Long distance personal calls to be recovered by the Company.
- f) he shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company.”

6. **To approve the revision in payment of remuneration to Mr. Kunal Patel (DIN: 00106545), Whole-time Director of the Company for the remaining period of his present tenure.**

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee , Nomination & Remuneration Committee and subject to other approvals as required, consent of the members, be and is hereby accorded for revision in payment of consolidated remuneration w.e.f. 01.10.2021 not exceeding Rupees One Crore per annum to Mr. Kunal Patel (DIN: 00106545), Whole-time Director of the Company for remaining duration of re-appointment upto three years from the effective date under the relevant provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

- a) Consolidated Salary, Perquisites and Performance Bonus, etc Rupees One Crore p.a.
- b) Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- c) Encashment of leave at the end of tenure.
- d) Provision of car for use on Company's business.
- e) Free landline telephone / electricity etc facility at residence along with free mobile telephone facility. Long distance personal calls to be recovered by the Company.

- f) he shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

7. To approve the revision in payment of remuneration to Mrs. Vaishali (DIN: 00194291), Executive Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Audit Committee , Nomination & Remuneration Committee and subject to other approvals as required, consent of the members, be and is hereby accorded for revision in payment of consolidated remuneration w.e.f. 01.04.2022 not exceeding Rupees Twenty Five Lakhs per annum to Mrs. Vaishali (DIN: 00194291), Executive Director of the Company, upto three years from the effective date, provided that such variation or increase is within specified limit as under the relevant provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 on the such terms and conditions of revision of remuneration as mentioned below:-

- a) Consolidated Salary, Perquisites and Performance Bonus, etc Rupees Twenty Five Lakhs p.a.
- b) Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- c) Encashment of leave at the end of tenure.
- d) Provision of car for use on Company's business.
- e) Free landline telephone / electricity etc facility at residence along with free mobile telephone facility. Long distance personal calls to be recovered by the Company.
- f) he shall also be entitled to reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee be and is hereby authorised to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 197, 198 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company."

**For and on behalf of the Board
Purity Flexpack Limited**

**Anil Patel
Chairman & Managing Director
DIN : 00006904**

Place: Vanseti
Date: 23rd August, 2021

NOTES:

1. In view of the global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/ 2020 dated April 13, 2020, followed by General Circular No. 20/2020 dated May 5, 2020 read with General Circular No.02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ("SEBI") vide its circular dated January 15, 2021 read with May 12, 2020 ("SEBI Circulars") has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.

In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars and SEBI Circulars, the 33rd Annual General Meeting ("Meeting" or "AGM") of the Company is being held through VC / OAVM on Saturday, 25th September, 2021 at 11:00 a.m. (IST). The proceedings of AGM deemed to be conducted at the Registered Office of the Company situated at Vanseti, Near Baska, Halol, Panchmahal GJ – 389 350 IN.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with.
3. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting during the AGM will be provided by NSDL.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the AGM and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to deveshrdesai2002@rediffmail.com.
7. In case of the Joint holders attending the 33rd AGM, only such joint holder who is higher in the order of names will be entitled to vote.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members

can contact the Company or Company's Registrars and Transfer Agents, Universal Capital Securities Pvt. Ltd. for assistance in this regard.

9. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Universal Capital Securities Pvt. Ltd. in case the shares are held by them in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Universal Capital Securities Pvt. Ltd. in case the shares are held by them in physical form.
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Universal Capital Securities Pvt. Ltd., the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
12. Statutory Registers and documents referred to, in the Notice and Explanatory statement are open for inspection by the Members at the Registered office of the Company on all days (except Saturdays and Sundays) between 11.00 a.m. to 1.00 p.m. upto the date of the 33rd Annual General Meeting.
13. In compliance with MCA Circulars for General Meetings and SEBI Circulars for General Meetings, Notice of the AGM of the Company, inter-alia, indicating the process and manner of e-voting and the Annual Report 2020-2021 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / RTA / DP.
14. Members can avail nomination facility in terms of extant legal provisions in this regard. On request, the necessary Form SH-13 can be obtained from the R & T Agents.
15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
16. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the Meeting is annexed hereto.
17. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2021 (Saturday) to 25th September, 2021(Saturday) (both days inclusive).
18. Particulars required for Appointment/Re-appointment of Director pursuant to sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Secretarial Standard-2 is given at **Annexure-A** to this notice.
19. 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 for remote E-voting i.e. Friday, 17th September, 2021 may follow the same instructions as mentioned below for E-voting.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- I. The voting period begins on Wednesday, 22nd September, 2021 at 9.00 a.m. IST and ends on Friday, 24th September, 2021 at 5.00 p.m. IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, 17th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

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

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

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 18001020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat(NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demataccount with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demataccount with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folionumber for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email IDs are not registered
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **“Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.
 - Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 17/09/2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or compliance@purityflexpack.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using **“Forgot User Details/Password”** or **“Physical User Reset Password”** option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 17/09/2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to deveshrdesai2002@rediffmail.com with a copy marked to compliance@purityflexpack.com.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “**Forgot User Details/Password?**” or “**Physical User Reset Password?**” option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 18001020 990 and 1800 22 44 30 or send a request to Ishu Tayal at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

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

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

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

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

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@purityflexpack.com. The same will be replied by the company suitably.

The Shareholders are requested to write to the Company Secretary at the below mentioned address for resolving their grievances:

Name : Ms. Matrikaa Sharma

Designation : Company Secretary & Compliance Officer

Address : AT & POST VANSETI NR BASKA HALOL PANCHMAHAL GJ 389 350 IN

Email : compliance@purityflexpack.com , sales@purityflexpack.com

Phone: 9879508744 (Ext.221), 9904269108

**For and on behalf of the Board
Purity Flexpack Limited**

Place: Vanseti

Date: 23rd August, 2021

**Anil Patel
Chairman & Managing Director
DIN : 00006904**

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

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 7 of the accompanying Notice dated 23rd August, 2021.

Item No. 3

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Nirat Kothari (DIN 06417387) as an Additional Director (Independent Director) of the Company, with effect from 15th March, 2021 under Section 149, 150 and 152 of the Companies Act, 2013. He shall hold office upto the date of forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto (5) five consecutive years.

The Company has received notice under Section 160 of the Companies Act, 2013 from Mr. Nirat Kothari signifying his candidature as an Independent Director of the Company. The Company has also received a declaration of independence from him. In the opinion of the Board, Mr. Nirat Kothari fulfills the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for being eligible for his appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director. A brief profile of Mr. Nirat Kothari, including nature of his expertise, is provided annexed hereto the notice.

The remuneration to Mr. Nirat Kothari shall be governed by the Differential Remuneration Policy of the Company. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Nirat Kothari as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Nirat Kothari as an Independent Director for period upto 5 (five) consecutive years with effect from 15th march, 2021 for the approval by the Members of the Company.

Except Mr. Nirat Kothari, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 3 of the Notice. The Board recommends the Ordinary Resolution set out at item no. 3 for the approval of Members.

Item No. 4

Keeping in view the Company's long term strategic and business objectives, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Company. Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital, its free reserves and securities premium of the Company at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at item no. 4 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at item no. 4 of the accompanying notice. The Board recommends the resolution at item no.4 to be passed as Special Resolution.

Item No. 5

Mr. Anil Patel has been appointed on the Board of the Company from the inception. He has been acting as a Managing Director since 2010. The Board of Directors in their meeting held on 12.02.2020 decided to approve the reappointment and revision in remuneration of the Director. The special resolution for his re- appointment upto 31.03.2023 and revision in remuneration subject to the provisions of Section 196, 197, 198, 203 read with schedule V and all other applicable provision of the Companies Act, 2013 was approved in the 32nd AGM of the Company.

Reference to the provision of section 196, 197, 198 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) vide its notification dated 18th March, 2021 amended schedule V of Companies Act, 2013 which provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197, 198, 203 and Schedule V to the Companies Act, 2013.

Except Mr. Anil Patel, Mr. Kunal Patel, Mrs. Kokila Patel, Mrs. Vashali Amin and Mr. Ankit Amin, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.5.

Item No. 6

Mr. Kunal Patel has been appointed on the Board of the Company in as a Whole-time Director in 2010. The Board of Directors in their meeting held on 12.02.2020 decided to approve the reappointment and revision in remuneration of the Director. The special resolution for his re- appointment upto 31.03.2023 and revision in remuneration subject to the provisions of Section 196,197, 198, 203 read with schedule V and all other applicable provision of the Companies Act, 2013 was approved in the 32nd AGM of the Company.

Reference to the provision of section 196, 197,198 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) vide its notification dated 18th March, 2021 amended schedule V of Companies Act, 2013 which provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 196, 197,198, 203 and Schedule V to the Companies Act, 2013.

Except Mr. Kunal Patel, Mr. Anil Patel, Mrs. Kokila Patel, Mrs. Vashali Amin and Mr. Ankit Amin, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.6.

Item No. 7

Mr. Vaishali Amin has been appointed on the Board of the Company w.e.f 12.09.2020. She is an Executive Director and involved in day to day affairs of the Company. With reference to the provision of section 197,198 read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) vide its notification dated 18th March, 2021 amended schedule V of Companies Act, 2013 which provides for payment of managerial remuneration and other directors by Companies, requires members approval by way of special resolution. Hence the Board recommends the resolution for member approval, provided that such variation or increase in remuneration is within specified limit as specified under the relevant provisions of Section 197,198 and Schedule V to the Companies Act, 2013.

Except Mrs. Vaishali Amin, Mr. Kunal Patel, Mr. Anil Patel, Mrs. Kokila Patel and Mr. Ankit Amin, none of the other Directors, Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.7.

DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE MEETING

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):

Name of the Director	Nirat G. Kothari	Kokila A.Patel
Date of Birth	11/05/1986	03/04/1955
Qualification	BE	MA, LLB
Date of Appointment	15/03/2021	30/08/2003
Expertise	Overseas marketing	Advisory and general management
List of other Indian Public Limited Companies in which Directorship held	Nil	Nil
Memberships/Chairmanships of Committees of other Public Companies	Nil	Nil
No. of Shares Holds in the Company	Nil	1,75,057
Relationship between directors inter-se	None	Promoter Director

**For and on behalf of the Board
Purity Flexpack Limited**

**Anil Patel
Chairman & Managing Director
DIN : 00006904**

Place: Vanseti
Date: 23rd August, 2021

Board's Report

Dear Members,

The Board of Directors are pleased to present the Company's 33rd Annual Report and the Company's Audited Financial Statements for the Financial Year ended on 31st March, 2021.

RESULTS OF OUR OPERATIONS

The Company's financial performance for the year ended 31st March, 2021 is summarised below:

(₹ In lakhs, except per equity share data)

Particulars	31 st March, 2021	31 st March, 2020
Revenue from operations	9343.31	7153.72
Other Income	41.92	6.07
Total Income	9385.24	7159.79
Profit Before Interest, Depreciation, Exceptional Items and Tax	1442.9	782.26
Less: Interest	90.55	116.80
Less: Depreciation	256.87	242.92
Profit Before Exceptional Items and Tax	1095.48	422.54
Less: Exceptional Items	Nil	Nil
Profit Before Tax	1095.48	422.54
Add/Less: Tax Expenses		
Current Tax	267.77	108.54
MAT Credit (entitlement)/utilization	-	37.73
Earlier Year Income Tax	(33.62)	-
Deferred Tax	(22.51)	23.82
Profit For The Year	883.84	252.45
Total comprehensive income for the year attributable to the owners of the Company	887.88	257.35
Earnings per share (EPS)		
Basic (₹)	82.34	23.52
Diluted (₹)	82.34	23.52

PERFORMANCE OF THE COMPANY

The turnover including other income of the Company for the Financial Year 2020-21 amounted to ₹ 9385.24/- Lakhs as against last year's ₹ 7159.79/- Lakhs. The Profit before exceptional items and tax is ₹ 1095.48/- Lakhs as against ₹ 422.54/- Lakhs of last year. Profit for the year is ₹ 883.84/- Lakhs as against ₹ 252.45/- Lakhs of last year.

ANNUAL RETURN

As per the provisions of Section 92(3) read with Section 134(3) of the Act, Annual Return for the Financial Year ended on 31st March, 2021, in prescribed Form No. MGT 7 is available on the website of the Company on <http://www.purityflexpack.com/pdf/MGT-7-2021.pdf>

DIVIDEND

In view of retain the resources and future expansion, your directors have not recommended dividend for the year ended 31st March, 2021.

SHARE CAPITAL

The Authorised Share Capital of the Company is ₹ 6,00,00,000/- (Rupees Six Crores Only) divided into 60,00,000 Equity Shares of ₹ 10/- each.

There was no change in the capital structure of the Company during the Financial Year under review. The paid up Equity Share capital as on 31st March, 2021 was ₹ 1,07,34,000/-.

LISTING OF SHARES

The Company's shares are listed on BSE under Scrip Code 523315. The ISIN code of the Company is INE898O01010.

NATURE OF BUSINESS

There was no change in the nature of business during the Financial Year under review.

SUBSIDIARIES, ASSOCIATES & JOINT VENTURES

The Company does not have any Subsidiary, Associate & Joint Venture Company.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The disclosures as required under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed as Annexure I of this Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

NUMBER OF MEETINGS OF THE BOARD

The Board met eight (8) times during the Financial Year. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013.

COMMITTEES OF THE BOARD

As on 31st March, 2021, the Board had three committees viz. the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee. A majority of the committees consists entirely of independent directors. During the year, all recommendations made by the committees were approved by the Board.

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Companies Act, 2013 (to the extent notified) and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The directors confirm that:

- i. In preparation of the annual accounts for the Financial Year ended 31st March, 2021, the applicable accounting standards have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit of the Company for that period.
- iii. They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls, which are adequate and are operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws, and such systems are adequate and operating effectively.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of 31st March, 2021, the Board had ten members, three of whom are executive directors, two non-executive and non-independent directors and five

independent directors. There are two woman directors on the Board. The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at www.purityflexpack.com. We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by either by the Auditors or by the Practicing Company Secretary in their respective reports.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this Annual Report.

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

The particulars, as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure II to the Board's report.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Listing Regulations, the Management Discussion and Analysis is set out as Annexure III of this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure IV.

STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of packaging. There is no change in the business of the Company during the Financial Year ended 31st March, 2021. Further information on the business overview and outlook and state of the affairs of the Company is discussed in detail in the Management Discussion & Analysis.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 has made applicable from the Financial Year 2021 as the Company falls into the threshold limits mentioned in Section 135 of the Companies Act, 2013. The Company will comply with provisions of the Act in the current financial year and the same will be mentioned in the next year's annual report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Kokila Patel, Director of the Company, retires by rotation at the ensuing AGM. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has recommended her re-appointment.

Ms. Vandana Machhi was appointed as a Company Secretary & Compliance Officer w.e.f. 29th October, 2020 and resigned from the said post w.e.f. 15th March, 2021. Mr. Harshad Bhatt resigned from the directorship due to his prolonged illness w.e.f. 26th June, 2021. Ms. Matrikaa Sharma was appointed as a Company Secretary and Compliance Officer w.e.f. 26th June, 2021.

Mr. Nirat Kothari was appointed to the Board as an Additional Independent Director considering his integrity, expertise and experience w.e.f. 15th March, 2021 for a period of five (5) years subject to the approval of shareholders at the 33rd AGM. The notice convening the meeting sets out the details of his appointment. Further, the Company has appointed Mrs. Vaishali Amin as an Executive Director on 12th September, 2020.

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 25 of the Listing Regulations.

The Board of Directors further confirms that the Independent Directors also meet the criteria of expertise, experience, integrity and proficiency in terms of Rule 8 of the Companies (Accounts) Amendment Rules, 2019.

FORMAL ANNUAL EVALUATION

The Company has a policy for performance evaluation of the Board, Committees and other Individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-Executive Directors and Executive Directors.

In accordance with the manner specified by the Nomination and Remuneration Committee, the Board carried out annual performance evaluation of the Board, its Committees and Individual Directors. The Independent Directors carried out annual performance evaluation of the Chairperson, the non-independent directors and the Board as a whole. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees. A consolidated report was shared with the Chairman of the Board for his review and giving feedback to each Director.

RISK MANAGEMENT POLICY

The Company has a well defined process in place to ensure appropriate identification and mitigation of risks. The Risk Management has been entrusted by the Board with the responsibility of identification and mitigation plans for ongoing operations of the Company. Elements of risks to the Company are listed in the notes to the Financial Statements.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

CODE OF CONDUCT

The code of conduct has been put on the Company's website www.purityflexpack.com. The members of the board and senior management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2021. The Annual Report contains declaration to this effect signed by Mr. Anil Patel – Chief Executive Officer (Managing Director) and Mr. Kunal Patel – Chief Financial Officer (Whole-time Director) of the Company.

AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

In accordance with Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. Modi & Joshi, Chartered Accountants (Firm Regn. No. 135442W) have been appointed as the Statutory Auditors to hold the office from the conclusion of the 29th AGM held on 2nd September, 2017 until the conclusion of the AGM to be held in the Year 2022 at a remuneration as may be approved by the Board.

B. Secretarial Auditors

The Board had appointed Mr. Devesh R. Desai, Practising Company Secretary, to conduct a secretarial audit for the Financial Year 2020-21. The Secretarial Audit Report for the Financial Year ended 31st March, 2021 is attached herewith as Annexure V. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

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, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Compliance Officer in advance.

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

During the year under review, your Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of Section 177(9) of the Companies Act, 2013, Rules framed thereunder and Regulation 22 of the SEBI Listing Regulations, the Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee. The Whistle Blower Policy is placed on the website of the Company www.purityflexpack.com.

COMPLIANCE CERTIFICATE

The CEO and CFO have certified to the Board with regard to the Financial Statements and other matters as required under Regulation 17(8) read with Part B of Schedule II to the SEBI Listing Regulations.

INSURANCE

All the properties of the Company have been adequately and appropriately insured.

ACKNOWLEDGMENTS

The Directors gratefully acknowledge the support given by the Customers, Dealers, Distributors, Suppliers, Bankers, various departments of the Central and State Governments, Local Authorities and also the Shareholders of the Company.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the Purity Flexpack Limited.

**For and on behalf of the Board
Purity Flexpack Limited**

Place: Vanseti

Date: 26th June, 2021

**Anil Patel
Chairman & Managing Director
DIN : 00006904**

REPORT ON CORPORATE GOVERNANCE**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

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

The Company complies with the requirements regarding Corporate Governance as stipulated under Regulation 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") where its shares are listed.

II. BOARD OF DIRECTORS

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Chairman and Managing Director of the Company. The Management Committee of the Company is headed by the Chairman and Managing Director and has business / functional heads as its members, which look after the management of the day-to-day affairs of the Company.

Composition, Directorship(s) / Committee Membership(s) / Chairmanship(s) and Shareholding as on 31st March, 2021:

The Board of your Company has a good and diverse mix of Executive and Non-Executive Directors with majority of the Board Members comprising Independent Directors and the same is also in line with the applicable provisions of Companies Act, 2013 ('the Act') and SEBI Listing Regulations. As on date of this Report, the Board consists of ten (10) Directors comprising three executive directors and seven non-executive directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

Details of the Directors, their directorships and committee chairmanship/membership held by them in other public companies (including Purity Flexpack Limited) are as under:

Name of Director	Category	Number of shares held in the Company	No. of Directorships in other Listed Companies*	**Committee Positions	
				Chairman	Member
Mr. Anil Patel (Promoter)	Executive Director, Chairman & Managing Director (CEO)	1,61,748	-	-	1
Mr. Kunal Patel (Promoter)	Executive Director, Whole-time Director (CFO)	76,466	-	-	-
Mrs. Kokila Patel (Promoter)	Non-Executive, Non-Independent	1,75,057	-	-	-
Mr. Harshad Bhatt (Promoter) (Upto 26.06.2021)	Non-Executive, Non-Independent	12,709	-	-	1
Ms. Vaishali Amin (Promoter) (w.e.f. 12.9.2020)	Executive Director	1,11,116	-	-	-
Mr. Darshak Sheth	Non-Executive, Independent	-	-	-	2
Mr. Manish Baxi	Non-Executive, Independent	-	-	-	-
Mr. Nilesh Patel	Non-Executive, Independent	-	-	2	-
Mr. Avant Amin	Non-Executive, Independent	-	-	-	-
Mr. Nirat Kothari (w.e.f. 15.03.2021)	Non-Executive, Independent	-	-	-	-

*Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

**Includes only Audit Committee and Stakeholders' Relationship Committee.

Board Meetings

During the year, eight (8) meetings of Board of Directors were held on 27th May, 2020, 29th June, 2020, 19th August, 2020, 16th September, 2020, 29th October, 2020, 23rd December, 2020, 8th February, 2021 and 31st March, 2021. The details of attendance of the directors at the Board meetings and at the last Annual General Meeting is as under:

Name of Directors	No. of Board Meetings attended	Attendance at AGM held on 12 th September, 2020
Mr. Anil Patel	8	Yes
Mrs. Kokila Patel	8	Yes
Mrs. Vaishali Amin	5	Yes
Mr. Kunal Patel	8	Yes
Mr. Harshad Bhatt	8	Yes
Mr. Darshak Sheth	8	Yes
Mr. Manish Baxi	8	Yes
Mr. Nilesh Patel	8	Yes
Mr. Avant Amin	8	Yes
Mr. Nirat Kothari	1	No

Familiarization Programme

During appointment, all Independent Directors are made aware of their roles and responsibilities which are also specified in their formal letter of appointment with terms and conditions thereon. At the Board and various committee meetings, independent directors are regularly being familiarized on the business model, operations, updates, changes, policies, new policies, process implementation of the company.

Details of Familiarization Programmes for independent Directors are available on the website of the Company and can be accessed at www.purityflexpack.com.

Core Skills / Expertise /Competencies available with the board

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise /competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Name of the Director	Area of Expertise
Mr. Anil Patel	<ul style="list-style-type: none"> Leadership experience of running large enterprise Understanding of Consumer and Customer Insights in diverse environments and conditions
Mrs. Kokila Patel	<ul style="list-style-type: none"> Advisory and general management
Ms. Vaishali Amin (w.e.f. 12.9.2020)	<ul style="list-style-type: none"> Banking and purchase management
Mr. Kunal Patel	<ul style="list-style-type: none"> Strategic Planning Development and Innovation Understanding of Consumer and Customer Insights in diverse environments and conditions
Mr. Harshad Bhatt (Upto 26.06.2021)	<ul style="list-style-type: none"> Liasoning
Mr. Darshak Sheth	<ul style="list-style-type: none"> Advisory on technological absorption
Mr. Manish Baxi	<ul style="list-style-type: none"> Finance and Accounting Experience
Mr. Nilesh Patel	<ul style="list-style-type: none"> Global Business
Mr. Avant Amin	<ul style="list-style-type: none"> Legal & Risk Management
Mr. Nirat Kothari (w.e.f. 15.3.2021)	<ul style="list-style-type: none"> Overseas marketing

Confirmation as regards to independence of Independent Directors

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16 of Listing Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence.

Based on the confirmations / disclosures received from the Directors and on evaluation of the relationships disclosed as per the requirement of Regulation 25(9) of the Listing Regulations, the Board confirms that the Independent Directors fulfill the conditions as specified under Schedule V of the Listing Regulations and are independent of the management.

BRIEF PROFILE OF THE DIRECTORS

Mr. Nirat Kothari - Director

Mr. Nirat Kothari a Bio Medical Engineer from Manipal University who has been closely associated with various industries which are into manufacturing of medical equipments and offering solutions to industries through industrial estate for over a decade. Presently he is associated with Seemaco- AG.

III. COMMITTEES OF THE BOARD

The Committees of the Board play an important role in the Governance and focus on specific areas and make decisions within the delegated authority. Each Committee, guided by its Terms of Reference, which provides for the Composition, Scope, Powers, Duties and Responsibilities, is explained hereunder. The Recommendation and / or Observations and Decisions are placed before the Board for information or approval. The meetings of each of these Committees are convened by the respective Chairpersons, who also apprise the Board about the summary of discussions held at their meetings. The Minutes of the Committee meetings are sent to all Directors individually for their approval / comments as per prescribed Secretarial Standards and after the minutes are duly approved, these are circulated to the Board of Directors and tabled at Board Meetings.

The Board has constituted the following mandatory Committees such as

1. Audit Committee
2. Stakeholders' Relationship Committee and
3. Nomination and Remuneration Committee

1. Audit Committee

The Audit Committee is constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Members of the Audit Committee possess financial/accounting expertise/exposure. Managing Director/Whole-time Director/Chief Executive Officer, Chief Financial Officer, Internal Auditors and Statutory Auditors are the permanent invitee to the Audit Committee. The Audit Committee invites executives, as it considers appropriate, representatives of Statutory Auditors and Internal Auditors to present at its meetings. The Company Secretary acts as the secretary to the Audit Committee. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 12th September, 2021.

Composition, Meetings & Attendance

During the year under review, the Committee met 4 (Four) times on 29th June, 2020, 19th August, 2020, 29th October, 2020 and 8th February, 2021.

Names of the Committee Members along with their attendance are given below:

Name of the Member	Designation	No. of Meetings Attended
Mr. Nilesh Patel	Chairman	4
Mr. Anil Patel	Member	4
Mr. Darshak Sheth	Member	4

Terms of reference:

Powers of Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit committee, inter alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment, remuneration and terms of appointment of auditors of the company;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. 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.
 - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. 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;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. 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;
 16. 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;
 17. 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;
 18. To review the functioning of the Whistle Blower Mechanism;
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

Review of Information by Audit Committee:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

It may be clarified that the power, role and review of the Audit Committee includes matters specified under Regulation 27 of SEBI Listing Regulations.

2. **Nomination & Remuneration Committee**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013. The committee comprises of non- executive directors and majority of them are independent. The Chairman of the Committee is an Independent Director.

Composition, Meetings & Attendance

During the year under review, the Committee met 2 (Two) times on 29th June, 2020 and 29th October, 2020.

Names of the Committee Members along with their attendance are given below:

Name of the Member	Designation	No. of Meetings Attended
Mr. Nilesh Patel	Chairman	2
Mr. Darshak Sheth	Member	2
Mr. Harshad Bhatt	Member	2

Terms of Reference:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. To formulate the criteria for evaluation of performance of independent directors and the board of directors;
3. To devise policy on diversity of board of directors;
4. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. To recommend to the board, all remuneration, in whatever form, payable to senior management.
7. To deal with other matters as the Board may refer to the Nomination and Remuneration Committee ("the Committee") from time to time.

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. The said criteria provides certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

Remuneration Policy

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective 1st April, each year. The Company will pay remuneration to Managing Director, Whole-time Directors, Key Managerial Personnels and Senior Executives by way of salary, retirement benefits perquisites, allowances (fixed component), incentives and commission (variable component) based on the recommendation of the Committee and approval of the Board of Directors and shareholders, if applicable. The Committee shall make

such recommendation to the Board of Directors as it may consider appropriate with regard to the remuneration of the Executive Directors.

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Chairman of Committee i.e. Mr. Nilesh Patel is a Non-Executive Director.

Composition, Meetings & Attendance

During the year under review, the Committee met 1 (One) time on 29th October, 2020.

Name of the Committee Members along with their attendance is given below

Name of the Member	Designation	No. of Meetings Attended
Mr. Nilesh Patel	Chairman	1
Mr. Darshak Sheth	Member	1
Mr. Harshad Bhatt	Member	1

Ms. Vandana Machhi, Company Secretary of the Company had been designated as Compliance Officer (E-mail ID: compliance@purityflexpack.com) for complying with the requirements of SEBI Regulations.

Terms of Reference

The Committee looks into the redressal of complaints of investors such as transfer of shares, non-receipt of declared dividend/notices/annual reports, etc.

Details of Investor Complaints

The "SCORES" website of SEBI for redressing of Grievances of the investors was being visited at regular intervals by the Company Secretary and there were no pending complaints registered with SCORES for the Financial Year ended on 31st March, 2021.

4. Separate Independent Directors' Meetings

The Independent Directors meet at least once in a year, without the presence of Executive Directors or Management representatives.

The Independent Directors met one time during the Financial Year ended 31st March, 2021 on 8th February, 2021. The Independent Directors inter alia discuss the issues arising out of Committee Meetings and Board discussion including the quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors.

IV. GENERAL BODY MEETINGS

(i) Annual general Meeting

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:-

Financial year ended	Date and Time	Venue	Special Resolutions passed
31 st March, 2018	24 th September, 2018 11:00 a.m.	At Registered Office : At: Vanseti, Post: Tajpura, Near	Revision in terms of remuneration of Mr. Kunal Patel as a Whole-time Director
31 st March, 2019	29 th August, 2019 11:00 a.m.	Halol, Dist: Panchmahals-389 350, Gujarat, India.	No special resolutions were passed at this meeting
31 st March, 2020	12 th September, 2020 11:00 a.m.	Through "VC"/"OAVM"	1) Re-appointment and revision in remuneration of Mr. Anil Patel (DIN: 00006904) as a Chairman cum Managing Director of the Company 2) Re-appointment and revision in remuneration of Mr. Kunal Patel (DIN: 00106545) as a Whole-time Director of the Company

(ii) Postal Ballot

During the year under review, no resolution has been passed through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through postal ballot.

V. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to the Stock Exchange, where the shares are listed. The results are published normally in Financial Express in Gujarati & English language. The results are also displayed on the Company's website at "www.purityflexpack.com".

VI. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Saturday, 25th September, 2021 at 11.00 a.m. (IST) through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.

Financial Year

1st April to 31st March

Publication of Unaudited/Audited Results:

Quarter/Year Ending	Reporting date	Type of Result
June 30 th 2020	*Within 45 days from the end of quarter	Unaudited
September 30 th 2020	Within 45 days from the end of quarter	Unaudited
December 31 st 2020	Within 45 days from the end of quarter	Unaudited
March 31 st 2021	#Within 60 days from the end of the quarter	Audited

*Published on 19th August, 2020 on account of extended time limit for compliance by reason of Covid 19 pandemic as permitted by SEBI vide circular Dated July 29, 2020

Published on 26th June, 2021 on account of extended time limit for compliance by reason of Covid 19 pandemic as permitted by SEBI vide circular Dated April 29, 2021

Date of Book Closure / Record Date

As mentioned in the Notice of this AGM

Listing on Stock Exchange

Equity Shares

BSE Limited (BSE),

P. J. Towers, Dalal Street, Mumbai - 400 001

Stock Code

Scrip Code – 523315

Payment of Listing Fees

Annual listing fee for the Financial Year 2021-22 has been paid by the Company to BSE.

Registrar & Share Transfer Agent

Universal Capital Securities Pvt. Ltd.

(erstwhile Mondkar Computers Pvt. Ltd.)

C-101, 247 Park,

L.B.S Marg, Vikhroli (West),

Mumbai – 400 083

Tel No.: (022) 28207203-05

Fax No.: (022) 28207207

w: www.unisec.in E mail id: info@unisec.in

Share Transfer System

SEBI has mandated that, effective 1st April, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialize their holding in the Company. The communication, inter alia, contained procedure for getting the shares dematerialized. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

As required by Regulation 40 (9) of the Listing Regulations entered into by the Company with the Stock Exchanges, a certificate is obtained every six months from a Practicing Company Secretary with regard to, inter alia, effecting transfer, transmission, sub-division, consolidation, renewal and exchange of equity shares within fifteen days of their lodgment. The certificate is also filed with BSE where the Equity Shares of the Company are listed.

Dematerialization of shares

The Company's shares are admitted into Central Depository Services (India) Limited (CDSL) and the ISIN allotted for the Equity Shares of the Company is INE898o01010. As on 31st March, 2021, total 2,65,854 shares representing 24.77 % of the Company's shares are held in demat form in the depositories.

Particulars	No. of Shares	%
Physical Segment	8,07,546	75.23
Demat Segment	2,65,854	24.77
Total	10,73,400	100.00

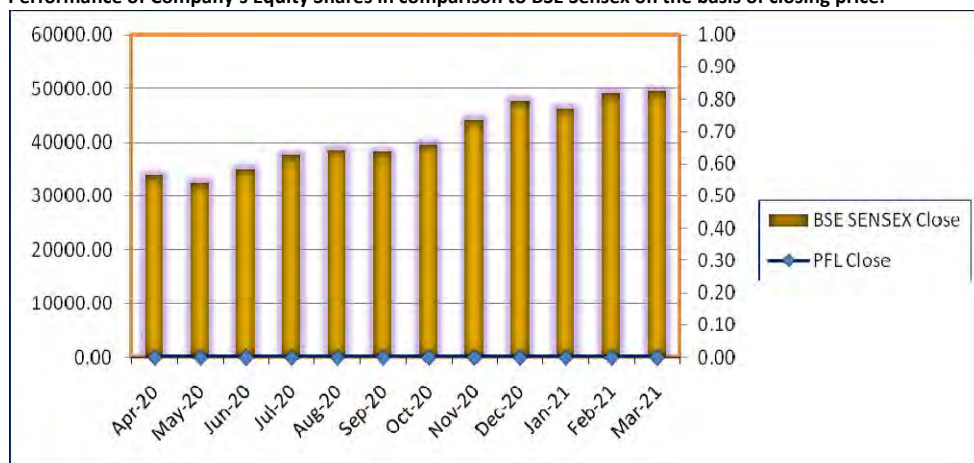
There are no outstanding GDRs / ADRs / Warrants / Convertible Instruments of the Company.

Share Price Data

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) for the year ended 31st March, 2021 are as under:

Month	Purity Flexpack Limited			BSE SENSEX		
	High	Low	Close	High	Low	Close
Apr-20	-	-	-	33887.25	27500.79	33717.62
May-20	-	-	-	32845.48	29968.45	32424.1
Jun-20	-	-	-	35706.55	32348.1	34915.8
Jul-20	-	-	-	38617.03	34927.2	37606.89
Aug-20	-	-	-	40010.17	36911.23	38628.29
Sep-20	-	-	-	39359.51	36495.98	38067.93
Oct-20	-	-	-	41048.05	38410.2	39614.07
Nov-20	-	-	-	44825.37	39334.92	44149.72
Dec-20	-	-	-	47896.97	44118.1	47751.33
Jan-21	-	-	-	50184.01	46160.46	46285.77
Feb-21	-	-	-	52516.76	46433.65	49099.99
Mar-21	-	-	-	51821.84	48236.35	49509.15

Performance of Company's Equity Shares in comparison to BSE Sensex on the basis of closing price:



Shareholding Pattern as on 31st March 2021

Category	No. of Shares Held	% to paid-up Capital
Non-Resident Individuals	0	0.00
Bodies Corporate	5,210	0.49
Mutual Funds/Nationalized Banks	540	0.05
Resident Individuals	5,25,296	48.94
Directors and Relatives	5,40,861	50.39
Trust, LLP, HUF	1,493	0.14
Total	10,73,400	100.00

Distribution of Shareholding as on 31st March 2021

Share	Shareholders	Percentage (%)	No. of Shares	Percentage (%)
Upto 500	19324	99.68	486519	45.33
501-1000	42	0.22	29610	2.76
1001-2000	7	0.04	9420	0.88
2001-3000	1	0.01	2550	0.24
3001-4000	1	0.01	3765	0.35
4001-5000	1	0.00	4440	0.41
5001-10000	1	0.01	7366	0.69
10001 & above	8	0.04	529730	49.35
Total	19385	100.00	1073400	100.00

Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

Address for correspondence

Purity Flexpack Limited

At: Vanseti, Post: Tajpura, Baska Tajpura Rd,

Baska Halol Dist: Panchmahal 389 350

Phone: 9879508744 (Ext. 221), 9904269108

E mail: compliance@purityflexpack.com , sales@purityflexpack.com

VII. OTHER DISCLOSURES**Details of Demat / Unclaimed Suspense Account**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

Related Party Transactions

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during Financial Year 2020-21 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee.

The Company has adopted a policy for related Party transactions which has been uploaded on the Company's website at www.purityflexpack.com.

The Company has complied with the requisite regulations relating to capital markets. No Penalties/ strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during the year.

Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three financial years

The Securities and Exchange Board of India (SEBI), had levied fines as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 on 17th November, 2020 for Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director under Regulation 17(1) of Listing Regulations for September, 2020. After many representations received from Company, BSE was satisfied with the answers and had withdrawn the fine on 23rd June, 2021.

Whistle Blower Policy and Vigil Mechanism

The Company has a this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company at www.purityflexpack.com.

Adoption of mandatory and discretionary requirements

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has adopted the following discretionary requirements of the Listing Regulations:

- **Audit Qualification**

The Company is in the regime of unmodified opinions on financial statements.

No Disqualification Certificate from Company Secretary in Practice

Certificate from Devesh R. Desai, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority is attached to this Report.

Fees paid to Auditors

The total fees paid to M/s. Modi & Joshi, Chartered Accountants, Statutory Auditors of the Company during the Financial Year 2020-21 is ₹ 0.90/- Lakhs.

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect and afforded equal treatment.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

The Company has constituted Internal Committees (IC). While maintaining the highest governance norms, the Company has appointed external independent persons who work in this area and have the requisite experience in handling such matters, as Chairpersons of each of the Committees. There were no Complaints filed during the Financial Year 2020-21.

Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of Listing Regulations

Sl. No.	Particulars Regulation	Regulation	Compliance Status Yes / No / N.A.	Key Compliance observed
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> • Composition and Appointment of Directors • Meetings and quorum • Review of compliance reports • Code of Conduct • Minimum information to be placed before the Board • Compliance Certificate by Chief Executive Officer and Chief Financial Officer • Performance evaluation of Independent Directors • Recommendation of Board for each item of special business
2.	Maximum Number of Directorships	17A	Yes	<ul style="list-style-type: none"> • Directorships in listed entities
3.	Audit Committee	18	Yes	<ul style="list-style-type: none"> • Composition • Meetings and quorum • Chairperson present at Annual General Meeting • Role of the Committee
4.	Nomination and Remuneration Committee	19	Yes	
5.	Stakeholders Relationship Committee	20	Yes	
6.	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> • Maximum directorships and tenure • Meetings of Independent Directors • Cessation and appointment of Independent Directors • Familiarisation of Independent Directors

				<ul style="list-style-type: none"> • Declaration from Independent Director that he / she meets the criteria of independence • Directors and Officers insurance for all the Independent Directors
7.	Other Corporate Governance requirements	27	Yes	<ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance
8.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none"> • Terms and conditions of appointment of Independent Directors • Composition of various Committees of the Board of Directors • Code of Conduct of Board of Directors and Senior Management Personnel • Details of establishment of Vigil Mechanism / Whistle-blower policy • Policy on dealing with related party transactions • Policy for determining material subsidiaries • Details of familiarization programmes imparted to Independent Directors

Annual Secretarial Compliance Report

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has to obtain an Annual Secretarial Compliance Report from Practising Company Secretary, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder. The same has become applicable from the Financial Year 2020-21.

CEO and CFO Certification

The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations, copy of which is attached to this Report. The CEO and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

Compliance Certificate of the Auditors

Certificate from Mr. Devesh R. Desai, Practising Company Secretary, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

Declaration on Compliance with Code of Conduct

Declaration from Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct has been attached to this Report.

For and on behalf of the Board
Purity Flexpack Limited

Anil Patel
Chairman & Managing Director
DIN : 00006904

Place: Vanseti
Date: 26th June, 2021

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of SEBI Listing Regulations, 2015 on the Audited Financial Statement for the year ended on 31st March, 2021.

We, Anil B. Patel– Chief Executive Officer & Kunal A. Patel– Chief Financial Officer, in our capacity as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) respectively of the Company hereby certify that:-

- a. We have reviewed the Financial Statements and Cash Flow Statement for the year ended on 31st March, 2021 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true & fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Statutory Auditors, Internal Auditors and Audit Committee:
 - i. that significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Purity Flexpack Limited

**Anil Patel
Chief Executive Officer**

Place: Vanseti
Date: 26th June, 2021

**Kunal Patel
Chief Financial Officer**

DECLARATION ON CODE OF CONDUCT

To the Shareholders of Purity Flexpack Limited

Compliance with the Code of Conduct

In accordance with Regulation 34(3) of SEBI Listing Regulations, 2015, we hereby confirm that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct and Business Ethics of the Company for the Financial Year ended 31st March, 2021.

For Purity Flexpack Limited

**Anil Patel
Chief Executive Officer**

Place: Vanseti
Date: 26th June, 2021

**Kunal Patel
Chief Financial Officer**

Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo
[Pursuant to provisions of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014]

A. Conservation of Energy:

- (i) The steps taken or impact on conservation of energy;
The Company continues to meet the growing energy demand, while working towards minimising the environmental footprint of its ongoing operations, as well as future projects. The Company is continually exploring new ways to make its operations more efficient by putting technology to use for direct energy savings and increasing renewable energy sources.
- (ii) The steps taken by the company for utilizing alternate sources of energy;
The Company had already installed solar energy system
Also converted electrical heating into natural gas heating system
- (iii) The capital investment on energy conservation equipments; Nil
- (iv) Details regarding Power & Fuel Consumption in respect of total Energy Consumption is as below:

(a) Purchased:	2020-21
Units (KWH)	2362600
Total Amount (Rs.)	17960313
Rate per Unit (Rs.)	7.60
(b) Own Generation:	
Units (KWH)	127122
Total Amount (Rs.)	-
Rate per Unit (Rs.)	-
(c)Furnace Oil/LSHS/LDO/HSQ	
Qty. (K.Ltr)	216336
Total Amount (₹)	8317277
Average Rate (₹)	38.45

B. Technology Absorption: Nil

- (i) The efforts made towards technology absorption;
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (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 thereof; and
- (iv) The expenditure incurred on Research and Development.

C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

- (i) Foreign exchange earnings from the exports of the Company's products & services amounted to ₹ 194.33/- lakhs.
- (ii) The outflow of foreign exchange on account of import of raw materials, stores, spares, capital goods, expenses on travelling, commission on exports, and technical Service charges amounted to ₹ 928.60/- lakhs.

Management and Discussion Analysis Report

Overview

Purity Flexpack Limited is engaged in the field of Flexible Packaging. Our vision is to be preferred supplier for flexible packaging to Customers across India and Overseas to maximize value for all stakeholders

This Management Discussion & Analysis Report presents the key performance highlights of the year 2020-21 pertaining to the Company's business. This review should be read in conjunction with the Integrated Report presented in the earlier sections of this Annual Report, the Company's financial statements, the schedules and notes thereto and the other information included elsewhere in this Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), complying with the requirements of the Company's Act 2013 and the guidelines issued by Securities and Exchange Board of India (SEBI).

Our ultimate objective is to meet Customer's dynamic packaging needs and to achieve excellence in all concerned areas to produce cost effective flexible packaging with highest quality & standards for our esteemed Customers.

Industry structure and developments

As one of the fastest growing segments of the packaging industry, flexible packaging combines the best qualities of Plastic, Film, Paper and Aluminum Foil to deliver a broad range of protective properties while employing a minimum of material. Flexible packaging provides convenience to the consumer while ensuring product safety. Innovative packaging solutions are developed by manufacturers to cater to the consumer's demand for convenient, easy-to-use, and lightweight packaging. Changing consumer behavior and growing processed-food industry is triggering the demand for easy and flexible packaging material. Flexible packaging has, as a result, become substantially more sophisticated with high-end graphics, high oxygen and moisture barriers, and new functionalist.

The life cycle attributes of flexible packaging demonstrate many sustainable advantages. It starts with less waste in the first place, greatly reducing landfill discards. Innovation and technology have enabled flexible packaging manufacturers to use fewer natural resources in the creation of their packaging, and improvements in production processes have reduced water and energy consumption, greenhouse gas emissions and volatile organic compounds. Even more, lighter-weight flexible packaging results in less transportation related energy and fossil fuel consumption, and environmental pollution. With its versatility, custom qualities, efficiency in conserving resources, and sustainability, flexible packaging is considered most advantageous.

Outlook

The year 2020 was disrupted by pandemic-related sharp declines in growth across industries. During this unprecedented period, there were three key areas that we focused on. The highest priority was for ensuring employees' wellbeing and protecting their jobs. Next, was to support customers' needs amidst the challenging environment. The third was for ensuring the health of the business and the interest of the stakeholders. The Company moved very quickly to address all of the above

In the interest of employees, the Company suspended all its operations from 25.03.2020 to 05.04.2021. We reopened the facility for manufacturing operations after ensuring that the entire infrastructure was in place to ensure the health and safety of all employees who reported to work.

Risks & Concerns

The COVID-19 pandemic is a global humanitarian and health crisis. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, resulted in significant disruption to people and businesses. Consequently, market demand and supply chains have been affected, significantly increasing the risk of a global economic recession. The pandemic has impacted, and may further impact, all of our stakeholders – employees, clients, investors and communities we operate in. Further, due to the uncertainty surrounding this risk and the unavailability of a certified vaccine or cure to-date, we have not been able to provide investors with any revenue or profit guidance for the FY 2020-21.

Internal Control Systems

The Company has a proper and adequate Internal Financial Control System, to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition. The Control System enables the management to focus on growth and achieve excellence in all aspects of operations. The Company has an internal audit system, which carries out independent periodic reviews. The prime objective of such audit is to evaluate the functioning and quality of internal controls and provide assurance of its adequacy and effectiveness. The scope of internal audit covers a wide variety of operational and financial matters and includes a follow-up review of corrective actions agreed for implementation. During

the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Financial performance with respect to operational performance

The summarized financial results are given hereunder:

Highlights of results:

(₹ in lakhs)

Particulars	2020-21	2019-20
Total Income	9385.24	7159.79
Profit Before Financial Cost, Depreciation & Tax	1420.39	806.08
Profit Before Tax	1095.48	422.54
Profit For The Year	883.84	252.45

Covid 19 impact on the Company

The COVID-19 breakdown has led to unprecedented socioeconomic disruption worldwide. The nation-wide stringent lockdown got imposed from 25th March, 2020 which brought the economic activities to a standstill. The lockdowns and restrictions imposed on various activities due to COVID – 19 pandemic have posed challenges to the business of the Company. There was no major adverse impact on the business operations of the Company due to rising in demand of FMCG sector products during the COVID 19 pandemic situation.

Opportunities and Threats

The Company is in the business of manufacturing of customized packaging materials. That flexible packaging is one of the rapidly growing segments of the packaging industry. It requires lower energy of producing product, offers convenience to the consumers as it is light-weight, easy to open, carry and store. Additionally, cost of production can be reduced by producing customizes products. One of the important factors driving the growth of flexible packaging market is the growing inclination of consumers towards convenience products.

There is always a threat of market competition on the basis of price. Some restraining factors like change in government policies like plastic ban can obstruct the growth of the Company.

Key Financial Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios. The same has been mentioned under the table given below:

Particulars	2020-21	2019-20
Operating Profit Margin	15.13%	11.25%

Return on Net Worth

Particulars	2020-21	2019-20
Return on net worth (%)	28.49%	11.33%

Environment, Occupational Health & Safety

Your Company is committed to conducting its operations with utmost concern towards the environment and ensuring a safe and healthy workplace for all employees. The collective endeavor of the Company's employees at all levels is directed towards sustaining and continuously improving standards of environment management, and occupational health & safety in an endeavor to meet and exceed international benchmarks.

Developments in Human Resources /Industrial Relations

The Company continues to lay emphasis on qualitative growth of its human resources by providing congenial and constructive work environment, in consonance with its strong belief that the real strength of its organization lies in its employees. In addition to this, formal training through external & internal faculty is also conducted from time to time in acquiring domain knowledge and imbibing the corporate quality culture. None of the Senior Management Personnel have any material, financial and/or commercial transaction, where they have personal interest that may have potential conflict with the interest of the Company at large.

Capital Investment

The Company has made a capital investment of during the year under review to achieve the targets set of the Company. The Company installed two machineries 1. Solventless lamination Machine and 2. Solventbase Lamination Machine. The purpose to install new equipments was to install the capacity of existing capital and meeting the requirements of increasing volume of the Company. Furthermore, Company has expanded the floor space by adding application 40,000 sq ft to meet the requirement of BRC certification as required by Pharma Industries and export sales of food and dairy products.

Company could achieve higher bottom line due to stable prices of all major raw materials in Covid 19 scenario. Due to higher demanding pharma sector and food industry. Company could achieve 37% rise in overall sales volume resulted into better EPS as compared to last previous years.

Cautionary Statement

Statements in this Annual Report, particularly those that relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. 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 end 31st March, 2021, which were not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis:

a) Name of the Related Party & Nature of relationship	Anuapam Trading Co.	Precise Automation & Control Private Limited	Kalpvrux Converting Products Private Limited
b) Nature of contracts/ arrangements/transactions	Rent paid	Purchase of fixed asset	Purchase of fixed assets
c) Duration of the contracts/arrangements/transactions	On going	On going	On going
d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Office rent paid	Purchase of machinery	Purchase/repairing of machine
e) Date of approval by the Board	27/05/2020	27/05/2020	27/05/2020
f) Amount paid as advances, if any:	NA	NA	NA

a) Name of the Related Party & Nature of relationship	Stag Print Pvt. Ltd.	Aman Enterprises	Om Suntronics
b) Nature of contracts/ arrangements/transactions	Purchase /Repairing	Purchase	Purchase/ Repairing
c) Duration of the contracts/arrangements/transactions	On going	On going	On going
d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Purchase of material	Purchase of gravure inks	Repairing of machine
e) Date of approval by the Board	27/05/2020	27/05/2020	27/05/2020
f) Amount paid as advances, if any:	NA	NA	NA



DEVESH R DESAI
COMPANY SECRETARY

Devesh R. Desai
M.Com. LL.B. ACS
deveshrdesai2002@rediffmail.com

ANNEXURE- V

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31ST, 2021

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

To,
The Members,
Purity Flexpack Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Purity Flexpack Limited (CIN No. L25200GJ1988PLC010514)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **Purity Flexpack Limited's** books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on March 31, 2021, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. **Not Applicable to the Company during the Audit Period**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - **Not Applicable to the Company during the Audit Period;**
 - E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - **Not Applicable to the Company during the Audit Period;**
 - F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - **Not Applicable to the Company during the Audit Period; and**

- H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - **Not Applicable to the Company during the Audit Period.**
- I. The Securities and Exchange Board of India (LODR) Regulations, 2015
6. The Micro, Small and Medium Enterprises Development Act, 2006.
7. As informed to us the following other laws specifically applicable to the Company are as under:
1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 2. The Factories Act, 1948
 3. The Industrial Employment (Standing Orders) Act, 1946
 4. The Minimum Wages Act, 1948
 6. The Payment of Wages Act, 1936
 7. The Negotiable Instruments Act, 1881
 8. The Payment of Gratuity act, 1972
 9. The Workmen's Compensation Act, 1922
 10. The Contract Labour (Regulation & Abolition) Act, 1970
 11. The Industrial Dispute Act, 1947
 12. The Payment of Bonus Act, 1965
 13. The Employment Exchange Act, 1959
 14. The Apprentice Act, 1961
 15. The Equal Remuneration Act, 1976
 16. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with the **Bombay Stock Exchange**.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above, except in respect of matters specified below

Sr. No	Compliance Requirement (Regulations! circulars! guidelines including specific clause)	Deviations	Observations! Remarks of the Practicing Company Secretary
1	Regulation 17 (1) – Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	BSE Imposed Fine of Rs. 1,12,100/- (for the quarter ended September, 2020)	The company's letter / mail requesting waiver for fine imposed for non-compliance of Regulation 17 (1) with proper reason to BSE through email dated 28/11/2020, 19/12/2020, 01/03/2021 and 04/03/2021. As on 31/03/2021, no reply was received from BSE.

I 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 are 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Devesh R. Desai
Practicing Company Secretary
ACS#11332 CP#7484
UDIN Number A011332C000519831

Place: Vadodara
Date: 26/06/2021

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

Annexure to Secretarial Audit Report

To,

The Members,
Purity Flexpack Limited

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

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

Devesh R. Desai
Practicing Company Secretary
ACS#11332 CP#7484
UDIN Number A011332C000519831

Place: Vadodara
Date: 26/06/2021



DEVESH R DESAI
COMPANY SECRETARY

Devesh R. Desai
M.Com. LL.B. ACS
deveshrdesai2002@rediffmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Purity Flexpack Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Purity Flexpack Limited having CIN L25200GJ1988PLC010514 and having Registered Office situated at Vanseti, Near Baska, Halol-389350, PMS, Gujarat (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment
1.	MR. ANILKUMAR BHANUBHAI PATEL	00006904	01/07/2010
2.	MS. KOKILA ANILKUMAR PATEL	00106487	30/08/2003
3.	MR. KUNAL ANILKUMAR PATEL	00106545	20/04/2019
4.	MS. VAISHALI ANKIT AMIN	00194291	12/09/2020
5.	MR. DARSHAKKUMAR SURESHCHANDRA SHETH	01292460	22/03/2007
6.	MR. NILESHBHAI NATVERBHAI PATEL	01740293	12/05/2008
7.	MR. BAXI MANISH AKHILRAY	02011827	22/03/2007
8.	MR. NIRAT GAUTAM KOTHARI	06417387	15/03/2021
9.	MR. AVANT ASHIT AMIN	08077852	08/11/2019
10.	MR. HARSHADKUMAR SATISHCHANDRA BHATT	00194195	28/01/1994

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on 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.

Devesh R. Desai
Practicing Company Secretary
ACS#11332 CP#7484
UDIN Number: A011332C000817236

Place: Vadodara
Date: 23/08/2021



DEVESH R DESAI
COMPANY SECRETARY

Devesh R. Desai
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 deveshrdesai2002@rediffmail.com

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
 GOVERNANCE
 (UNDER SCHEDULE V AND REGULATION 34(3) OF SEBI) (LISTING
 OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]**

To,

The Members of Purity Flex pack Ltd.

I have examined the compliance of conditions of Corporate Governance by **Purity Flexpack Limited** ("the Company") for the year ended on 31st March, 2021 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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 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 provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ***except that Composition of Board was not compliant of Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended September, 2020 as the composition of the Board including failure to appoint Women Director and in this respect penalty imposed by the BSE Limited (BSE) and the Company requesting waiver of fine imposed for non-compliance of Regulation 17 (1) with proper reason to BSE Limited through email dated 28/11/2020, 19/12/2020, 01/03/2021 and 04/03/2021. As on 31/03/2021, no reply was received from BSE Limited.***

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

Devesh R. Desai
Practicing Company Secretary
ACS#11332 CP#7484
UDIN Number: A011332C000817258

Place: Vadodara
Date: 23/08/2021

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF PURITY FLEXPACK LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Purity Flexpack Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, 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 then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Here in after referred to as "the financial statements").

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 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 31st March, 2021, 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 financial statements 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of Matter

We draw attention to Note 38 to these financial statements, which explains the management's assessment of going concern assumption and financial impact on account of COVID 19 pandemic situation and its assertion that based on best estimates made by it, the Company will continue as a going concern, i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future, despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

Key Audit Matters

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

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

Information other than the Financial Statement and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Responsibilities for the Audit of Financial Statements

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 judgment 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;

Materiality is the magnitude of misstatements in the 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 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 the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 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; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;

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- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For, Modi & Joshi

Chartered Accountants

Firm Registration Number: 135442W

Mitul Modi

Partner

Membership No.: 154342

Place: Vadodara

Date: 26th June, 2021

UDIN: 21154342AAAABB1678

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Para 1 “Report on Other Legal and Regulatory Requirements” in our Independent Auditor’s Report to the members of the Company on the Ind AS Financial Statements for the year ended 31st March, 2021.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- I. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments;

As informed to us, the company has regular programme of physical verification of its fixed assets by which the fixed assets are verified in phased manner over a period of time. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, the title deeds of immovable properties are held in the name of the Company;
- II. As per the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and No material discrepancies were noticed on physical verification;
- III. According to the information and explanations given to us, the Company has not granted any secured or unsecured loans to Companies, Firms, Limited Liability Partnership or any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the requirements of sub-clause (a), (b) and (c) of clause (iii) are not applicable to the Company.
- IV. In our opinion and according to the information provided to us, there are no loans to directors including entities in which they are interested in respect of which provision of section 185 are applicable and hence not commented upon. Further, in our opinion and according to information and explanation given to us, provision of section 186 in respect of loans and advances given and investment made have been complied with by the Company. There are no guarantees and securities given in respect of which provision of section 186 of the Act are applicable and hence not commented upon;
- V. In our opinion and as explained to us, the Company has not accepted any deposits during the year and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the company;
- VI. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any services rendered by the company;
- VII. According to the information and explanations given to us, in respect of statutory dues:
 - a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax (GST), Customs Duty, Cess, Income Tax, and any other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2021, for a period of more than six months from the date they became payable;
 - b) According to the information and explanations given to us and the records examined by us, there are following disputed dues of Income tax, that have not been deposited on account of dispute;

Name of the statute	Nature of dues	Amounts (Rs.)	Period to which the amounts relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Demand of Rs.24.94 Lacs to be reduced by the amount paid Rs. 3.74Lacs.	April, 2013 to March, 2014	The Commissioner of Income Tax(Appeals)

Modi & Joshi

Chartered Accountants

- VIII. Based on our audit procedure and according to the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions or banks, Government or dues to debenture holders;
- IX. According to the information and explanations given to us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purpose for which the loan were obtained during the year;
- X. During the course of our examination of the books of account and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the company noticed or reported during the year, nor we have been informed of any such case by the management;
- XI. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act;
- XII. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company. Accordingly, this clause of the Order is not applicable;
- XIII. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards;
- XIV. According to the information and explanations given 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 under review;
- XV. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence, the provisions of Section 192 of the Act are not applicable;
- XVI. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, Modi & Joshi

Chartered Accountants

Firm Registration Number: 135442W

Mitul Modi

Partner

Membership No.: 154342

Place: Vadodara

Date: 26th June, 2021

UDIN: 21154342AAAABB1678

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **PURITY FLEXPACK LIMITED** (“the Company”) as of 31st March, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The 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 internal financial controls with reference to financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 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 internal financial controls with reference to financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company 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 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 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.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the company and such internal

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financial controls over financial reporting were operating effectively as at March 31,2021, 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, Modi & Joshi

Chartered Accountants

Firm Registration Number: 135442W

Mitul Modi

Partner

Membership No.: 154342

Place: Vadodara

Date: 26th June, 2021

UDIN: 21154342AAAABB1678

Balance Sheet as at 31st March 2021

(Rs. In Lacs)

Sr. No.	Particulars	Note No	As at 31.03.2021	As at 31.03.2020
I	ASSETS			
	Non-Current Assets			
a)	Property, Plant & Equipment	3.1	3,128.23	2,899.39
b)	Intangible assets	3.2	4.01	2.76
c)	Financial Assets			
i)	Investments	4	84.83	58.92
ii)	Other Financial Assets	5	44.40	43.23
d)	Other Non-Current Assets	6	9.10	14.78
	Total Non- Current Assets		3,270.58	3,019.07
	Current Assets			
a)	Inventories	7	1,312.72	916.41
b)	Financial Assets			
i)	Trade Receivables	8	961.05	1,041.67
ii)	Cash and Cash Equivalents	9.1	12.08	18.81
iii)	Bank Balances Other than ii) above	9.2	76.22	56.56
c)	Other Current Assets	10	398.06	92.17
	Total Current Assets		2,760.13	2,125.61
	TOTAL ASSETS		6,030.71	5,144.68
II	EQUITY AND LIABILITIES			
	Equity			
a)	Equity Share Capital	11	107.34	107.34
b)	Other Equity	12	3,009.31	2,121.44
	Total Equity		3,116.65	2,228.78
	Liabilities			
	Non-Current Liabilities			
a)	Financial Liabilities			
i)	Borrowings	13	508.02	569.72
b)	Deferred Tax Liabilities	14	297.86	319.01
	Total Non- Current Liabilities		805.88	888.74
	Current Liabilities			
a)	Financial Liabilities			
i)	Borrowings	15	238.08	463.76
ii)	Trade Payables	16		
	Total Outstanding Dues of micro and small enterprises		16.38	2.50
	Total Outstanding Dues of creditors other than micro and small enterprises		1,171.75	1,042.26
iii)	Other Financial Liabilities	17	374.89	355.21
b)	Other current Liabilities	18	31.82	40.82
c)	Provisions	19	275.26	122.62
	Total Current Liabilities		2,108.19	2,027.17
	TOTAL EQUITY AND LIABILITIES		6,030.71	5,144.68
The accompanying notes are integral part of the Financial Statements		1-38		

As per our report of even date attached

For Modi & Joshi

Chartered Accountants

Firm Registration No. 135442W

For and on behalf of the Board of Directors

Purity Flexpack Ltd

CIN : L25200GJ1988PLC010514

Mitul Modi

Partner

Membership No. 154342

Place: Vadodara

Date: 26.06.2021

Anil Patel

Chairman and Managing Director

DIN: 00006904

Place: Vanseti

Date: 26.06.2021

Kunal Patel

Director & Chief Financial Officer

DIN: 00106545

Statement of Profit and Loss for the Year Ended 31st March 2021

(Rs. In Lacs)

	Particulars	Note No.	For the Year ended	
			31.03.2021	31.03.2020
	Revenue from Operations			
	Gross Sales	20.1	9,335.65	7,145.02
	Other Operating Income	20.2	7.66	8.70
			9,343.31	7,153.72
	Other Income	21	41.92	6.07
	Total Income		9,385.24	7,159.79
	Expenses			
	Cost of Materials Consumed	22	6,434.62	4,970.21
	Manufacturing Expense	23	502.99	468.44
	Changes in inventories of finished goods and work-in-progress	24	(86.68)	(58.40)
	Employee Benefit expenses	25	725.12	601.48
	Finance costs	26	90.55	116.80
	Depreciation and Amortization expenses	27	256.87	242.92
	Other expenses	28	366.27	395.78
	Total Expenses		8,289.75	6,737.25
	Profit Before Tax		1,095.48	422.54
	Less/ (Add): Tax expenses:			
	- Current Tax		267.77	108.54
	- MAT Credit (entitlement)/utilisation		-	37.73
	- Earlier Year Income Tax		(33.62)	-
	- Deferred Tax (Income) / Expense		(22.51)	23.82
	Profit for the Year/Period		883.84	252.45
	Other Comprehensive Income			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement of Gains/(Losses) on defined benefit Plans		5.40	6.79
	Income Tax relating to items that will not be reclassified to Profit & Loss		(1.36)	(1.89)
	Total (Net of Tax)		4.04	4.90
	Total Comprehensive Income for the Year/Period		887.88	257.35
	Earnings Per Equity Share			
	a) Basic (Rs.)		82.34	23.52
	b) Diluted (Rs.)		82.34	23.52
The accompanying notes are integral part of the Financial Statements		1-38		

As per our report of even date attached

For Modi & Joshi
Chartered Accountants
 Firm Registration No. 135442W

For and on behalf of the Board of Directors
Purity Flexpack Ltd
 CIN : L25200GJ1988PLC010514

Mitul Modi
 Partner
 Membership No. 154342

Anil Patel
 Chairman and Managing Director
 DIN: 00006904

Kunal Patel
 Director & Chief Financial Officer
 DIN: 00106545

Place: Vadodara
Date: 26.06.2021

Place: Vanseti
Date: 26.06.2021

Statement of Cashflow for the Year Ended 31st March 2021

(Rs. In Lacs)

Sr. No.	Particulars	As at 31.03.2021	As at 31.03.2020
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before tax	1,095.48	422.54
	Adjustment for:		
	Depreciation and Amortization expense	256.87	242.92
	(Gain)/ Loss on sale of property, plant and equipment, net	18.42	(1.17)
	Finance costs	112.56	104.51
	Net (Gain) / Loss of Foreign Currency Fluctuation (Unrealised)	(22.00)	12.29
	Income received from Banks/Others	(3.71)	(6.07)
	Net (gain)/loss arising on investments measured at fair value through profit and loss	(22.09)	10.04
	Interest on Income Tax	4.04	-
	Operating Profit before Working Capital Changes	1,439.57	785.06
	Adjustment for:		
	Change in Trade receivables	79.98	(89.43)
	Change in Other Non current financial assets	(1.17)	(2.30)
	Change in Other assets	(100.81)	7.59
	Change in Inventories	(396.31)	(52.93)
	Change in Trade payables	143.37	(67.14)
	Change in Other financial liabilities	44.75	(4.50)
	Change in Other current liabilities and provisions	(14.23)	8.42
	Cash generated from Operations	1,195.15	584.78
	Less : Income tax paid/(Refund) (including TDS) (net)	274.33	70.54
	Net Cash generated from Operating Activities (A)	920.82	514.23
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Investment	(22.50)	(15.00)
	Sales proceeds of Investment	18.67	20.62
	Purchase of Property, Plant & Equipment, Investment Property & Intangibles	(527.81)	(396.48)
	Sale proceeds of Property, Plant & Equipment	22.42	16.00
	Term deposits with maturity 3 to 12 months	(19.66)	(3.74)
	Interest received from Banks/ Others	3.71	6.07
	Net Cash used in Investing Activities (B)	(525.17)	(372.52)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Finance cost	(112.56)	(104.51)
	Proceeds/(Repayment) of Short term Borrowings	(225.68)	73.07
	Proceeds of Long term Borrowings	254.67	244.85
	(Repayment) of Long term Borrowings	(318.80)	(356.76)
	Net Cash used in Financing Activities (C)	(402.37)	(143.35)
	Net (Decrease)/ Increase in Cash & Cash Equivalents (A) + (B) + (C)	(6.73)	(1.64)
	Cash & Cash Equivalents at the beginning of the period/year	18.81	20.45
	Cash & Cash Equivalents at the end of the period/year	12.08	18.81
The accompanying notes are integral part of the Financial Statements		1-38	

As per our report of even date attached

For Modi & Joshi**Chartered Accountants**

Firm Registration No. 135442W

For and on behalf of the Board of Directors**Purity Flexpack Ltd**

CIN : L25200GJ1988PLC010514

Mitul Modi

Partner

Membership No. 154342

Anil Patel

Chairman and Managing Director

DIN: 00006904

Kunal Patel

Director & Chief Financial Officer

DIN: 00106545

Place: Vadodara**Date:** 26.06.2021**Place:** Vanseti**Date:** 26.06.2021

Statement of Change in Equity**(Rs. In Lacs)**

Particulars		As at 31.03.2021	As at 31.03.2020
(A)	Equity Share Capital		
	Balance at the beginning of the year	107.34	107.34
	Change in equity share capital during the year	-	-
	Balance at the end of the year	107.34	107.34

(B) Other Equity**(Rs. In Lacs)**

Particulars		Reserves & Surplus				Total
		Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
	Balance as at 1st April 2019	48.45	-	0.26	1,815.37	1,864.09
	Profit for the Year	-	-	-	252.45	252.45
	Re-measurements of Net Defined Benefit Plans (Net of Tax)	-	-	-	4.90	4.90
	Balance as at 31st March 2020	48.45	-	0.26	2,072.72	2,121.44
	Balance as at 1st April 2020	48.45	-	0.26	2,072.72	2,121.44
	Profit for the Year	-	-	-	883.84	883.84
	Re-measurements of Net Defined Benefit Plans (Net of Tax)	-	-	-	4.04	4.04
	Balance as at 31st March 2021	48.45	-	0.26	2,960.60	3,009.31

As per our report of even date attached

For Modi & Joshi**Chartered Accountants**

Firm Registration No. 135442W

For and on behalf of the Board of Directors**Purity Flexpack Ltd**

CIN : L25200GJ1988PLC010514

Mitul Modi

Partner

Membership No. 154342

Anil Patel

Chairman and Managing Director

DIN: 00006904

Kunal Patel

Director & Chief Financial Officer

DIN: 00106545

Place: Vadodara

Date: 26.06.2021

Place: Vanseti

Date: 26.06.2021

NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

1. Corporate information

Purity Flexpack Limited ("the Company") is a limited company domiciled and incorporated in India having its registered office at Vasanti, Post Tajpura, Near Halol, Dist Panchmahal-389 350. The principal activity of the Company is manufacturing of Flexible Packaging Materials.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

A. COMPLIANCE WITH IND AS:

This Financial Statements comply in all material respects with Indian Accounting Standard ('Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (Act) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the Financial Statement.

i. Historical cost convention:

The Financial Statements have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities (including derivative instruments) that are measured at fair value
- b) Defined benefit plans: plan assets measured at fair value

ii. Rounding off Amounts:

The financial statements are presented in INR and all values are rounded to the nearest lakhs, except when otherwise indicated.

B. SIGNIFICANT ESTIMATES, JUDGEMENTS AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make estimates, assumptions and exercise judgment in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the end of the financial statements and reported amounts of income and expense during the year.

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions. Actual results could differ from these estimates and difference between actual results and estimates are recognised in the period in which results are known or materialised.

(i) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is

satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

(ii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

C. RECENT PRONOUNCEMENTS :

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

(i) Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

(ii) Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

The principal accounting policies are set out below.

2.1. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised in the Statement of Profit and Loss to the extent that it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably. Goods & Service Tax (GST) is not received by the Company on its own account, rather, it is tax collected on value added to the commodity by the Company on behalf of the Government. Accordingly, these are excluded from revenue.

Sale of Goods and Services

Revenue is recognised when the customer obtains control of the goods. The customer obtains control of goods at the different point in time based on the delivery terms. Accordingly, company satisfies its performance obligation at the time of dispatch of goods from the factory/stockyard/storage area/port as the case may be and accordingly revenue is recognised. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

The determination of transaction price, its allocation to promised goods and allocation of discount or variable compensation (if any) is done based on the contract with the customers.

Interest Income

Interest income is recognized on time apportionment basis. Effective interest method is used to compute the interest income on long terms loans and advances.

Dividend Income

Dividend income, if any, from investment is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

2.2. Foreign Exchange Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Monetary items denominated in foreign currencies at the year-end are restated at closing rates. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain/ (loss).

Foreign exchange gain/(loss) 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 profit or loss.

Exchange difference arising in respect of long term foreign currency monetary items that relates to acquisition of a depreciable capital asset are added to or deducted from the cost of the asset and are depreciated over the remaining useful life of an asset.

2.3. Borrowing Costs

Borrowing costs specifically identified to the acquisition or construction or production of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.4. Employee Benefits

Employee benefits include provident fund, gratuity and leave encashment.

Post-employment benefit plans

Defined contribution Plans (Provident Fund)

Employee benefit under defined contribution plan comprising of provident fund is recognized based on the amount of obligation of the Company to contribute to the plan. The contribution is paid to Regional Provident Fund Commissioner, which is expensed during the year.

Defined benefit Plans (Gratuity)

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which

recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government bond as at the balance sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment or curtailment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and Settlements);
- Net interest expense or income; and
- Remeasurement

The Company has instituted a Group - cum - Life Insurance Scheme with the Life Insurance Corporation of India, so far as gratuity is concerned.

2.5. Earnings Per Share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Ant dilutive options are not considered in computing dilutive earning per share.

2.6. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

2.7. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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 liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Current and deferred tax for the year

Current and deferred tax expense are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax expense are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate tax (MAT)

MAT paid in a year is charged to the Statement of profit and loss as current tax. MAT credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, which is the period for which MAT credit is allowed to be carried forward. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.8. Property, plant and equipment

Buildings held for use in the production or supply of goods, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Property, plant and equipment (other than buildings) are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Capital work-in-progress

Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management. It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Parts of an item of PPE having different useful lives and material value and subsequent expenditure on PPE arising on account of capital improvement or other factors are accounted for as separate components.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation

Depreciation is provided on the cost of PPE less their residual values, using the straight line method over the useful life of PPE as specified in Schedule II to the Companies Act, 2013 except in case of certain items of PPE where useful life has been considered based on technical assessment. Estimated useful lives of the assets are as follows:

Sr. No.	Particulars	Useful lives (in years)
1.	Buildings	30-60
2.	Roads and Culverts	3
3.	Plant and Machinery	15
4.	Office equipment	5
5.	Computer and Server	3-6
6.	Furniture and fixtures	10
7.	Vehicles	8-10
8.	Electrification	10
9.	Solar Plant	15
10.	Laboratory Equipment	10

Depreciation methods are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.9. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization or depletion. All costs, including finance cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets are capitalized.

The useful life is assessed as either finite or indefinite. Intangible with finite lives are amortised on straight line basis over the useful lives of the assets and assessed for impairment. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Intangible assets with infinite lives are amortized on a straight line basis over the estimated useful economic life, company has estimated economic useful life of 10 years for such assets. All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization expense on intangible assets is recognized in statement of profit and loss.

2.10. Impairment of PPE

At the end of each reporting period, the Company reviews the carrying amounts of its PPE and intangible assets of a cash generating unit to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the statement of profit and loss.

2.11. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of inventories comprises of purchase cost and other costs incurred in bringing inventories to their present location and condition. The cost has been determined as under:

Raw material& Packing Material	On First in First out (FIFO) basis.
Finished products	At Raw material and Conversion cost
Stock-in-process	At Raw material and Proportionate Conversion cost.
Stores and spares (other than those capitalised as property, plant and equipment) and other trading goods	On cost basis.

2.12. Provisions, Contingent Liabilities and Contingent Assets

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the

obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefits is remote.

2.13. Financial instruments

A. FINANCIAL ASSETS

INITIAL RECOGNITION

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

SUBSEQUENT MEASUREMENT

Financial assets are classified into the following specified categories:

- Financial assets carried at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit and loss (FVTPL)

EQUITY INSTRUMENTS

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

DEBT INSTRUMENTS

MEASURED AT AMORTISED COST

Financial Assets that are held for collection of contractual cash flow where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the Effective Interest Rate (EIR) method. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (OCI)

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at air value through Other Comprehensive Income (FVTOCI).

Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss.

On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as Fair Value through profit or loss (FVTPL). Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

IMPAIRMENT OF FINANCIAL ASSET

The company assesses on a forward looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and lease receivable only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of such receivables.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset is de-recognised only when the Company, has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

B. FINANCIAL LIABILITIES**INITIAL RECOGNITION AND MEASUREMENT**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include loans and borrowings, trade and other payables

SUBSEQUENT MEASUREMENT

Financial liabilities at fair value through profit and loss(FVTPL)

Financial liabilities at fair value through profit or loss include derivatives. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the Criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own Credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

LOANS AND BORROWINGS

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

DE-RECOGNITION

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

OFF-SETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14. Segment reporting

Operating segments are identified and reported taking into account the different risk and returns, the organization structure and the internal reporting systems.

2.15. Current & non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

2.16. Lease

Policy applicable before April 1, 2019 Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

A. Operating Lease:

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognised in the year in which the benefits accrue) provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

B. Finance Lease:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Policy applicable after April 1, 2019

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

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

for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- The Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2.17. Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.18. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Note 3.1: Property, Plant & Equipment

(Rs. In Lacs)

Particulars	Property, Plant & Equipments													
	Freehold Land	Factory Building	Road	Administrative Building	Plant & Machinery	Solar Plant	Electricity	Office Equipment	Fire Fighting Equipment	Furniture & Fixture	Vehicles	Laboratory Equipment	Computer	Total
Gross Carrying Value														
As at 1st April, 2019	4.32	422.67	24.87	133.50	3,100.26	146.86	56.45	22.86	0.22	46.07	215.51	1.72	14.20	4,189.52
Additions during the year	-	83.12	-	-	279.04	-	13.09	4.75	-	-	-	-	1.02	381.03
Other adjustments	-	-	-	-	15.45	-	-	-	-	-	34.24	-	-	15.45
Disposal during the year	-	-	-	-	58.70	-	-	-	-	-	-	-	-	92.94
As at 31st March 2020	4.32	505.79	24.87	133.50	3,336.05	146.86	69.55	27.61	0.22	46.07	181.27	1.72	15.22	4,493.06
As at 1st April, 2020	4.32	505.79	24.87	133.50	3,336.05	146.86	69.55	27.61	0.22	46.07	181.27	1.72	15.22	4,493.06
Additions during the year	-	274.70	-	-	173.11	-	12.45	5.53	-	9.21	44.11	-	7.09	526.20
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	224.57	-	-	1.13	-	-	37.56	-	-	263.26
As at 31st March 2021	4.32	780.49	24.87	133.50	3,284.60	146.86	81.99	32.01	0.22	55.29	187.82	1.72	22.31	4,756.00
Depreciation														
As at 1st April, 2019	-	138.28	23.63	6.99	1,049.58	48.33	36.78	14.43	0.22	26.26	72.20	1.64	10.84	1,429.18
Provided for the year	-	13.34	-	2.12	185.20	9.36	2.61	4.66	-	2.97	20.82	-	1.52	242.60
Disposal during the year	-	-	-	-	55.76	-	-	-	-	-	22.34	-	-	78.10
As at 31st March 2020	-	151.62	23.63	9.11	1,179.02	57.70	39.39	19.09	0.22	29.22	70.68	1.64	12.36	1,593.68
As at 1st April, 2020	-	151.62	23.63	9.11	1,179.02	57.70	39.39	19.09	0.22	29.22	70.68	1.64	12.36	1,593.68
Provided for the year	-	14.02	-	2.11	198.62	9.34	3.79	3.96	-	3.18	19.36	-	2.13	256.52
Disposal during the year	-	-	-	-	207.17	-	-	1.07	-	-	14.18	-	-	222.42
As at 31st March 2021	-	165.64	23.63	11.22	1,170.46	67.04	43.18	21.98	0.22	32.40	75.86	1.64	14.49	1,627.77
Net Carrying Value														
As at 31st March 2020	4.32	354.18	1.24	124.39	2,157.04	89.16	30.15	8.52	-	16.85	110.59	0.08	2.86	2,899.39
As at 31st March 2021	4.32	614.85	1.24	122.28	2,114.14	79.82	38.81	10.03	-	22.88	111.97	0.08	7.81	3,128.23

Note 3.2: Intangible Assets**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Computer Software & Licenses		
Opening Balances	2.76	3.08
Add Purchase During the Year	1.61	-
	4.37	3.08
Less Amortization for the Year	0.36	0.32
Total	4.01	2.76

Note 4: Non-Current Financial Investments**(Rs. In Lacs)**

Particulars	Face Value	As at 31.03.2021	As at 31.03.2020
<u>Unquoted fully paid up Equity Shares (Measured at FVTOCI)</u>			
1 Stag Print Private Limited {1300 Equity Shares of ₹. 10 each fully paid}	10	1.30	1.30
<u>Investment in Mutual Fund (Measured at FVTPL)</u>			
1 Birla Sun Life Balanced '95 Fund (Growth)		7.04	4.43
2 Franklin India Balanced Fund (Growth Plan)		-	9.74
3 HDFC Balanced Fund (Growth Option)		13.64	9.97
4 HDFC Equity Savings Fund		15.82	10.53
5 Aditya Birla MNC Fund		5.52	-
6 HDFC Short Term Debt		5.02	-
7 Franklin India Highgrowth Co fund		-	3.54
8 Nippon Liquid Fund		7.57	-
9 Mirae Assets India Equity Fund		3.85	2.06
10 Sundaram Rural India Fund		3.24	1.89
11 ICICI Pru All Seasons Bond Fund		8.40	7.71
12 Axis Dynamic Bond Fund		8.36	7.76
13 ICICI Prudential Pharma Healthcare & Diag. PHD Fund		5.07	-
Total		84.83	58.92

4.1 Aggregate Cost of Investment in Mutual Funds

67.93

65.00

4.2 Aggregate Market Value of Investment in Mutual Funds

83.53

57.62

4.3 Aggregate Cost of Unquoted Investments

1.30

1.30

Note 5: Non-Current Other Financial Assets**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
(Unsecured, Considered Good, Measured at Amortised Cost) Security Deposits	44.40	43.23
Total	44.40	43.23

There are no loans given to Related Parties.

Note 6: Other Non- Current Assets**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Deposit / Advances with Tax Authorities	3.74	3.74
Other Receivable	5.36	11.04
Total	9.10	14.78

Note 7: Inventories *

(Rs. In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
(Valued at lower of Cost and Net realisable value)		
Raw Materials	812.12	494.69
Work-in-progress	264.06	194.38
Finished goods	100.22	83.22
Stores	122.15	131.42
Packing Material	14.16	12.70
Total	1,312.72	916.41

*Hypothecated with Banks for Working Capital Facility.

Note 8: Current Financial Trade Receivables *

(Rs. In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Receivables Considered Good - Secured	-	-
Receivables Considered Good - Unsecured	961.05	1,041.67
Receivables which have significant increase in credit risk	-	-
Receivables - Credit impaired	-	-
Total	961.05	1,041.67
Less: Allowance for bad & doubtful debts	-	-
Total	961.05	1,041.67
Outstanding from Related Parties		
Considered Good	-	-
Considered Doubtful	-	-
	-	-
Movements in Allowance for Bad & Doubtful debts:		
Opening balance	-	-
(+) Provision made during the year	-	-
(-) Amount utilised from the provision	-	-
Closing Balance	-	-

*Hypothecated with Banks for Working Capital Limit

*Receivables from related party refer Note: 34

Note 9: Cash & Bank Balances

(Rs. In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
9.1 Cash & Cash Equivalents		
- Balance with Banks:	5.58	12.06
- Cash on hand	6.50	6.75
Sub-Total (A)	12.08	18.81
9.2 Other Bank Balances		
- Fixed Deposit Accounts (With original maturity greater than 3 months but less than 12 months)*	76.22	56.56
Sub-Total (B)	76.22	56.56
Total (A+B)	88.30	75.36

*Pledged with bank as margin for Letter of Credit.

Note 10: Other Current Assets

(Rs. In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Advances to Suppliers	99.94	1.49
Balance with revenue authorities	270.14	64.68
MAT Credit	0.00	2.66
Prepaid Expense	27.98	23.33
Total	398.06	92.17
Advances to Suppliers (Related Parties)		
Considered Good	15.23	-
Considered Doubtful	-	-
	15.23	-

Note 11: Share Capital**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised Capital 6,000,000 Equity Shares of Rs. 10/- each	600.00	600.00
Issued, Subscribed & Fully Paid-up Capital 10,73,400 Equity Shares of Rs. 10/- each fully paid up	107.34	107.34
Total Share Capital	107.34	107.34

There is no increase in Authorised Capital.

a) Reconciliation of the number of Equity shares**(No of share in Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
(A) Equity Share Capital		
Balance at the beginning of the year	10.73	10.73
Changes during the year	-	-
Balance at the end of the year	10.73	10.73

b) Rights, Preferences & Restrictions of each class of shares

The Company has only one class of equity shares which enjoys the same rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c) Particulars of shares issued/allotted as fully paid-up by way of consideration other than cash

The Company has not issued/allotted any shares as fully paid-up by way of consideration other than cash.

d) Particulars of shares reserved for options and contracts/commitments for sale of shares/ disinvestment

The Company has not reserved any shares for issue of options and contracts/commitments for sale of shares/ disinvestment.

e) Particulars of calls unpaid

There is no calls unpaid, hence disclosure is not applicable.

f) Subdivision of Shares

There is no subdivision of shares during this year, hence such disclosure is not applicable.

g) Shares Forfeited

There is no forfeiture of shares, hence such disclosure is not applicable.

h) Details of Equity Shareholders holding more than 5% shares in the company:**(No of share in Lacs)**

	Particulars	31.03.2021		31.03.2020	
		% of Holding	No of Shares	% of Holding	No of Shares
1	Anil Patel	15.07%	1.62	15.07%	1.62
2	Kokila Patel	16.31%	1.75	16.31%	1.75
3	Vaishali Amin	10.35%	1.11	10.35%	1.11
4	Kunal Patel	7.12%	0.76	6.65%	0.71

Note 12: Other Equity
(Rs. In Lacs)

Particulars	Reserves & Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1st April 2019	48.45	-	0.26	1,815.37	1,864.09
Profit for the Year	-	-	-	252.45	252.45
Re-measurements of Net Defined Benefit Plans (Net of Tax)	-	-	-	4.90	4.90
Balance as at 31st March 2020	48.45	-	0.26	2,072.72	2,121.44
Balance as at 1st April 2020	48.45	-	0.26	2,072.72	2,121.44
Profit for the Year	-	-	-	883.84	883.84
Re-measurements of Net Defined Benefit Plans (Net of Tax)	-	-	-	4.04	4.04
Balance as at 31st March 2021	48.45	-	0.26	2,960.60	3,009.31

A) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

B) Re-measurements of Net Defined Benefit Plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

C) Capital Reserve: The Company recognised profit or loss on sale, issue, purchase or cancellation of the Company's own equity instruments to capital reserve. Capital reserve may be used by the Company only for some specific purpose.

D) General Reserve: The General reserve is used from time to time, to transfer profit from retained earning for appropriation purpose.

E) Revaluation Reserve: This Reserve represent the Gain arises out of revaluation carried out on the Immovable Property. This reserve has been created by valuing Immovable Property at its Market Value.

Note 13: Non-Current Financial Borrowings

(Rs. In Lacs)

Particulars	As at 31.03.2021	As at 31.03.2020
Secured		
Term Loans:		
- From Banks	801.19	887.97
Total	801.19	887.97
Less: Current portion	293.18	318.24
Total	508.02	569.72

Sr.	Name of Institution/ Bank/ Others	31.03.2021	31.03.2020
1	HDFC Bank		
	Term Loan I	-	12.62
	Term Loan II	11.59	-
	Term Loan III	8.76	-
	Term Loan IV	15.66	-
2	Axis Bank		
	Term Loan I	-	17.00
	Term Loan II	52.47	107.37
	Term Loan III - USD (Foreign Currency Loan)	156.13	300.58
	Term Loan IV	3.48	25.43
	Term Loan V	2.16	5.19
	Term Loan VI	126.33	174.94
	Term Loan VII	209.35	244.85
	Term Loan IX	215.27	-
	Total Borrowings	801.19	887.97
	Non-Current Portion	508.02	569.72
	Current Portion	293.18	318.24

- 1 Term Loan - HDFC Term Loan I Nil (PY Rs. 12.62 lacs) secured by way of Hypothecation of Car. The Loan is repayable in equal monthly instalments each of Rs. 0.24 lacs along with Interest @ 9.65% P.a
- 2 Term Loan - HDFC Term Loan II Rs. 11.59 lacs (PY Nil) secured by way of Hypothecation of Car. The Loan is repayable in equal monthly instalments each of Rs. 0.47 lacs along with Interest @ 8.20% P.a
- 3 Term Loan - HDFC Term Loan III Rs. 8.76 lacs (PY Nil) secured by way of Hypothecation of Car. The Loan is repayable in equal monthly instalments each of Rs. 0.31 lacs along with Interest @ 7.90% P.a
- 4 Term Loan - HDFC Term Loan IV Rs. 15.66 lacs (PY Nil) secured by way of Hypothecation of Vehicle. The Loan is repayable in equal monthly instalments each of Rs. 0.49 lacs along with Interest @ 8.01% P.a
- 5 Term Loan - Axis Bank Term Loan I Nil (PY Rs. 17.00 lacs) secured by way of Hyp. Of Machinery, Electric Installation, Furniture, office equipment etc of the Company. The Loan is repayable in equal monthly instalments each of Rs. 8.50 lacs after the monetarium period of 6 months, Interest @ 7.00 % P.a. (repo + 3 %)
- 6 Term Loan - Axis Term Loan II Rs. 52.47 Lacs (PY Rs. 107.37 Lacs) secured by way of Hyp. Of Machinery , Electric Installation , Furniture , office equipment etc of the Company. The Loan is repayable in equal monthly instalments each of Rs. 4.65 lacs along with Interest @ 7.00 % P.a. (repo + 3 %)
- 7 Term Loan - Axis Loan III Rs. 156.13 lacs (PY Rs. 300.58 Lacs) secured by way of Hyp. Of Machinery , Electric Installation , Furniture , office equipment etc of the Company. The Loan is repayable in equal monthly instalments each of 14203 USD along with Interest @ 6.21% P.a.
- 8 Term Loan - Axis term Loan IV Rs. 3.48 lacs (PY Rs. 25.43 lacs) secured by way of Hypothecation of Car. The Loan is repayable in equal monthly instalments each of Rs. 1.93 lacs along with Interest @ 8.51% P.a
- 9 Term Loan - Axis term Loan V Rs. 2.16 lacs (PY Rs. 5.19 lacs) secured by way of Hypothecation of tempo traveller. The Loan is repayable in equal monthly instalments each of Rs. 0.27 lacs along with Interest @ 8.25% P.a
- 10 Term Loan - Axis term Loan VI Rs. 126.33 lacs (PY Rs. 174.94 lacs) secured by way of Hypothecation of Plant & Machinery. The Loan is repayable in equal monthly instalments each of Rs. 4.17 lacs and Interest is to be paid seperatly @ 7.00 % P.a. (repo + 3 %)
- 11 Term Loan - Axis term Loan VII Rs. 209.35 lacs (PY 244.85) secured by way of Hypothecation of Plant & Machinery. The Loan is repayable in equal monthly instalments each of Rs. 3.15 lacs (10 months) initially, then after @ Rs. 4.00 lacs (10 months), then after @ Rs. 4.75 lacs (10 months), then after Rs. 5.00 lacs (12 months) and last trench @ Rs. 5.50 lacs (12 months) and Interest is to be paid seperatlv @ 7.00 % P.a. (repo + 3 %)
- 12 Term Loan - Axis term Loan IX Rs. 215.27 lacs (PY Nil) secured by way of Hypothecation of Plant & Machinery. The Loan is repayable in 36 equal monthly instalments each of Rs. 4.17 lacs and Interest is to be paid seperatly @ 7 % P.a. (repo + 3 %) starting after the 12 months of moratorium from the date of sanction

All the facilities (funded & Non-funded) are further secured by personal guarantee of the Directors of the Company

Note 14: Deferred Tax Liabilities (Net)**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
<u>Deferred Tax Liability</u>		
On account of PPE	296.51	315.94
On account of gratuity	1.35	3.07
Net Deferred Tax Liability/ (Asset)	297.86	319.01

Note 15: Current Financial Borrowings**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Secured		
- Working Capital Loans		
Axis Bank	158.95	250.91
- Balance with the Bank-Axis Bank	-	128.08
Unsecured loan repayable on demand		
- From Directors	79.13	84.77
Total	238.08	463.76
Rate of interest on working capital loans-Axis Bank	7.00%	9.70%
Working capital loans are secured by Hypothecation of entire raw materials, stock-in-process, stores & spares, packing materials, finished goods and Book-debts of the Company, both present & future		
Unsecured Loan From Directors are repayable on demand.		

Note 16: Current Financial Trade Payables**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
- Total Outstanding Dues of micro and small enterprises	16.38	2.50
- Total Outstanding Dues of creditors other than micro and small enterprises	1,171.75	1,042.26
Total	1,188.13	1,044.75

* The details of amounts outstanding to Micro, Small and Medium Enterprises as identified by the management, under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are as under

Sr. No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	Principal amount due and remaining unpaid	16.38	2.50
2	Interest due on (1) above and the unpaid interest	-	-
3	Interest paid on all delayed payment under the MSMED Act	-	-
4	Payment made beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay other than (3) above	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year:	-	-

* This information has been determined to the extent parties have been identified based on confirmation received from parties. Based on current information/confirmations available with the company, there are no overdue payable to suppliers who are registered under the relevant Act.

Note 17: Other Current Financial Liabilities**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Current Maturities of Long term Borrowings	293.18	318.24
Creditors for Capital Goods	43.55	6.85
Salary & Wages Payable	38.17	30.12
Total	374.89	355.21

Note 18: Other Current Liabilities**(Rs. In Lacs)**

Particulars	As at 31.03.2021	As at 31.03.2020
Advance Received from Customers	23.07	32.37
Statutory dues	8.75	8.46
Total	31.82	40.82

Note 19: Provisions

(Rs. In Lacs)

Particulars	As at	
	31.03.2021	31.03.2020
Other Provision	3.46	14.07
Provision for Income tax	271.81	108.54
Total	275.26	122.62

Note 20: Revenue From Operations

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
20.1 REVENUE FROM SALE OF PRODUCTS		
Sale of Goods (Domestic)	8,872.87	6,668.50
Sale of Goods (Export)	462.78	476.52
	9,335.65	7,145.02
20.2 OTHER OPERATING INCOME		
Job Work	2.80	1.59
Export Benefit Received	4.86	7.10
	7.66	8.70
Total	9,343.31	7,153.72

Note 21: Other Income

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Interest Income		
From Bank	3.42	3.35
From Others	0.29	2.73
Net gain on Foreign Currency Transactions	16.13	-
Other Non-Operating Income:		
Fair value gain on financial instruments through profit or loss	22.09	-
Total	41.92	6.07

Note 22: Cost of Materials Consumed

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Raw Materials Consumed		
Raw Material Consumed (Imported)	747.75	751.85
Raw Material Consumed (Indigenous)	5,582.27	4,147.58
	6,330.02	4,899.44
Packing Material Consumed	104.60	70.78
Total Cost of Materials Consumed	6,434.62	4,970.21

Note: 23: Manufacturing Expense

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Freight & Carriage	59.85	47.76
Power, Fuel & Water Charges	265.17	238.34
Consumable Stores & Dies Consumed	115.21	122.04
Repairs & Maintenance	41.17	42.19
Factory Expenses	9.75	7.06
Security Expenses	11.84	11.06
Total	502.99	468.44

Note 24: Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Opening Stock		
Finished goods	83.22	19.64
Work-in-progress	194.38	199.57
Sub- Total (A)	277.60	219.20
Less: Closing Stock		
Finished goods	100.22	83.22
Work-in-progress	264.06	194.38
Sub- Total (B)	364.28	277.60
Net (A-B)	(86.68)	(58.40)

Note 25: Employee Benefit expenses

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Salaries, Wages, Bonus, Benefits and Amenities	500.56	408.66
Director Remuneration	160.52	133.37
Contribution to PF & Other Funds	38.24	35.09
Gratuity	19.08	16.13
Employee Welfare Expenses	6.73	8.24
Total	725.12	601.48

Note 26: Finance Costs

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Interest		
- On Bank Loans	81.14	106.20
- On Other Loans	9.41	15.92
Less: Interest Capitalised	-	(5.32)
Total	90.55	116.80

Note 27: Depreciation and Amortization

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Property Plant & Equipment	256.52	242.60
Other Intangible Assets	0.36	0.32
Total	256.87	242.92

Note 28: Other expenses

(Rs. In Lacs)

Particulars	For the year ended	
	31.03.2021	31.03.2020
Administrative and Selling Expenses		
Rent, Rates & Taxes	2.66	4.02
Postage & Telephone Expense	3.68	5.45
Printing & Stationery Expense	2.74	2.70
Office Expenses	1.85	1.67
Insurance Expense	32.33	39.76
Repairs and Maint. (Other)	9.75	6.91
Travelling Expenses	6.36	30.48
Conveyance Expense	12.26	11.65
Auditors' Remuneration	0.90	0.90
Legal Exps. & Professional Fees	15.92	27.95
Carriage Outward & Export expense	82.16	74.66
Advertisement Expense	0.74	3.64
Commission on Sales	103.58	95.94
Computer Expenses	2.03	1.81
Sales Promotion & Entertainment Expenses	4.77	19.20
Licence Fees / ECGC / Filing Fees	15.83	4.63
General Miscellaneous Expenses	33.62	25.93
Donations	3.21	0.30
Loss on Sale of Assets	18.42	(1.17)
Bank Commission & Charges	13.45	6.59
Net gain on Foreign Currency Transactions	-	22.73
Fair value gain on financial instruments through profit or loss:	-	10.04
Total	366.27	395.78

Note 29: COMMITMENTS AND CONTINGENT LIABILITIES**(Rs. In Lacs)**

Particulars	As at	
	31.03.2021	31.03.2020
Contingent Liability		
Income Tax liability being disputed	24.94	24.94
(Against the amount paid as on 31.03.18 of Rs.3.74 lacs, As on 31.03.17 of Rs.3.74 Lacs)		

Note 30: INCOME TAX EXPENSE**(Rs. In Lacs)**

Particulars	For the year ended	
	31.03.2021	31.03.2020
Current Tax		
Current tax on profits for the year after MAT credit (entitlement)/utilisation	234.15	146.27
Total current tax expense	234.15	146.27
Deferred Tax on OCI		
Deferred Tax on OCI	1.36	1.89
Deferred tax		
Deferred tax adjustments	(22.51)	23.82
Income tax expense	213.00	171.98

Note 31: PAYMENT TO AUDITORS**(Rs. In Lacs)**

Particulars	For the year ended	
	31.03.2021	31.03.2020
Statutory Audit Fees	0.90	0.90
Total	0.90	0.90

Note 32: DEFINED BENEFIT PLAN**Defined contribution plans**

The Company is contributing towards Provident Fund of employees. Under the scheme the Company is contributing a specified percentage of the salary to the fund and is depositing to the Recognized provident fund.

Defined benefit plans

The Company is contributing towards Gratuity Fund of employees. Under the scheme the Company pays premium to the Life Insurance Corporation (LIC) of India based on their actuarial calculation. Further, the company has also actuarial calculation done from an independent actuary and any difference in the premium paid to LIC and the liability calculated is accordingly accounted.

Defined Benefit Plan: Gratuity (Funded)**(Rs. In Lacs)**

Particulars	For the year ended	
	31.03.2021	31.03.2020
I - Expenses recognized in the Statement of Profit and Loss:		
Current Service Cost	11.02	10.20
Interest Cost	6.79	5.93
Expenses recognized during the year	17.81	16.13
II - Expenses recognized in other comprehensive income (OCI)		
Actuarial (gain)/losses on obligation for the period	1.70	0.04
Return on Plan Assets, Excluding Interest Income	(7.09)	(6.83)
Change in Asset Ceiling	-	-
Net (Income)/Expenses For the Period Recognised in OCI	(5.40)	(6.79)
III - Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:		
As at the beginning of the Year	86.57	72.03
Current service cost	11.02	10.20
Interest Cost	6.79	5.93
Benefit paid from the fund	(7.95)	(1.63)
Actuarial losses/(gains)	1.70	0.04
As at the end of the year	98.13	86.57
IV - Movement in net liability recognized in Balance Sheet		
As at the beginning of the Year - liability/(Asset)	(11.04)	(13.49)
Expenses recognized during the year in Statement of Profit and Loss	17.81	16.13
Expenses recognized during the year in OCI	(5.40)	(6.79)
Contributions made	(6.73)	(6.89)
As at the end of the year	(5.36)	(11.04)

V - Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof:		
As at the beginning of the Year	97.61	85.52
Contributions made	6.73	6.89
Benefit paid from the fund	(7.95)	(1.63)
Return on Plan Assets, Excluding Interest Income	7.09	6.83
As at the end of the year	103.49	97.61
VI - Net (Liability) recognized in the balance sheet		
Present Value of Benefit Obligations at the end of the period	(98.13)	(86.57)
Fair Value of Plan Assets at the end of the period	103.49	97.61
Net (Liability)/Asset recognized in the Balance Sheet	5.36	11.04
VII- Return on Plan Assets		
Expected return on plan assets	7.09	6.83
Actuarial (loss)/gain	(1.70)	(0.04)
Actuarial return on plan assets	5.40	6.79
VIII - The major categories of plan assets as a percentage of total plan assets		
Insurer Managed Funds	100%	100%
IX - Principal actuarial assumptions		
Discount rate	7.00%	7.25%
Expected Rate of Return on Plan Assets	6.84%	7.50%
Annual increase in salary cost	7.00%	7.00%

Employee benefit plan typically expose the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

Interest Risk

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability

Note 33: OPERATING SEGMENTS

The Company is engaged in the business of manufacturing flexible packaging materials and therefore, has only one reportable segment in accordance with Ind AS 108 "Operating Segment".

The Company has two geographical segments based upon location of its customers - within and outside India

Particulars	(Rs. In Lacs)	
	For the year ended	
	31.03.2021	31.03.2020
Within India	8,873.48	6,672.43
Outside India (Direct Export)	462.17	472.59
Total	9,335.65	7,145.02

Segment revenue reported above represents revenue generated from customers within and outside India from sale of products.

Note 34: RELATED PARTY DISCLOSURES

Nature of Relationship	Name of Related Party
Key Management Personnel	Anilkumar Bhanubhai Patel Kokila Anilkumar Patel Kunal Anilkumar Patel Vaishali Ankit Amin Harshadkumar Satishchandra Bhatt Nirat Gautam Kothari Darshakkumar Sureshchandra Sheth Nileshbhai Natverbhai Patel Avant Ashit Amin Vandana J Machhi (upto 15.03.2021) Baxi Manish Akhilray
Other Parties which significantly Influence/are influenced by the Company (either individually or with others)	Anupam Trading Stag Print pvt ltd Aman Enterprise OM Suntronics Converting Equipment Kalpvrux Converting Products Pvt Ltd Precise Automation & Control Pvt Ltd

(Rs. In Lacs)

Name of the related party and nature of transactions and Outstanding balance	For the year ended	
	31.03.2021	31.03.2020
Anil Patel		
Remuneration	84.00	72.00
Interest on unsecured loan	2.38	2.14
Closing balance of unsecured loan	40.52	42.66
Kunal Patel		
Remuneration	63.00	54.00
Unsecured loan received	3.10	-
Unsecured loan paid	3.10	5.00
Closing balance of unsecured loan	35.00	35.00
Vaishali Amin		
Remuneration	13.52	7.37
KALPVRUX CONVERTING PRODUCT PRIVATE LIMITED		
Purchase / Repairing	0.42	0.57
Purchase of Fixed Assets	30.50	47.79
Sales	-	0.21
Amount Paid	31.18	46.31
Closing balance	-	0.26
PRECISE AUTOMATION AND CONTROL PRIVATE LIMITED		
Purchase / Repairing	0.32	-
Purchase of Fixed Assets	10.76	5.82
Amount Paid	11.08	5.82
Closing balance	-	-
STAG PRINT PRIVATE LIMITED		
Purchase / Expenses	4.42	4.91
Amount Paid	-	9.35
Closing balance	(15.23)	(19.65)
AMAN ENTERPRISES		
Purchase / Repairing	256.15	503.41
Amount Paid	416.69	512.69
Closing balance	-	160.54
OM SUNTRONIC CONVERTING EQUIPMENTS		
Purchase / Repairing	5.46	1.71
Amount Paid	6.86	0.11
Closing balance	0.21	1.61
Anupam Trading Co		
Rent	1.50	1.50
Vandana J Machhi (upto 15.03.2021)		
Remuneration	2.70	-

Note 35: FINANCIAL INSTRUMENTS

Note 35.1: CAPITAL MANAGEMENT

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximizing the return to stakeholders through the optimisation of the debt and equity balance

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Capital Structure of the Company consists both debt and equity

(Rs. In Lacs)		
GEARING RATIO	31.03.2021	31.03.2020
Gross Debt (Long term and short term borrowings including current maturities)	1,039.27	1,351.73
Less: Cash and bank balances	88.30	75.36
Net Debt (A)	950.98	1,276.37
Total Equity (B)	3,116.65	2,228.78
Net Debt to equity Ratio (A/B)	0.31	0.57

Note 35.2: FINANCIAL RISKS MANAGEMENT

In the course of business, amongst others, the Company is exposed to several financial risks such as Credit Risk, Liquidity Risk, Interest Rate Risk, Exchange Risk and Commodity Price Risk.

These risks may be caused by the internal and external factors resulting into impairment of the assets of the Company causing adverse influence on the achievement of Company's strategies, operational and financial objectives, earning capacity and financial position

The Company has formulated an appropriate policy and established a risk management framework which encompass the following process:

- identify the major financial risks which may cause financial losses to the company
- assess the probability of occurrence and severity of financial losses
- mitigate and control them by formulation of appropriate policies, strategies, structures, systems and procedure
- Monitor and review periodically the adherence, adequacy and efficacy of the financial risk management system

The Company enterprise risk management system is monitored and reviewed at all levels of management, Internal Auditors, Audit Committee and the Board of Directors from time to time.

In the event of crisis caused due to external factors such as caused by recent pandemic "COVID-19", the management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds. These forecast and assumptions are reviewed by board of directors.

(A) COMMODITY PRICE RISK

The main raw materials which company procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly. The pricing policy of the Company's final product is structured in such a way that any change in price of raw materials is passed on to the customers in the final product however, with a time lag which mitigates the raw material price risk.

With regard to the finished products, the Company has been operating in a global competitive environment which continues to keep downward pressure on the prices and the volumes of the products

In order to combat this situation, the Company formulated manifold plans and strategies to develop new customers & focus on new innovative products. In addition, it has also been focusing on improvement in product quality and productivity. With these measures, Company counters the competition and consequently commodity price risk

(B) FOREIGN CURRENCY RISK

The company is exposed to the foreign currency risk from transactions. Transactional exposures are arising from the transactions entered into foreign currency. Management keeps a close watch of the maturity of the financial assets in foreign currency and payment obligations of the financial liabilities.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting periods are as follows:

As on 31st March, 2021

Currency	Liabilities		Assets		Net overall exposure on the currency
	Gross Exposure	Net liability exposure on the currency	Gross Exposure	Net asset exposure on the currency	
USD	2.93	2.93	0.08	0.08	-2.85

As on 31st March, 2020

Currency	Liabilities		Assets		Net overall exposure on the currency
	Gross Exposure	Net liability exposure on the currency	Gross Exposure	Net asset exposure on the currency	
USD	14.13	14.13	2.23	2.23	-11.90

(C) INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Further, the Company's investments in deposits is with banks and electricity authorities and therefore do not expose the Company to significant interest rates risk. The Company's variable rate borrowing is subject to interest rate risk. However, the management considers the impact of fair value interest rate risk on variable rate borrowings to be immaterial.

(D) CREDIT RISK

Credit Risk refers to the risks that arise on default by the counterparty on its contractual obligation resulting into financial loss to the company. The company may carry this Risk on Trade and other receivables, liquid assets and some of the non current financial assets. In case of Trade receivables, the company has framed appropriate policy for extending credits period & limit to each customer based on their profile, financial position and their external rating etc. The collections of trade dues are strictly monitored. In case of Export customers, even credit guarantee insurance is also obtained for each and every customer.

The credit risk on cash & cash equivalent, investment in fixed deposits, liquid funds and deposits are insignificant as counterparties are banks or mutual funds with high credit ratings assigned by the trading agencies of international repute.

(E) LIQUIDITY RISK

Liquidity Risk arises when the company is unable to meet its short term financial obligations as and when they fall due

The company maintains adequate liquidity in the system so as to meet its all financial liabilities timely. In addition to this, the company's overall financial position is very strong so as to meet any eventuality of liquidity tightness

Contractual maturities of financial liabilities are given as under

Particulars	As at	Total	(Rs. In Lacs)	
			Due within 12 months from Balance Sheet Date	Due beyond 12 months of Balance Sheet Date
Borrowings	31.03.2021	1,039.27	531.26	508.02
	31.03.2020	1,351.73	782.00	569.72
Tarde Payables	31.03.2021	1,188.13	1,188.13	-
	31.03.2020	1,044.75	1,044.75	-
Other Financial Liability	31.03.2021	374.89	374.89	-
	31.03.2020	355.21	355.21	-

Note 36: FAIR VALUE MEASUREMENTS

The carrying value of instruments by categories are as follows:

(Rs. In Lacs)

Particulars	As at	Amortised Cost	Financial Assets/Liabilities at fair value through Profit or Loss	Financial Assets/Liabilities at fair value through OCI	Total Carrying Value
Assets					
Financial Assets					
i) Investments					
	31.03.2021	-	83.53	1.30	84.83
	31.03.2020	-	57.62	1.30	58.92
ii) Other Financial Assets (Non-Current and Current)					
	31.03.2021	44.40	-	-	44.40
	31.03.2020	43.23	-	-	43.23
iii) Trade Receivables					
	31.03.2021	961.05	-	-	961.05
	31.03.2020	1,041.67	-	-	1,041.67
iv) Cash and cash Equivalents					
	31.03.2021	12.08	-	-	12.08
	31.03.2020	18.81	-	-	18.81
v) Other Bank balance					
	31.03.2021	76.22	-	-	76.22
	31.03.2020	56.56	-	-	56.56
Total	31.03.2021	1,049.35	83.53	1.30	1,134.18
	31.03.2020	1,117.03	57.62	1.30	1,175.95
Liabilities					
Financial Liabilities					
i) Borrowings (Non-Current and Current)					
	31.03.2021	746.10	-	-	746.10
	31.03.2020	1,033.49	-	-	1,033.49
ii) Trade Payables					
	31.03.2021	1,188.13	-	-	1,188.13
	31.03.2020	1,044.75	-	-	1,044.75
iii) Other Financial Liabilities					
	31.03.2021	374.89	-	-	374.89
	31.03.2020	355.21	-	-	355.21
Total	31.03.2021	2,309.12	-	-	2,309.12
	31.03.2020	2,433.45	-	-	2,433.45

Fair Value hierarchy disclosures:

Level 1 - Financial Instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETF's and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in stock exchanges is valued using the closing prices as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - Financial Instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). This is the case of unlisted equity securities, contingent consideration and indemnification asset included in level 3

The management has carried out analysis of financial assets and liabilities for all the reporting periods and has concluded that there are no financial assets and liabilities to be considered at fair value and disclosed under Level 1, Level 2 or Level 3 and all the financial assets and liabilities are at its carrying value which is equal to the fair value measured at amortised cost.

The carrying amounts of trade receivables, cash and cash equivalent, bank balances, current loans, current other financial assets, trade payables, current borrowings and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.

The carrying amounts of non current financial loans are considered to be the same as their fair value as it consist of security deposit with Government Organisations such as Electricity companies, which are interest bearing and are close to the fair value. Also, it consist of loans given to employees which are also interest bearing and are close the fair value.

The carrying amount of non current other financial assets are considered to be the same as their value as it consist of interest bearing fixed deposits having maturity of more than 12 months and are close to the fair value

Note 37 :

The figures of previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year and according to requirements of the schedule III of the Companies Act, 2013

The balance sheet has been prepared in absolute numbers and then converted into lacs to meet the presentation requirement as per Companies Act, accordingly the variance on account of decimals rounding-off may exist

Note 38 : Disclosure COVID-19

The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial results including the recoverability of carrying amounts of financial and non-financial assets. The impact of COVID-19 on the carrying value of the assets could differ from that estimated as at the date of approval of these results

As per the management, the Company has sufficient financing arrangements to fulfill its working capital requirements and necessary capital expenditure, in addition to the funds expected to be generated from the operating activities. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realize the carrying amount of its assets.

As per our report of even date attached

For Modi & Joshi
Chartered Accountants
 Firm Registration No. 135442W

For and on behalf of the Board of Directors
Purity Flexpack Ltd
 CIN : L25200GJ1988PLC010514

Mitul Modi
 Partner
 Membership No. 154342

Anil Patel
 Chairman and Managing Director
 DIN: 00006904

Kunal Patel
 Director & Chief Financial Officer
 DIN: 00106545

Place: Vadodara
Date: 26.06.2021

Place: Vanseti
Date: 26.06.2021



Purity Flexpack Limited

Factory & Registered Office

At: Vanseti, Post: Tajpura, Near Halol, Dist: Panchmahal 389 350