

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, 2021, 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. (herein referred as "the Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion 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, 2021; its profit and its cash flow for the year ended on that date.

Basis for Qualified Opinion:

We draw attention to Note no. 40 of Financial Statements with regard non-disclosure of certain particulars required to be disclosed as per requirement of Schedule III of the Companies Act.

Our report of previous year also contained similar qualified opinion.

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

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, financial performance and cash flow 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 and further amended by the Companies Accounts Rules, 2016. 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, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

1. On account of partial lockdown situation and also from the logistics and safety perspective due to Covid pandemic the management we could not observe the physical verification in respect of inventories carried out by the management as at 31st March, 2021. However, physical verification was carried out by the management during the year at reasonable intervals. We have relied upon on the procedures of physical verification of inventory carried out by the company.
2. Due to Covid-19 and consequent to lockdown, we could not be present during the physical verification of cash carried out by the Company as at year end. We have relied on procedure for physical verification of cash carried out by the Company.

Our opinion is not modified in respect of the above matters.

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 except for the matters stated in basis for qualified opinion paragraph;

- 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 except for the matters stated in basis for qualified opinion paragraph;
- 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 ; as amended by the Companies (Accounts) Rules, 2016 to the extent applicable and the relevant provisions of the Companies Act, 2013 ('the Act'), except for the matters described in the basis of qualified opinion paragraph;
- e) On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Since Company is private limited company, provisions of section 197 of the Act read with Schedule V to the Act in respect of managerial remuneration are not applicable. Therefore, reporting as required by Section 197(16) of the Act is not applicable to the Company.
- g) 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.
- 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 financial position in its Financial Statement. Refer Note no 32 & 38 of Financial Statement;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - 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



Nirav Gosalia

Partner

Membership No.: 133110

UDIN: 22133110AAAAAB9049

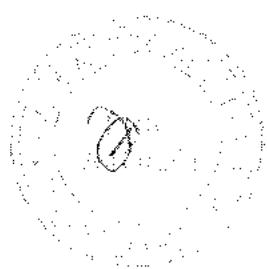
Place: Mumbai

Date: 1st December, 2021

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, 2021. We report that:

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(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 considering nature and size of the business.
(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 which are disclosed in note no.10 of Financial Statements and same has been verified based on the photocopies received from the company.
2. The inventory (other than lying with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, confirmation were obtained by the Company during the year. In our opinion, the frequency of verification is reasonable. As per the information and explanation given to us, discrepancies noticed on physical verification were not material.
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, LLPs 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 loans to director or investment, guarantee and securities as per section 185 and 186 the Companies Act, 2013. Accordingly paragraphs 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. We are informed that no order relating to Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
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, duty of customs, value added tax, Goods and Service 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.



(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, Goods and Service Tax and cess which have not been deposited on account of any dispute except for the matters disclosed as under:

Assessment Year/Financial Year	Name of the Statute	Amount		Authority before which Appeal is Pending
		Deposited Under Protest	Not Deposited	
F.Y 10-11	MVAT Act	Rs.2,78,245/-	Rs. 3,56,396/-	Jt. Commissioner of Sales Tax (Appeals)
F.Y 13-14	CST Act	Rs.3,29,993/-	Rs.2,98,355/-	Jt. Commissioner of Sales Tax (Appeals)
F.Y 14-15	MVAT Act	Rs.20,480/-	Rs. 4,67,325/- (including int)	Jt. Commissioner of Sales Tax (Appeals)
F.Y 14-15	CST Act	Rs. 34,044/-	Rs. 7,94,190/- (including int)	Jt. Commissioner of Sales Tax (Appeals)
F.Y 15-16	MVAT Act	Rs.57,446/-	Rs 4,93,596/- (including int)	Jt. Commissioner of Sales Tax (Appeals)
F.Y 15-16	CST Act	Rs.60,946/-	Rs 5,61,910/- (including int)	Jt. Commissioner of Sales Tax (Appeals)
A.Y. 21-22 & Prior Years	Income Tax Act,1961	Rs. Nil/-	Rs. 2,15,410/-	TDS Traces

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 bank and financial institution. There are no loans raised from Government. The Company has not issued any debentures.
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, further public offer (including debts instruments) 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 a 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.

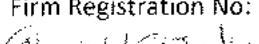
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Date: 10/07/2023

13. According to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in Financial Statements as required by the applicable accounting standard. Further, Section 177 of the Act is not applicable to the Company for compliance.
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


Nirav Gosalia

Partner

Membership No.: 133110

UDIN: 22133110AAAAAB9049

Place: Mumbai

Date: 1st December, 2021

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Balance Sheet as at 31st March, 2021

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
EQUITY AND LIABILITIES			(Amount in INR)
Shareholders' Funds			
Share Capital	3	3,200,000	3,200,000
Reserves and Surplus	4	75,702,201	72,022,608
Non-Current Liabilities		78,902,201	75,222,608
Long-Term Borrowings	5	470,565	1,973,282
Long-Term Provisions	5.1	704,922	698,259
Current Liabilities		1,175,487	2,671,541
Short-Term Borrowings	6	31,921,609	39,963,515
<u>Trade Payables:</u>			
Due to Micro, Small and Medium Enterprises	7	1,305,824	1,710,932
Other than Micro, Small and Medium Enterprises		6,936,727	9,295,884
Short-Term Provisions	8	407,192	342,629
Other Current Liabilities	9	12,992,654	8,429,844
		53,564,006	59,742,804
TOTAL		133,641,694	137,636,953
ASSETS			
Non-Current Assets			
Property, Plant & Equipment			
Tangible Assets			
Deferred Tax Assets (net)	10	18,490,181	20,563,754
Long-Term Loans and Advances	11	2,498,678	2,405,969
	12	18,980,638	16,996,266
		39,969,496	39,965,989
Current assets			
Inventories	13	50,887,376	46,280,911
Trade Receivables			
Cash and Bank Balances	14	35,163,460	44,967,636
Short-Term Loans and Advances	15	2,149,852	2,204,407
Other Current Assets	16	5,321,278	4,057,130
	17	150,231	160,880
		93,672,198	97,670,964
TOTAL		133,641,694	137,636,953

Summary of Significant accounting policies

1-2

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

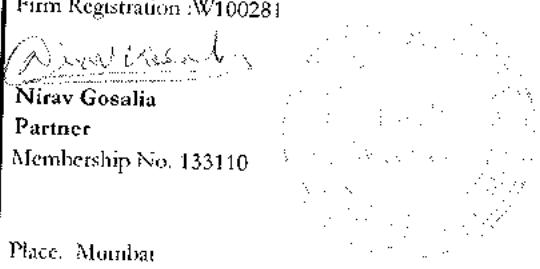
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In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

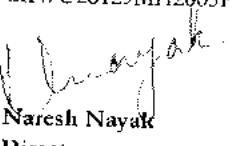
Firm Registration :W100281


Nirav Gosalia

Partner

Membership No. 133110

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


Naresh Nayak
Director
DIN: 00347765


Niranjan Nayak
Director
DIN: 02606926

Place: Mumbai

Place: Mumbai

Date: 1st December, 2021

Date: 1st December, 2021

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Statement of Profit and Loss for the year ended on 31st March 2021

Particulars	Notes	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Income			(Amount in INR)
Revenue from Operations	18	170,630,214	200,490,567
Other Income	19	2,200,567	1,279,665
Total (I)		172,830,781	201,770,232
Expenses			
Cost of Material Consumed	20	105,843,813	128,423,166
Changes in Inventories of Finished goods	21	1,617,553	(4,000,331)
Employee Benefits Expense	22	31,329,449	27,730,587
Finance Costs	23	4,548,418	5,644,580
Depreciation and Amortization Expense	10	3,898,166	4,798,886
Other Expenses	24	20,285,840	23,770,993
Total (II)		167,523,239	186,367,881
Profit / (Loss) before tax (III=I-II)		5,307,542	15,402,352
Tax Expenses (IV)			
Current Tax			
Short/Excess Provision for Income Tax		1,519,419	3,982,220
Deferred Tax		201,238 (92,709)	(1,203) 89,389
		1,627,949	4,070,406
Profit After Tax for the year (V=III-IV)		3,679,593	11,331,946
Earnings per equity share: (Nominal Value of Share Rs 10/-) (31 March, 2020 : Rs.10/-)			
Basic & Diluted	29		35.41

Summary of Significant accounting policies

1-2

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

3-42

In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

Firm Registration :W100281

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

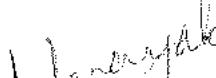

Nirav Gosalia

Partner

Membership No. 133110

Place: Mumbai

Date: 1st December, 2021


Naresh Nayak

Director

DIN: 00347765

Place: Mumbai

Date : 1st December, 2021


Niranjan Nayak

Director

DIN: 02606926

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Cash Flow Statement for the year ended March 31, 2021

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020	(Amount in INR)
Cash Flow from Operating Activities			
Net Profit before taxation	5,307,542	15,402,352	
Adjustments for:			
Depreciation on Property, Plant & Equipment	3,898,166	4,798,886	
Loss/(Profit) on Sales of Property, Plant & Equipment	16,047		
FA Written off	-		
Sundry Balance written back	-	57,407	
Provision for Doubtful Debt	(812,474)	(92,471)	
Provision for Doubtful GST Credit	343,996		
Reversal of Provision for Doubtful Debt	941,562		
Interest expense	(200,609)	(182,059)	
Interest Income	4,340,138	5,627,440	
	(107,756)	(121,434)	
Operating Profit before Working Capital changes	13,726,612	25,490,120	
Adjustments for:			
(Increase) /Decrease in Inventories	(4,606,465)	(18,036,784)	
(Increase) /Decrease in Trade receivables	9,660,789	15,526,999	
(Increase) /Decrease in Loans and advances	(2,108,675)	714,060	
(Increase) /Decrease in Other Current Assets	(6,596)	(8,962)	
Increase/(Decrease) in Trade payables	(1,951,791)	7,383,360	
Increase/(Decrease) in Provisions	42,344		
Increase/(Decrease) in Other current & Non current liabilities	4,849,677	776,785	
Cash Generated from Operations	19,605,895	31,845,577	
Direct Tax Paid	(3,773,183)	(5,596,523)	
Net Cash inflow from/(outflow) from Operating activities (A)	15,832,712	26,249,054	
Cash Flow from Investing Activities			
Purchase of Property, Plant & Equipment, including Intangibles Assets	(1,866,064)	(1,722,383)	
Net Investment in Fixed Deposits	205,404	(302,151)	
Sale Proceeds from Property, Plant & Equipment	25,424		
Interest received	125,001	106,691	
Net Cash inflow from/(outflow) from Investing activities (B)	(1,510,235)	(1,917,843)	
Cash Flow from Financing Activities			
Net Proceeds from Borrowings	(9,840,751)	(18,583,259)	
Interest paid	(4,330,877)	(5,627,440)	
Net Cash inflow from/(outflow) from Financing activities (C)	(14,171,628)	(24,210,699)	
Net increase /(decrease) (A+B+C)	150,850	120,512	
Cash and Cash Equivalents at the beginning of the year	413,257	292,745	
Cash and Cash Equivalents at the closing of the year	564,107	413,257	

Note 1. The cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on 'Cash Flow Statement' and presents cash flows by operating, investing and financing activities.

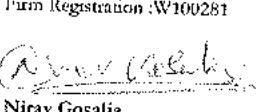
Note 2. Figures for the previous year have been regrouped/ restated wherever necessary to conform to current year's classification.

In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

Firm Registration :W100281


Nirav Gosalia

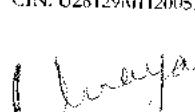
Partner

Membership No. 133110

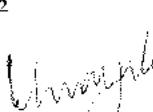
Place: Mumbai

Date: 1st December, 2021

For and on behalf of the Board of Directors of
Rex Sealing & Packing Industries Pvt. Ltd.
CIN: U28129MH12005PTC155252


Naresh Nayak
Director
DIN: 00347765

Place: Mumbai
Date : 1st December, 2021


Niranjan Nayak
Director
DIN: 02606926

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

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 financial statements of the Company has been prepared in accordance with generally accepted principles of India (Indian GAAP) under historical cost convention on accrual basis. The Company has prepared these financial statement to comply in all material respects with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, as amended by the Companies (Accounts) Rules, 2016 to the extent applicable and the relevant provisions of the Companies Act, 2013 ('the Act'). Accordingly, the previous year figures have been regrouped and reclassified to conform to this year's classification. The financial statement prepared on an accrual basis and under the historical cost convention.

The Company falls under the "Small and Medium size company" (SMC) as per the clause 2(f) of the Companies (Accounting Standards) Rules, 2006. The financial statements have been prepared on an accrual basis under the historical cost convention in accordance with the applicable standards under the said rules and the relevant provisions of the Companies Act, 2013 ('the Act'). The Accounting Policies adopted in the preparation of the financial statements are consistent with those of previous year. However, the Company is not a small company as defined under section 2(85) of the Companies Act, 2013, and accordingly the Company has prepared the cash flow statement.

2.2. Use of Estimates

The preparation of financial statements of the company 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. Although these estimates and assumption used in the accompanying financial statement are based upon the management's best knowledge of current events and actions as of the date of the financial statement, the actual result may differ from the estimates and assumption used in preparation the accompanying financial statement thereby requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.3. Presentation & Disclosure of Financial Statements

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III Division I of the Companies Act, 2013.

Based on the nature of products and services and time between acquisitions of assets for sale of goods/rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current / non-current classification of assets and liabilities period of 12 months have been considered as normal operating cycle.

2.4 Property, Plant & Equipments

Property, Plant & Equipment's are stated at cost net of 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. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the property, plant & equipment's to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Gains or losses arising from de-recognition/Sale of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Subsequent expenditure related to an item of PPE 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 PPE, 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. Depreciation methods, useful lives and residual values of property, plant and equipment's are reviewed at each financial year end and adjusted prospectively.

2.5 Intangible Assets

Intangible asset 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.

Amortisation methods and useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively.

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

2.6 Leases

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

2.7 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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 investment. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

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

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss and the gain / loss on sale of investments are calculated on 'weighted average cost' basis.

2.9 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.

2.10 Cash and Bank Balances

Cash & Cash Equivalent in the balance sheet comprises of cash at bank and cash on hand and short term deposit with original maturity of 3 months or less, which are subject to an insignificant risk of change in value.

For the purpose of statement of cash flow, cash & cash equivalent consists of cash & short term deposits; as defined above, net of bank overdraft as they are considered an integral part of the company's cash management.

2.7. 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.

Sales of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed on to the buyer, usually on delivery of goods. Income from services rendered is recognized after completion of services and other income is accounted on accrual basis.

Interest income

Interest income is recognized on 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.

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

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

2.8. Foreign Currency Transactions

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.

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.

Exchange Difference

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.

2.10 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

Defined contribution schemes : Provident fund is a defined contribution scheme. The company makes provident fund contribution to defined contribution plan for qualifying employees. Under the scheme the company is required to contribute a specified percentage of the payroll cost towards the defined fund as per the specified rule of the scheme. 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 Company has made an arrangement with Life Insurance Corporation of India to administer its Gratuity Scheme (Defined Benefit Plan). The Company's liability is determined on the basis of actuarial valuation using Projected Unit Credit Method as at balance sheet date. Actuarial Gains/Losses are recognised immediately in the statement of Profit and Loss in the year in which they arise.

2.11 Taxation

Current Tax : Provision for taxation is computed as per "total income" returnable under the Income tax Act, 1961 after considering permissible tax exemptions, deductions and disallowances.

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.

2.12 Borrowing Cost

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

2.13 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

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

2.14 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.

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

3 - Share Capital

(Amount in INR)

Particulars		As at March 31, 2021	As at March 31, 2020
Authorised Shares Capital			
8,00,000 Equity Shares of Rs. 10/- each		8,00,000	8,00,000
2,00,000 6% Cumulative Redeemable preference shares of Rs. 10/- each		2,00,000	2,00,000
Issued, Subscribed and Fully Paid-Up Shares Capital		10,00,000	10,00,000
3,20,000 Equity Shares of Rs.10/- each fully paid up		3,200,000	3,200,000
Total		3,200,000	3,200,000

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

Name of Shareholder	Relationship	As at March 31, 2021		As at March 31, 2020	
		Number	Percentage	Number	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 years

Particulars	As at March 31, 2021		As at March 31, 2020	
	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 share having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share and dividend per share on pari passu basis. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors except interim dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

d. Shares held by holding/ultimate holding company and/or their subsidiaries or associates - NIL

e. 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, 2021	As at March 31, 2020
Surplus		
Opening balance		
(+) Net Profit/(Net Loss) for the current year	72,022,608	60,690,662
Closing Balance	3,679,593	11,331,946
	75,702,201	72,022,608
Total	75,702,201	72,022,608

5 . Long-Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Loans:		
Term Loans from Bank	1,973,282	3,772,126
(The Term Loans carry interest rate between 10% to 15% and tenure for the period 36 to 60 Months. Security provided as Car)		
Less: Current Maturities of Long Term Borrowings	(1,502,717)	(1,798,845)
Total	470,565	1,973,282

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

5.1 - Long-Term Provisions

(Amount in INR)

Particulars	As at March 31, 2021	As at March 31, 2020
Povision for Gratuity	704,922	698,259
Total	704,922	698,259

6 - Short-Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured:		
Bank Overdraft (Secured against Hypothecation of Stock and Book-Debts and Industrial premises)	19,956,832	26,957,745
Unsecured Loans: (Repayable on demand)		
Loan from Related Parties (Interest rate @ 12% p.a.)	11,918,196	12,966,592
Loan from Directors (Interest free)	46,581	39,178
Total	31,921,609	39,963,515

7 - Trade Payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade Payables:		
Dues to Micro, Small and Medium Enterprises	1,305,824	1,710,932
Dues to other than Micro, Small and Medium Enterprises	6,936,727	9,295,884
Total	8,242,551	11,006,816

Dues to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of Principal amount together with interest have been determined to the extent such parties have been identified on the basis of the information available with the company and accordingly disclosure have been made. This has been relied upon by the auditors.

8 - Short-Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Taxation (Net of Advance Tax and TDS)	172,794	143,912
Provision for Gratuity	234,398	198,717
Total	407,192	342,629

9 - Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Current Maturities of Long term Debt	1,502,717	1,798,845
Creditors for Capital Goods	54,776	59,779
Expenses Payable	4,228,879	3,120,222
Advance from Customers	1,511,602	1,730,631
Employee Dues	1,376,576	445,623
Statutory Dues	2,191,531	1,274,744
Others (liability created against goods in transit)	2,126,573	-
Total	12,992,654	8,429,844

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

11 - Deferred Tax Assets (Net)

(Amount in INR)

	Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Asset			
Disallowance for 43 B		257,274	528,578
Provision for Doubtful Debts and GST credit		390,798	
Difference due to Depreciation as per Income tax and Companies Act.		1,850,606	1,877,391
Gross Deferred Tax Asset		2,498,678	2,405,969
Net Deferred Tax Liability/(Asset)		2,498,678	2,405,969

12 - Long-Term Loans and Advances

Particulars

As at
March 31, 2021

As at
March 31, 2020

	Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured/considered good:			
Deposits:			
Performance guarantee deducted by customer		290,451	347,734
Rent deposits		270,000	220,000
Security and Other Deposits		1,835,330	1,997,490
		2,395,781	2,565,224
Other Loans and Advances			
Capital Advance		12,163,350	11,940,800
Prepaid Expenses		379,653	648,187
Advance Tax and TDS (Net of Provision for Taxation)		3,653,462	1,572,055
Balance with Government Authorities		388,392	270,000
		16,584,857	14,431,042
	Total	18,980,638	16,996,266

13 - Inventories

Particulars

As at
March 31, 2021

As at
March 31, 2020

	Particulars	As at March 31, 2021	As at March 31, 2020
(Valued at lower of cost or NRV)			
Raw Materials and components		45,054,847	41,375,118
Goods-in transit		2,126,573	-
Finished Goods		2,947,661	4,565,214
Packing Material		758,295	340,579
	Total	50,887,376	46,280,911

14 - Trade Receivables

Particulars

As at
March 31, 2021

As at
March 31, 2020

	Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured/considered good until specified otherwise:			
Trade receivables outstanding for a period less than six months		25,278,831	33,600,074
Trade receivables outstanding for a period exceeding six months		10,495,823	11,835,369
Less : Provision for Doubtful Debt		(611,194)	(467,806)
	Total	35,163,460	44,967,636

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

		(Amount in INR)	
		As at March 31, 2021	As at March 31, 2020
15 - Cash and Cash Equivalents	Particulars		
<u>Cash and Bank Balances:</u>			
Cash on hand		452,037	232,732
Bank Balances		112,070	180,525
<u>Other Bank Balances:</u>			
Fixed Deposits (maturity for more than 3 month but less than 12 months) (the deposits are hypothecated against bank guarantee)		1,585,745	1,791,149
Total		2,149,852	2,204,407
16 - Short-Term Loans & Advances	Particulars		
<u>Deposits:</u>			
Tender Deposits		292,823	207,156
Other Deposits		44,390	59,185
		337,213	266,341
<u>Other Loans and Advances:</u>			
Advance to Suppliers		1,439,444	795,329
Advance to Creditors for Expenses		148,334	106,904
Advances to Employee		379,116	268,965
Prepaid Expenses		471,278	828,351
Balance with Government Authorities*		3,487,455	1,730,494
Other Deposits		-	60,747
		5,925,627	3,790,789
*Less: Provision for Doubtful GST Credit		941,562	-
Total		5,321,278	4,057,130
17 - Other Current Assets	Particulars		
<u>Interest Receivable</u>			
Other Receivables		20,177	37,422
		130,054	123,458
Total		150,231	160,880

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

Note 10 - Property, Plant and Equipment

(Amount in INR)

Note 10.1 - Property, Plant and Equipment (details of previous year):

PARTICULARS	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2019	Additions during the year	Deletions/ W/OFF during the year	As at March 31, 2020	As at April 1, 2019	Depreciation for the year	Depreciation on Deletions	As at March 31, 2020	As at March 31, 2019
Tangible Assets									
Building	17,515,086	-	-	17,515,086	9,086,308	496,184	-	9,582,492	7,932,593
Plant & Machinery	22,304,003	517,794	58,500	22,763,297	15,514,454	1,306,366	38,654	16,782,166	5,981,130
Furniture & Fixtures	3,171,155	27,700	219,733	2,979,102	2,574,645	156,321	210,522	2,520,444	6,789,549
Vehicles	21,426,359	890,400	345,267	21,971,492	13,816,774	2,641,019	328,004	16,129,789	458,658
Office Equipment	712,114	217,847	-	929,961	526,244	150,747	-	5,841,703	596,489
Computers	789,919	68,644	385,399	472,264	701,629	48,248	676,990	252,971	7,609,586
Total	65,917,716	1,722,385	1,008,899	66,631,202	42,220,054	4,798,886	951,492	46,067,448	20,563,754
									23,697,662

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

18 - Revenue from Operations

(Amount in INR)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Export Sales	9,586,947	12,544,465
Domestic Sales	161,043,267	187,946,102
Total	170,630,214	200,490,567

19 - Other Income

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Interest on Fixed Deposit	107,756	145,554
Net Gain on Foreign Currency Transaction	612,761	352,870
Reversal of Provision for Doubtful Debt	200,609	182,059
Bad Debts Recovered	463,532	328,384
Sundry Balances written back	812,474	92,471
Miscellaneous Income	3,434	178,328
Total	2,200,567	1,279,665

20 - Cost of Material Consumed

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Raw materials consumed:		
Op. Stock of Raw Materials	41,375,118	27,335,748
Add:- Purchase of Raw Materials	105,235,559	138,163,993
Add : Direct Expenses	1,002,728	892,775
Less: Cl. Stock of Raw Materials	147,613,405	166,392,516
Cost of Raw Material Consumed (A)	102,558,558	125,017,398
Packing material consumed:		
Op. Stock of Packing Material	340,579	343,496
Add: Purchases of Packing Material	3,702,971	3,402,852
Less: Cl. Stock of Packing Material	4,043,550	3,746,347
Cost of Packing material consumed (B)	3,285,255	3,405,768
Total Cost of Material Consumed (A+B)	105,843,813	128,423,166

21 - Changes in inventories of finished goods

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Opening Stock of Finished Goods	4,565,214	564,883
Less: Closing stock of Finished Goods	(2,947,661)	(4,565,214)
Total Change in Inventory of finished goods	1,617,553	(4,000,331)

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

22 - Employee Benefit Expenses

(Amount in INR)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Salaries and other allowance	10,339,751	12,708,753
Directors Remuneration	19,800,000	13,500,000
Gratuity	241,061	268,233
Staff Welfare Expenses	425,558	630,356
Contributions to Various Funds	523,079	623,245
Total	31,329,449	27,730,587

23 - Finance Cost

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Interest on Loan from Director and Relative	1,467,511	1,763,014
Interest on Bank Overdraft	2,607,439	3,412,487
Interest on Car Loan	265,188	451,939
Interest to MSME vendors	38,788	13,140
Other Bank charges	169,492	4,000
Total	4,548,418	5,644,580

24 - Other Expenses

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Labour Charges	4,449,664	6,254,464
Factory Expenses	138,652	252,156
Electricity Charges	1,321,348	1,306,451
Repairs & Maintenance :		
- On Building	92,866	1,497,576
- On Plant and Machinery	344,730	265,092
- On Others	876,421	1,057,669
Transportation Expenses	3,764,071	3,827,676
Rent Expenses	811,045	1,391,225
Rates & Taxes	601,344	741,767
GST Expense	1,060,940	-
Security Charges	34,000	379,179
Auditor Remuneration	446,000	448,735
Legal and Professional Charges	677,950	386,300
Brokerage & Commission	1,087,834	761,488
Communication Expenses	244,329	256,573
Travelling & Conveyance Expenses	677,883	2,621,784
Office Expenses	362,981	554,653
Insurance Charges	408,487	455,555
Bank Charges	319,894	238,420
Sales Promotion & Selling Expenses	519,584	458,113
Sundry Balances W/off	45,136	57,407
Bad Debts	116,835	240,822
Provision for Bad Debts (PL)	343,996	-
Provision for GST credit	941,562	-
Deposits written-off	99,620	-
Loss on Sale of Motor Vehicle	16,047	-
Miscellaneous Expenses	482,620	317,886
Total	20,285,840	23,770,993

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

24.1 - Auditors Remuneration

(Amount in INR)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Statutory Audit	225,000	225,000
Tax Audit	75,000	75,000
Taxation Matter	33,500	33,500
Other Services	112,500	110,000
Reimbursement of expenses	-	5,235
Total	446,000	448,735

25 - CIF Value of Imports

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Raw Materials	66,076,823	73,309,325
Total	66,076,823	73,309,325

26 - Earning in Foreign Currency

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
FOB value of Export Sales	9,586,947	12,544,465
Total	9,586,947	12,544,465

27 - Particulars of Revenue from Operations

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Sales of Products:		
Ceramic Fibre Product	43,692,126	39,075,027
Chemicals	2,565,341	3,927,500
Fire Proof Sleeve	15,881,827	23,450,725
Gasket Sheet	28,722,218	51,061,210
Gland Packing	20,277,373	32,242,782
Industrial Bellows	12,972,641	20,152,944
Silica Products	14,703,614	13,496,005
Others	22,815,076	17,084,375
Total	170,630,214	200,490,567

28 - Value of Imported and Indigenous Raw Material Consumption

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Raw Materials		
Imported	58,004,685	56.56%
Indigenous	44,553,873	43.44%
Total	102,558,558	100%
	59,021,811	47.21%
	65,995,587	52.79%
	125,017,398	100%

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REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

29 - Earnings Per Share

(Amount in INR)

Particulars	For the year ended 31 March, 2021	For the year ended 31 March, 2020
Basic and Diluted Earnings per share		
Profit/(Loss) attributable to Equity shareholders	3,679,593	11,331,946
Weighted average number of equity shares	320,000	320,000
Basic/ Diluted earnings per share	11.50	35.41
Face value per share	10	10

30- Estimated amount of Contractual commitment remaining to be executed is Rs. Nil and not provided as on 31st March, 2021. (PY Rs. Nil).

32 - Contingent Liability

Particular	As at 31 March, 2021	As at 31 March, 2020
Liability on sales tax payable on non-collection of C - Form from the customers.	978,407	978,407
TDS Default as per Traces of Income Tax Act, 1961 for AY 21-22 & Prior Years	215,410	23,230
VAT and CST liability as mentioned below	3,026,296	1,710,257
Cash outflow in respect of above matters under dispute will depend upon outcome of matters under disputes.		

32.a. 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/-.

b. 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 the financials.

c. The company has received a notice of dated 12/07/2019 under of CST Act, 1956 raising a liability of Rs. 6,22,856/- for assessment period 1-4-15 to 31-3-16. Correspondingly, the Company has filed a rectification application before the assessing officer and paid Rs. 60,946/ on 4-11-20.

d. The company has received a notice of dated 12/07/2019 under of MVAT Act, 2002 raising a liability of Rs. 5,51,042/- for assessment period 1-4-15 to 31-3-16. Rectification application has been filed before the assessing officer. Correspondingly, the Company has filed a rectification application before the assessing officer and paid Rs. 57,446/ on 4-11-20.

e. The company has received a notice dated 26-3-2021 under CST Act, 1956 raising a liability of Rs. 3,39,440 plus interest Rs. 4,88,794/- for assessment period 1-4-14 to 31-3-15. The company has gone into appeal on 25-6-21 and paid Rs. 34,044 against the order.

f. The company has received a Assessment Order u/s 23 of MVAT Act, 2002 dated 26-3-2021, raising a liability of Rs. 1,99,920 plus interest Rs. 2,87,885/- for assessment period 1-4-14 to 31-3-15. The company has gone into appeal on 25-6-21 and paid Rs. 20,480 against the order .

33 : EMPLOYEE BENEFITS:

a. General Description

i. Defined Contribution Plan (DCP)

The Company's Provident Fund Scheme is a defined contribution plan. The expenses charged to the statement of Profit and Loss under the head Contribution to Provident Fund is Rs.4,45,239/- (PY Rs. 5,16,376/-).

The Company's Employees State Insurance Corporation is at defined contribution plan. The expenses charged to the statement of Profit and Loss under the head Contribution to Employees State Insurance Corporation is Rs. 76,568/- (PY Rs. 1,05,189/-).

ii. Defined Benefit Plan

The Company has a defined benefit plan in the form of Gratuity Plan with LJC of India. The Company during the year provided Rs. 2,41,061/- (PY Rs. 2,68,233/-) towards gratuity using Projected Unit Credit Method.

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Mangal

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

(Amount in INR)

b. The following tables set out disclosures of assumption prescribed by AS 15 in respect of company's funded gratuity plan-

Particulars	Year ended March 31, 2021 (Rs.)	Year ended March 31, 2020 (Rs.)
	Gratuity	Gratuity
Discount rate	7.00%	7.25%
Salary escalation	5.00%	5.00%
Withdrawal Rate	1% to 3% depending on age	1% to 3% depending on age
Mortality Rate	LIC 2006-08 ultimate	LIC 2006-08 ultimate

* The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Above valuation has been done by LIC as per Projected Unit Credit Method.

34 - Unhedged Foreign Currency Exposure :

Particulars	Year ended March 31, 2021 (Rs.)	Year ended March 31, 2020 (Rs.)		
	In foreign currency	In INR	In foreign currency	In INR
Receivable (USD)	66,267	4,776,268	20,758	1,552,637
Payables (USD)	12,206	888,475	71,704	5,419,520

There are no foreign currency exposures which are hedged as at year end. (P.Y Rs. Nil).

35 - The lease rent charged to Profit and Loss Account during the year for the lease amounts to Rs.8,11,045/- (P.Y.Rs.13,91,225/-).

36 - The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, trade receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information and economic forecasts on the future expected performance of the Company. The Company has performed necessary analysis on the assumptions used and based on current estimates, it expects the carrying amount of these assets will be recovered. Given the uncertainty on account of COVID-19, the impact on the Company's assets may differ from that estimated as at the date of approval of these financial statements, if any.

37 -The balance of trade receivables, trade payable, loans and advances are subject to balance confirmations. In the opinion of Management, Current Assets, Loans & Advances have the values at which they are stated in Balance Sheet, if realized in the ordinary course of business.

38 : There are numerous interpretative issues relating to the Supreme Court (SC) judgment dated 28th February, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The impact is not expected to be material as per the assessment made by the Company. As a matter of caution, the company has made a provision and deposited the amount on a prospective basis from the date of the SC order.

39 : The Company has received intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, and 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 as below.

Particulars	FY 2020-21	FY 2019-20
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	1,218,018	1,153,572
- Principal Amount	1,179,230	1,140,432
- Interest Amount	38,788	13,140
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;	51,928	13,140
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(P)

Chirag Patel *Manager*

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

(Amount in INR)

40: Regarding material consumption and inventory details-

In the absence of information, disclosure under the broad head of 'raw material consumption' and 'itemwise bifurcation of inventory' is not furnished.

41 - Details of Provision on Doubtful Debts

Particulars of Provisions	As at March 31, 2021	As at March 31, 2020
Opening Balance as on 01.04.2020	467,806	649,865
Additional Provisions made in 2020-21	343,996	-
Amount of Provisions used in 2020-21	-	152,036
Amount of Provisions reversed in 2020-21	200,609	30,024
Closing Balance as on 31.03.2021	611,194	467,806

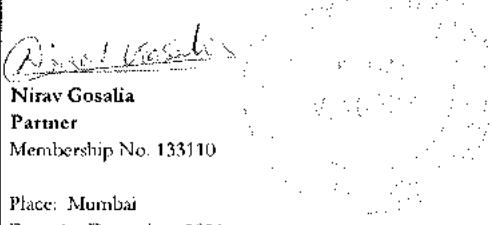
42. Figures of previous year have been re-grouped and re-arranged wherever necessary. Other disclosures as per Schedule III are Nil or Not applicable.

In terms of our report of even date

For RMJ & Associates LLP

Chartered Accountants

Firm Registration :W100281


Nirav Gosalia

Partner

Membership No. 133110

Place: Mumbai

Date: 1st December, 2021

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

CIN: U28129MH2005PTC155252


Naresh Nayak

Director

DIN: 00347765


Niranjan Nayak

Director

DIN: 02606926

Place: Mumbai

Date : 1st December, 2021

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

(Amount in INR)

31 - Related Parties Disclosure:

Relationship	Related Party Name
Firm in which relative of Director are partner	Vijaylaxmi Enterprises
Director (Also having substantial interest in the Company)	Mr. Manjunath Nayak
Director (Also having substantial interest in the Company)	Mrs. Meeta Nayak
Director (Also having substantial interest in the Company)	Mr. Niranjan Nayak
Director (Also having substantial interest in the Company)	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	
		2020-21	2019-20
Vijaylaxmi Enterprises	Job-work charges	3,767,500	6,182,500
Rex Industries	Rent Payment	-	594,000
Mr. Manjunath Nayak	Opening Balance	32,591	3,070,396
	Loan Received	127,439	317,297
	Loan Repaid	148,547	3,355,102
	Closing Balance (credit)	11,483	32,591
	Director's Remuneration	60,00,000	39,00,000
	Closing Balance (credit)	104,840	-
	Interest on Loan paid	-	99,863
	Closing Balance	-	-
Mrs. Meeta Nayak	Opening Balance	-	6,180,153
	Loan Received	-	266,187
	Loan Repaid	-	6,446,340
	Closing Balance	-	-
	Director's Remuneration	1,800,000	1,800,000
	Closing Balance (credit)	150,000	-
	Interest on Loan	-	179,047
	Closing Balance	-	-
Mr. Niranjan Nayak	Opening Balance	(3,080)	38,147
	Loan Received	212,079	135,059
	Loan Repaid	208,999	176,287
	Closing Balance	-	(3,080)

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Naresh Nayak *Meeta Nayak*

REX SEALING AND PACKING INDUSTRIES PVT. LTD.

Notes to financial statements for the year ended March 31, 2021

(Amount in INR)

	Director's Remuneration	6,000,000	3,900,000
	Closing Balance	-	-
Mr. Naresh Nayak	Opening Balance	6,586	124,703
	Loan Received	494,871	1,147,154
	Loan Repaid	466,360	1,265,271
	Closing Balance (credit)	35,098	6,586
	Director's Remuneration	6,000,000	3,900,000
	Closing Balance (credit)	220,000	-
Mrs. Nivedita Nayak (all figures are inclusive of interest)	Opening Balance	5,560,394	3,081,000
	Loan Received	1,539,356	8,444,944
	Loan Repaid	2,992,306	5,965,550
	Closing Balance (credit)	4,107,444	5,560,394
	Interest on Loan	599,285	716,605
Mrs. Kalpana Nayak (all figures are inclusive of interest)	Opening Balance	7,406,198	3,081,000
	Loan Received	2,781,403	8,490,748
	Loan Repaid	2,376,849	4,165,550
	Closing Balance (credit)	7,810,752	7,406,198
	Interest on Loan	868,226	767,499

Note: Transactions with the related parties are identified by the management and the same has been relied upon by the auditors.

