

Where legend and technology mingle



Annual Report 2020-2021

 **PG Foils Ltd.**



Founder Chairman - late Shri Parasraj G. Shah
(18.8.1933 - 16.3.1982)

CONTENTS

Corporate Overview

Companies Vision & Mission	4
Chairman's Message	5
PG Foils Team	6
Pillars of the Company	8
Board of Directors	9

Business Review

Notice & Explanatory Statement	10
Management Discussion and Analysis	17

Statutory Reports

Director's Report	18
Annexure to Director's Report	20
Corporate Social Responsibility	20
Business Responsibility Report (MGT-9)	21
Secretarial Audit Report (MR-3)	25
Certificate of Non-Disqualification of Directors	26
Corporate Governance Report	26
CFO Certification	30

Financial Statements

Independent Auditor's Report	31
Annexure to Independent Auditor's Report	33
Balance Sheet	35
Statement of Profit & Loss	36
Cash Flow Statement	38
Notes	39

Others

Our Customers	62
Attendance Slip & Proxy Form	63
Our Overseas Presence	64

VISION



As supply chain members we strive to be strategic partners of our customers through innovations in aluminum foil packs and flexible packaging. Our success lies in adding to the competence of our customer through innovations in packaging.

MISSION



Our mission is metamorphosis of PG Group into an integrated multifaceted manufacturing powerhouse- a dynamic packaging solutions provider to match the ever-changing market needs.



CHAIRMAN'S MESSAGE

Dear Share Holder,

Behind success of every company is "The Team". Relying upon one of the best professionals in the industry, we have a team who have dedicated all their lives to build PG Foils. Firstly, I would really like to thank all of them. with over 31 years of experience in the industry, we hold significantly a healthy reputation all over the Pharmaceutical Industry, by means of our ethical approach towards business. We focus on understanding needs of the customers & accordingly offer solutions for their packaging needs. Our ethical business approach towards the customers & market has allowed us to develop a strong name all over the country, which gives us an advantage over others & satisfies all our business associated family.

With a vision to become the World's largest Pharma Packaging Company, we at PG Foils are on the job to offer our customers finest of quality, products & services. Our experience starts from Marking & Coding to Blister Packaging machines to materials, we understand the requirements of our customers & offer finest solution to them with the best of our knowledge, belief & commitment. We are on the verge of expansion & are looking for strategic alliances with other companies to develop new products, businesses & markets, so as to offer finest solutions to the industry. Once again I would like to thank you very much to all our associates for their support for building PG Foils & we look forward for the same support for future.

Sincerely,

Pankaj P Shah
Chairman



PG FOILS TEAM



“An ardent champion of ethical trade philosophy, Shah has always kept his customers at the top of the business value system and coined a mechanism to not only receive any grievance or complaint from that they are resolved in 24 hours anyhow. Shah also devised a custom of senior officials visiting the customers, big or small, on an annual basis”



PILLERS OF THE COMPANY



I have been associated with the company for 36 years. It is absolutely a family atmosphere here and the MD is like a brother not a boss.

MR Jain,
Executive Director,
Operations



Having worked here for 35 years I have realized that we have all got amazing support by the MD towards all the employees. We have never felt like an employee here.

Suresh Jain, General
Manager, Production
and Planning



A lot of importance is given to the employees here. I feel like this is my own company and word hard towards my work.

PK Mewara,
Head, Sales and
Marketing



The MD's guidance, support and understanding makes us believe that everything is achievable. This company has done wonders solely due to a positive

SR Jain, General
Manager - Production



The trust of the MD on us employees here is incredible. Working with him is like working with an elder brother.

Naveen Jain,
Chief Financial
Officer



There is always a friendly working and learning atmosphere here and an excellent understanding of the MD with the staff.

Ajit Singh,
Manager, Quality Control



The behaviour of the management with the employees is excellent and inspiring. We are considered partners instead of employees.

Arvind Sharma,
Manager, Rolling



The employees at PG foils are given full liberty. Their capabilities are trusted upon and they are readily heard.

Ashok Singh,
Manager, HR



The facilities provided by the MD and owner here are marvelous. We get all the assistance and guidance from him.

HM Jain,
Manager, Finance



Consciousness and desperation of MD for quality is tremendous. He is always open to suggestions and opinions.

Gautam Jain,
Manager,
Import-Export



An equal and unbiased importance is given to all the employees irrespective of their position. MD is a fatherly figure for all.

Bharat Singh,
Executive,
Marketing



The atmosphere here is so amicable that one cannot ever think of leaving the company. All needs are taken care of.

Roop Singh Charan,
Sales and Marketing



It is the support of the MD to individual employees and culture of direct access to him by one and all and one has kept us intact as a family.

Ajay Mishra,
Purchase Officer



Our company has a great reputation in the market. The MD is very caring and always encourages a discussion on issues.

Rajesh Singh,
Manager, Operations

BOARD OF DIRECTORS

Mr. Pankaj Raj Shah
Mr. Vimal Chand Dhadda
Mr. Sahil P Shah
Mrs. Sakshi Sahil Shah
Mr. Narendrakumar Ambalal Porwal
Mr. Amit Aggarwal

Managing Director
Independent Director
Whole-time Director
Director
Independent Director
Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Bhawana Songara

STATUTORY AUDITORS

M/s Sharma Ashok Kumar & Associates, Chartered Accountants, Pali

SECRETARIAL AUDITORS

M/s M Sancheti & Associates, Company Secretaries, Jaipur

COST AUDITOR

M/s Rajesh Goyal & Company, Cost Accountants, Jaipur

BANKERS

IDBI Bank Limited/ State Bank of India/ HDFC Bank Limited

CIN

L27203GJ1979PLC008050

REGISTRAR & SHARE TRANSFER AGENT

M/s. Big Share Services Pvt. Ltd, A-802 Samudra Complex, Near Klassic Gold Hotel,
Girish Cold Drink off C G Road, Ahmedabad - 380 009
Tel.: 079-40024135 • Mobile: 09971542155
Email: bssahd@bigshareonline.com

REGISTERED OFFICE

6, Neptune Tower, Ashram Road, Ahmedabad-380 009 (Gujarat)

WORKS & HEAD OFFICE

P.O.: Pipalia Kalan, Dist.Pali, Rajasthan - 306 307
Tel.: 02937-287151-56 Fax:02937-287150 Mobile No.93516-00444
e-mail:- pgfoils@pgfoils.in, pgfoils.investor@gmail.com

SALES OFFICES

MUMBAI : 80, Neelam Building, 1st Floor, E Road, Marine Drive, Mumbai – 400 002
Tel.:022-32428026, 32188889, 22813448 Fax:- 022-22813502
Mobile:- 09702031458, e-mail :- mumbaisales@pgfoils.in

CHENNAI : 22/1, "Kamala" Pycroft Garden Road, Nungambakkam , Chennai - 600 034
Mobile:- 093830-25913, e-mail :- pgf_chennai@pgfoils.in

AHMEDABAD : 6, Neptune Tower, Ashram Road, Ahmedabad - 380 009 Tel.: 079-26587606, 26584187,
Fax:- 079-26584187 Mobile:- 093282-73642, e-mail :- pgf_ahm@pgfoils.in

DELHI : 3058/3063, 1st Floor, D. B. Gupta Road, Pahar Ganj, Delhi-110 055
Tel.: 011-23581034 Mobile:- 093501-72886, 093111-20685
e-mail :- gmvarma@pgfoils.in

BANGALORE : No.43, 3rd Floor, Opposite Ganesh Temple, Near BRV Public School,
10th Main Road, Prashanthi Nagar, ISRO Layout, Bangalore - 560 078
Tele Fax:- 080-26664956, Mobile:- 093417-61014 e-mail :- pgf_blr@pgfoils.in

HYDERABAD : House No.10-284/2,Vasanthapuri, Malkaj Giri, Hyderabad - 500 047 (A.P) Tel.: 040-23323576,
32577774 Mobile:- 099892-35735 e-mail :- pgflhyd@pgfoils.in

JAIPUR : Mayur Apartment, Flat No. T-3&4, 40-41, Mahampura,
Raj Bhawan Road, Civil Line, Jaipur Mobile No.9414405083

KOLKATA : Kamalalaya Centre, 2ND Floor, Room No. 213, 156A, Lenin Sarani, Kolkata-700013,
Mobile 93320-06400 e-mail :- sanjay@pgfoils.in

NOTICE OF ANNUAL GENERAL MEETING



NOTICE is hereby given that, the Forty-Second Annual General Meeting ('AGM') of the Shareholders of **PG Foils Limited** (the company) will be held on **Wednesday, 15th September, 2021 at 11:30 a.m.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the items of business mentioned below:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2021 and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. SAHIL P SHAH (DIN:01603118), who retires by rotation and being eligible, offers himself for reappointment:

SPECIAL BUSINESS

3. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2022 and in this regard to consider and if thought fit, to pass the following resolution, which will be proposed as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of 25,000 /- per annum (Rupees Twenty Five Thousand only) plus taxes, as applicable and inclusive of actual travel and out-of-pocket expenses for the financial year ending 31st March, 2022 to be paid to M/s Rajesh & Company, Cost Accountants, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 62(1)(c), 42 and other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) (the "Act") and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company, the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI (ICDR) Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time, the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended, the Securities and Exchange Board of India ("SEBI") and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as might be prescribed while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (the "Board") and all such other approvals, consent of the Members of the Company be and is hereby accorded to the Board to create, issue, offer and allot, in one or more tranches, upto 38,90,000 (Thirty Eight Lakhs Ninety Thousand) Convertible Warrants (the "Warrants") on a preferential basis to the promoters/promoter group and others i.e. persons/entities not forming part of the promoter and promoter group ("Warrant Holder(s)" / "Proposed Allottee(s)"), as mentioned in the statement setting out material facts, entitling the Warrant Holder(s) to apply for and get allotted one Equity Share of the face value of Rs. 10/- (the "Equity Shares") each fully paid-

up against each Warrant within a period of 18 (eighteen) months from the date of allotment of Warrants, in such manner and at such price as may be arrived at in accordance with the SEBI (ICDR) Regulations and upon such terms and conditions as maybe deemed appropriate by the Board in accordance with the provisions of SEBI (ICDR) Regulations (including Chapter V thereof) or other applicable laws in this respect.

RESOLVED FURTHER THAT the resultant Equity Shares to be allotted on conversion of the Warrants in terms of this resolution shall rank pari passu in all respects with the existing Equity Shares of the Company. **RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine, vary, modify, alter any of the terms and conditions of the proposed issue including reduction of the size of the issue, as it may deem expedient, in its discretion.

RESOLVED FURTHER THAT the aforesaid issue of the Warrants shall be on the following terms and conditions:

- i. The "relevant date" for the purpose of determining the minimum price of the Warrants under the SEBI (ICDR) Regulations is Monday, 16th August, 2021, being the date 30 (thirty) days prior to the date of passing of this Resolution by the Members of the Company;
- ii. The price of each equity share to be issued in lieu of the Warrants will be calculated in accordance with the provisions of Regulation 164 of Chapter V of the SEBI (ICDR) Regulations on the basis of the relevant date;
- iii. In accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations, 25% (Twenty five percent) of the consideration payable against the Warrants, shall be paid by the warrant holder(s) to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy five percent) shall be paid at the time of allotment of Equity Shares pursuant to exercise of option of conversion against each such Warrant;
- iv. The tenure of the Warrants shall not exceed 18 (eighteen) months from the date of allotment of the Warrants;
- v. The warrant holder(s) shall be entitled to exercise the option of conversion of any or all of the Warrants in one or more tranches by way of a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate amount thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of Equity Shares to the warrant holder(s);
- vi. If the entitlement against the Warrants to apply for the Equity Shares is not exercised within the aforesaid period of 18 (eighteen) months, the entitlement of the warrant holder(s) to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid on such Warrants shall stand forfeited;
- vii. In the event that the Company completes any form of capital restructuring prior to the conversion of the Warrants, then, the number of Equity Shares that each Warrant converts into and the price payable for such Equity Shares, shall be adjusted accordingly in a manner that, to the extent permitted by applicable laws, Warrant Holder: a) receives such number of Equity Shares that Warrant Holder would have been entitled to receive; and b) pays such consideration for such Equity Shares to the Company which Warrant Holder would have been required to pay, had the Warrants been exercised immediately prior to the completion of such capital restructuring;
- viii. Upon exercise by warrant holder the option of conversion of any or all of the warrants, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required to give effect to such issue, including but not limited to delivering to Warrant Holder(s), evidence of the credit of the Equity Shares to the depository account of Warrant Holder(s) and entering the name of Warrant Holder(s) in the