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**PAOS INDUSTRIES LIMITED**

**Formerly Raj Agro Mills Limited**

**31st Annual Report**

**2020-2021**

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# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

REGISTERED OFFICE: VILLAGE PAWA, G.T. ROAD, NEAR CIVIL AIRPORT, LUDHIANA-141120 (PB)  
CIN: L24100PB1990PLC049032 Email: [paosindustriesltd@gmail.com](mailto:paosindustriesltd@gmail.com), [rajagromills@gmail.com](mailto:rajagromills@gmail.com),  
[Website:www.paosindustries.in](http://Website:www.paosindustries.in)

### BOARD OF DIRECTORS:

Mr. Sanjeev Bansal	:	Managing Director
Mrs. Rama Bansal	:	Non- Executive Director
Mrs. Meenu Uppal	:	Non-Executive Independent Director
Mr. Puneet Singhania	:	Non-Executive Independent Director

### COMPANY SECRETARY

Mrs. Ruchika Gulati

### CHIEF FINANCIAL OFFICER

Mr. Rupinder Singh

### STATUTORY AUDITORS

M/s Rakshit Khosla & Associates;  
Chartered Accountants  
Ludhiana (Pb)

### BANKERS

HDFC Bank  
Feroze Gandhi Market,  
Ludhiana - (Pb.)

YES Bank Limited  
Ground Floor, SCO-28, Dugri  
Phase-I, Ludhiana (Pb)

### REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Private Limited  
(Formerly Intime Spectrum Registry Limited)  
Noble Heights, First Floor, Plot No.NH-2, C-1 Block,  
LSC, Near Savitri Market, Janakpuri, New Delhi-110 058  
Ph. 011-49411000, E-mail: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

31ST ANNUAL GENERAL MEETING	CONTENTS	Page No.
Day: <b>Thursday</b>	Notice	<b>1</b>
Date: <b>30<sup>th</sup> September, 2021</b>	Directors' Report	<b>7</b>
	Corporate Governance Report	<b>29</b>
	Auditors' Report on Standalone Statements	<b>36</b>
Time: <b>10.00 a.m.</b>	Standalone Financial Statements	<b>42</b>
	Auditors' Report on Consolidated Statements	<b>69</b>
Place: <b>Village Pawa, G.T. Road, Near Civil Airport, Ludhiana- 141120 Punjab</b>	Consolidated Financial Statements	<b>74</b>
	Attendance Slip	<b>101</b>
	Proxy Form	<b>102</b>

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

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### NOTICE

**NOTICE** is hereby given that the **31<sup>st</sup> Annual General Meeting** of the Members of **PAOS INDUSTRIES LIMITED FORMERLY RAJ AGRO MILLS LIMITED** will be held on **Thursday, the 30<sup>th</sup> day of September, 2021 at 10.00 a.m.** at the Registered Office of the Company at **Village Pawa, G.T. Road, Near Civil Airport, Ludhiana-141 120 (Pb)** for transacting the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup>, March, 2021 together with the reports of Board of Directors and Auditors thereon.
2. To appoint Mrs Rama Bansal (08156375) as a Director who retires by rotation and being eligible offers herself for re-appointment.
3. To ratify the appointment of Auditors M/s Rakshit Khosla & Associates, Chartered Accountants, Ludhiana (Firm Registration No.017151N) as Statutory Auditors and to fix their remuneration for Financial Year 2021-2022.

"Resolved that pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made there-under, as amended from time to time, pursuant to recommendations of the audit committee and pursuant to the resolution passed by the members in 30<sup>th</sup> AGM held on 24<sup>th</sup> December, 2020, the appointment of M/s Rakshit Khosla & Associates, Chartered Accountants (FRN:017151N) as the auditors of the company to hold office till the next Annual General Meeting be and is hereby ratified and the Board of Directors be and is hereby authorized to fix the remuneration for the financial year ending 31<sup>st</sup> March, 2022 in consultation with them.

By Order of Board  
For PAOS Industries Limited  
Sd/-

(Sanjeev Bansal)  
Managing Director  
DIN- 00057485  
662/2, Premjit Road, Gurdev  
Nagar, Ludhiana-141001

Date: 28-08-2021

Place: Ludhiana

### **NOTES:**

- (i) A member entitled to attend and vote at the annual general meeting (the "MEETING") is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. The blank proxy form is enclosed.
- (ii) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (iii) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- (iv) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Link Intime India Pvt. Ltd.
- (v) The register of members and the share transfer book of the company will remain closed from Friday, the 24<sup>th</sup> September, 2021 to Thursday, 30<sup>th</sup> September, 2021 (both days inclusive).
- (vi) In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website [https://www.paosindustries.in/p/blog-page\\_7.html](https://www.paosindustries.in/p/blog-page_7.html) and

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

website of the Stock Exchange, i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.

- (vii) Members are requested to bring their copies of Annual Reports along with them, as copies of the report will not be distributed at the meeting.
- (viii) Members/proxies are requested to bring their attendance slips sent herewith duly filled in for attending the meeting.
- (ix) Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.
- (x) COVID note and Precautions while holding AGM

All the members who wishes to attend the AGM are requested to wear mask throughout the continuance of the meeting. Temperature of all the attendees shall be checked at the entrance of the venue of the meeting and anyone found having fever shall not be allowed to attend. Any shareholder having symptom of infection of COVID19 are requested not to attend the meeting.

- (xi) M/s Rajeev Bhambri & Associates, Company Secretaries have been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall upon the conclusion of General Meeting, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
- (xii) The Results of the resolutions passed at the AGM of the Company will be declared within 48 working hours of the conclusion of AGM. The Results declared along with the Scrutinizer's report shall be placed on website of company, CDSL and will be communicated to the stock exchanges.
- (xiii) **Voting through Electronic Means:** Pursuant to the Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management And Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members a facility to exercise their right to vote at the 31st Annual General Meeting (AGM) by electronic means.
- (xiv) The Members whose name appears in the Register of Members of the Company as on **23rd September, 2021** may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting shall commence on **27th September, 2021 at 09:00 AM and ends on 29th September, 2021 at 05:00 PM**. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The e-voting module shall be disabled by CDSL for voting thereafter.

**The instructions for shareholders voting electronically are as under:**

- a. The voting period **begins** on **Monday, 27-09-2021 at 9.00 a.m.** and **ends** on **Wednesday, 29-09-2021 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23-09-2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- c. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- d. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful log in the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting vote during the remote e-Voting period or joining virtual meeting &amp; voting during meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**e.** Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on "Shareholders" module.
- Now enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

	<ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- f. After entering these details appropriately, click on "SUBMIT" tab.
- g. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- h. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- i. Click on the EVSN for the relevant <PAOS Industries Limited> on which you choose to vote.
- j. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- k. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- l. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- m. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- o. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- p. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [paosindustriesltd@gmail.com](mailto:paosindustriesltd@gmail.com) (designated email address by company) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES

1. **For Physical shareholders-** Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company [paosindustriesltd@gmail.com](mailto:paosindustriesltd@gmail.com) /RTA email id [sunil.mishra@linkintime.co.in](mailto:sunil.mishra@linkintime.co.in).



# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

2. **For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP).

3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**(xv) Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the Directors seeking appointment/re-appointment in the AGM.**

Name of the Director	:	Mrs. Rama Bansal
Date of Birth	:	21.04.1959
Date of Appointment	:	09-08-2018
DIN	:	08156375
Qualification	:	Graduate
Experience	:	Mrs Rama Bansal, earlier a house-maker, joined the business in year 2018. She is participating in the management of affairs of company along with his husband Mr. Sanjeev Bansal who is Managing Director of the Company. She is Non-Executive Promoter Director.
No. of Shares Held in the Company	:	743750 Equity Shares of Rs.10/- each
Chairman/Membership of Board Committees of listed companies (including this company) as on 31.03.2021	:	1. Member of Audit Committee 2. Member of Nomination & Remuneration Committee 3. Member of Stakeholder Relationship & Investor Grievance Redressal Committee
Directorship held in listed companies (including this company) as on 31.03.2021	:	1
Relationship with other Directors/KMPs	:	Mrs Rama Bansal is spouse of Mr Sanjeev Bansal who is MD of Company. Except Mr Sanjeev Bansal she has no Relationship with any other Director/KMPs.

By Order of Board  
For PAOS Industries Limited  
Sd/-  
(Sanjeev Bansal)  
Managing Director  
DIN- 00057485  
662/2, Premjit Road, Gurdev  
Nagar, Ludhiana-141001

Date: 28-08-2021  
Place: Ludhiana



# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

### DIRECTORS' REPORT TO THE MEMBERS

Dear Members,

Your Directors have the pleasure in presenting the 31<sup>st</sup> Annual Report of the Company together with the Audited Accounts (Standalone and Consolidated) for the financial year ended 31<sup>st</sup> March, 2021.

### **FINANCIAL RESULTS**

The financial figures for the year under review are given below:

PARTICULARS	(Rs. In Lakhs)	
	CURRENT YEAR 2020-2021	PREVIOUS YEAR 2019-2020
Revenue from operations	--	--
Other income	3.14	0.53
Profit/(Loss) before Interest, Depreciation and Tax	(303.34)	(14.89)
Less : Interest & Bank charges	(26.95)	(24.50)
Profit/(Loss)	(330.29)	(39.39)
Depreciation	--	--
Profit/(Loss) before Tax	(330.29)	(39.39)
Provision for Current Tax	0.00	0.00
Provision for Deferred Tax	0.00	-37.77
Profit/(Loss) after Tax	(330.29)	(1.62)
Transfer to General Reserve	(330.29)	(1.62)
Other Comprehensive Income for the period	--	--
<b>Basic- Earning per equity share of Rs. 10/-</b>	<b>(5.41)</b>	<b>(0.03)</b>

The company has not carried on any business activity during the year under review.

### **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial statements have been prepared as per the Ind-AS whereby the preferential share capital has been classified into debt liability and to find out the present value the nominal value of these preference shares has been discounted @10% being rate of dividend payable on these shares. The dividend/interest accrued there-upon for the relevant financial year has been included and booked as "finance cost" however since the last year, the amortization of Deferred Revenue through the Statement of Profit & Loss Account has been discontinued in order to stop booking notional "Other Income". The loss for the FY 2021 stands at Rs.330.29 Lakhs as compared to Rs.1.62 lakhs.

The losses during the year under review is high due to the reason that the Joint Venture M/s PAOS Productions has incurred heavy losses due to claiming of substantial depreciation available to it as it was the first year of operation. However, the Management expects that the Joint Venture will earn profits in the coming years. Moreover, as according to Ind AS 28, when the Group's share of Losses in an equity-accounted investment equals or exceeds its interest in entity, the Group should not recognize any further losses, unless it has incurred obligations or made payments on behalf of other entity. Hence, the company of share of loss in the Joint Venture has been booked and recorded upto the value of its investment in joint venture i.e. Rs.286.77 Lakhs whereas the un-recognized losses amounting to Rs.71.83 Lakhs as on 31-03-2021 will be recognized when the share of Profits of the Company in M/s PAOS Productions equals the share of losses not re-cognized.

### **INFORMATION ON STATE OF COMPANY'S AFFAIR**

The company has not carried any commercial activity during the year under review. It has no labour force but employed only administrative personnel.

### **FUTURE PROSPECTS**

The company has entered into joint venture by becoming a Partner in a Partnership Firm namely "PAOS Productions". The said Joint venture has started its commercial production and sales in Financial Year 2020-2021 and due to claiming of substantial depreciation as available to it being new unit, the joint venture had reported losses of Rs.717.20 Lakhs in which company had share of Rs.358.60 Lakhs. The Loss of Joint Venture is due to claiming of depreciation of Rs.647.88 Lakhs during the FY 2021 by it.

### **DIVIDEND**

Your Directors express their inability to recommend any dividend for the year.

# PAOS INDUSTRIES LIMITED Annual Report 2021

## FORMERLY RAJ AGRO MILLS LIMITED

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### **DEPOSITS**

During the year under review, the Company has not accepted or renewed any deposits falling within the purview of the Companies Act, 2013 and the rules made there-under however the company has received and accepted money/loan only from its Managing Director namely Mr. Sanjeev Bansal which does not fall within the definition of deposits in terms of Rule 2(1)(c) of the Companies (Acceptance of Deposits), Rule, 2014, as amended. The amount of said money/loan stands at Rs.12,50,93,900/- as on 31.03.2021. These borrowings from directors are interest free and presently the exact date of their repayment is not certain because the company is not carrying on any commercial or business activity and does not have any operating assets as on date to repay it, hence its classification as per Ind AS is not presently feasible. However, these loans are financial liability and have been presented and disclosed under Current Borrowings.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since no Dividend declared and paid during last year, the provisions of Section 125 of the Companies Act, 2013 does not apply.

### **TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013**

The profit/loss of the current year has been transferred to the Reserves & Surplus.

### **CHANGES IN EQUITY SHARE CAPITAL**

There is no change in the Equity Share Capital of the company during the year under review.

### **REDEMPTION OF PREFERENCE SHARES**

The company is having 450 000 10% Redeemable Non Cumulative Participative Preference Shares of Rs.100/- each out of which 150 000 10% Redeemable Non Cumulative Participative Preference Shares of Rs.100/- is due for redemption on or before 30-10-2021 as they were issued on 30-10-2001. The Board of Directors in its Meeting held on 14-08-2021 have approved the Redemption of 150 000 10% Redeemable Non Cumulative Participative Preference Shares of Rs.100/- out of the proceeds of fresh Equity Shares issued in the year 2018 and 2020. The proceeds collected from said shares are laying as Investment in a joint venture namely M/s PAOS Productions in which company is one of partners with 50% profit/loss sharing ratio.

### **CHANGES IN DIRECTORS**

As reported in the previous Annual Report during the year under review Mrs Meenu Uppal was appointed as Independent Directors of the Company pursuant to Section 149 of the Companies Act, 2013 ("the Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014 for a further period of five years which may also be considered as second term of five consecutive years commencing from 1st October, 2020 and lasting up-to 30th September, 2025.

Mrs. Rama Bansal is liable to retire by rotation and being eligible offer herself for re-appointment.

### **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 185**

During the Financial Year 2020-2021, the Company has not given any loan or Guarantee or provided security in connection with a loan to any other body corporate and person and also the company has not made any investment in any other body corporate.

### **INDIAN ACCOUNTING STANDARDS (Ind AS)**

As mandated by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") and the Standalone and Consolidated Financial Results for the year 2020-2021 have been prepared in accordance with Ind AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other recognized accounting practices and policies to the extent applicable.

### **STATUTORY AUDITOR**

During the previous annual general meeting, the members have appointed M/s Rakshit Khosla & Associates, Chartered Accountants (FRN.017151N), Ludhiana as Statutory Auditors of the Company to hold office from the conclusion of 30th Annual General Meeting until the conclusion of 35th Annual General Meeting of company, subject to ratification of the appointment by the members at every AGM in accordance with the provisions of the Companies Act, 2013 and the Rules made there-under. The appointment of M/s Rakshit Khosla & Associates, Chartered Accountants (FRN.017151N), Ludhiana as Statutory Auditors shall be for the Statutory Audit of FY 2020-2021 to FY 2024-2025 (both inclusive). Accordingly, the appointment of Rakshit Khosla & Associates, Chartered Accountants (FRN.017151N), Ludhiana is being placed before the shareholders for ratification for financial year 2021-2022.