

**REX SEALING & PACKING INDUSTRIES  
PRIVATE LIMITED**

**DIRECTORS' REPORT**

**2018-2019**

## DIRECTORS' REPORT

To,  
The Members,  
**REX SEALING & PACKING INDUSTRIES PRIVATE LIMITED**  
Mumbai

Your Directors hereby present the Annual Report of the Company together with Audited Statement of Accounts for the financial year ended March 31, 2019 and thank the Shareholders of the Company for giving unanimous consent in writing to conduct Annual General Meeting at Shorter notice.

### Review of operations:

The Company is predominantly into the business of Manufacturing of Sealing, Packing and Insulation products.

### I. FINANCIAL RESULTS:

The Financial highlights are below:-

Particulars	Financial Year ended – AMOUNT IN (Rs.)	
	31/03/2019	31/03/2018
Total Income	20,95,24,045	17,78,76,273
Total Expenditure	19,03,00,015	16,60,48,195
Net Profit before Tax	1,92,24,030	1,18,28,078
Provision for Income Tax including short provision for earlier years	53,78,343	37,36,730
Deferred Tax	(5,52,254)	7,741
Net Profit After Tax	1,43,97,941	80,83,607
Profit( Loss) for the year	1,43,97,941	80,83,607
Profit(Loss) brought forward from previous year	4,62,92,720	3,82,09,112
Profit Carried to Balance sheet	6,06,90,662	4,62,92,720

### Financial Performance:

During the year under review the company has carried out business and has registered a turnover of Rs. 20,71,62,516/- as compared to the previous year's turnover of Rs.

17,63,88,892/-The Company expects to do better in ensuing year.

## **II. PUBLIC DEPOSITS**

Your Company has not accepted any Deposits from the public falling within the ambit of Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

## **III. DIVIDEND:**

Your Directors do not recommend any dividend for the financial year.

## **IV. STATE OF AFFAIRS OF THE COMPANY:**

Rex Sealing & Packing Industries Private Limited ("the company") is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company was formed with the object to carry on the business to promote, establish, acquire and run or otherwise carry on the business of manufacturers of and dealers in bellows of metallic and non metallic materials used for expansion joints and high temperature areas.

## **V. MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments, affecting the financial position of the Company which has occurred between and at the end of the financial year of the Company i.e. March 31, 2019.

## **VI. SHARE CAPITAL**

There has been no change in share capital of your Company during the financial year 2018-19.

## **VI. STATUTORY AUDITORS: RMJ & associates LLP (Mr. Jayesh Jain – M No. 135437)**

Pursuant to the provisions of Section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 M/s RMJ & Associates LLP, (Chartered Accountants), Mumbai, Statutory Auditors were appointed in the Extra Ordinary General Meeting held on October 28, 2017 for a period of five years to hold office from the conclusion of the Extra Ordinary General Meeting held on 2017 until the conclusion of the Annual General Meeting to be held on 2022 subject to ratification of their appointment at every subsequent Annual General Meeting.

A certificate from the above said Statutory Auditor has been received to the effect that their appointment as Statutory Auditor of the Company, if ratified by the Members at the ensuing Annual General Meeting, would be in accordance with the terms and conditions prescribed under Section 139 read with Section 141 of the Act and Rules made there under.

A resolution seeking ratification of their appointment, forms part of the Notice convening the Annual General Meeting and the same is recommended for your consideration and approval.

## **VII. EXPLANATIONS BY THE BOARD ON QUALIFICATION BY THE AUDITORS:**

The Auditors' Report for the financial year 2018-19 does not contain any adverse remarks,

qualifications or reservation or disclaimer, which required explanation / comments by the Board. However, the Auditor's have stated in the Emphasis of matter that in the absence of information disclosure under the broad head raw material consumption is not furnished. The raw materials are ceramic fibre, needle glass felt, ceramic blanket, rock wool LRM mattresses and chemicals like lona blue, alphox, benzoic acid, diethnolomine, etc. which are of low in value but high in volume. We are in the process of upgrading our system to reflect the same.

#### **VIII. EXTRACT OF ANNUAL RETURN:**

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2019 forms part of this report as "Annexure A".

#### **IX. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

##### **(a) Conservation of energy**

The details of conservation of energy are annexed.

##### **(b) Technology absorption**

The activities of the company do not involve any technology absorption

##### **(c) Foreign exchange earnings and Outgo**

Foreign exchange earnings: Rs. 78,08,810/- (Previous Year Rs. 51,07,315/-)

Foreign exchange Outgo: NIL (Previous Year Rs. 5,92,199/-)

##### **(d) Expenditure on Research & Development: Rs. NIL (P.Y. NIL).**

#### **X. DIRECTORS:**

##### **1. CHANGE IN DIRECTORSHIP OF THE COMPANY:**

During the year under review, there has been no change in Directors. The Company has Four Directors.

Name of the Director	Date of Appointment
01. Mr. Manjunath Nayak	10/08/2005
02. Mrs. Meeta Nayak	10/08/2005
03. Mr. Niranjan Nayak	10/08/2005
04. Mr. Naresh Nayak	10/08/2005

##### **2. BOARD MEETINGS:**

During the year Nine (9) Board Meetings were convened and held the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the dates were as follows:

Sr. No.	Dates of Board Meeting(s)	No. of Directors Attended
01.	May 01, 2018	Four ( 4 )
02.	May 03, 2018	Four ( 4 )
03.	June 25, 2018	Four ( 4 )
04.	July 02, 2018	Four ( 4 )
05.	July 20, 2018	Four ( 4 )
06.	September 02, 2018	Four ( 4 )
07.	November 01, 2018	Four ( 4 )
08.	December 11, 2018	Four ( 4 )
09.	February 15, 2019	Four ( 4 )

## **XII. RELATED PARTY TRANSACTIONS:**

There contracts / arrangements / transactions entered by the Company during the financial year with related parties are disclosed in form AOC-2 that is attached as **Annexure B**.

## **XIII.DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

1. That in the preparation of the annual financial statements for the year ended March 31, 2019; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
3. That proper and sufficient care has been taken for 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.
4. That the annual financial statements have been prepared on a going concern basis;
5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **XIV. DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items, as the same are either not applicable to the Company or relevant transactions or event have not taken place during the year under review:-

- a. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d. There are no employees who are drawing salaries which attract section 197 of the Companies Act 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.
- e. The provisions of Section 135 read with Schedule VII of the Companies Act 2013, relating to Corporate Social Responsibility is not applicable.
- f. Provisions of Section 148 of the Companies Act, 2013 relating to Cost Audit is not applicable.

#### **XV. INTERNAL COMPLAINTS COMMITTEE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013 (POSH ACT)**

The Company has adopted an Anti Sexual Harassment Policy for prevention, prohibition and redressal of Sexual harassment, pursuant to the provisions of sexual harassment at work place (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received by the Company pursuant to the aforesaid Act / Policy.

#### **XVI. HUMAN RESOURCES**

The Company understands that employees are vital and valuable assets. Your Directors place on record their sincere appreciation for the valuable contribution made by the employees across all levels of the organization.

#### **XVII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:**

There are no Loans, and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

#### **XVIII. CORPORATE SOCIAL RESPONSIBILITY**

Corporate Social Responsibility is not applicable for the Company.

**XIX. ACKNOWLEDGEMENTS:**

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year.

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

**For and on behalf of the Board of Directors**



Naresh Nayak  
Director  
DIN: 0034775



Niranjana Nayak  
Director  
DIN: 0260692

Place: Mumbai

Date: September 17, 2019



**Annexure A  
FORM NO. MGT 9**

**Extract of Annual Return as on financial year ended on March 31, 2019**  
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U28129MH2005PTC155252
2.	Registration Date	10/08/2005
3.	Name of the Company	<b>REX SEALING &amp; PACKING INDUSTRIES PRIVATE LIMITED</b>
4.	Category/Sub-category of the Company	Category - Company limited by shares Sub. Category - Indian Non-Government Company.
5.	Address of the Registered office & contact details	A-201, 2 <sup>nd</sup> floor, Plot No. 711 A, Byculla Services Industries, D K Road, Ghodapdeo, Byculla (East), Mumbai 400 027 Tel: 022-23751599 <b>Email Id : <a href="mailto:sales@rexseals.com">sales@rexseals.com</a></b>
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% total turn over of the Company
1.	Ceramic Fibre Product	23939	18.93 %
2.	Gasket Sheets	22199	20.96 %
3.	Gland Packing	13944	17.79 %
4.	Fire Proof Sleeve	00000	10.93 %

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-** All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/service	% total turnover of the company
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ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh										
e) Others (specify)										
Non-Resident Indians										
Overseas Corporate Bodies										
Foreign Nationals										
Clearing Members										
Trusts										
Foreign Bodies-DR										
<b>Sub-total (B) (2):-</b>	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total Public Shareholding (B)=(B)(1)+(B)(2)										
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>										
<b>Grand Total (A+B+C)</b>	NA	3,20,000	3,20,000	100	NA	3,20,000	3,20,000	100	NA	NA

#### B) Shareholding of Promoter -

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Manjunath Nayak	80,000	25%	0	80,000	25%	0	NIL
2	Mrs. Meeta Nayak	80,000	25%	0	80,000	25%	0	NIL
3	Mr. Niranjana Nayak	80,000	25%	0	80,000	25%	0	NIL
4	Mr. Naresh Nayak	80,000	25%	0	80,000	25%	0	NIL

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NA	NA	NA	NA	NA

**D) Shareholding Pattern of top-ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NA	NA	NA	NA	NA

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

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Share holding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Mr. Manjunath Nayak	80,000	25%	80,000	25%
02	Mrs. Meeta Nayak	80,000	25%	80,000	25%
03	Mr. Niranjana Nayak	80,000	25%	80,000	25%
04	Mr. Naresh Nayak	80,000	25%	80,000	25%

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i)Principal Amount	4,24,73,993	1,91,21,747	0	6,15,95,740
ii)Interest due but not paid	0	0	0	0
iii)Interest accrued but not due	0	0	0	0
<b>Total ( i + ii + iii )</b>	<b>4,24,73,993</b>	<b>1,91,21,747</b>	<b>0</b>	<b>6,15,95,740</b>
<b>Change in Indebtedness during the financial year</b>				
*Addition	16,78,832	0	0	16,78,832
*Reduction	0	(35,46,347)	0	(35,46,347)
<b>Net Change</b>	<b>16,78,832</b>	<b>(35,46,347)</b>	<b>0</b>	<b>(18,67,515)</b>
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	4,41,52,825	1,55,75,400	0	5,97,28,225
ii)Interest due but not paid	0	0	0	0
iii)Interest accrued but not due	0	0	0	0
<b>Total ( i +ii + iii )</b>	<b>4,41,52,825</b>	<b>1,55,75,400</b>	<b>0</b>	<b>5,97,28,225</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -**

A. Remuneration to Managing-Director, Whole-time Directors and/or Manager. - NIL

**B. Remuneration to other directors :**

There were no Independent Directors. The Directors are being paid salary as follows:-

Sr. No	Particulars of Remuneration	Name of the Director				Total
		Mr. Manjunath Nayak	Mrs. Meeta Nayak	Mr. Niranjana Nayak	Mr. Naresh Nayak	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	29,50,000	18,00,000	29,50,000	29,50,000	1,06,50,000
	(b) Value of perquisites u/s 17 (2) Income-tax Act,1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,	0	0	0	0	0

	1961					
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission as % of profit others, specify...	0	0	0	0	0
5	Others, please specify (Professional Fees)	0	0	0	0	0
	Total (A)	29,50,000	18,00,000	29,50,000	29,50,000	1,06,50,000

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD.**

There were no Key Managerial Personnel other than MD/ Manager/ WTD during the year under review.

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

There were no penalties/ punishment/ compounding of offences for the year ended March 31, 2019.

**VIII. PARTICULARS OF CONTRACT/ ARRANGEMENTS MADE WITH RELATED PARTIES**

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

FOR AND ON BEHALF OF THE BOARD

  
Naresh Nayak  
Director  
DIN: 0034775

  
Niranjana Nayak  
Director  
DIN: 0260692

Place: Mumbai  
Date: September 17, 2019



## Annexure B

### FORM AOC – 2 - MATERIAL RELATED PARTY TRANSACTION (Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis: -

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for Entering into such contracts or arrangements or transactions	date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
1	NA	NA	NA	NA	NA	NA	N.A	N.A

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

##### A. Directors Remuneration

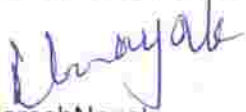
Sr. No.	Name of Related Party and Relationship	Nature of Transaction and amount O/s as	Duration and terms	Amount (INR)
1	Mr. Manjunath Nayak Director	Director's remuneration	Ongoing	29,50,000
2	Mrs. Meeta Nayak Director	Director's remuneration	Ongoing	18,00,000
3	Mr. Niranjana Nayak Director	Director's remuneration	Ongoing	29,50,000
4	Mr. Naresh Nayak Director	Director's remuneration	Ongoing	29,50,000

**B. Others**

Sr. No.	Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date of approval by the Board / others	Amount paid as advances, if any
1	Vijayalaxmi Enterprises Firm in which relative of Director is a partner	ongoing	Job-work charges	Services provided in accordance with generally accepted commercial practices  Value of services provided during the year Rs. 57,35,000	Nil
2	Mr. Manjunath Nayak Director	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 30,70,396  Interest paid by Company – Rs. 3,60,000/-	N.A
3	Mrs. Meeta Nayak Director	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 61,80,153  Interest paid by Company – Rs. 7,20,000/-	N.A
4	Mr. Niranjan Nayak Director	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 38,147  Interest paid by Company – Rs. Nil	N.A
5	Mr. Naresh Nayak Director	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 1,24,703  Interest paid by Company – Rs. Nil	N.A
6	Mrs. Nivedita Nayak (relative of the Director)	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 30,81,000	N.A

				Interest paid by Company – Rs. 2,95,644	
7	Mrs. Kalpana Nayak (relative of the Director)	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 30,81,000  Interest paid by Company – Rs. 3,60,000/-	N.A
8	Rex Industries	Ongoing	Rent Payment	Outstanding as of March 31, 2019 Rs. 7,20,000	N.A

FOR AND ON BEHALF OF THE BOARD



Naresh Nayak  
Director  
DIN: 0034775



Niranjana Nayak  
Director  
DIN: 0260692

Place: Mumbai  
Date: September 17, 2019



### A & B) Conservation of Energy & Technology Absorption:

The Company is committed to stringent energy conservation measures and accords the highest priority in maintaining effective controls and utilization of energy by replacing the machinery at the appropriate time with the latest machinery feasible for the Company and also ensures optimum use of the machinery. Appropriate steps are also taken to canalize the waste keeping in view the environmental laws.

#### Form A

Sr. No	Particulars	Year -2018-2019
A.	Electricity	
(i)	Purchase	
	Unit Nos.	93,626
	Total Amount (Rs.)	Rs. 11,75,890.00
	Rate per unit	Rs. 12.56
(ii)	Own Generation	N/A
	Through Diesel Generation Set	N/A
	Unit Per Litter of Diesel Oil	N/A
	Cost Per Unit (Rs.)	N/A
B.	Consumption of Electricity in Unit for per Unit of Production	0.57

FOR AND ON BEHALF OF THE BOARD

  
Naresh Nayak  
Director  
DIN: 0034775

  
Niranjan Nayak  
Director  
DIN: 0260692

Place: Mumbai  
Date: September 17, 2019

## Annexure B

### FORM AOC – 2 - MATERIAL RELATED PARTY TRANSACTION (Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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1	NA	NA	NA	NA	NA	NA	N.A	N.A

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

##### A. Directors Remuneration

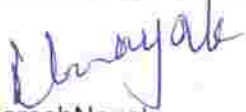
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2	Mrs. Meeta Nayak Director	Director's remuneration	Ongoing	18,00,000
3	Mr. Niranjana Nayak Director	Director's remuneration	Ongoing	29,50,000
4	Mr. Naresh Nayak Director	Director's remuneration	Ongoing	29,50,000

**B. Others**

Sr. No.	Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date of approval by the Board / others	Amount paid as advances, if any
1	Vijayalaxmi Enterprises Firm in which relative of Director is a partner	ongoing	Job-work charges	Services provided in accordance with generally accepted commercial practices  Value of services provided during the year Rs. 57,35,000	Nil
2	Mr. Manjunath Nayak Director	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 30,70,396  Interest paid by Company – Rs. 3,60,000/-	N.A
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				Interest paid by Company – Rs. 2,95,644	
7	Mrs. Kalpana Nayak (relative of the Director)	Ongoing	Loan from Director	Interest charged to Company @ 12% p.a.  Loan O/s as of March 31, 2019 – Rs. 30,81,000  Interest paid by Company – Rs. 3,60,000/-	N.A
8	Rex Industries	Ongoing	Rent Payment	Outstanding as of March 31, 2019 Rs. 7,20,000	N.A

FOR AND ON BEHALF OF THE BOARD



NareshNayak  
Director  
DIN: 0034775



NiranjanNayak  
Director  
DIN: 0260692

Place: Mumbai

Date: September 17, 2019

## INDEPENDENT AUDITOR'S REPORT

To the Members of Rex Sealing and Packing Industries Private Limited

Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the accompanying financial statements of **Rex Sealing and Packing Industries Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

*In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019; its profit and its cash flow for the year ended on that date.*

### Basis for Qualified Opinion:

*We draw attention to note no. 36 of financial statement regards non-disclosure of certain particulars required under Sch III of the Companies Act. Our opinion is not qualified in this matter.*

*Our Report of previous year also contained similar Qualification as mentioned above*

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial statement and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.



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.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the 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 standards on auditing 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.

Further, as part of an audit in accordance with standards on auditing, the auditor exercises professional judgment and maintains professional skepticism 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. However, we have not expressed our opinion on operating effectiveness of internal financial controls as Section 143(3)(i) of the Companies Act, 2013 is not applicable to the company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

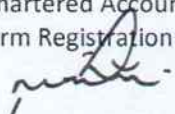
#### **Report on Other Legal and Regulatory Requirements**

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 Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on March 31, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The company is a private limited company and it falls under exemption specified in Clause 9A of notification No. G.S.R. 464(E) dated 5th June, 2015 which is further to amended by notification dated 13th June 2017 issued by ministry of corporate affairs. Hence, we have not reported on the adequacy and operating effectiveness of internal financial control over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations that affect its financial position;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For RMJ & Associates LLP**  
Chartered Accountants  
Firm Registration No: W100281

  
**Mihir Hindocha**  
Partner  
Membership No.: 112766  
UDIN: 19112766AAAAC1072



Place: Mumbai  
Date: 17<sup>th</sup> September, 2019



## ANNEXURE-A TO AUDITORS' REPORT

The Annexure referred to in paragraph 1 of the Report on Other Legal and Regulatory Requirements of even date to the members of **Rex Sealing and Packing Industries Private Limited** ("the Company"), for the year ended on March 31, 2019. We report that:

1. (a) The Company has maintained records of fixed assets and the same has been regularly updated.  
  
(b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical assets have been noticed. In our opinion, the frequency of verification is reasonable.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable, and no material discrepancies have been noticed on physical verification of inventory as compared to book records.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 the Companies Act, 2013. Accordingly, paragraphs 3(iii) (a) to (b) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not granted any loan to directors or investment, guarantee and securities as per the section 185 & 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the Order are not applicable to the Company.
5. The Company has not accepted any deposits within the meaning of Sections 73 and 76 or any other relevant provisions of the Companies Act and the rules framed there under. Therefore, the provisions of clause 3(v) of the order are not applicable to the Company.
6. As informed to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any of the products of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There were no undisputed statutory dues outstanding as at the last day of the financial year concerned 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 of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute except as stated below:

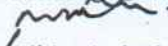
Assessment Year	Name of the Statute	Amount		Authority before which Appeal is Pending
		Deposited Under Protest	Not Deposited	
F.Y 10-11	MVAT –Act (VAT)	Rs.2,78,245/-	Rs. 3,56,396/-	Jt. Commissioner of Sales Tax (Appeals)
F.Y 10-11	MVAT –Act (CST)	Rs.5,09,690/-	Rs. 3,32,422/-	Jt. Commissioner of Sales Tax (Appeals)
F.Y 13-14	MVAT –Act (CST)	Rs.3,29,993/-	Rs.2,98,355/-	Jt. Commissioner of Sales Tax (Appeals)

8. According to the information and explanations given to us and the records of the Company examined by us, The Company has not defaulted in repayment of loans or borrowing to a financial institutions, bank, Government or dues to debenture holders.
9. In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or term loan during the year, hence Clause 3(ix) of the order is not applicable.
10. During the course of our examination of the books 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 instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. The Company is private limited Company and hence, the provisions of section 197 of the Companies Act, 2013 are not applicable to it. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. The Company is not a Nidhi Company; hence clause 3(xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review; hence clause 3(xiv) of the order is not applicable to the Company.



15. According to the information and explanations given to us and the records of the Company examined by us, the company has not entered into any non-cash transactions covered under section 192 of the Companies Act, 2013 with directors or persons connected with him, hence clause 3(xv) of the order is not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, the company is not a non-banking financial company hence it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For RMJ and Associates LLP**  
Chartered Accountants  
Firm Registration No: W100281

  
**Mihir Hindocha**  
Partner  
Membership No.: 112766  
UDIN: 19112766 AARA CCI 072



Place: Mumbai  
Date: 17<sup>th</sup> September, 2019

**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**

Balance Sheet as at 31st March, 2019

Particulars	Notes	As at March 31, 2019 Rs.	As at March 31, 2018 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	3	3,200,000	3,200,000
Reserves and surplus	4	60,690,662	46,292,720
		<b>63,890,662</b>	<b>49,492,720</b>
<b>Non-current liabilities</b>			
Long-term Borrowings	5	18,386,241	22,223,383
		<b>18,386,241</b>	<b>22,223,383</b>
<b>Current liabilities</b>			
Short term Borrowings	6	41,341,984	39,372,356
Trade payables:			
- Due to Micro and Small Enterprises	7	-	-
- Other than Micro and Small Enterprises		3,715,927	14,161,346
Short-term provisions	8	328,061	270,705
Other current liabilities	9	9,341,867	8,716,539
		<b>54,727,839</b>	<b>62,520,947</b>
<b>TOTAL</b>		<b>137,004,741</b>	<b>134,237,049</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, Plant &amp; Equipment</b>			
Tangible assets	10	23,697,662	27,630,419
Deferred tax assets (net)	11	2,495,358	1,943,104
Long-term loans and advances	12	14,415,159	14,426,932
		<b>40,608,179</b>	<b>44,000,454</b>
<b>Current assets</b>			
Inventories	13	28,244,127	26,555,725
Trade receivables	14	60,312,576	58,494,208
Cash and Bank Balances	15	1,781,743	1,759,278
Short-term loans and advances	16	5,920,941	3,291,630
Other Current Assets	17	137,175	135,754
		<b>96,396,562</b>	<b>90,236,595</b>
<b>TOTAL</b>		<b>137,004,741</b>	<b>134,237,049</b>

Summary of Significant accounting policies

2

0

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

In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

Firm Registration : W100281

Milind Hindocha

Partner

Membership No. 112766



For and on behalf of the Board of Directors of

**Rex Sealing & Packing Industries Pvt. Ltd.**

CIN: U28129MH2005PTC155252

Narash Nayak

Director

DIN: 00347765

Niranjan Nayak

Director

DIN:02606926

Place: Mumbai

Date: 17 SEP 2019

Place: Mumbai

Date: 17 SEP 2019

**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Statement of Profit and Loss for the period ended on 31st March 2019

Particulars	Notes	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Income</b>			
Revenue from operations	18	207,162,516	181,517,539
Less: Excise Duty		-	(5,128,647)
Revenue from Operations (Net)		<b>207,162,516</b>	<b>176,388,892</b>
Other income	19	2,361,529	1,487,381
<b>Total (I)</b>		<b>209,524,045</b>	<b>177,876,273</b>
<b>Expenses</b>			
Cost of Material Consumed	20	126,587,534	107,216,970
Changes in Inventories	21	(211,751)	(353,132)
Employee benefits expense	22	26,064,967	23,134,477
Finance costs	23	5,884,841	6,572,087
Depreciation and amortization expense	10	5,747,785	6,103,671
Other expenses	24	26,226,638	23,374,122
<b>Total (II)</b>		<b>190,300,015</b>	<b>166,048,195</b>
<b>Profit / (Loss) before tax (III=I-II)</b>		<b>19,224,030</b>	<b>11,828,078</b>
<b>Tax Expenses (IV)</b>			
- Current Tax		5,378,343	3,693,221
- Short Provision for Tax of earlier years		-	43,509
- Deferred Tax		(552,254)	7,741
		<b>4,826,089</b>	<b>3,744,471</b>
<b>Profit for the year (III-IV)</b>		<b>14,397,941</b>	<b>8,083,607</b>
Earnings per equity share: (Nominal Value of Share Rs 10/-) (31 March, 2018 : Rs.10/-)			
<b>Basic &amp; Diluted</b>	30	44.99	25.26

Summary of Significant accounting policies

2

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

In terms of our report of even date

**For RMJ & Associates LLP**

Chartered Accountants

Firm Registration : W100281

*Mihir Hindocha*

Mihir Hindocha

Partner

Membership No. 112766



For and on behalf of the Board of Directors of  
**Rex Sealing & Packing Industries Pvt. Ltd.**

CIN: U28129MH2005PTC155252



*Niranjayak*

Niranjayak

Director

DIN: 00347765

*Niranjayak*

Niranjayak

Director

DIN: 02606926

Place: Mumbai

Date: 17 SEP 2019

Place: Mumbai

Date: 17 SEP 2019

**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**

Cash Flow Statement for the year ended March 31, 2019

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Cash Flow from Operating Activities</b>		
Net Profit before taxation	19,224,030	11,828,078
<u>Adjustments for:</u>		
Depreciation on Property, Plant & Equipment	5,747,785	6,103,671
Loss/(Profit) on Sales of Property, Plant & Equipment	-	(27,399)
Provision for Doubtful Debt	-	634,809
Reversal of Provision for Doubtful Debt	(1,346,514)	(593,965)
Interest expense	5,884,841	6,572,087
Interest Income	(114,209)	(100,894)
<b>Operating Profit before Working Capital changes</b>	<b>29,395,933</b>	<b>24,416,388</b>
<u>Adjustments for:</u>		
(Increase) /Decrease in Inventories	(1,688,402)	(6,970,021)
(Increase) /Decrease in Trade receivables	(471,854)	(5,464,436)
(Increase) /Decrease in Loans and advances	(2,588,449)	(1,646,771)
(Increase) /Decrease in Other Current Assets	738	(3,155)
Increase/(Decrease) in Trade payables	(10,445,419)	3,481,109
Increase/(Decrease) in Other current & Non current liabilities	27,478	280,617
<b>Cash Generated from Operations</b>	<b>14,230,026</b>	<b>14,093,730</b>
Direct Tax Paid	(5,350,076)	(2,888,393)
<b>Net Cash inflow from/(outflow) from Operating activities (A)</b>	<b>8,879,950</b>	<b>11,205,337</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Property, Plant & Equipment, including Intangibles Assets	(1,815,028)	(8,677,352)
Net Investment in Fixed Deposits	51,101	(727,585)
Sale Proceeds from Property, Plant & Equipment	-	100,000
Interest received	112,050	122,227
<b>Net Cash inflow from/(outflow) from Investing activities (B)</b>	<b>(1,651,877)</b>	<b>(9,182,710)</b>
<b>Cash Flow from Financing Activities</b>		
Net Proceeds from Borrowings	(1,269,665)	4,435,536
Interest paid	(5,884,841)	(6,572,087)
<b>Net Cash inflow from/(outflow) from Financing activities (C)</b>	<b>(7,154,507)</b>	<b>(2,136,551)</b>
<b>Net increase /(decrease) (A+B+C)</b>	<b>73,566</b>	<b>(113,924)</b>
Cash and Cash Equivalents at the beginning of the year	219,179	333,102
<b>Cash and Cash Equivalents at the closing of the year</b>	<b>292,745</b>	<b>219,179</b>

In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

Firm Registration No. W100281

Mihir Hindocha

Partner

Membership No. 112766



For and on behalf of the Board of Directors of

Rex Sealing & Packing Industries Pvt. Ltd.

CIN: U28129MH2005PTC155252

Narash Nayak

Director

DIN: 00347765

Niranjan Nayak

Director

DIN: 02606926

Place: Mumbai

Date: 17 SEP 2019

Place: Mumbai

Date: 17 SEP 2019

## Notes to financial statements for the year ended March 31, 2019

### 1. GENERAL INFORMATION

Rex Sealing and Packing Industries Private Limited was incorporated on August 10, 2005 and is a quality driven, environment friendly (ISO - 9001 & 14001) modern, hi-tech enterprise specialized in manufacturing industrial sealing and packing products.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. Basis of Preparation

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Act. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company. The financial statements of the Company have been prepared in accordance with generally accepted accounting principles of India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. Accordingly, the previous figures have been regrouped and reclassified to conform to this year's classification. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below, if any.

#### 2.2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements thereby requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### 2.3 Property Plant & Equipment

Tangible assets are stated at cost net of Modvat / Cenvat / VAT/GST, less accumulated depreciation and impairment loss. The cost includes any attributable cost for bringing an asset to its working condition for its intended use.

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

Depreciation on tangible assets is provided using a "Written Down value method" based on the useful life of the asset. The useful life and Scrap value of all assets is estimated in accordance with Schedule II of Companies Act, 2013.

#### 2.4 Intangible Assets

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

Intangible assets are amortized over their estimated useful economic life.

#### 2.5. Inventories

Raw materials are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials is determined on a First In First Out (FIFO) Basis.

Finished Goods and Work-in-Progress is valued at cost or net realisable value, whichever is lower.

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



## Notes to financial statements for the year ended March 31, 2019

### 2.6. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

#### a) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been transferred to the buyer. Sale of goods are recorded net of trade discounts, rebates, sales tax and excise duty.

#### b) Interest Income

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

#### c) Other Income

Income from investment and other income are accounted on accrual basis.

### 2.7. Foreign Currency Transactions

#### a) Initial recognition

Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### b) Conversion

Monetary items denominated in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate. Non-monetary foreign currency items are carried at cost.

#### c) Exchange Differences

Exchange differences arising on the settlement or on translation of monetary items or on reporting monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

### 2.8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Current investments are carried at the lower of cost and fair value.

### 2.9 Retirement and other Employee Benefits

#### • Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus / ex-gratia are recognised in the period in which the employee renders the related service.

#### • Post employment and other long term employee benefits

Defined Contribution schemes : Company's contributions to the Provident Fund and Employee's State Insurance Fund are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

#### Defined benefits plans

The gratuity liability are a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation done by LIC at each Balance Sheet date, using the Projected Unit Credit Method.





## Notes to financial statements for the year ended March 31, 2019

### 2.8. Taxation

**Provision for tax:** Provision for tax is made on the basis of taxable income of the current accounting period in accordance with the provisions of Income Tax Act, 1961.

**Deferred Tax:** Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

**Minimum Alternate Tax (MAT):** Its an obligation in accordance with the tax laws, which give rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

### Borrowing Cost

Borrowing costs to the extent related/attributable to the acquisition/construction of assets that takes substantial period of time to get ready for their intended use are capitalized along with the respective fixed asset up to the date such asset is ready for use. Other borrowing costs are charged to the Statement of Profit and Loss.

### 2.9. Earnings Per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated after adjusting effects of potential equity shares (PES). PES are those shares which will convert into equity shares at a later stage. Profit / loss is adjusted by the expenses incurred on such PES. Adjusted profit/loss is divided by the weighted average number of ordinary plus potential equity shares.

### 2.10. Provision and Contingent Liabilities

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**3 - Share Capital**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised shares</b>		
8,00,000 Equity Shares of Rs. 10/-each	8,000,000	8,000,000
2,00,000 6% Cumulative Redeemable preference shares of Rs. 10/- each	2,000,000	2,000,000
	<b>10,000,000</b>	<b>10,000,000</b>
<b>Issued, subscribed and fully paid-up shares</b>		
3,20,000 Equity Shares of Rs.10/- each fully paid up	3,200,000	3,200,000
<b>Total</b>	<b>3,200,000</b>	<b>3,200,000</b>

**a. Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	Relationship	As at March 31, 2019		As at March 31, 2018	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Mr. Manjunath Nayak	Director	80,000	25%	80,000	25%
Mrs. Meeta Nayak	Director	80,000	25%	80,000	25%
Mr. Niranjan Nayak	Director	80,000	25%	80,000	25%
Mr. Naresh Nayak	Director	80,000	25%	80,000	25%

**b. Reconciliation of the Equity shares outstanding at the beginning and at the end of the Financial Year 2018-2019**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	320,000	3,200,000	320,000	3,200,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	320,000	3,200,000	320,000	3,200,000

**c. Terms/Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

**d. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

- NIL

**4. Reserves and surplus**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Profit and Loss</b>		
Opening balance	46,292,720	38,209,112
(+) Net Profit/(Net Loss) for the current year	14,397,941	8,083,607
Closing Balance	60,690,662	46,292,720
<b>Total</b>	<b>60,690,662</b>	<b>46,292,720</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**5 - Long term Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured Loans</b>		
Term Loans from Bank (The Term Loans carry interest rate between 10% to 15% and tenure for the period 36 to 60 Months. Security provided as Car)	5,814,917	9,216,209
Less: Current Maturities of Long Term Borrowings	(2,590,676)	(1,992,827)
	<b>3,224,241</b>	<b>7,223,383</b>
<b>Unsecured Loan</b>		
Loan from Directors & Relatives of Directors	15,162,000	15,000,000
	<b>15,162,000</b>	<b>15,000,000</b>
<b>Total</b>	<b>18,386,241</b>	<b>22,223,383</b>

**6 - Short Term Borrowings**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Secured</b>		
Bank Overdraft (Secured against hypothecation of stock and book debts and Industrial premises)	40,928,584	35,250,610
<b>Unsecured Considered Good</b>		
Loan from Directors	413,400	1,200,885
Buyers Credit	-	2,920,862
<b>Total</b>	<b>41,341,984</b>	<b>39,372,356</b>

**7 - Trade payables**

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables		
- Total outstanding dues of Micro and Small Enterprises	-	-
- Total outstanding dues of other than Micro and Small Enterprises	3,715,927	14,161,346
<b>Total</b>	<b>3,715,927</b>	<b>14,161,346</b>

\*Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to dues to Micro, Small and Medium enterprises. Based on the information available with the Company, there are no parties who have been identified as micro, small and medium enterprises based on the confirmations circulated and responses received by the management.

**8 - Short-term Provisions**

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Taxation (Net of Advance Tax)	328,061	270,705
<b>Total</b>	<b>328,061</b>	<b>270,705</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**9 - Other Current Liabilities**

Particulars	As at March 31, 2019	As at March 31, 2018
Current Maturities of Long term Debt	2,590,676	1,992,827
Creditors for Expenses	2,196,412	2,764,950
Advance from Customers	1,185,142	796,447
Provision for Gratuity	1,311,877	153,859
Statutory Dues	996,976	1,241,358
Employee Dues	1,060,784	1,767,098
<b>Total</b>	<b>9,341,867</b>	<b>8,716,539</b>

**11 - Deferred Tax Assets (Net)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deferred tax asset</b>		
Disallowance for Provision for Doubtful debts and Bonus	551,205	218,134
Excess of net block of Property, Plant & Equipment as per books of accounts over net block for tax purpose	1,944,153	1,724,970
<b>Gross deferred tax asset</b>	<b>2,495,358</b>	<b>1,943,104</b>
<b>Net deferred tax liability / (Asset)</b>	<b>2,495,358</b>	<b>1,943,104</b>

**12 - Long-Term Loans and Advances  
(Unsecured/considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deposits</b>		
Security Deposit & Other Deposits	1,098,407	1,232,829
	<b>1,098,407</b>	<b>1,232,829</b>
<b>Other loans and advances</b>		
Capital Advance	11,940,800	11,940,800
Prepaid Expenses	402,506	308,945
Advance Tax (Net of Provision for Taxation)	140,698	111,609
Balance with Statutory / Government Authorities	832,748	832,748
	<b>13,316,752</b>	<b>13,194,103</b>
<b>Total</b>	<b>14,415,159</b>	<b>14,426,932</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**13 - Inventories (valued at lower of cost or net realizable value)**

Particulars	As at March 31, 2019	As at March 31, 2018
a. Raw Materials and components	27,335,748	25,949,191
Goods-in transit	-	42,388
b. Finished Goods	564,883	353,132
c. Packing Material	343,496	211,015
<b>Total</b>	<b>28,244,127</b>	<b>26,555,725</b>

**14 - Trade receivables  
(Unsecured/considered good)**

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables outstanding for a period less than six months	45,070,401	38,248,779
Trade receivables outstanding for a period exceeding six months	15,892,041	22,241,809
Less : Provision for Doubtful Debt	(649,865)	(1,996,380)
<b>Total</b>	<b>60,312,576</b>	<b>58,494,208</b>

**15 - Cash and Bank Balances**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Cash and Cash Equivalents :</b>		
Cash on hand	102,935	6,450
<b>Bank Balances :</b>		
Current A/c - Indusind Bank Ltd	102,296	105,120
Current A/c - SBI	40,970	107,609
IOB O/D A/c No. 6560	46,543	-
<b>Other Bank Balances:</b>		
- Fixed Deposits	1,488,998	1,540,099
<b>Total</b>	<b>1,781,743</b>	<b>1,759,278</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**16 - Short-Term Loans & Advances**

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Deposits</b>		
Security Deposits & Other Deposits	163,652	179,233
Tender Deposits	378,000	539,872
	<b>541,652</b>	<b>719,105</b>
<b>Other loans and advances</b>		
Advance to suppliers	2,190,653	180,278
Advance to creditors for expenses	185,460	34,609
Advances to employee	584,040	207,255
Prepaid expenses	486,899	372,570
Balance with statutory/government authorities	1,932,237	1,777,815
	<b>5,379,289</b>	<b>2,572,525</b>
<b>Total</b>	<b>5,920,941</b>	<b>3,291,630</b>

**17 - Other Current Assets**

Particulars	As at March 31, 2019	As at March 31, 2018
Interest Receivable	22,679	20,520
Other Receivables	114,496	115,234
<b>Total</b>	<b>137,175</b>	<b>135,754</b>



Rex Sealing & Packing Industries Pvt. Ltd.  
Notes to financial statements for the year ended March 31, 2019

(Currency: Indian Rupees)

Note 8 - Property, Plant and Equipment

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2018	Additions during the year	Deletions/W-off during the Year	As at March 31, 2019	As at April 1, 2018	Depreciation charge for the Year	Deletions during the year	As at March 31, 2019	As at March 31, 2018
<b>Tangible Assets</b>									
Building	17,515,086	-	-	17,515,086	8,553,935	532,373	-	8,428,778	8,961,151
Plant & Machinery	20,668,091	1,635,912	-	22,304,003	14,148,544	1,365,911	-	6,789,549	6,519,547
Furniture & Fixtures	3,152,835	18,300	-	3,171,135	2,370,762	203,883	-	596,489	782,072
Vehicles	21,426,359	-	-	21,426,359	10,368,034	3,448,739	-	7,609,586	11,058,325
Office Equipment	605,103	107,011	-	712,114	439,891	86,353	-	185,870	165,212
Computers	735,214	53,805	-	789,019	591,103	110,527	-	87,390	144,112
<b>Total</b>	<b>64,102,688</b>	<b>1,815,028</b>	<b>-</b>	<b>65,917,716</b>	<b>36,472,269</b>	<b>5,747,785</b>	<b>-</b>	<b>23,697,662</b>	<b>27,630,419</b>

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2017	Additions during the year	Deletions/W-off during the Year	As at March 31, 2018	As at April 1, 2017	Depreciation charge for the Year	Deletions during the year	As at March 31, 2018	As at March 31, 2017
<b>Tangible Assets</b>									
Building	17,515,086	-	-	17,515,086	7,982,335	571,600	-	8,553,935	8,961,151
Plant & Machinery	19,579,591	1,088,500	-	20,668,091	12,755,464	1,393,079	-	6,519,547	6,824,127
Furniture & Fixtures	3,123,935	28,900	-	3,152,835	2,091,885	278,877	-	782,072	1,032,049
Vehicles	14,541,721	7,397,048	512,410	21,426,359	7,151,886	3,655,957	439,809	11,058,325	7,389,835
Office Equipment	560,843	44,260	-	605,103	343,390	96,501	-	165,212	217,453
Computers	616,570	118,644	-	735,214	483,446	107,657	-	144,112	133,124
<b>Total</b>	<b>55,937,746</b>	<b>8,677,352</b>	<b>512,410</b>	<b>64,102,688</b>	<b>30,808,407</b>	<b>6,103,671</b>	<b>439,809</b>	<b>36,472,269</b>	<b>25,129,339</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**

Notes to financial statements for the year ended March 31, 2019

**18 - Revenue from Operations**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Manufacturing</b>		
- Export Sales	7,808,810	5,142,388
- Domestic Sales	199,353,706	176,340,152
Less: Excise Duty	-	(5,128,647)
	199,353,706	171,211,505
<b>Sale of services</b>	-	35,000
<b>Total</b>	<b>207,162,516</b>	<b>176,388,892</b>

**19 - Other Income**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest	114,209	100,894
Net Gain on foreign currency transaction	878,105	721,021
Reversal of Provision for Doubtful debt	1,346,514	180,054
Bad Debts Recovered	-	413,910
Sundry Balances Written back	-	(2,654)
Profit on sale of Fixed Assets	-	27,399
Miscellaneous Income	22,701	46,756
<b>Total</b>	<b>2,361,529</b>	<b>1,487,381</b>

**20 - Cost of Material Consumed**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Raw materials consumed:</b>		
Op. Stock of Raw Materials	25,991,578	19,435,429
Add:- Purchase of Raw Materials	123,428,851	112,120,535
Add : Direct Expenses	667,355	842,080
	150,087,784	132,398,043
Less: Cl. Stock of Raw Materials	27,335,748	25,991,578
<b>Cost of Raw Material Consumed (A)</b>	<b>122,752,036</b>	<b>106,406,465</b>
<b>Packing material consumed:</b>		
Op. Stock of Packing Material	211,015	150,275
Add: Purchases of Packing Material	3,967,979	871,245
	4,178,994	1,021,520
Less: Cl. Stock of Packing Material	343,496	211,015
<b>Cost of Packing material consumed (B)</b>	<b>3,835,498</b>	<b>810,505</b>
<b>Total Cost of Material Consumed (A+B)</b>	<b>126,587,534</b>	<b>107,216,970</b>





**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**21 - Changes in Inventories**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening Stock of Finished Goods	353,132	-
Less: Closing stock of Finished Goods	(564,883)	(353,132)
<b>Changes in inventories</b>	<b>(211,751)</b>	<b>(353,132)</b>

**22 - Employee benefit expenses**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
a) Salaries and other allowance	16,318,782	12,658,695
b) Directors Remuneration	7,500,000	9,000,000
<b>Contributions to -</b>		
Provident fund	319,309	330,423
Employer's State Insurance Scheme	175,008	161,009
Maharashtra Labour Welfare Fund	1,776	1,692
Gratuity	1,158,018	188,863
Staff welfare expenses	592,075	793,795
<b>Total</b>	<b>26,064,967</b>	<b>23,134,477</b>

**23 - Finance Cost**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Interest Expenses	5,884,841	6,560,087
Other Finance Cost	-	12,000
<b>Total</b>	<b>5,884,841</b>	<b>6,572,087</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**

Notes to financial statements for the year ended March 31, 2019

**24 - Other Expenses**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Labour Charges	5,918,688	4,273,825
Consumption of stores and spare parts	270	5,735
Factory Expenses	165,817	53,667
Electricity charges	1,321,692	1,070,423
<b>Repairs &amp; Maintenance</b>		
- On Building	1,587,096	12,500
- On Machinery	191,140	48,577
- On Others	985,670	1,196,674
Transportation Expenses	3,411,786	2,740,896
Rent	1,591,231	972,101
Auditor Remuneration	438,505	325,000
Legal and Professional charges	645,090	941,589
Brokerage & Commission	2,476,034	1,156,796
Communication Expenses	255,501	277,888
Travelling & Conveyance Expenses	2,884,049	1,998,622
Rates & Taxes	354,587	1,089,884
Office Expenses	348,077	262,968
Insurance Charges	457,917	390,278
Printing and Stationery	252,055	192,330
Bank Charges	304,964	200,722
Sales Promotion & Other Selling Expenses	326,781	246,623
Security Expenses	346,058	341,220
Provision for Doubtful Debts	-	634,809
Bad Debts	1,397,943	2,131,189
Sundry Balances W/off	53,440	(2,301)
Packing Expense	78,450	73,479
Miscellaneous Expenses	433,796	2,738,628
<b>Total</b>	<b>26,226,638</b>	<b>23,374,122</b>

**24.1 - Auditors Remuneration**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Statutory Audit	225,000	210,000
Tax Audit	75,000	60,000
Other Services and Taxation matter	135,000	55,000
Reimbursement of expenses	3,505	-
<b>Total</b>	<b>438,505</b>	<b>325,000</b>

**25 - CIF Value of Imports**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Raw Materials	69,491,786	65,968,358
<b>Total</b>	<b>69,491,786</b>	<b>65,968,358</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**26 - Expenditure in Foreign Currency**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Foreign travelling expenses	98,100	-
<b>Total</b>	<b>98,100</b>	<b>-</b>

**27 - Earning in Foreign Currency**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
FOB value of export sales	7,808,810	5,107,315
<b>Total</b>	<b>7,808,810</b>	<b>5,107,315</b>

**28 - Particulars of Revenue from Operation**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Sales of Products:</b>		
Ceramic Fibre Product	39,224,132	26,507,555
Chemicals	8,108,237	4,214,273
Fire Proof Sleeve	22,639,876	25,664,184
Gasket Sheet	43,513,642	41,771,483
Gland Packing	36,861,763	32,403,714
Industrial Bellows	16,817,144	15,533,544
Silica Products	17,279,272	12,662,697
Others	22,718,449	17,596,444
<b>Sales of Service</b>	-	35,000
<b>Total</b>	<b>207,162,516</b>	<b>176,388,892</b>

**29 - Value of Imported and Indigenous Raw Material Consumption**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Raw Materials</b>		
Imported	79,963,984	65,968,358
Indigenous	42,788,052	40,438,107
<b>Total</b>	<b>122,752,036</b>	<b>106,406,465</b>

**30 - Earnings Per Share**

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
<b>Basic and Diluted Earnings per share</b>		
Profit/(Loss) attributable to Equity shareholders	14,397,941	8,083,607
<b>Weighted average number of equity shares</b>	<b>320,000</b>	<b>320,000</b>
Basic/ Diluted earnings per share	44.99	25.26
Face value per share	10	10



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

**31 - Related Parties Disclosure:**

Relationship	Related Party Name
Firm in which relative of Director are partner	Vijaylaxmi Enterprises
Director	Mr. Manjunath Nayak
Director	Mrs. Meeta Nayak
Director	Mr. Niranjn Nayak
Director	Mr. Naresh Nayak
Firm in which Director are partner	Rex Industries
Relative of Director	Mrs. Nivedita Nayak
Relative of Director	Mrs. Kalpana Nayak

Name of the party	Nature of transactions	Key Management Personnel, Directors & Relatives of Directors	
		2018-19	2017-18
Vijaylaxmi Enterprises	Job-work charges	5,755,000	4,152,425
Rex Industries	Rent Payment	720,000	-
Mr. Manjunath Nayak	Opening Balance	3,090,049	3,090,724
	Loan Received	1,003,884	1,392,655
	Loan Repaid	1,023,537	1,393,330
	<b>Closing Balance</b>	<b>3,070,396</b>	<b>3,090,049</b>
	Director's Remuneration	29,50,000	2,400,000
	<b>Closing Balance</b>	<b>-</b>	<b>70,000</b>
	Interest on Loan	360,000	360,000
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
Mrs. Meeta Nayak	Opening Balance	6,565,243	7,272,875
	Loan Received	681,830	1,180,400
	Loan Repaid	1,066,920	1,888,032
	<b>Closing Balance</b>	<b>6,180,153</b>	<b>6,565,243</b>
	Director's Remuneration	1,800,000	2,400,000
	<b>Closing Balance</b>	<b>-</b>	<b>-</b>
	Interest on Loan	720,000	720,000
	<b>Closing Balance</b>	<b>-</b>	<b>15,000</b>
Mr. Niranjn Nayak	Opening Balance	443,255	377,957
	Loan Received	109,302	312,676
	Loan Repaid	514,410	247,378
	<b>Closing Balance</b>	<b>38,147</b>	<b>443,255</b>



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**  
Notes to financial statements for the year ended March 31, 2019

	Director's Remuneration	2,950,000	2,100,000
	<b>Closing Balance</b>		175,000
Mr. Naresh Nayak	Opening Balance	102,338	73,921
	Loan Received	1,548,689	4,765,184
	Loan Repaid	1,526,324	4,736,766
	<b>Closing Balance</b>	<b>124,703</b>	<b>102,338</b>
	Director's Remuneration	2,950,000	2,100,000
	<b>Closing Balance</b>	-	180,000
Mrs. Nivedita Nayak	Opening Balance	3,000,000	1,500,000
	Loan Received	324,000	1,866,079
	Loan Repaid	243,000	366,079
	<b>Closing Balance</b>	<b>3,081,000</b>	3,000,000
	Interest on Loan	360,000	295,644
	<b>Closing Balance</b>	-	-
Mrs. Kalpana Nayak	Opening Balance	3,000,000	1,500,000
	Loan Received	324,000	1,765,636
	Loan Repaid	243,000	265,636
	<b>Closing Balance</b>	<b>3,081,000</b>	3,000,000
	Interest on Loan	360,000	295,151
	<b>Closing Balance</b>	-	-

**32 - Details of Provision on Doubtful Debts**

Particulars of Provisions	As at March 31, 2019	As at March 31, 2018
Opening Balance as on 01.04.2018	1,996,380	1,955,535
Additional Provisions made in 2018-19	-	634,809
Amount of Provisions used in 2018-19	-	180,054
Amount of Provisions reversed in 2018-19	1,346,514	413,910
Closing Balance as on 31.03.2019	649,865	1,996,380



**REX SEALING AND PACKING INDUSTRIES PVT. LTD.**

Notes to financial statements for the year ended March 31, 2019

**33 - Contingent Liability**

Particular	As at 31 March, 2019	As at 31 March, 2018
Liability on sales tax payable on non-collection of C - Form from the customers.	1,133,620	1,749,905

33: a. The company has received a notice of dated 06/09/2016 under of Central Sales Tax Act, 1956 raising a original liability of Rs. 9,10,823/- subsequently the department waived off Rs. 68,711/- for assessment period 1-4-10 to 31-3-11. Part payment of Rs. 4,30,000 has been done against the order. The company has paid additional Rs. 79,690 for availing amnesty benefit. Stay has been granted by the authority for the balance amount of Rs. 3,32,422/-

b. The company has received a notice of dated 06/09/2016 under of MVAT Act, 2002 raising a liability of Rs. 8,12,409/- subsequently the department waived off Rs. 1,77,768/- for assessment period 1-4-10 to 31-3-11. Part payment of Rs. 2,70,000 has been done against the order. The company has paid additional Rs. 8,245 for availing amnesty benefit. Stay has been granted by the authority for the balance amount of Rs.3,56,396/-

c. The company has received a notice of dated 28/03/2018 under of CST Act, 1956 raising a liability of Rs. 6,28,348/- for assessment period 1-4-13 to 31-3-14. Part payment of Rs.3,29,993/- has been done against the order. The company has obtained stay against the balance amount of Rs.2,98,355/- .However the company has provided for the full amount in thr financials.

34 : In the opinion of the Management, the Current Assets, Current Liabilities, Loans and Advances are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

35 : The Company has received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, and hence disclosures, if any, relating to amount unpaid as at the end together with interest paid/payable as required under the said Act have been given.

36: Regarding material consumption details-  
In the absence of information, disclosure under the broad head of Raw Material Consumption is not furnished.

37. There are numerous interpretative issues relating to the Supreme Court judgement on PF dated 28th February, 2019. The company has not made any additional provision from the date of the Supreme Court order as the amount is not material. The company will update its provision, on receiving further clarity on the subject.

38. Figures for the previous year have been regrouped and reclassified wherever necessary.

In terms of our report of even date  
For RMJ & Associates LLP  
Chartered Accountants  
Firm Registration No. W/00281

*Mihir Hindocha*  
Mihir Hindocha  
Partner  
Membership No. 112766



For and on behalf of the Board of Directors of  
Rex Sealing & Packing Industries Pvt. Ltd.  
CIN: U28129MH2005PTC155252

*Nirresh Nayak*  
Nirresh Nayak  
Director  
DIN: 00347765

*Niranjan Nayak*  
Niranjan Nayak  
Director  
DIN: 02606926

Place: Mumbai  
Date: 17 SEP 2019

Place: Mumbai  
Date: 17 SEP 2019

Place: Mumbai  
Date: 17 SEP 2019

17 SEP 2019