

**PTL Enterprises Ltd.**



**59<sup>th</sup> Annual Report**

**2019-2020**



# PTL ENTERPRISES LTD.

## 59th Annual Report

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# **PTL ENTERPRISES LTD.**

## **BOARD OF DIRECTORS**

ONKAR S. KANWAR	:	CHAIRMAN
NEERAJ KANWAR	:	NON-EXECUTIVE DIRECTOR
B. K. SINGH	:	INDEPENDENT DIRECTOR
HARISH BAHADUR	:	NON-EXECUTIVE DIRECTOR
SUNIL TANDON	:	INDEPENDENT DIRECTOR
U. S. ANAND	:	INDEPENDENT DIRECTOR
TAPAN MITRA	:	INDEPENDENT DIRECTOR
SONALI SEN	:	INDEPENDENT WOMAN DIRECTOR

## **KEY MANAGERIAL PERSONNEL**

S. SUJITH	MANAGER
PRADEEP KUMAR	COMPANY SECRETARY AND COMPLIANCE OFFICER
ANIL KUMAR SRIWASTAWA	CHIEF FINANCIAL OFFICER

## **STATUTORY AUDITORS**

SCV & CO. LLP, CHARTERED  
ACCOUNTANTS

## **SECRETARIAL AUDITORS**

RSMV & Co., COMPANY  
SECRETARIES

## **REGISTERED OFFICE**

3RD FLOOR, AREEKAL MANSION,  
NEAR MANORAMA JUNCTION,  
PANAMPILLY NAGAR,  
KOCHI, ERNAKULAM,  
KERALA- 682036  
TEL. NO: (0484) 4012046, 4012047  
FAX NO: (0484) 4012048

## **BANKERS**

STATE BANK OF INDIA  
HDFC BANK  
CORPORATION BANK  
SYNDICATE BANK

## **WORKS**

KALAMASSERY  
ALWAYE, KERALA- 683104.

# PTL ENTERPRISES LTD.

Regd. Office: 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi Ernakulam Kerala 682036  
CIN – L25111KL1959PLC009300, Website – www.ptlenterprise.com, Email – investors@ptlenterprise.com,  
Tel: 0484 – 4012046, 4012047, Fax: (0484) - 4012048

## NOTICE

NOTICE is hereby given that the 59th Annual General Meeting of the Members of PTL ENTERPRISES LTD. will be held on Tuesday, 22nd September, 2020 at 3:00 P.M., Indian Standard Time (“IST”), through Video Conferencing/ Other Audio Visual Means (“VC/OAVM”) Facility to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2020 and reports of the Board of Directors and of the Auditors thereon. and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To confirm the payment of interim dividend of ₹2.50 per Equity Share already paid during the year as the Final Dividend for the Financial Year 2019-20 and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** interim dividend at the rate of ₹2.50 (Two rupees and paise fifty only) per equity share of ₹2/- (Two rupees) each declared by the Board of Directors of the Company at its meeting held on February 26, 2020, be and is hereby confirmed as final dividend for the financial year ended March 31, 2020.”

3. To appoint a Director in place of Mr. Harish Bahadur (DIN- 00032919), who retires by rotation and being eligible, offers himself for re-appointment. and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, and other applicable provisions including rules thereof, Mr. Harish Bahadur (DIN- 00032919), who retires by rotation at this meeting and being eligible has offered himself for re- appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

### SPECIAL BUSINESS:

4. To re-appoint Mr. Birendra Kumar Singh (DIN-05329739) as an Independent Director and in this regard consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

**“RESOLVED THAT** pursuant to Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Rules”) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), on the basis of the recommendation of Nomination and Remuneration Committee, Mr. Birendra Kumar Singh (DIN-05329739), who was appointed as an Independent Director and who holds office as an Independent Director up to August 9, 2020 and who has made a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations and who is eligible for the appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby re- appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5(five) consecutive years with effect from 10th August, 2020 to 9th August , 2025, on the Board of the Company.

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all thing incidental and ancillary thereto.”

5. To Appoint Ms. Sonali Sen (DIN-08736062) as an Independent Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (“the Rules”) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the basis of recommendation of the Nomination & Remuneration Committee Ms. Sonali Sen (DIN- 08736062), who was appointed as an Additional Director pursuant to the provisions of Section 161 and the Articles of Association of the Company and other applicable provisions of the Act , who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, from 19th May 2020 to 18th May, 2025.

**RESOLVED FURTHER THAT** the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.”

6. To appoint Mr. S. Sujith as a Manager and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 & 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (the ‘Act’) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company and subject to such other approval(s), sanction(s) and permission(s) as may be applicable/required and subject to such other conditions and modifications as may be prescribed and pursuant to the recommendation made by Nomination & Remuneration Committee, Mr. S. Sujith, who has given his consent, be and is hereby appointed as “Manager” of the Company, under Companies Act, 2013, for a period of 5 years starting from 11th August, 2020 to 10th August, 2025 (both days inclusive) on the following terms and conditions:

-Basic Salary of ₹ 24,877 /- (Rupees Twenty Four Thousand and Eight Hundred Seventy Seven only) per month.

-Flexible Benefits of ₹60,667/- (Rupees Sixty Thousand Six Hundred Sixty Seven only) per month.

-Performance Bonus of ₹16,493/- (Rupees Sixteen Thousand Four Hundred Ninety Three only) per month, payable quarterly, subject to achievement of rated performance.

-Benefits of Leave, Provident Fund, Superannuation and Gratuity as per the rules of the Company, presently retrials of ₹7,914/- (Rupees Seven Thousand Nine Hundred and Fourteen only).

-Such Other benefits as available to other employees in accordance with the policies of the Company.

-In addition to above remuneration, Mr. S. Sujith, shall also be entitled to reimbursements of out of pocket and other expenses actually and properly incurred by him in the course of legitimate business of the Company.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year, Mr. S. Sujith will be paid the salary and perquisites as minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013, by making such compliances as provided in the said schedule.

**RESOLVED FURTHER THAT** Mr. Onkar S. Kanwar, Director, Mr. Neeraj Kanwar, Director, Mr. Harish Bahadur, Director and Mr. Pradeep Kumar, Company Secretary of the Company, be and are hereby severally authorized to vary / modify terms of his appointment and remuneration including grant of increment from time to time, not exceeding the limits specified under the Companies Act, 2013 and to make, sign and execute various e-forms, applications and other documents for the purpose of e filing on the website of the Ministry of Corporate Affairs (MCA)."

**For PTL Enterprises Ltd**

Sd/-

**PRADEEP KUMAR**  
COMPANY SECRETARY  
FCS:4971

Place : Gurugram  
Date : 6th August, 2020

## NOTES

1. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 59th Annual General Meeting ("AGM") of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue.
2. Information under Regulations 26 (4) and 36 (3) of Listing Regulations and as required under the Secretarial Standard 2 on General Meeting issued by the Institute of Company Secretaries of India, relating to Directors and Manager, proposed to be appointed / re-appointed is provided at Note No. 24 of the notes and forms part of the notice.
3. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 59th AGM, hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Representatives of Institutional / Corporate members, may be appointed in pursuance of Section 112 and Section 113 of the Act, for the purpose of voting through remote e-Voting, for participation in the 59th AGM through VC/OAVM Facility and e-Voting during the 59th AGM and are requested to provide certified copy of the Board resolution/ authority letter, authorizing their representative(s) to attend and vote on their behalf at the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer on his email id rsmandco.cs@gmail.com by email through its registered email address to the Company with a copy marked to evoting@nsdl.co.in.
5. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting, for participation in the 59th AGM through VC/OAVM Facility and e-Voting during the 59th AGM.
6. Members may join the 59th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 2:45 P.M. IST i.e. 15 minutes before the time scheduled to start the 59th AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 59th AGM.
7. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee,

Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 59th AGM without any restriction on account of first-come first-serve principle.

8. Attendance of the Members participating in the 59th AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. The Register of Members and Share Transfer Books shall remain closed from 16th September, 2020 (Wednesday) to 22nd September, 2020 (Tuesday) (Both days inclusive) for the purpose of AGM.
10. Electronic copy of all the documents referred to in the accompanying Notice of the 59th AGM and the Explanatory Statement shall be available for inspection on the website of the Company at [www.ptlenterprises.com](http://www.ptlenterprises.com), during the 59th AGM. Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.
11. Members intending to require information about accounts to be explained at the meeting are requested to send their queries to the Company through email on [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com) at least 10 (ten) days in advance of the annual general meeting.
12. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India w.e.f. November 11, 1999. The trading in equity shares can now only be in demat form. In case members who do not hold shares in demat form, you may do so by opening an account with a depository participant and complete dematerialisation formalities.
13. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.
14. Members holding shares in physical form are requested to intimate changes with respect to their bank account viz, name and address of the branch of the bank, MICR code of branch, type of account and account number, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc immediately to the Company.
15. Voting through Electronic Means
  - (a) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is arranging to provide members, facility to exercise their right to vote at the 59th Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL).
  - (b) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
  - (c) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
  - (d) The members who have not cast their votes by remote e-voting can exercise their right through e-voting during the AGM.
  - (e) The members who have cast their voting by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.



- (f) The Board of Directors have appointed M/s RSMV & Co., Practicing Company Secretary, as the Scrutinizer, who has also given his consent for the same, for conducting the voting process and remote e-voting in a fair and transparent manner.
- (g) The scrutinizer shall within forty eight hours of conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or to any other person authorised by the Chairman.
- (h) The Results shall be declared by the Chairman or the person authorised by him within forty eight hours of conclusion of the Annual General Meeting of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com) and on the website of NSDL immediately after the result is declared by the Chairman. Members may also note that the Notice of the 59th Annual General Meeting and the Annual Report 2019-20 will be available on the Company's and NSDL website.
- (i) Members are requested to carefully read the instructions for remote e-voting before casting their vote.
- (j) The remote e-voting facility will be available during the following voting period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting From 10.00 a.m. (IST) on 19th September, 2020
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End of e-voting Up to 5.00 p.m. (IST) on 21st September, 2020
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- (k) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member /beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 15th September, 2020

**(l) The procedure and instructions for remote e-voting are as under:**

Process for those Members whose email ids are registered and receiving e-mail from NSDL

- (i) Open e-mail and PDF file viz. "PTL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put user id and password as initial password in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of PTL Enterprises Ltd.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.
- (x) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested

specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the scrutinizer through e-mail investors@ptlenterprise.com with a copy marked to e- voting@nsdl.co.in.

**(II) Process for those Members whose email ids are not registered for procuring user id and password and registration of email ids for e-Voting on the resolutions set out in this Notice**

- (a) Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 59th AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of: i) a signed request letter mentioning your name, folio number and complete address; and ii) self attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company investors@ptlenterprise.com.
- (b) In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self attested scanned copy of the PAN Card, to the email address of the Company investors@ptlenterprise.com.

**16. Instructions for Members for participating in the 59th AGM through VC/OAVM are as under:**

- (a) Members will be able to attend the 59th AGM through VC/OAVM Facility through the NSDL e-Voting system at <https://www.evoting.nsdl.com> under shareholders login by using the remote e-Voting credentials and selecting the EVEN for the Company's 59th AGM. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice of the 59th AGM to avoid last minute rush. Further, Members can also use the OTP based login for logging into the e-Voting system of NSDL.
- (b) Further, Members will be required to use Internet with a good speed to avoid any disturbance during the meeting.
- (c) Please note that Members connecting from mobile devices or tablets or through laptops etc connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Members are advised to keep good lighting in their vicinity and may avoid disturbances during the meeting so that the meeting is conducted smoothly.
- (d) Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 59th AGM, from their registered email address, mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address investors@ptlenterprise.com on or before Tuesday, 15th September, 2020. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- (e) Members, who would like to ask questions during the 59th AGM with regard to the financial statements or any other matter to be placed at the 59th AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address investors@ptlenterprise.com on or before Tuesday, 15th September, 2020. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the 59th AGM, depending upon the availability of time.
- (f) Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 59th AGM through VC/OAVM Facility.

**17. Instructions for Members for e-Voting during the 59th AGM are as under:**

- (a) Members may follow the same procedure for e-Voting during the 59th AGM as mentioned above for remote e-Voting.
- (b) Only those Members, who will be present in the 59th AGM through VC/OAVM Facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 59th AGM.
- (c) The Members who have cast their vote by remote e-Voting prior to the 59th AGM may also participate in the 59th AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.
- (d) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (e) The Helpline details of the person who may be contacted by the Member needing assistance with the use of technology, before or during the 59th AGM shall be the same persons mentioned for remote e-Voting and reproduced hereunder for convenience: (1.) Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in) or at telephone number :+91-22-24994360 or +91-99202 64780 (2.) Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone number +91 22 2499 4545.

**18. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 59th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for year 2020, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 59th AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-**

- (a) For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company's email address [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com).
- (b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s. The Notice of the 59th AGM and the Annual Report for the year 2020 including therein the Audited Financial Statements for the year 2020, will be available on the website of the Company at [www.ptlenterprise.com](http://www.ptlenterprise.com) .and the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice of 59th AGM will also be available on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**19. Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government pursuant to Section 125 of the Companies Act, 2013, if a Member does not claim the dividend amount for a consecutive period of seven years or more.**

Financial Year Ended	Due Date of Transfer
31.03.2013	05.09.2020
31.03.2014	28.10.2021
31.03.2015	09.09.2022
31.03.2016	07.09.2023
31.03.2017	05.08.2024
31.03.2018	30.08.2025
31.03.2019	29.08.2026

Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2019-20, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e., September 7, 2019. Details of shares so far transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <https://www.ptlenterprise.com>

The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the web link: <http://iepf.gov.in> or contact Alankit Assignments for lodging claim for refund of shares and or dividend from the IEPF authority.

Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

As per the requirement of Rule 6 of the IEPF Rules 2016, the Company has sent information to all the shareholders who has not claimed/ encashed dividends in the last seven years intimating amongst other things, the requirements of the IEPF Rules, 2016 with regard to transfer of shares and that in the event those shareholders do not claim any unclaimed/unpaid dividends for the past seven years, the Company will be required to transfer the respective shares to the IEPF Suspense Account by the due date prescribed as per the IEPF Rules, 2016 or such other extended date as may be notified. The Company also simultaneously published notice dated 13th June, 2019, in the leading newspaper in English and regional language having wide circulation to such shareholders and uploaded on the "Investors Section" of the Website of the Company viz. [www.ptlenterprise.com](http://www.ptlenterprise.com) in giving details of such shareholders and shares due to transfer.

20. The unclaimed/ undelivered shares lying in the possession of the Company was dematerialized and transferred into an "Unclaimed Suspense Account". Shareholder who have not yet claimed their shares are requested to immediately approach the Company by forwarding a request letter duly signed by shareholders including all the joint shareholders furnishing the necessary details to enable the Company to take necessary action.
21. 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 the PAN to their depository participants with whom they maintain their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
23. Members are requested to register their email address and contact details with the Company, by writing to the Secretarial Department at the corporate office, or at the e-mail ID: [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com). This will help us in promptly sending of notices, annual reports and other shareholder communications in electronic form.
24. Additional information on Directors and Manager, being Appointed / Re-Appointed as required under regulation 36(3) of the Listing Regulations and Secretarial Standard on general meetings issued by the Institute of Company Secretaries of India, in the order of the items mentioned in the Notice:

Details of Directors and Manager seeking appointment / re-appointment at the Annual General Meeting:-

**(A) Mr. Harish Bahadur**

Particulars	Details
Name	Mr. Harish Bahadur
Date of Birth and Age	09/04/1952 and 68 years
Date of First Appointment	24/01/2007
Qualifications	Commerce Graduate from Delhi University.
Remuneration last drawn	Sitting Fee only and reimbursement of expenses for Participating in the Board and other meetings within the limits stipulated under Section 197 of the Act.
Remuneration proposed to be paid	Sitting Fee only and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Act.
Terms and Conditions of appointment or re-appointment	Non-Executive Director, liable to retire by rotation.
Number of meetings of the Board attended during the Financial Year (2019- 20)	5(Five)
Relationship with other Directors/Key Managerial Personnel	No
Expertise in Specific Function areas	Having experience of more than 44 years' in accounts, commercial, taxation and financial management. He is Head (Corporate Investments) of Apollo Tyres Ltd.
Numbers of Shares held in the Company	NIL
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies) as on 31st March, 2020	Classic Industries and Exports Limited (Formerly Known as Classic Auto Tubes Limited)
Memberships/Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee) as on 31st March, 2020	He is Member of Audit Committee of the above Company

**(B) Mr. Birendra Kumar Singh (Mr. B.K. Singh)**

<b>Particulars</b>	<b>Details</b>
Name	Mr. Birendra Kumar Singh
Date of Birth and Age	02/06/1952 and 68 years
Date of First Appointment	06.02.2015
Qualifications	Retired Indian revenue services senior officer, now practicing as an advocate/consultant in revenue matters.
Remuneration proposed to be paid	Sitting Fee only and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Act.
Terms and Conditions of appointment or re appointment	Non-Executive Independent Director for a period of five years, not liable to retire by rotation For details, please refer item 4 of the explanatory statement, attached hereto.
Number of meetings of the Board attended during the Financial Year (2019- 20)	5(Five)
Relationship with other Directors/Key Managerial Personnel	No
Qualification & Expertise in Specific Function areas	Graduated in Science with Honors in Physics. He has done LLB from Delhi University and MBA from the University of Hull in UK and having more than 40 years of experience in Indian Revenue Services. He is former Director General (DG) of Customs, Excise and Service Tax.
Numbers of Shares held in the Company	NIL
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies) as on 31st March, 2020	NIL
Memberships/Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee) as on 31st March, 2020	NIL

(C) Ms. Sonali Sen

Particulars	Details
Name	Ms. Sonali Sen
Date of Birth and Age	27.11.1974 and 45 Years
Date of Appointment	19.05.2020
Qualifications	MA in English
Remuneration last drawn	NA
Remuneration proposed to be paid	Sitting Fee only and reimbursement of expenses for participating in the Board and other meetings within the limits stipulated under Section 197 of the Act.
Terms and Conditions of appointment or re-appointment	Non-Executive -Independent Women Director for a period of five years, not liable to retire by rotation for details please refer item 5 of the explanatory statement, attached hereto.
Number of meetings of the Board attended during the Financial Year (2019-20)	Not Applicable
Relationship with other Directors/Key Managerial Personnel	No
Qualification & Expertise in Specific Function areas	Completed master degree in English, (Journalism and Legal analyst ) She was as an editor and wrote on social issues, women's empowerment and safety and politics.
Numbers of Shares held in the Company	NIL
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies) as on 31st March, 2020	Not applicable



**(D) Mr. S. Sujith**

<b>Particulars</b>	<b>Details</b>
Name	Mr. Sujith Sukumaran
Date of Birth and Age	22/02/1967 and 53 years
Date of First Appointment	05/08/2020 w.e.f. 11/08/2020
Qualifications	B.Tech.
Remuneration last drawn	Not Applicable
Remuneration proposed to be paid	Total Remuneration ₹13,19,412 PA. (For details, please refer item 6 of Special Business).
Terms and Conditions of appointment or re-appointment	Appointed for Five year w.e.f. 11th August, 2020 to 10th August, 2025 (For details, please refer item 6 of the explanatory statement, attached hereto).
Number of meetings of the Board attended during the Financial Year (2019- 20)	Not Applicable
Relationship with other Directors/Key Managerial Personnel	No
Expertise in Specific Function areas	Having experience of 30 years in tyre technology and manufacturing departments
Numbers of Shares held in the Company	NIL
Directorships held in other public Companies (excluding foreign Companies and Section 8 Companies) as on 31st March, 2020	NIL
Memberships/Chairmanships of Committees of other public Companies (includes only Audit Committee and Stakeholders' Relationship Committee) as on 31st March, 2020	Not Applicable

For other details please refer to the Corporate Governance Report-Director details section.

25. Since the AGM will be held through VC/OAVM Facility, the Route Map is not required to be annexed with this Notice.

By the order of Board for  
**PTL ENTERPRISES LIMITED**

Place : Gurugram  
Date : 6th August, 2020

Sd/-  
**(PRADEEP KUMAR)**  
COMPANY SECRETARY  
FCS:4971



**ANNEXURE TO THE NOTICE**

The Explanatory Statement setting out the material facts and reasons pursuant to Section 102 of the Companies Act, 2013 (the 'Act')

**Item 4**

Mr. Birendra Kumar Singh (DIN-05329739) was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges. He hold office as Independent Director of the Company up to 10th August, 2020 ("first term" in terms of the explanation to Sections 149(10) and 149(11) of the Act).

The, Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Mr. Birendra Kumar Singh (DIN-05329739) as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, considers that, given his background and experience and contributions made by him during his tenure, the continued association of him would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Birendra Kumar Singh (DIN-05329739) as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations) inter- alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the Company and disclosure of such appointment in its Board's report. Section 149(11) provides that an Independent Director may hold office for up to two consecutive terms.

Mr. Birendra Kumar Singh is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. He is not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

The Company has also received declarations from Mr. Birendra Kumar Singh (DIN-05329739) that he meets with the criteria of independence as prescribed both under Sub-Section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Mr. Birendra Kumar Singh (DIN-05329739) fulfil the conditions for Re-appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Birendra Kumar Singh is independent of the management.

The Company has received requisite notice, as provided under Section 160 of the Companies Act, 2013 from a member, proposing the appointment of Mr. Birendra Kumar Singh as an Independent Director not liable to retire by rotation.

Details of Director whose re-appointment as Independent Director is proposed is provided in the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letter of appointment of Mr. Birendra Kumar Singh (DIN- 05329739) setting out the terms and conditions of appointment shall be made available for inspection to the members, upto the date of meeting, through electronic mode.

Board of Directors, therefore, recommend the re-appointment of Mr. Birendra Kumar Singh (DIN-05329739) as an Independent Director of the Company, for a period of five (5) years, not liable to retire by rotation, as set forth in Item No. 4 of this Notice as a Special Resolution. Save and except Mr. Birendra Kumar Singh (DIN-05329739) and his relatives, none

of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the above Resolution.

**Item 5**

Ms. Sonali Sen (DIN: 08736062) who has been appointed as an Additional Director w.e.f. 19th May, 2020 pursuant to the Articles of Association of the Company and as per the provisions of Section 149 and Section 161 and other applicable provisions of the Act, and rules made thereunder, holds office up to the date of this Annual General Meeting or the last date on which the annual general meeting should have been held for the financial year 2019- 20, whichever is earlier and is eligible for appointment.

Ms. Sonali Sen, has done Masters in English from Hindu College, university of Delhi. She was also the editor of the, The Statesmen, New Delhi and actively wrote on social issues, women's empowerment and safety, and politics.

The Company has also received declaration from Ms. Sonali Sen that she meets the criteria of independence as prescribed both under Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations). The Nomination and Remuneration Committee (N&RC) had assessed the profile of Ms. Sonali Sen and having found her to be fit and proper and recommended her appointment to the Board of Directors, in terms of Sections 149, 152, 160 read with Schedule IV of the Act.

The Board of Directors of the Company, on the basis of the recommendation of the N&RC, have reviewed the profile of Ms. Sonali Sen and the declarations that she meets the criteria of independence as prescribed both under Sub-Section (8) of Section 149 of the Act, and under Regulation 16 and 17 of the Listing Regulations and the Board is of opinion that she is fit and fulfills the criteria of independence and is a person of integrity, and has the necessary knowledge, experience and expertise for being appointed as an Independent Director. Considering her vast expertise and knowledge in the field of empowerment and legal, it would be in the interest of the Company that Ms. Sonali Sen is appointed as an Independent Director on the Board of the Company. She is not debarred from holding the office of the Director pursuant to order of SEBI or any other authority.

The Company has received requisite notice, as provided under the Section 160 of the Companies Act, 2013 from a member, proposing the appointment of Ms. Sonali Sen as an Independent Director not liable to retire by rotation.

Details of Directors whose appointment as Independent Directors is proposed are provided to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letters of appointment of Ms. Sonali Sen setting out the terms and conditions of appointment are available for inspection by the members at the registered office and corporate office of the Company.

Your Directors, therefore, recommend the appointment of Ms. Sonali Sen (DIN: 08736062) as an Independent Director of the Company, for a period of five (5) years, not liable to retire by rotation, as set forth in Item No. 5 of this Notice as an Ordinary Resolution. Save and except Ms. Sonali Sen and her relatives, none of the other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

**Item 6**

Mr. S. Sujith., was designated as a "Manager" of the Company under section 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 (hereinafter referred to as "the Act") and other applicable provisions under the Act, with effect from 11th August, 2020 for a period of 5 (five) years by the Board of Directors in its meeting held on 5th August, 2020 on the basis of the recommendation of Nomination and Remuneration Committee, subject to the approval of the shareholders.

Mr. S. Sujith, joined PTL Enterprises Ltd. in August 1990 and has an experience of around 30 years in tyre technology and manufacturing departments. He is a B.Tech. He is 53 years old and contributed to the growth of the Company during the his stint in the Company.

Mr. S. Sujith subject to the superintendence, control and direction of the Board of Directors of the Company will have the management of substantially the whole of the affairs of the Company. During the tenure of his appointment as Manager, Mr. S. Sujith shall be entitled to remuneration as set out in the resolution.

Notwithstanding anything to the contrary contained herein, in the event of absence or inadequacy of profits in any financial year, Mr. S. Sujith will be paid the salary and perquisites as minimum remuneration in accordance with Section II of Part II of Schedule V of the Companies Act, 2013, by making such compliances as provided in the said schedule.

Your Directors recommend the Resolution No. 6 for your approval as an Ordinary Resolution.

Mr. S. Sujith is not on the Board of any other Company and he is not holding any shares of the Company.

None of the Directors or KMP of the Company or their relatives except Mr. S. Sujith himself is concerned or interested financially or otherwise in the resolution.

## BOARD'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 59th Annual Report on the Business, Finance and Operations of the Company, along with the Audited Financial Accounts for the financial year ended March 31, 2020.

### FINANCIAL RESULTS

(₹ in lakhs)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Total Income	6679.23	6613.33
Profit Before Tax and Depreciation	5925.38	5947.79
Depreciation	124.83	121.34
Profit Before Tax	5800.55	5826.45
Provision for Tax – Current	1440.04	1695.75
Provision for Tax – Deferred	(33.06)	145.36
Net Profit after Tax	4393.57	3985.34

### OPERATIONS AND THE STATE OF COMPANY'S AFFAIR

The total income of your Company for the year ended March 31, 2020 amounted to ₹ 6679.23 Lakhs as against ₹ 6613.33 Lakhs during the previous year. It includes lease rental of ₹6000 Lakhs received from Apollo Tyres Ltd. (ATL), in accordance with the terms of the Lease Agreement executed with ATL. After providing for depreciation and tax, net profit for the year under review amounted to ₹ 4393.57 Lakhs as against ₹ 3985.34 Lakhs in the previous year and no amount has been transferred to general reserve during the FY 2019-20. Accounts for the current year have been prepared on the basis of Companies (Indian Accounting Standard) Rules, 2015 (IND AS).

### MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report. There has been no change in the nature of the business of the Company.

### DIVIDEND

The Board of Directors on February 26, 2020, declared an interim dividend of ₹ 2.50/- (i.e. @125%) on fully paid equity share of ₹ 2/- each, which was paid to the members, whose names appeared on the Register of Members of the Company on March 5, 2020. The gross amount of dividend amounting to ₹ 1654.71 Lakhs was paid to the Shareholder Your Company had to pay dividend distribution tax amounting to ₹ 340.13 Lakhs, inclusive of surcharge. The total outgo on account of Interim Dividend was ₹ 1994.84 Lakhs.

The aforesaid interim dividend declared by the Board would be recommended for the approval of Members as Final Dividend for the financial year ended March 31, 2020.

### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). Our corporate governance practice is a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. The Corporate Governance Report is presented in the separate section forming part of this Annual Report.

The Certificate on Corporate Governance dated May 19, 2020 received from the Statutory Auditor, M/s SCV & LLP, Chartered Accountants (Firm Registration No. 000235N), Statutory Auditor is enclosed as Annexure- I.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a detailed Management Discussion and Analysis Report is presented in the separate section forming part of this Annual Report.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to Sections 152 and other applicable provisions, if any, of the Companies Act, 2013, ("The Act") and the Articles of Association of the Company, Mr. Harish Bahadur, Director of the Company, being in the office for the longest term, will retire by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for reappointment. The Board recommends his reappointment.

The members approved the appointment of Mr. Sunil Tandon (DIN: 08342585) and Mr. Tapan Mitra (DIN: 08445248) as Independent Directors on July 30, 2019.

Ms. Shivi Mohan Rastogi, an Independent woman Director, resigned as a member of the Board with effect from January 15, 2020 due to personal reasons.

The Government of Kerala vide its order dated January 6, 2020, had relieved Mr. Sanjay M. Kaul, its Nominee Director, from the Board of Directors of the Company w.e.f. January, 20, 2020.

The Board places on record its appreciation towards valuable contribution made by Ms. Shivi Mohan Rastogi and Mr. Sanjay M. Kaul during, their respective tenures, as a Directors of the Company.

The term of office of Mr. Birendra Kumar Singh (DIN-05329739) as an Independent Director, will expire on August 9, 2020. The Board of Directors, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee ("N&RC") has recommended re- appointment of Mr. Birendra Kumar Singh (DIN-05329739), as an Independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office. The Board considers that, given his background, experience and contributions made by him during his tenure, the continued association of Mr. Birendra Kumar Singh (DIN-05329739) would be beneficial to the Company.

The Board of Directors, on recommendation of the N&RC, has appointed, Ms. Sonali Sen (DIN: 08736062) as an Additional Director (Independent Women Director) of the Company w.e.f. 19th May, 2020, to hold office till the date of ensuing Annual General Meeting (AGM). The Company has received declarations from her confirming that she meets the criteria of independence prescribed under the Act and the Listing Regulations.

The Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as prescribed under the Act and the Listing Regulations.

Formalisation programme for Independent Directors was completed by the Company during the year 2019-2020.

At present, (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Anil Kumar Sriwastawa	-	Chief Financial Officer (CFO)
Mr. S. Sujith	-	Manager*
Mr. Pradeep Kumar	-	Company Secretary (CS) and Compliance officer

\*Mr. S. Sujith appointed as a Manager under the Companies Act, 2013, w.e.f. 11th August, 2020

## **NUMBER OF MEETINGS OF THE BOARD**

During the Financial Year 2019-20, 5 (Five) Board meetings were held. For details thereof, refer to the section `Board of Directors` - Number of Board Meetings, in Corporate Governance Report which forms integral part of this report.

**PARTICULARS W.R.T. RATIO OF REMUNERATION OF DIRECTORS AND KMP**

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and is set out as Annexure – II which forms part of this report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names of top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection on all working days, during business hours, at the Registered Office of the Company. Any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts, for the year ended 31.03.2020, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31.03.2020 and of the profit and loss of the Company for the year ended on that date ;
- iii) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they had prepared the annual accounts on a going concern basis; and
- v) That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**COMMITTEES OF BOARD**

As on March 31, 2020, Pursuant to requirement of the Act and Listing Regulations, the Board of Directors has various committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stake Holders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these committees are mentioned in the Corporate Governance Report.

**AUDIT COMMITTEE**

The composition of Audit Committee of the Company is as under:

<b>Name of the Member</b>	<b>Category</b>	<b>Status</b>
Mr. U.S. Anand	Independent Director	Chairman
Mr. B.K. Singh	Independent Director	Member
Mr. Neeraj Kanwar	Non-Executive Director	Member

There was no instance when the recommendation of Audit Committee was not accepted by the Board of directors.



**DISCLOSURE ON VIGIL MECHANISM**

The Company has established a robust Vigil Mechanism and a Whistle-Blower Policy in accordance with provisions of the Act and Listing Regulations. The Company has formulated a vigil mechanism through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The details of the policy can be referred to in section `Disclosures` - Whistle-Blower Policy/ Vigil Mechanism of the Corporate Governance Report.

**NOMINATION AND REMUNERATION COMMITTEE**

Your Company has constituted a Nomination and Remuneration Committee comprising of Mr. U.S. Anand, Independent Director (Chairman), Mr. Onkar S. Kanwar, Non-Executive Director, Mr. Neeraj Kanwar, Non-Executive Director and Mr. B. K. Singh, Non-Executive, Independent Director. There was no instance when the recommendation of Committee was not accepted by the Board of Directors.

**CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE AND INITIATIVES**

Your Company has constituted a CSR Committee comprising of Mr. Onkar S. Kanwar, Chairman, Mr. U.S. Anand, Independent Director and Mr. Harish Bahadur, Non-Executive Director.

The CSR Committee has formulated and recommended to the Board, corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company which had been approved by the Board. There has not been any change in the policy during the current year. The CSR Policy, may be accessed on the Company's website at any time [www.ptlenterprise.com](http://www.ptlenterprise.com). During the Financial Year under review, your company has spent ₹110.94 lakhs on its CSR activities.

The annual report on CSR activities is furnished in Annexure - III which forms part of this report.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

Pursuant to the requirements under Section 134(3) (e) and 178 (3) of the Act, the brief policy on Directors' Selection, appointment and remuneration is attached as Annexure – IV which forms part of this report and the detailed policy can be referred on the website of the Company i.e. [www.ptlenterprise.com](http://www.ptlenterprise.com). The Remuneration Policy for Directors, Key Managerial Personnel and other employees sets out the guiding principles for the N&RC Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. There has been no change in the policy during the current year.

**AUDITORS AND AUDITOR'S REPORT****STATUTORY AUDITOR**

The Members of the Company appointed M/s SCV & Co. LLP, Chartered Accountants, Statutory Auditors of your Company for a period of four years from 2018-19 to 2021-22 in the Annual General Meeting of the Company held on 31st July, 2018. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The notes on financial statements referred to in the Auditor's Report are self-explanatory. The Audit Report does not contain any qualification, reservation or adverse remarks requiring any comment or explanation from the Company.

**SECRETARIAL AUDITOR**

The Board had appointed M/s RSMV & Co., Practicing Company Secretaries as Secretarial Auditor of the Company for the financial year 2019-20 pursuant to Section 204 of the Act. The Secretarial Audit Report under the Act and under Regulation 24A of the Regulations, and Annual Secretarial Compliance Report pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019, for the financial year 2019- 2020 relating to compliance of all applicable SEBI regulations and circulars/ guidelines submitted by Secretarial Auditor for the Financial Year 2019- 20 in the prescribed format is attached as Annexure - V and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2019-20.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under section 143(12) of the Act, any instances of fraud committed against the Company by its officer or its employees, the details of which would need to be mentioned in the Board's report.

## **DEPOSITS**

During the year under review, your Company has neither accepted nor renewed any deposits during the Financial Year 2019-20 in terms of Chapter V of the Act and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of Balance Sheet.

## **COST AUDIT**

Your Company does not have its own production and its facility has been leased out to Apollo Tyres Ltd., under the Companies (Cost Records and Audit) Rules 2014 and further amendment thereto, as prescribed under the Act Company's lease income is not classified under the aforesaid Rules, Hence Cost Audit is not applicable in respect of your Company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the Company's facility has been leased out to Apollo Tyres Ltd. and the Company is not carrying out any manufacturing activity of its own, no information is required to be furnished under Section 134 (3) of Act. During the reporting period there was no foreign exchange earnings and outgo.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

The Company has in place adequate internal Financial Controls with reference to Financial Statement. The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets prevention and detection of fraud accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

## **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as on 31st March, 2020 in the prescribed form MGT.9, pursuant to Section 92(3) and Section 134(3)(a) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure VI, and is also available on the website of the company i.e. [www.ptlenterprise.com](http://www.ptlenterprise.com).

## **PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE UNDER SECTION 186 OF THE ACT**

Pursuant to the requirement under Section 134(3) (g) of the Act the particulars of loans, guarantees or investments under Section 186 of the Act as at the end of the Financial Year 2019-20 are attached as Annexure – VII which forms part of this report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE ACT**

During the year the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transaction. Pursuant to the requirements under Section 134(3) (h) of the Act, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, are attached as Annexure - VIII which forms part of this report.



The policy on materially related party transaction and on dealing with related party transaction as approved by the Board and the detail policy can be referred on the website of the Company i.e. [www.ptlenterprise.com](http://www.ptlenterprise.com).

## **ANNUAL PERFORMANCE EVALUATION**

The Company has a policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non- executive Directors and Executive Directors. Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter- alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

For annual performance evaluation of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the questionnaire, a format annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter- alia, the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company.

The Nomination and Remuneration committee has also carried out evaluation of every Director's performance.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No significant and material orders has been passed by any regulatory authority, court or tribunal which shall impact the going concern status and Company's operations in future.

## **RISK MANAGEMENT POLICY**

The Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. Your Company has laid down a comprehensive risk assessment and minimization procedures, which are reviewed by the Audit Committee/ Board periodically.

## **LEGAL COMPLIANCE REPORTING**

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

In the opinion of the Board, there has been no identification of elements of risk that may threaten the existence of the company.

The Company complied with all the applicable Secretarial Standards issued by the Institute of the Companies Secretaries of India.

## **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has formulated policy for prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **ACKNOWLEDGEMENTS**

Your Directors are grateful to the Central Government, State Governments of Kerala, bankers, business partners, stakeholders and employers for their continue support during the year under review.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 19th May, 2020

Sd/-  
**(ONKAR S KANWAR)**  
CHAIRMAN

**Annexure-I****Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members of  
PTL Enterprises Limited  
3rd Floor, Areekal Mansion,  
Panampilly Nagar, Kochi  
Ernakulam,  
Kerela - 682036

1. The accompanying Corporate Governance Report prepared by PTL Enterprises Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2020. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the Shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
  - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

- ii. Obtained and verified that the composition of the Board of Directors w.r.t Executive and Non-Executive directors has been met throughout the reporting period;
- iii. Obtained and read the Directors Register as on 31st March, 2020 and verified that at least one women director was on the Board during the year;
- iv. Obtained and read the minutes of the following meetings held from 01st April, 2019 to 31st March, 2020:
  - (a) Board of Directors meeting;
  - (b) Audit committee;
  - (c) Annual General meeting;
  - (d) Nomination and remuneration committee;
  - (e) Stakeholders Relationship Committee;
  - (f) Independent Directors meeting;
  - (g) Risk management committee;
  - (h) Corporate Social Responsibility Committee; and
  - (i) Share Transfer Committee
- v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## **OPINION**

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2020, that referred to in paragraph 1 above.
- 9. Without modifying our opinion, we report that, the Company has to comply with the requirement of Regulation 17 (l)(a) of the Listing Regulation with regards to the composition of the Board of Directors comprising of at least one woman director since 15th January, 2020 as the women director ceased to be an Independent Director of the Company w.e.f. 15th January, 2020 upon her resignation and the Company has time till the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.

## **OTHER MATTERS AND RESTRICTION ON USE**

- 10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or

into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**For SCV & Co. LLP**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 000235N/N500089

**(RAJIV PURI)**  
PARTNER  
MEMBERSHIP No. 084318  
ICAI UDIN : 20084318AAAAAZ9639

Place : New Delhi  
Date : 19th May, 2020

**Details under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Rule	Particulars	Details of Remuneration
5.1	The Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	None of the directors have received any remuneration, except the sitting fees, during the F.Y. 2019-20
5.2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary.	For Mr. Syam Kumar P. (12.20%), For Mr. Pradeep Kumar (5.5%) and For Mr. Anil Sriwastawa (19%)
5.3	The percentage increase in the median remuneration of employees in the financial year.	6.08%
5.4	The number of permanent employees on the rolls of the company	670
5.5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration in the managerial remuneration and justification thereof .	The average % managerial increase has been 9.5 % while for others it is about 6.08%. This is based on our Remuneration policy that rewards people differently based on their contribution to the success of the company and also ensures that external market competitiveness and internal relatives are taken care of.

## CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

[Pursuant to clause (o) of Sub-Section (3) of Section 134 of the Act read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

### Outline of Projects:

The organization is conscious of the sustainable triple bottom line coherence (people, planet and profit).

The CSR framework of PTL revolves around the principle of three I's i.e. involve, influence and impact its stakeholders. All the CSR activities are implemented by a Trust Apollo Tyres Foundation, registered in 2008. Since our stakeholders have been identified as our key concern, our strategy includes active stakeholder engagement.

The CSR initiatives of the organization are categorized in two themes - Environment and Social (which has health and community development). Within the themes, the core areas of work highlighted below:

1. Solid Waste Management and Sanitation
2. Livelihood for underprivileged Women
3. Biodiversity Conservation

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs are given in the Corporate Governance Report.

1. The Company has framed a CSR Policy in compliance with the provision of the Companies Act, 2013 and the same is placed on the Company website i.e. [www.ptlenterprise.com](http://www.ptlenterprise.com).
2. The Composition of the CSR Committee.

As on March 31, 2020, the Corporate Social Responsibility (CSR) Committee consists of the following members:

1. Mr. Onkar S. Kanwar (Chairman)
2. Mr. Harish Bahadur - Member
3. Mr. U.S. Anand- Member
4. Average net profit of the company for last three financial years is : ₹ 5,546.77 Lakhs
5. Prescribed CSR Expenditure (two per cent of the amount as in item 4 above): ₹ 110.94 Lakhs
6. Details of CSR spent during the financial year:
  - (a) Total amount to be spent for the financial year: ₹ 110.94 Lakhs
  - (b) Amount unspent : NIL

Manner in which the amount spent during the financial year is detailed below:

(All figures are in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Director through Implementing agency*
1	Skill generation in various trades for women	Livelihood Enhancement Projects	Kalamassery, Kerala	16.76	17.03	17.03	Jawaharlal Memorial Social Welfare and Public Co-Operation Centre

(All figures are in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Director through Implementing agency*
2	Soft Skill Development Training program Consulting (P) Ltd.	Promoting Education	Kalamassery, Kerala	2.43	2.43	2.43	3J
3	Community solid waste management project;	Ensuring environmental sustainability	Clean My Village, Edathala, Kalamassery, Kerala	50.80	50.80	50.80	Plan At Earth
4	Biodiversity- Science park maintenance	Ensuring environmental sustainability	Kalamassery, Kerala	6.30	6.30	6.30	Kairali Gardens
5	Play structure in Govt. Schools	Ensuring environmental sustainability	Kalamassery, Kerala	6.18	6.25	6.25	Kairali Gardens
6	Pond management Project	Ensuring environmental sustainability	Therikulam, Kalamassery, Kerala	26.12	26.08	26.08	Kairali Gardens
7	Mass supply of protective gear & ration support for COVID19	Eradication hunger, poverty & malnutriti On	Kalamassery, Kerala	2.50	2.04	2.04	Apollo Tyres Foundation
					<b>Total</b>	<b>110.94</b>	

- The Company was not been able to spent two per cent of the average net profit of the last three financial years due to the following reasons:  
NA
- The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Place : Gurugram  
Date : 19th May, 2020

**Onkar S. Kanwar**  
Chairman of CSR Committee

**U.S. Anand**  
Director



## **NOMINATION AND REMUNERATION POLICY**

### **Introduction**

In terms of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

### **Applicability:-**

#### **The Policy is applicable to:**

Directors (Executive and Non-Executive),  
KMP, Senior Management Personnel  
and Other Employees.

### **Objective**

The Composition and Terms of Reference of the Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015. The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management Personnel and Other Employees.

### **Constitution of Committee**

The Board of Directors of the Company (the Board) constituted the Committee known as “Nomination and Remuneration Committee” consisting of Four or more Non-Executive Directors out of which not less than one-half are Independent Directors.

At present, the Nomination and Remuneration Committee comprises of following Directors:

Mr. U.S. Anand, Chairman  
Mr. Onkar S. Kanwar, Member  
Mr. Neeraj Kanwar, Member  
Mr. B. K.Singh, Member

The Chairman of the Committee is an Independent Director.

#### **The Policy focuses on following areas:**

- Criteria for Appointment & Removal of Director and members of Senior Management
- Disqualifications for Appointment of Directors
- Term / Tenure
- Managing Director/Whole-time Director
- Independent Director
- Removal

- Retirement
- Criteria for Determining Positive Attributes and Independence of Directors
- Criteria for determining positive attributes

**Performance Evaluation:**

Criteria for Evaluation of Directors and The Board

1. Executive Directors
2. Non-Executive Director (including Independent Director)

**Evaluation of Board Performance:**

Remuneration of Directors, Key Managerial Personnel and Other Employees

1. Remuneration to Whole-time / Executive / Managing Director
2. Remuneration to Non-Executive / Independent Director
3. Remuneration to KMP, Senior Management Personnel and Other Employees.

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2020

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

To

The Board of Directors

**PTL ENTERPRISES LIMITED**

3rd Floor, Areekal Mansion, Near Manorama Junction,  
Panampilly Nagar, Kochi-682036

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PTL ENTERPRISES LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information, details and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by PTL ENTERPRISES LIMITED ("the Company") for the financial year ended on 31st March 2020 according to the provisions of the following Acts and Rules there under. We had also discussed with the management of the Company the various aspects of compliances by the Company of the Acts and Rules:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2018 regarding the Companies Act and dealing with client;
- v. I further report that the Company has, in my opinion, complied with the provisions of Companies Act, 2013 and the rules made under the Act and the Memorandum and Articles of Association of the Company, with regard to:
  - (a) Maintenance of the various Statutory registers and documents making necessary entries therein;
  - (b) Closure of the register of members;

- (c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- (d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- (e) Notice of Board Meetings and Committee Meetings of directors;
- (f) The 58th Annual General Meeting held on 30th July 2019.
- (g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- (h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- (i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and re-appointment of Directors including the Managing Director and Whole-time Director;
- (j) Payment of remuneration to Directors (only payment of sitting fees in respect of directors, as no other remuneration is paid to the directors) including the KMP;
- (k) Appointment and remuneration of Auditors;
- (l) Transfers and transmissions of the Company's shares and debentures, and issue and dispatch of duplicate certificates of shares;
- (m) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- (n) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- (o) Directors' report;
- (p) Contracts, common seal, registered office and publication of name of the Company; and
- (q) All other applicable provisions of the Act and the Rules made under the Act.

**We further report that:**

The woman director of the company Ms. Shivi Mohan Rastogi, had resigned w.e.f. 15th January 2020. In terms of Section 149(1) read with Rule 3 of The Companies (Appointment and Qualification of directors) Rules, 2014, the company is required to appoint a woman director at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy whichever is later. As on the date of this Report, the company had identified a candidate and is in the process of appointment of the candidate.

vi. The following are the various laws applicable to the Company. According to the information/details/explanation provided to us, the Company has complied with the provisions of the said Acts and the Company has a mechanism to monitor the compliances of the said laws, to the extent applicable.

- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- The Factories Act, 1948
- The Payment of Wages Act, 1936
- The Minimum Wages Act, 1948
- Employees Provident Fund And Misc. Provisions Act, 1952
- Employees State Insurance Act, 1948

- The Payment of Bonus Act, 1965
- The Environment (Protection) Act, 1986
- Income Tax Act 1961, Wealth Tax Act, Goods and Services Tax Act, 2016 and rules made thereof.
- Negotiable Instrument Act, 1881
- Maternity Benefits Act 1961
- Payment of Gratuity Act, 1972
- The Industrial Disputes Act, 1947
- The Child Labour (Regulation and Abolition) Act, 1970
- The Weekly Holidays Act, 1942
- Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
- Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
- The Secretarial Standards 1, 2, and 3 issued by the Institute of Company Secretaries of India.

We have also examined compliance with the SEBI (LODR) Regulations, 2015.

vii. The following are the legal cases filed by / against the Company:

- PTL Enterprises Limited Vs State of Kerala & others (Kochi Metro Rail Limited)

Appeal filed by Kochi Metro and Govt. of Kerala against order of Single Bench fixed for admission hearing was dismissed by the Double Bench of Chief Justice in limine itself on the ground that Govt. has no revisionary rights over the land and has to pay PTL as agreed.

The contempt petition for non-compliance of order of single bench, by Kochi Metro, in which Distt. Magistrate has already been issued show cause notice will be heard by the Court.

The Kochi Metro and Government of Kerala filed the Special Leave Petition (SLP)/appeal before the Supreme Court of India against the Judgment of Kerala High Court awarding the compensation to PTL, has been rejected by the Supreme Court.

- Three cases filed by Mr. Ombir Saini & Others, Symphony Realstores Private Limited, and Geeta & others are in civil court Gurgaon, in which PTL Enterprises Limited has also been made respondent.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, subject to our comment earlier in this report.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

Place : Delhi  
Date : 14th May, 2020

For and on behalf of RSMV & Co.  
Sd/- Manoj Sharma (Partner)  
FCS: 7516 CP No.: 11571

Note: This report is to be read with Secretarial Compliance Report which is annexed as 'ANNEXURE A' and our letter of even date which is annexed as 'ANNEXURE B' and forms an integral part of this report

## SECRETARIAL COMPLIANCE REPORT of PTL ENTERPRISES LIMITED FOR THE FINANCIAL YEAR ENDED 31st March, 2020

We have examined:

- a) all the documents and records made available to us and explanation provided by PTL Enterprises Limited ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March 2020 ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued there under, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) other regulations as applicable and circulars/ guidelines issued there under;

and based on the above examination, We hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
During the period under review, there were no deviation in the compliances by the company			

- a) The Listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records.
- b) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries

either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

<b>Sr. No</b>	<b>Action taken by</b>	<b>Details of violation</b>	<b>Details of action taken E.g. fines, warning letter, debarment, etc.</b>	<b>Observations/ remarks of the Practicing Company Secretary, if any.</b>
Not Applicable				

c) The listed entity has taken the following actions to comply with the observations made in previous reports:

<b>Sr. No</b>	<b>Observations of the Practicing Company Secretary in the previous reports</b>	<b>Observations made in the secretarial compliance report for the year ended</b>	<b>Actions taken by the listed entity, if any</b>	<b>Comments of the Practicing Company Secretary on the actions taken by the listed entity</b>
Not Applicable				

For and on behalf of **RSMV & Co.**

Place : Delhi  
Date : 14th May, 2020  
UDIN: F007516B000241024

**Sd/-**  
**Manoj Sharma**  
(Partner)  
FCS: 7516 CP No.: 11571

To

The Board of Directors

**PTL ENTERPRISES LIMITED**

3rd Floor, Areekal Mansion, Near Manorama Junction,  
Panampilly Nagar, Kochi-682036

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

1. Maintenance of secretarial and other records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the records. The verification was done on test basis to ensure that correct facts are reflected in the records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The audit has been conducted on the basis of the soft copies / photocopies of documents provided to us by e-mail, and we relied on these documents fully, as we could not make visit to the office(s) of the Company due to restrictions on account of COVID-19.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For and on behalf of **RSMV & Co.**

Place : Delhi

Date: 14th May, 2020

UDIN: F007516B000241024

Sd/-

**Manoj Sharma**

(Partner)

FCS: 7516 CP No.: 11571



Annexure - VI

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014.

**I REGISTRATION & OTHER DETAILS:**

I	CIN	L25111KL1959PLC009300
li	Registration Date	19th October, 1959
lii	Name of the Company	PTLENTERPRISES LTD.
Iv	Category/Sub-category of the Company	Public Company
v	Address of the Registered office & contact details	3rd Floor, Areekal Mansion, Near Manaorama Junction, Panampilly Nagar, Kochi, Earnakulam, KL-682036 Tel: Fax No. : (011) – 23552001 Phone No. : (011) -42541234, (011) - 23541234
Vi	Whether listed company	Listed
Vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi -110055. Fax No. – 011-23552001 Phone No. – 011 - 42541234/ 011 – 23541234 Website - www.alankit.com e-mail - info@alankit.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Income From Lease	6491	97.23%

**III Particulars of Holding, Subsidiary & Associate Companies**

SI No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held (directly)	Applicable Section of Companies Act, 2013
1	SUNRAYS PROPERTIES AND INVESTMENTS COMPANY PRIVATE LIMITED	U74899DL1983PTC015890	HOLDING	69.82%	section 2(46)

## IV SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity)

## i.) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2019				No. of Shares held at the end of the year 31.03.2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2500	0	2500	0.00	2500	0	2500	0.00	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	46212899	0	46212899	69.82	46212899	0	46212899	69.82	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL:(A) (1)</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>46215399</b>	<b>0</b>	<b>46215399</b>	<b>69.82</b>	<b>0.00</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	598550	2600	601150	0.91	598528	2600	601128	0.91	0.00
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	487480	0	487480	7.37	487480	0	487480	7.37	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
Others (specify)									0.00
(i) Foreign Portfolio Investors	69250	0	69250	0.10	69249	0	69249	0.10	0.00
(ii) Unclaimed Suspense A/C	503060	0	503060	0.72	530462	0	530462	0.76	0.04
<b>SUB TOTAL (B)(1):</b>	<b>6045660</b>	<b>2600</b>	<b>6048260</b>	<b>9.10</b>	<b>6073039</b>	<b>2600</b>	<b>6075639</b>	<b>9.14</b>	<b>0.04</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	4826535	6000	4832535	7.89	4644660	6000	4650660	7.30	-0.59
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakhs	5507366	510693	6018059	8.86	6004276	472443	6476719	9.79	0.93

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2019				No. of Shares held at the end of the year 31-03-2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individuals shareholders holding nominal share capital in excess of ₹ 2 lakhs	982755	141000	1123755	1.44	978345	141000	1119345	1.69	0.25
c) Any Other									
i) Clearing Members	12413	0	12413	0.07	9624	0	9624	0.01	-0.06
ii) Non Resident Indians	323719	10600	334319	0.26	369592	10600	380192	0.50	0.24
iii) Trusts	1920	0	1920	0.02	1350	0	1350	0.02	0
iv) Non Resident Indian, Non- Repatriates	1368670	0	1368670	2.21	1142918	0	1142918	2.06	-0.15
v) Resident HUF	233170	0	233170	0.33	116654	0	116654	0.35	0.02
<b>SUB TOTAL (B)(2):</b>	<b>13256548</b>	<b>668293</b>	<b>13924841</b>	<b>21.08</b>	<b>13267419</b>	<b>630043</b>	<b>13897462</b>	<b>21.04</b>	<b>-0.04</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>19302208</b>	<b>670893</b>	<b>19973101</b>	<b>30.18</b>	<b>19340458</b>	<b>632643</b>	<b>19973101</b>	<b>30.18</b>	<b>0.00</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00		0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>65517607</b>	<b>670893</b>	<b>66188500</b>	<b>100.00</b>	<b>65555857</b>	<b>632643</b>	<b>66188500</b>	<b>100</b>	<b>0.00</b>

\* Foreign Portfolio Investors

\*\* Unclaimed Suspense A/C

## (ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year 01.04.2019			Shareholding at the end of the year 31.03.2020			% change in share holding during the year	Remarks
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares		
INDIVIDUALS/HINDU UNDIVIDED FAMILY									
1	Mr. Onkar S Kanwar	2500	0.00	0.00	2500	0.00	0.00	0.00	
	Sub-total(A)	2500	0.00	0.00	2500	0.00	0.00	0.00	
BODY CORPORATES									
1	Sunrays Properties & Investment Co. (P) Ltd	46212899	69.82	0.00	46212899	69.82	0	0.00	
	Sub-total(B)	46212899	69.82	0.00	46212899	69.82	0.00	0.00	
Non-Resident Individuals									
	Sub-Total (C)	0	0.00	0.00	0	0.00	0.00	0.00	
	Grand Total (A+B+C)	46215399	69.82	0.00	46215399	69.82	0.00	0.00	

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

Sl. No.	Particulars	Share holding at the beginning of the Year 01.04.2019		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the Beginning of the year 01.04.2019					
1	Mr. Onkar S. Kanwar	2500	0.00	2500	0.00
2	Sunrays Properties & Investment Co. (P) Ltd.	46212899	69.82	46212899	69.82
At the end of the year 31.03.2020					
1	Mr. Onkar S. Kanwar	2500	0.00	2500	0.00
2	Sunrays Properties & Investment Co. (P) Ltd.	46212899	69.82	46212899	69.82

**iv.) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

S. No	DPID/CLIENTID /FOLIO	Name of Shareholder	Shareholding at the beginning of the year					Commulative Shareholding	
			No. of Shares	% of total shares of the Company	Date of Change in shareholding	Increase / Decrease in Shareholding	Reason for Increase / Decrease	No. of shares	% of total shares of the Company
1	IN300239/10664696	Governor of Kerela	3374800	5.1	04-01-2019 31-03-2020	-	-	3374800	5.1
2	IN300239/10150207	Kerela State Industrial Development Corporation	1500000	2.27	04-01-2019 31-03-2020	-	-	1500000	2.27
3	IN303028/68749775	Rafique Dawood	1368670	2.06	01-04-2019 12-04-2019 14-06-2019 20-07-2019 23-07-2019 29-09-2019 30-09-2019 15-11-2019 29-11-2019 06-12-2019 13-12-2019 20-12-2019 17-01-2020 24-01-2020 31-01-2020 31-03-2020	- -950 -1450 -1366270 1366270 2400 -2400 -22313 -29806 -2121 -1179 -9502 -72463 -83372 -3316 -	 Sale Sale Sale Purchase Purchase Sale Sale Sale Sale Sale Sale Sale Sale Sale Sale -	1368670 1367720 1366270 0 1366270 1368670 1366270 1343957 1314871 1312750 1311571 1302069 1229606 1146234 1142918 1142918	2.06 2.06 2.06 0 2.06 2.06 2.06 2.03 1.98 1.98 1.96 1.85 1.73 1.72 1.72
4	1201910103655800	Expert Global Ventures Pvt Ltd	1177596	1.78	01-04-2019 31-03-2020	-	-	1177596	1.78
5	1201910103655900	TTJ Ventures Private Limited	1151637	1.74	01-04-2019 31-03-2020	-	-	1151637	1.74
6	IN300966/10536678	S S Texofab Private Limited	741864	1.12	01-04-2019 31-03-2020	-	-	741864	1.12
7	1302080000000019	Bank of India	598500	0.09	01-04-2019 31-03-2020	-	-	598500	0.09

S. No	DPID/CLIENTID /FOLIO	Name of Shareholder	Shareholding at the beginning of the year					Commulative Shareholding	
			No. of Shares	% of total shares of the Company	Date of Change in shareholding	Increase / Decrease in Shareholding	Reason for Increase / Decrease	No. of shares	% of total shares of the Company
8	IN300126/10626720	Kampani Consultants Ltd.	337717	0.51	01-04-2019 31-03-2020	- -	-	337717	0.51
9	IN300708/10656671	Investor Education and Protection Fund Authority Min of Corp Affairs	503060	0.07	01-04-2019 23-11-2019 31-03-2020	- 28602	- Transfer	503060 530462 530462	0.7 0.8 0.8
10	IN300118/11559820	PTL Enterprises Ltd. Unclaimed Suspense Account	639890	0.97	01-04-2019 23-11-2019	- -8200	- Transfer	639890 631690	0.97 0.95

**v.) Shareholding of Directors & Key Managerial Personnel**

Sl. No.	For Each of the Directors and KMP*	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Onkar S Kanwar (Director)				
	At the beginning of the year 01.04.2019	2500	0.00	2500	0.00
	At the end of the year 31.03.2020	2500	0.00	2500	0.00
2	Mr. Neeraj Kanwar	-	-	-	-
3	Mr. Sanjay M Kaul #	-	-	-	-
4	Mr. B. K. Singh	-	-	-	-
5	Mr. Harish Bahadur	-	-	-	-
6	Ms. Shivi Mohan Rastogi ##	-	-	-	-
7	Mr. U. S. Anand	-	-	-	-
8	Mr. Sunil Tandon	-	-	-	-
9	Mr. Tapan Mitra ###	-	-	-	-
10	Mr. Anil Kumar Sriwastawa, (CFO) (KMP)	-	-	-	-
11	Mr. Pradeep Kumar, Company Secretary (KMP)	-	-	-	-
12	Mr. Syam Kumar P. Manager (KMP)	-	-	-	-

# ceased to be Director w.e.f. 20.01.2020

## Resigned w.e.f.15.01.2020

###Appointed w.e.f. 09.05.2019

## V Indebtedness

₹ in Lakhs

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans (PCFC + Bank Overdraft)	Deposits	Total Indebtedness
<b>Ineptness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
Additions				
Reduction				
Net Change				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				

## vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Director and/or Manager:

Sl. No	Particulars of Remuneration	Name of the MD/WTM/Manager
1	Gross salary	Mr. Syam Kumar P.
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	₹12.29
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission as % of profit others (specify)	-
5	Others, please specify	-
	<b>Total (A)</b>	<b>₹12.29</b>

Ceiling as per the Act ₹547.32 lakhs (Being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)

**B. Remuneration to other directors:** (₹ in Lakhs)

Sl. No	Particulars of Remuneration	Mr. U.S.Anand	Mr. B.K.Singh	Ms. Shivi Mohan Rastogi	Mr. Sunil Tandon	Mr. Tapan Mitra
1	Independent Directors					
	(a) Fee for attending Board / Committee meetings	4.30	3.40	0.00	2.70	2.70
	(b) Commission	-	-	-	-	-
	(c ) Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	4.30	3.40	0.00	2.70	2.70
2	Other Non-Executive Directors	Mr. Onkar S. Kanwar	Mr. Neeraj Kanwar	Mr. Harish Bahadur	Mr. Sanjay Kaul	
	(a) Fee for attending board/committee meetings	2.90	3.50	3.10	0.00	
	(b) Commission	-	-	-	-	
	(c) Others, please specify.	-	-	-	-	
	<b>Total (2)</b>	2.90	3.50	3.10	0.00	
	<b>Total (B)=(1+2)</b>	7.20	6.90	3.10	2.70	
	<b>Total Managerial Remuneration</b>					<b>22.60</b>

Overall Ceiling as per the Act. ₹ 54.73 lakhs (Being 1% of the net profit of the Company calculated as per Section 198 of the Companies Act,2013.)

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

Sl. No	Particulars of Remuneration	CEO	Company Secretary (Mr. Pradeep Kumar)	CFO (Mr. Anil Sriwastawa)
1	<b>Gross Salary</b>			
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	NA.	30.00	17.86
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	N.A.	-	-
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	N.A.	-	-
2	Stock Option	N.A.	-	-
3	Sweat Equity	N.A.	-	-
4	Commission			
	-as % of profit			
	-others, specify	N.A.	-	-
5	Others, please specify	N.A.	-	-
	<b>Total (in lakhs)</b>	<b>N.A.</b>	<b>30.00</b>	<b>17.86</b>



**VII Penalties/Punishment/Compounding of offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on the behalf of the Board of Directors

Place : New Delhi  
Date : 19th May, 2020

Sd/-  
**Onkar S. Kanwar**  
Chairman

Annexure - VII

Particulars of Loans, Guarantees or investments under section 186 of the Companies Act, 2013 as on 31.03.2020

(₹ in lakhs)

	Name of the Body Corporate	Loans given	Investments	Guarantees given	Aggregate as on 31.03.2020
	<b>In Wholly Owned subsidiaries</b>	-	-	-	-
	<b>In subsidiaries</b>	-	-	-	-
	<b>In JV/ Associates</b>	-	-	-	-
	<b>In Others</b>		-	-	--
	Guarantees	-	-	-	-
	Shares	-	-	-	-
1	Cochin Co-operative Hospital Society 1 Share of ₹ 10,000/- each.	-	0.10	-	0.10
2	Premier Tyres Employees' Multi- Purpose Co-operative Society (Formerly as Tyres Employees' Co- operative Stores) 10 Shares of ₹100/- each.	-	0.01	-	0.01
3	Apollo Tyres Limited 3435000 shares	-	8180.08	-	8180.08
	<b>TOTAL</b>	<b>0.00</b>	<b>8180.19</b>	<b>0.00</b>	<b>8180.19</b>

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 (1) OF THE COMPANIES ACT, 2013		
Form No. AOC – 2		
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)		
Form for disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso Thereto		
1	Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable
(a)	Name(s) of the related party and nature of relationship	
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements / transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date of which the special resolution was passed in general meeting as required under first proviso to section 188	
2	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of the related party and nature of relationship	Apollo Tyres Limited
(b)	Nature of contracts / arrangements / transactions	Lease Agreement
(c)	Duration of the contracts / arrangements / transactions	Valid upto March 31, 2030
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	As per the Agreement
(e)	Date(s) of approval by the Board, if any	4-May-17
(f)	Amount paid as advances, if any	N.A.

## REPORT ON CORPORATE GOVERNANCE

At PTL Enterprises Ltd. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and the report contains the details of Corporate Governance systems and processes at your company.

### CORPORATE GOVERNANCE PHILOSOPHY

We believe Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations.

Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter- relationship among the Board of Directors, Board Committees, Finance, Compliance and Auditors and the senior management.

Corporate Governance is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in this report.

Your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

- (a) Transparency: - By classifying and explaining the Company's policies and actions to those towards whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its stakeholders.
- (b) Accountability:- It is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company.
- (c) Professionalism:- It ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures.

### BOARD OF DIRECTORS

#### Composition of the Board

The Company Policy is to maintain the optimum combination of Independent and Non- Independent Director. The Board is chaired by a Non-Executive Chairman, who is a Promoter, the Listing Regulations mandate that for a Company with a Non-Executive Chairman is a Promoter then at least half of the Board should be Independent Directors.

As on March 31, 2019, PTL's composition of the Board is in conformity with Listing regulations and Companies Act, 2013 ("The Act"). Majority of the Board are independent Directors, i.e "Four" out of "Seven" are Independent Directors. The

Company's Board of Directors comprises "Seven" members, consisting of "Three" Non-Executive Directors, "Four" Non-Executive Independent Directors.

Category of directors	No. of Directors	% of Total no. of Directors
Non-Executive Director	3	43%
Non-Executive Independent Director	4	57%
<b>Total</b>	<b>7</b>	<b>100%</b>

#### Director's Attendance Record and their other Directorships/ Committee memberships

As mandated in Regulation 26 Listing Regulations, none of the Directors are a member of more than ten Board level Committees or Chairman of more than five Committees across Companies in which he/she is a Director. Relevant details of the Board as on March 31, 2020 are given below:

Name of the Director	Category	Attendance Particulars		No. of other Directorships and Committee memberships /chairmanships held*			
		Number of Board Meetings Held	Last AGM Attended 30.07.2019	Total Directorships	Directorship in listed entities (** Name of listed entities)	Committee Memberships	Committee Chairmanships
Mr. Onkar S. Kanwar	Promoter/ Chairman/ Non-Executive Director	5	Yes	5	3	2	1
Mr. Neeraj Kanwar	Promoter/ Non-Executive Director	5	Yes	8	3	3	-
Mr. B.K. Singh	Independent Director	4	Yes	1	1	1	-
Mr. Harish Bahadur	Non-Executive Director	5	Yes	7	1	2	-
Mr. Sanjay Kaul (Ceased to be Director w.e.f. January 20, 2020)	Non-Executive Director	0	No	1	0	0	-
Ms. Shivi Mohan Rastogi (Ceased to be Director w.e.f. January 15, 2020)	Women Independent Director	0	No	1	0	0	-
Mr. U.S. Anand	Independent Director	5	Yes	3	2	5	1
Mr. Sunil Tandon	Independent Director	5	Yes	2	1	-	-
Mr. Tapan Mitra Appointed on 09/05/2019	Independent Director	5	Yes	1	1	-	-

\*Directorships, held by Directors as mentioned above, don't include Directorship in Foreign Companies and Companies under Section 8 of the companies Act, 2013, And in accordance with Regulation 26 of the Listing Regulations, Membership(s)/ Chairmanship(s) of only Audit Committee and Stakeholder's Relationship Committees in all other Public Companies have been considered.

\*\* Name of the listed entities.

Name of Director	Category	Name of Listed entities
Mr. Onkar S. Kanwar	Non-Executive Director	Artemis Medicare Services Ltd.
	Non-Executive Director	PTL Enterprises Ltd.
	Executive Director	Apollo Tyres Ltd.
Mr. Neeraj Kanwar	Executive Director	Apollo Tyres Ltd.
	Non-Executive Director	PTL Enterprises Ltd.
	Non-Executive Director	Artemis Medicare Services Ltd.
Mr. B.K. Singh	Non-Executive Director	PTL Enterprises Ltd.
Mr. Harish Bahadur	Non-Executive Director	PTL Enterprises Ltd.
Mr. Sanjay Kaul (Ceased to be Director w.e.f. January 20, 2020)	Non-Executive Director	PTL Enterprises Ltd.
Ms. Shivi Mohan Rastogi (Ceased to be Director w.e.f. January 15, 2020)	Women Independent Director	PTL Enterprises Ltd.
Mr. U.S. Anand	Non-Executive Director	PTL Enterprises Ltd.
	Non-Executive Director	Artemis Medicare Services Ltd.
Mr. Sunil Tandon	Non-Executive Director	PTL Enterprises Ltd.
	Non-Executive Director	Artemis Medicare Services Ltd.
Mr. Tapan Mitra (Appointed on 09/05/2019)	Non-Executive Director	PTL Enterprises Ltd.

A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorship(s), Membership(s) / Chairmanship(s) of Committees are put upon the Company's website.

## BOARD FUNCTIONING

### Paperless Board Meetings

With a view to leverage technology and reducing paper consumption, the Company has adopted a web- based application for transmitting Board / Committee Agenda. The Directors of the Company receive the Agenda in electronic form through this application, which can be accessed through Browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board / Committee Agenda in electronic form.

### Information placed Before Board:

The Board has complete access to all the information available within the Company. The following information, inter-alia, is provided periodically by the management to the Board for its review:

- Quarterly/Half yearly/Yearly financial results and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis)
- Internal/External Audit findings& recommendations (on quarterly basis)

- Report on Share Capital Audit (on quarterly basis).
- Related Parties Transactions (on quarterly basis).
- Compliance Reports: Share Capital Audit, Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis).
- Investment/deployment of funds & borrowings (on quarterly basis).
- Annual Report (on Annual basis)
- Capital and Revenue Budgets (on Annual basis).
- Overall business scenario, operations of the Company (on quarterly basis).
- Banking facilities and its utilization. (on quarterly basis).
- Codes and Policies. (as and when required).

### **NUMBER OF BOARD MEETINGS**

Minimum four prescheduled Board meetings are held every year. Additional meetings are held to address specific needs of the Company. During the financial year 2019-20 the board of Directors met five times on- 09.05.2019, 30.07.2019, 05.11.2019, 05.02.2020 and 26.02.2020. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of Listing Regulations.

### **DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS**

There are no inter-se relationships between the Board members except Mr. Onkar S. Kanwar and Mr. Neeraj Kanwar being father and son.

### **SHAREHOLDING OF NON-EXECUTIVE DIRECTORS**

Mr. Onkar S. Kanwar, Non-executive Promoter Director is holding 2500 equity shares of Re. 2/- each in the Company. None of the other Directors hold any shares in the Company.

### **FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company.

They have full opportunity to interact with senior management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part and the detail can be referred on the website of the Company i.e. <https://www.ptlenterprise.com/codes-and-policies.html>.

### **CODE OF CONDUCT**

The Codes give guidance and support needed for ethical conduct of business and compliance of law. The Codes reflect the core values of the Company viz., Respect, Integrity, and Excellence. The Code of Conduct is available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com). All Board members and senior management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chairman to this effect is placed at the end of this report.

Adherence to ethical to ethical professional conduct is a must for every employee, including Board members and senior management personnel of PTL Enterprises Ltd.. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Act and Listing Regulations also form part of the Code of Conduct.

## SKILL/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

The Board comprises highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

Leadership / Operational experience Strategic Planning

Industry Experience, Research & Development and Innovation Global Business

Financial, Regulatory / Legal & Risk Management Corporate Governance

Sl.No.	Name of Directors	Expertise/Skill
1	Mr. Onkar S. Kanwar	Detailed profile given below.
2	Mr. Neeraj Kanwar	Detailed profile given below.
3	Mr. B.K. Singh	Having experience in Indian Revenue Services (Customs & Excise). (Goods and Services Tax).
4	Mr. Harish Bahadur	Having experience of more than three decades in Accounts, Taxation and commercial matters. He has been holding responsible positions in Apollo Tyres Ltd.
5	Mr. U.S. Anand	Chartered Accountant, with over 38 years of experience. Having experience in the areas of Accounts, Finance, Taxation and Business development.
6	Mr. Sunil Tandon	He is engineering and management graduate having more 25 years' experience in the commercial matter and international Business. He was president and Managing Directors of Apollo International Ltd.
7	Mr. Tapan Mitra	Having experience of 40 years in all areas of Human Resources

(i) Profile of Mr. Onkar S. Kanwar :- As the Chairman of PTL Enterprises Ltd. as well as chairman of Apollo Tyres Ltd., Mr. Onkar S. Kanwar is the chief architect of the Company's vision and value-driven business strategy. Under his able leadership Apollo became a professionally managed and a globally recognised tyre manufacturer. Visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

Modernisation, excellence and quality are his guiding principles. Registered in 1976, Apollo Tyres under his guidance transformed itself from an Indian manufacturer of commercial vehicle tyres, to a global entity with a full-fledged product portfolio, spanning 3 continents. Mr. Onkar S. Kanwar is highly regarded for his constant emphasis on bettering the lives of people - be it employees, customers, business partners, shareholders or any other stakeholder - and responsiveness to change and continuous learning.

He is the Past President of the Federation of Indian Chambers of Commerce and Industry (FICCI) and a former Chairman of the Automotive Tyre Manufacturers' Association. Currently, apart from being the Chairman of BRICS business council, India.

Mr. Onkar S. Kanwar has a keen interest in the field of education and health care. Artemis HealthSciences, promoted by him, is an enterprise focusing on state-of-the-art medical care and runs a cutting edge multi-specialty medical facility which focuses on holistic treatment. An initiative close to his heart is Apollo Tyres' HIV-AIDS awareness and prevention programme for the commercial vehicle driver community, implemented through Apollo Tyres Foundation's Health Care Centres located in large transshipment hubs across India.

A Science and Administration graduate from the University of California, Mr. Onkar S. Kanwar is a widely travelled individual. He devotes a large part of his time to reading and is passionate about learning modern management practices and their successful application in business.



He has been conferred with 'Ernst & Young Entrepreneur of the Year Award – Manufacturing' for the year 2012. He has recently been awarded with Hungarian 'Order of Merit', and Government of Japan's 'Order of the Rising Sun, Gold and Silver Star'

(ii) Profile of Mr. Neeraj Kanwar :- As the Director of PTL Enterprises Ltd. and the Vice Chairman & Managing Director of Apollo Tyres, Mr. Neeraj Kanwar plays a pivotal role in Apollo's journey towards becoming one of the most admired automotive tyre brands. Mr. Neeraj Kanwar has pioneered key initiatives in enhancing the competitiveness of the Company's operations and products across the Board. He is responsible for crafting Apollo's growth story -- taking the Company from US\$450 million to US\$2 billion within a 5 year time span. Under his able leadership Apollo acquired Dunlop Tyres International in South Africa and Zimbabwe in 2006, Vredestein Banden B V in the Netherlands in 2009, and the latest in the list is the setting up of a Greenfield facility in Hungary - thereby transforming itself into a multi-geography Company with operations across geographies.

In 2002, he took over as the Chief Operating Officer of the organisation, wherein he introduced value-driven process improvements in human resources and information technology. Neeraj Kanwar was appointed Joint Managing Director in 2006 and elevated to Vice Chairman in 2008, and soon after to Managing Director in 2009 for his initiatives in establishing the company in the global arena. As a business leader, Neeraj Kanwar is associated with leading industry associations and was recently the Chairman of the Automotive Tyre Manufacturer's Association, India.

Mr. Neeraj Kanwar is a people-centric leader and believes in empowering employees to enable them to undertake effective and efficient decisions at all times. Within Apollo, he is known for his affable management style, and combine work with liberal doses of fun.

An engineering graduate from Lehigh University in Pennsylvania, USA, Mr. Neeraj Kanwar is an avid sports person. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling.

The detailed profile of the company management is available on Company's website at :  
<http://www.ptlenterprise.com/pdf/Management-Profile.pdf>

## **SELECTION OF INDEPENDENT DIRECTORS**

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field / profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee, for appointment, as Independent Director on the Board. The Committee, inter-alia, considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various Committees of other Companies by such persons in accordance with the Company's Policy for Selection of Directors and determining directors' independence. The Board considers the Committee's recommendation, and takes appropriate decision.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under the law.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Detailed reason for resignation of Ms. Shivi Mohan Rastogi (Independent Women Director)-Ms. Shivi Mohan Rastogi (Independent Women Director) has resigned w.e. f. 15.01.2020 due to personal reasons and work constraints, there were no any material reasons except the reason mentioned earlier.

Detailed reason for resignation of Mr. Sanjay M. Kaul (Nominee Director)-The Government of Kerala vide its order dated January 6, 2020, had relieved Mr. Sanjay M Kaul, its Nominee Director, from the Board of director of the Company. w.e.f. 20.01.2020, there were no other material reasons.

## **SEPARATE MEETING OF THE INDEPENDENT DIRECTORS**

The Independent Directors of the Company met separately on 11th March, 2020 without the presence of Non-Independent Directors and the members of management. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the Listing agreement, following matters were, inter alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company after taking into consideration the views of Directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **ROLE OF INTERNAL AUDITOR**

PTL Enterprises Ltd. has an adequate Internal Control framework, which has been instituted considering the nature, size and risk in the business. The framework comprises, inter-alia, of a well- defined organisation structure, roles and responsibilities, documented policies and procedures etc. Information Technology policies and processes were also updated to ensure that they satisfy the current business needs. This is complemented by a management information and monitoring system, which ensures compliance to internal processes, as well as with applicable laws and regulations. The operating management is not only responsible for revenue and profitability, but also for maintaining financial discipline and hygiene. In order to ensure efficient Internal Control systems, the Company also has a well-established independent in-house Internal Audit function that is responsible for providing, assurance on compliance with operating systems, internal policies and legal requirements, as well as, suggesting improvements to systems and processes. The Internal Audit has a well laid down internal audit methodology, which emphasis on risk based internal audits using data analytics and tools. Mr. Praveen Moon, the Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits.

## **COMMITTEES OF THE BOARD**

PTL has following Board level committees:

- A) Audit committee,
- B) Nomination and Remuneration committee,
- C) Stakeholders Relationship committee,
- D) Corporate Social Responsibility committee and
- E) Risk Management Committee,

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various committees. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. Minutes of proceedings of Committee meetings are circulated to the respective Committee members and placed before Board meetings for noting. The composition and terms of reference of all the Committees are in compliance with the Act and Listing Regulations, as applicable. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

**A) AUDIT COMMITTEE****Composition of Committee**

As on March 31, 2020, the Audit committee comprises of the following 3 Members:

1. Mr. U.S. Anand (Chairman)
2. Mr. Neeraj Kanwar - Member
3. Mr. B.K. Singh- Member

**Meetings and Attendance**

During the financial year 2019-20, the Audit Committee met 4 times on 09.05.2019, 30.07.2019, 05.11.2019 and 05.02.2020. The time gap between any two meetings was less than four months.

**The details of attendance of Audit Committee meetings are as under:**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. U.S. Anand	Independent Director	Chairman	4	4
Mr. Neeraj Kanwar	Non-Independent Director	Member	4	4
Mr. B.K. Singh	Independent Director	Member	4	4

The KMP responsible for the finance function, the internal auditors are permanent invitees to the Audit committee. Mr. Pradeep Kumar, Company Secretary, is Secretary to the committee. During the year all the recommendations made by the Committee were accepted by the Board.

All members of the Audit committee have accounting and financial management expertise. The Chairman of the committee is an Independent Director.

The Chairman of the committee attended the Annual General Meeting (AGM) held on 30.07.2019 to answer shareholders' queries.

**Terms of reference of Audit committee**

1. i. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommending to the Board the appointment, re-appointment, terms of appointment/ reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
2. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of section 134 of the Act.
3. Changes, if any, in accounting policies and practices and reasons for the same.
4. Major accounting entries involving estimates based on the exercise of judgment by the Management.
5. Significant adjustments made in the financial statements arising out of audit finding.
6. Compliance with listing and other legal requirements relating to financial statement.
7. Disclosure of any related party transactions

8. Qualifications in the draft audit report.

- i. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.
- ii. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- iii. Reviewing/evaluating, with the Management, performance of statutory and internal auditors, internal financial controls, risk management system and adequacy of the internal control systems.
- iv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- v. Discussion with internal auditors any significant findings and follow-ups there on.
- vi. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- vii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post - audit discussion to ascertain any area of concern.
- viii. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ix. To review the functioning of the Whistle- Blower mechanism.
- x. Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xi. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. Review and monitor the Auditor's independence, performance and effectiveness of Audit process. Approval or any subsequent Modification of transactions of the company with related parties.
- xii. Scrutiny of inter- corporate loans and investments.

9. Valuation of undertakings or assets of the Company, wherever it is necessary.

**The Audit committee is empowered, pursuant to its terms of reference to**

- Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.

PTL has systems and procedures in place to ensure that the Audit committee mandatorily reviews:

- Management discussion and analysis of financial conditions and results of operations.
- Statement of significant related party transactions (as defined by the Audit committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- Appointment, removal and terms of remuneration of the internal auditor.

- Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
  - (b) Annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.
- The uses/applications of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc), as part of the quarterly declaration of financial results (whenever applicable).

On an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice (whenever applicable).

## **(B) NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors had constituted a Remuneration Committee in the year 2014. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Act.

### **Composition of Committee**

As on March 31, 2020, the Nomination and Remuneration Committee comprises of the following 4 Members:

1. Mr. U.S. Anand (Chairman)
2. Mr. Onkar S. Kanwar- Member
3. Mr. Neeraj Kanwar- Member
4. Mr. B.K. Singh- Member

Mr. Pradeep Kumar acts as Secretary of the Committee and assists the Committee in the proceedings.

### **Meetings and Attendance**

During the financial year 2019-20, the Nomination and Remuneration Committee met once on 09.05.2019.

The details of attendance of the Nomination and Remuneration Committee meetings are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. U.S. Anand	Independent Director	Chairman	1	1
Mr. Onkar S. Kanwar	Non-Independent Director	Member	1	1
Mr. Neeraj Kanwar	Non-Independent Director	Member	1	1
Mr. B.K. Singh	Independent Director	Member	1	1

The Chairman of the Committee attended the Annual General Meeting (AGM) held on 30.07.2019 to answer shareholders` queries. During the year all the recommendations made by the Committee were accepted by the Board. The Chairman of the Committee is an independent Director.

### **The roles and responsibilities of the Committee include the following:**

1. Formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.

3. Formulate the criteria for evaluation of Director's and Board's performance and to carry out the evaluation of every Director's performance.
4. Devising a policy on Board diversity.
5. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
6. Consider extension or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors.
7. To decide the remuneration of consultants engaged by the Committee.
8. To recommend to the Board, all remuneration, in whatever form payable to Senior Management.
9. Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Persons (KMP) & other Employees, including ESOP, pension rights and any other compensation payment.
10. Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.
11. Framing the Employees Share Purchase Scheme / Employees Stock Option Scheme and recommending the same to the Board/shareholders for their approval and implementing/administering the scheme approved by the shareholders.

## **PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS**

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Directors, including Independent Directors.

In compliance with Regulation 17 (10) of Listing Regulations, the performance evaluations of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated.

On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

For annual performance evaluation of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the questionnaire, a format annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

## **DIRECTORS' REMUNERATION**

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is available on the Company's website. During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock option to its Non-Executive Directors.

## **REMUNERATION OF NON- EXECUTIVE DIRECTORS (INCLUDING INDEPENDENT DIRECTORS)**

In accordance with the relevant provisions of Act and Listing Regulations, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel and other employees.

2. Framework for evaluation of the Board, its committees and individual Board members including Independent Directors.
3. Policy on appointment of Board Members.

The Remuneration Policy and the evaluation criteria have been disclosed in the Director's Report which forms part of the Annual Report.

## **REMUNERATION OF DIRECTORS, KMP/OTHER EMPLOYEE**

On the appointment or re-appointment of Managing Director, Whole-time Director and KMPs, the Nomination and Remuneration Committee will recommend to the Board for their approval, the remuneration to be paid to them. The Committee shall recommend to the Board, all remuneration to be paid to the Senior Management Personnel. The remuneration to all other employees shall be as per Remuneration policy of the Company.

The annual increment of remuneration for Managing Director/ Whole-time Directors, if any shall be made on the basis of the resolution approved by the shareholders. The annual increment in Salary of KMP (other than Managing Director/ Whole-time Directors), Senior Management Personnel shall be recommended by the Committee to the Board. The annual increment in Salary for all other employees shall be made as per Remuneration policy of the Company.

The level and composition of remuneration as determined by the Committee shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully.

The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

## **GENERAL**

Nomination and Remuneration Committee shall recommend to the Board for its approval, the remuneration, including the commission based on the net profits of the Company for the Non- Executive Directors and Whole-time Director and other, Executive Directors. The remuneration shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

## **REMUNERATION TO NON EXECUTIVE DIRECTORS**

### **SITTING FEES**

The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further, the boarding and lodging expenses shall be reimbursed to the Directors.

All the non-executive directors including the Independent Directors only received the sitting fees during the F.Y. 2019-20.



## NON EXECUTIVE DIRECTORS

Details of sitting fees paid to the Directors (Non-Executive) for the financial year 2019-2020 is as under:

(₹ in Lakhs)

Name of the Director	Sitting Fees	Salary & Perquisites	Superannuation Fund	Commission	Total
Mr. Onkar S Kanwar	2.90	-	-	-	2.90
Mr. Neeraj Kanwar	3.50	-	-	-	3.50
Mr. B.K. Singh	3.40	-	-	-	3.40
Mr. Harish Bahadur	3.10	-	-	-	3.10
Mr. Sanjay M. Kaul*	0.00	-	-	-	0.00
Ms. Shivi Mohan Rastogi**	0.00	-	-	-	0.00
Mr. U.S. Anand	4.30	-	-	-	4.30
Mr. Sunil Tandon	2.70	-	-	-	2.70
Mr. Tapan Mitra	2.70	-	-	-	2.70
<b>Total</b>	<b>22.60</b>	-	-	-	<b>22.60</b>

\*Mr. Sanjay M. Kaul, ceased to be the Nominee Director terms w.e.f January 20, 2020. He has not attended any meeting during his tenure, hence no any sitting fee paid to him.

\*\* Mr. Shivi Mohan Rastogi has ceased to be a Women Director w.e.f. January 15, 2020 and she has not attended any meeting during her tenure, hence no any sitting fee paid to her.

\*\*\*Sitting fee of ₹ 50,000 paid to Directors for attending the Board Meeting and ₹ 20,000 paid to members for attending the Committee Meeting of Directors.

Apart from payment of sitting fee for attending the meetings of the Board/Committee of Directors, no other remuneration has been paid to the Directors.

During 2019-20, the Company did not advance any loan to any of its Directors.

During the year, there were no other pecuniary relationship of transactions of Non-Executive directors vis a vis the company. The Company has not granted any stock option to its Non- Executive directors and

Only sitting fee was paid to all Non-executive directors, they are not liable to pay any remuneration apart from sitting fees.

## (i) EXECUTIVE/CFO/KMP/COMPANY SECRETARY

Details of salary paid to the KMP's for the financial year 2019-2020 is as under: (₹ in Lakhs)

(in ₹)

Name	Sitting Fees	Salary & Perquisites	Superannuation Fund	Commission	Total
Mr. Anil Kumar Sriwastawa (CFO)	0	17.86	0	0	17.86
Mr. Pradeep Kumar (CS)	0	30.00	0	0	30.00
Mr. P. Syamkumar (Manager)	0	12.29	0	0	12.29
<b>Total</b>	<b>0</b>	<b>60.15</b>	<b>0</b>	<b>0</b>	<b>60.15</b>

## Service of Contract

pursuant to Section 203 and 2(49) of the Companies Act, 2013 and other applicable laws, Mr. Syamkumar P. was appointed as Manager for a term of period of 5 years with effect from 10.05.2018 as per the terms & conditions approved by the shareholders with terms & conditions.



## **c) STAKEHOLDERS RELATIONSHIP/GRIEVANCES COMMITTEE**

### **Composition of Committee**

As on March 31, 2020, the Stakeholders Relationship/Grievances committee consists of the following members:

1. Mr. Onkar S. Kanwar (Chairman)
2. Mr. Neeraj Kanwar- Member
3. Mr. Birendra Kumar Singh- Member
4. Mr. U.S. Anand- Member

### **Meetings and Attendance**

During the financial year 2019-20, the Stakeholders' Relationship Committee met once on 06.09.2019

**The details of attendance of Stakeholders' Relationship committee meetings are as under:**

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Onkar S. Kanwar	Non-Executive Director	Chairman	1	0
Mr. Neeraj Kanwar	Non-Executive Director	Member	1	0
Mr. Harish Bahadur	Non-Executive Director	Member	1	1
Mr. U.S. Anand	Independent Director	Member	1	1

Mr. Pradeep Kumar, Company Secretary and compliance officer, is Secretary to the committee.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The committee specifically looks into redressing shareholders'/investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non- receipt of dividend and other allied complain. The Chairman of the Committee was present at the last Annual General Meeting.

### **THE COMMITTEE PERFORMS THE FOLLOWING FUNCTIONS:**

Transfer/transmission of shares. Transfer/ transmission of shares.

Dematerialization/ rematerialization of shares. Issue of new and duplicate share certificates.

Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents

To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s)

To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.

Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for

### **INVESTOR GRIEVANCE REDRESSAL**

During the Financial Year 2019-20, the Status of the Complaint received/solved as follows:

Complaints pending as on 1st April, 2019	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on 31st March, 2020
0	0	0	0

In order to provide efficient services to investors, and for speedy redressal of the complaints, the Board of directors has delegated the power of approving transfer and transmission of shares and other matters like split up / sub-division and consolidation of shares, issue of new certificates on re- materialization, sub- division, consolidation and exchange, subject to a maximum of 10000 shares per case, to the Company Secretary and the Registrar & Share Transfer Agent.

## **D CORPORATESOCIALRESPONSIBILITY COMMITTEE**

### **Composition of Committee**

As on March 31, 2020, the Corporate Social Responsibility (CSR) committee consists of the following members:

1. Mr. Onkar S. Kanwar (Chairman)
2. Mr. Harish Bahadur- Member
3. Mr. U.S. Anand- Member

### **Meetings and Attendance**

During the financial year 2019-20 the committee met once on 09.05.2019. The details of attendance of Committee meeting are given below:

Name of the Member	Category	Status	No. of Meetings	No. of Attended Meetings
Mr. Onkar S Kanwar	Non-Executive Director	Chairman	1	1
Mr. Harish Bahadur	Non-Executive Director	Member	1	1
Mr. U.S. Anand	Independent Director	Member	1	1

### **The role of Corporate Social Responsibility (CSR) committee is as under:-**

- (a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in compliance with the Act and rules thereunder.
- (b) Recommend the amount of expenditure to be incurred on the activities as above, and
- (c) Monitor the CSR Policy of the company from time to time.

The Company has formulated the CSR Policy in line with schedule VII of the Act.

### **CSR Policy of the Company**

The CSR activities shall be focused not just around the plants and offices of the company, but also in other geographies based on the needs of the communities. The key focus areas where special Community Development programmes would be run are:

- 1 Solid Waste Management and Sanitation
- 2 Livelihood for underprivileged Women
- 3 Biodiversity Conservation

For detail please refer CSR policy. The formal CSR policy of the Company is available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com).

## **E. RISK MANAGEMENT COMMITTEE**

### **Composition of Committee**

As on March 31, 2020, the Risk Management Committee consists of the following members:

1. Mr. Onkar S. Kanwar (Chairman)
2. Mr. Harish Bahadur- Member
3. Mr. U.S. Anand- Member

**The role of the Committee is as under:-**

1. Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis.
2. To update Risk Register on quarterly basis.
3. To review critical risks identified.
4. To report key changes in critical risks to the Board.
5. To report critical risks to Audit Committee in detail.

To perform such other functions as may be deemed or prescribed fit by the Board.

**PROHIBITION OF INSIDER TRADING**

With a view to regulate trading in securities by the Directors and designated persons, the Company has adopted a Code of Conduct for Prohibition of Insider Trading.

**GENERAL BODY MEETINGS**

Details of the last three general body meetings held are given below:

Financial Year	Category	Location of the meeting	Date	Time
2016-17	Annual General Meeting	Aangan, 5th Floor, Bharat Touris House (BTH), D H Road, Gandhi Square, Kochi, Kerala	05.07.2017	11.00 A.M
2017-18	Annual General Meeting	Willingdon Hall, Vivanta Malabar (Taj), Willingdon Island, Kochi (Kerala).	31.07.2018	02.30 P.M.
2018-19	Annual General Meeting	Lake Side hall Bolgatty Palace & Island Resort KTDC Ltd. Mulavukad P.O. Kochi-682504	30.07.2019	02.00 P.M.

The following special resolutions were taken up in the last three AGMs and were passed with requisite majority:

1. In the Annual General Meeting for the year 2016-17, Special Resolution was passed approving, Lease Agreement (Pursuant to the provisions of Section 180(1)(a), Section 188 of the Companies Act, 2013) dated 05.07.2017 with Apollo Tyres Ltd., for the extension Lease Agreement between the Company and Apollo Tyres Ltd from 01.04.2014 to 31.03.2030, on the lease rental of ₹ 60 Crore per annum was ratified and the Lease Rental from ₹ 50 Crore p.a. was enhanced to ₹ 60 Crores p.a. with Apollo Tyres Ltd. (Lessee, which is a related party to the Company) for the remaining period of lease agreement.
2. No Special resolution was passed in the Annual General Meeting for the year 2017-18.
3. In the Annual General Meeting for the year 2018-19, Special Resolution was passed approving, reappointment of Mr. Ugar Sain Anand as Independent Director for second term of five years.

**RESOLUTION(S) PASSED THROUGH POSTAL BALLOT**

No postal ballot was conducted during the financial year 2019-20. There is no immediate proposal for passing any resolution through postal ballot.

## **MEANS OF COMMUNICATION WITH SHAREHOLDERS**

Financial Results: PTL recognizes communication as a key element of the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication to all external constituencies. All the Company information's are normally published in the Business Standard and in a Malayalam language newspaper in the State of Kerala.

Full version of the Annual/ Quarterly, Results, Report etc. for FY 2019-20 containing inter-alia, audited Financial Statements, Directors Report (including Management Discussion and Analysis, Corporate Governance Report) was sent via email to all shareholders who have provided their email ids and is also available at the Company's website at [www.ptlenterprise.com](http://www.ptlenterprise.com).

Website: The Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com) contains a separate section 'Investor Centre' for use of investors. The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional investors and to analysts are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website [www.ptlenterprise.com](http://www.ptlenterprise.com). . Annual Report of subsidiary companies is also posted on the website.

**Communication to shareholders on email:** As mandated by the Ministry of Corporate Affairs (MCA) documents like Notices, Annual Report etc. were sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ RTA. This helped in prompt delivery of document, reduce paper consumption, save trees and avoid loss of documents in transit.

NEAPS (NSE Electronic Application Processing system) and BSE Corporate Compliance & Listing center: NSE and BSE have developed web based applications for corporate. Periodical compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc. are also filed electronically on NEAPS/ BSE Listing center portal.

**SCORES (SEBI complaints redressal system):** SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The company uploads the action taken on the complaint which can be viewed by the shareholder. The company and shareholder can seek and provide clarifications online through SEBI.

Exclusive email ID for investors: The Company has designated the email id [investors@ptlenterprise.com](mailto:investors@ptlenterprise.com) exclusively for investor servicing, and the same is prominently displayed on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com).

## **INVESTOR RELATIONS**

Investor Relations (IR) at PTL aims at providing accurate, transparent and timely information to the investors and serves as a bridge for two-way communication. All efforts are made to provide efficient services to the shareholders. Every important information is displayed at the company's website, [www.ptlenterprise.com](http://www.ptlenterprise.com)

## **GENERAL SHAREHOLDER INFORMATION**

### **Company Registration Details**

The Company is registered in the State of Kerala, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L25111KL1959PLC009300.

ANNUAL GENERAL MEETING (through Video Conferencing/ Other Audio Visual Means ("VC/OAVM"))

Day :- Tuesday

Date :- 22nd September, 2020

Time :- 03:00 P.M.

**FINANCIAL YEAR (CALENDAR): 2020-21**

Financial Reporting will be as follows:

- First Quarter- on or before August 14, 2020
- Half Yearly- on or before November 14, 2020
- Third Quarter- on or before February 14, 2021
- Fourth Quarter and Annual- on or before May 30, 2021

**BOOK CLOSURE**

The dates of Book Closure are from 16th September, 2020 (Wednesday) to 22nd September, 2020 (Tuesday) (Both days are inclusive).

**DIVIDEND PAYMENT**

The Board of Directors declared an interim dividend of ₹ 2.50 (i.e. @125%) on each fully paid up equity share of ₹ 2/-, in its meeting held on February 26, 2020 and Board recommended to shareholders for their approval to consider it as Final Dividend for the FY 2019-2020.

**LISTING ON STOCK EXCHANGES**

At present, the equity shares of the Company are listed at Bombay Stock Exchange Ltd. (\*BSE) and the National Stock Exchange of India Ltd. (\*\*NSE). The annual listing fees for the financial year 2019-20 to NSE and BSE has been paid.

\*BSE Bombay Stock Exchange Ltd

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

\*\*NSE- National Stock Exchange of India Ltd Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051  
PTL's Stock Exchange codes –

ISIN No	INE034D01031
BSE Scrip Code	509220
NSE SYMBOL	PTL

**DATES OF TRANSFER OF UNCLAIMED DIVIDEND**

Pursuant to Section 125 of the Act, unclaimed dividend for the financial year 2011-12 was transferred to the general revenue account of the Central Government/investor education and protection fund (IEPF) established by the Central Government on 27.09.2019.

The unclaimed dividend for the financial year 2012-2013 is to be transferred to the general revenue account of the Central Government/investor education and protection fund (IEPF) established by the Central Government. The dividends for following years, which remain unclaimed for seven years, will be transferred to IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of unclaimed dividends up to the financial year ended 31.03.2020 are also available on the website of the Company [www.ptlenterprise.com](http://www.ptlenterprise.com). Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

## DIVIDENDS DECLARED IN THE PAST

Financial year	Type of dividend	Dividend rate %	Date of declaration	Due date for transfer to IEPF
2012-2013	Final	50.00	06.08.2013	05.09.2020
2013-2014	Final	50.00	29.09.2014	28.10.2021
2014-2015	Final	50.00	10.08.2015	09.09.2022
2015-2016	Final	50.00	08.08.2016	07.09.2023
2016-2017	Final	62.50	05.07.2017	05.08.2024
2017-2018	Final	100.00	31.07.2018	30.08.2025
2018-2019	Final	125.00	30.07.2019	29.08.2026
2019-2020	Interim dividend	125.00	26.02.2020	27.03.2027

## UNCLAIMED/ UNDELIVERED SHARE CERTIFICATES

The status of equity shares lying in the unclaimed suspense account is given below:

Sl. No.	Particulars	No. of shareholders	No. of equity shares held
1	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year	814	639890
2	No. of shares transferred in the suspense account during the year	-	-
3	Number of shareholders along with shares held who approached Company for transfer of shares from the suspense account during the year	-	-
4	Number of shareholders along with shares held to whom shares were transferred from the suspense account during the year	27	8200
5	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year	787	631690

## TRANSFER OF SHARES TO IEPF

Pursuant to the provisions of Section 124(6) of the Act read with Rule 6 (3) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules 2016") (as amended from time to time) ("Rules") and Regulation 39(4) of the Listing Regulations, 28602 number. of shares (including 1052 shares in CDSL, 8200 shares in NSDL, 19350 shares in Physical Form) were transferred to the Investor Education and Protection Fund Authority. The voting rights of these shares shall remain frozen till the rightful owner of such shares claims the shares.

## EQUITY EVALUATION DURING THE YEAR

As on March 31, 2020 the paid up equity share capital of the Company was ₹132377000/- consisting of 66188500 equity shares of ₹ 2/- each.

## STOCK MARKET PRICE DATA FOR THE FINANCIAL YEAR 2019-20

The Company's share price on NSE and Nifty Index

Month	NSE		Nifty Index		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)
April, 2019	41.95	39.35	179348	11856.15	11549.10
May, 2019	42.50	39.25	235519	12041.15	11108.30
June, 2019	42.00	39.50	143878	12103.05	11625.10
July, 2019	42.40	32.35	391276	11981.75	10999.40

Month	NSE		Nifty Index		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)
August, 2019	40.05	32.40	224395	11181.45	10637.15
September, 2019	37.40	33.50	274986	11694.85	10670.25
October, 2019	40.80	34.45	128579	11945.00	11090.15
November, 2019	38.00	35.25	172754	12158.80	11802.65
December, 2019	37.50	34.40	136139	12293.90	11832.30
January, 2020	38.90	36.20	387712	12430.50	11929.60
February, 2020	39.00	33.45	249892	12246.70	11175.05
March, 2020	38.60	23.25	365106	11433.00	7511.10

#### The Company's share price on BSE and Sensex

Month	BSE		Sensex		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)
April, 2019	43.00	39.15	49815	39487.45	38460.25
May, 2019	45.50	38.75	30547	40124.96	36956.10
June, 2019	44.65	39.70	31138	40312.07	38870.96
July, 2019	44.80	33.00	70359	40032.41	37128.26
August, 2019	36.95	32.90	29587	37807.55	36102.35
September, 2019	37.50	32.45	20652	39441.12	35987.80
October, 2019	38.85	34.50	18540	40392.22	37415.83
November, 2019	38.50	35.05	18656	41163.79	40014.23
December, 2019	38.40	35.05	26357	41809.96	40135.37
January, 2020	40.00	36.00	52598	42273.87	40476.55
February, 2020	38.70	35.05	25949	41709.30	38219.97
March, 2020	38.70	23.00	62414	39083.17	25638.90

#### REGISTRAR AND TRANSFER AGENT

Securities and Exchange Board of India (SEBI), through its Circular No. D& CC/FFTTT CC/FITTC/CIR-15/2002 dated December 27, 2002, has made it mandatory for all work related to share registry, both in physical and electronic form, to be handled either wholly 'in-house' by Companies or wholly by a SEBI-registered external registrar and transfer agent. PTL had appointed Alankit Assignments Limited as its Registrar and Transfer agent in 1994 for both segments, much before this was mandated by SEBI. The Company has subsequently appointed Alankit Assignments Limited as its Registrar. Details of the Registrar and Transfer Agent are given below -

#### ALANKIT ASSIGNMENTS LIMITED

Alankit Heights, 1E/7, Jhandewalan Extension, New Delhi – 110055

Tel: 011 – 42541234 / 23541234, Fax: 011 – 23552001

Email: info@alankit.com, Website: www.alankit.com

#### SHARE TRANSFER SYSTEM

All share transfer and other communications regarding share certificates, change of address, dividends, etc. should be addressed to Registrar and Transfer Agents.

Stakeholders Relationship Committee is authorized to approve transfer of shares in the physical segment. The Committee has delegated authority for approving transfer and transmission of shares and other related matters to the authorized



officers of the Company. Such transfers take place on as and when required . A summary of all the transfers/ transmissions etc. so approved by authorized officers of the Company is placed at every Committee meeting. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Listing Regulations, and files a copy of the same with the Stock Exchanges.

Trading in equity shares of the Company is permitted only in dematerialised form. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly the Company / its RTA has been stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

## DISTRIBUTION OF SHAREHOLDING

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2020 along with the top 10 shareholders of the Company is given below:

### Shareholding pattern by size as on March 31, 2020

Share Holding of nominal value of ₹	Shareholders		Shareholding	
	Number	% to Total	Number	% to Total
1-5000	10237	97.63	3969157	6.00
5001-10000	119	1.14	858131	1.30
10001-20000	72	0.69	1030835	1.56
20001-30000	24	0.23	604764	0.91
30001-40000	1	0.01	32886	0.05
40001-50000	4	0.04	176817	0.27
50001-60000	8	0.08	608666	0.92
100001- to above	20	0.19	58907244	89.00
<b>TOTAL</b>	<b>10485</b>	<b>100.00</b>	<b>66188500</b>	<b>100.00</b>

### Shareholding Pattern by ownership-

Table I - Summary Statement holding of specified securities						
Category (I)	Category of shareholder (II)	No. of Shares Underlying Outstanding convertible securities (X)	No. of Warrants (Xi)	No. of Shares Underlying Outstanding convertible securities & No. of Warrants) (X)	shareholding, as a % of Equity capital	Number of equity shares held in dematerialized form (XIV)
(A)	Promoter & Promoter Group	-	-	-	69.82	46215399
(B)	Public	-	-	-	30.18	19973101

## DEMATERIALIZATION OF SHARES AND LIQUIDITY

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). PTL has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2020, 99.04% shares of the Company were held in dematerialized form.



- The equity shares of the Company are frequently traded at Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

## **DEMATERIALIZATION OF SHARES**

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- a) Demat account should be opened with a depository participant (DP).
- b) Shareholders should submit the dematerialization request form (DRF) along with share certificates in original, to their DP.
- c) DP will process the DRF and will generate a dematerialization request number (DRN).
- d) DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is Alankit Assignments Limited.
- e) RTA will process the DRF and confirm or reject the request to DP/depositories.
- f) Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

## **ADDRESS FOR CORRESPONDENCE**

For share transfer / dematerialisation of shares, Alankit Assignments Limited payment of dividend and any other query relating Alankit Heights, to the shares  
1E/7, Jhandewalan Extension, New Delhi – 110055. INDIA  
Tel: + 91-11- 42541234 / 42541958  
Fax: + 91-11-42541201 / 23552001  
Email: lalitap@alankit.com Website: www.alankit.com

Chief Compliance Officer

Mr. Pradeep Kumar  
Company Secretary, PTL Enterprises Ltd,  
Apollo House, Institutional Area, Sector 32, Gurugram - 122001.  
Tel: 0124 – 2383002, 2383003, Fax: 0124 – 2383021, 2383017

## **Company's Registered Office Address**

3rd Floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi- 682036

## **PLANT LOCATIONS**

Kalamassery, Alwaye, Kerala – 683104

## **Other Disclosure**

## **RELATED PARTY TRANSACTIONS**

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Act and Listing Regulations. The policy has been disclosed on the website of the Company at <https://www.ptlenterprise.com/codes-and-policies.html>.

All Related Party Transactions are approved by the Audit Committee prior to the transaction.

Related Party Transactions of repetitive nature are approved by the Audit Committee on omnibus basis for one financial year at a time. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis, wherever necessary.

A confirmation as to material Related Party Transactions as per Listing Regulations, is sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

**SUBSIDIARY COMPANIES**

The Company does not have any Subsidiary Company.

**DISCLOSURES BY SENIOR MANAGEMENT & KMPS**

The senior management personnel make disclosures to the Board periodically regarding

1. their dealings in the Company's share; and
2. all material financial and commercial and other transaction with the Company where they have personal interest, stating that the said dealings and transactions, if any, had no potential conflict with the interests of the Company at large.

The material, financial and commercial transactions where Key Management Personnel have personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts, which were reported to the Board of Directors

**DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS**

The Company has followed prescribed Indian Accounting Standards in preparation of its financial statements.

**DETAILS OF NON-COMPLIANCE BY THE COMPANY**

PTL has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Company is regular in filing all the required documents as per Listing Regulations. The company has also complied with the requirements specified in Regulation 17 to 27 relating to corporate Governance Listing Regulations. In terms of the provisions of the Regulation 46 of Governance Listing Regulations, and the Act, Company has maintained proper working website and has uploaded all the required documents. The detailed Corporate governance report for the year ended 31.03.2020 has been uploaded on the Company's website i.e [www.ptlenterprise.com](http://www.ptlenterprise.com)

**WHISTLE-BLOWER POLICY / VIGIL MECHANISM**

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices, PTL has established a system through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all directors, employees / business associates have direct access to the Chairman of the Audit committee. The Whistle-Blower Protection Policy aims to:

Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.

Ensure timely and consistent organizational response. Build and strengthen a culture of transparency and trust. Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.ptlenterprise.com](http://www.ptlenterprise.com).

No personnel of the Company has been denied access to the Audit Committee.

Adoption of mandatory and non-mandatory requirements Listing Regulations. The Company has complied with all mandatory requirements of Listing Regulations. The Company has adopted following non-mandatory requirements of Listing Regulations:-

- a) Risk Management Committee
- b) Reporting of Internal Auditors (The Internal Auditors of the Company report directly to the Audit Committee)

**CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

The Company has received a certificate from a Company secretary in practice confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by the Board/Ministry of the Corporate affairs or any such statutory authority. (Annexure A)

**TOTAL FEE PAID TO THE STATUTORY AUDITOR**

An amount of ₹ 4.00 lakh p.a. was paid to statutory auditor for all services provided to the Company.

**PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

During the Financial Year 2019-20, the Status of the Complaint received/solved as follows:

Complaints pending as on 1st April, 2019	Complaints received during the year	Complaints disposed off during the year	Complaints pending as on 31st March, 2020
0	0	0	0

**CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES**

In compliance with the SEBI regulations for Insider Trading and the provisions of Companies Act, 2013, the Company has formulated a comprehensive code of conduct for Prevention of Insider

Trading, for its management and staff. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of PTL, and cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer.

The Company has also formulated a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

**CFO AND MANAGER CERTIFICATION**

The CFO and Manager Certification on the financial statements, as per Regulation 17 (8) Listing Regulations, (Annexure B).

**COMPLIANCE CERTIFICATE:**

Compliance certificate from a Statutory Auditor regarding compliance of conditions of corporate governance. (Annexure C)

**DECLARATION AFFIRMING COMPLIANCE OF PROVISIONS OF THE CODE OF CONDUCT**

To the best of my knowledge and belief and on the basis of declarations given to me, I hereby affirm that all the Board members and the Senior Management Personnel have fully complied with the provisions of the Code of Conduct for Directors and Senior Management Personnel during the financial year ended March 31, 2020.

**DECLARATION AFFIRMING COMPLIANCE OF WHISTLE BLOWER POLICY**

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company have been denied access to the Audit committee during FY 2019-20. The Board has accepted all the recommendations of the Committees which were mandatorily required.

For and on behalf of the Board of Directors

Place : New Delhi  
Date : 19th May, 2020

Sd/-  
(Onkar S Kanwar)  
Chairman

## C E R T I F I C A T E

(AS PER CLAUSE 10(I) OF ANNEXURE V READ WITH REGULATION 34 (3) AND 53(F)  
OF SEBI ((LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015, AS AMENDED FROM TIME TO TIME)

We have examined:

- the draft report of the Corporate Governance of the Board of Directors of PTL ENTERPRISES Ltd. (CIN No.- L25111KL1959PLC009300) having its Registered Office at 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi Ernakulam, Kerala-682036 for the Financial Year 2019-20;
- the records / documents produced to us for examination;
- the Directors' master data of the company, as available in the website of the Ministry of Corporate Affairs (MCA);
- the lists of disqualified directors published by the MCA from time to time on its website; and

On the basis of the above examination, we hereby certify that none of the Directors on the Board of the PTL Enterprises Limited has been debarred or disqualified from being appointed or continuing as directors of Companies by the Security and Exchange Board of India / Ministry of the Corporate Affairs or any such statutory authority.

This certificate is issued for the limited purpose of attaching with the Corporate Governance Report of the Company as prescribed by SEBI in terms of the Regulations mentioned above.

This certificate is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **RSMV & Co.**  
Company Secretaries

Sd/-  
**(Manoj Sharma)**  
Partner

Place : New Delhi  
Date : 16th May, 2020

FCS: 7516; CP No:11571  
UDIN: F007516B000247481

**CEO AND MANAGER CERTIFICATE**

**[Under Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]**

To

The Board of Directors

**PTL Enterprises Ltd.**

Dear Sir/ Madam,

Pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we wish to certify here as under that–

- 1) We have reviewed financial statements and the cash flow statement for the year ended on 31.03.2020 and to the best of our knowledge and belief:
  - a) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) The said statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulators.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31.03.2020 which are fraudulent, illegal or violate of the Company's code of conduct.
- 3) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the auditors and the Audit Committee:
  - a) significant changes in internal control over financial reporting during the year ended on 31.03.2020;
  - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Gurugram  
Date : 16th May, 2020

Sd/-  
**ANIL SRIWASTAWA**  
(CFO)

Sd/-  
**SYAM KUMAR P.**  
(MANAGER)

**Annexure C****Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Members of

**PTL Enterprises Limited**

3rd Floor, Areekal Mansion,

Panampilly Nagar, Kochi

Ernakulam, Kerala - 682036

1. The accompanying Corporate Governance Report prepared by PTL Enterprises Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended 31st March, 2020. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the Shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

- i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
- ii. Obtained and verified that the composition of the Board of Directors w.r.t Executive and Non-Executive directors has been met throughout the reporting period;
- iii. Obtained and read the Directors Register as on 31st March, 2020 and verified that at least one women director was on the Board during the year;
- iv. Obtained and read the minutes of the following meetings held from 01st April, 2019 to 31st March, 2020:
  - (a) Board of Directors meeting;
  - (b) Audit committee;
  - (c) Annual General meeting;
  - (d) Nomination and remuneration committee;
  - (e) Stakeholders Relationship Committee;
  - (f) Independent Directors meeting;
  - (g) Risk management committee;
  - (h) Corporate Social Responsibility Committee; and
  - (i) Share Transfer Committee
- v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## **OPINION**

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2020, that referred to in paragraph 1 above.
9. Without modifying our opinion, we report that, the Company has to comply with the requirement of Regulation 17 (l)(a) of the Listing Regulation with regards to the composition of the Board of Directors comprising of at least one woman director since 15th January, 2020 as the women director ceased to be an Independent Director of the Company w.e.f. 15th January, 2020 upon her resignation and the Company has time till the immediate next meeting of the board of directors or three months from the date of such vacancy, whichever is later.

## **OTHER MATTERS AND RESTRICTION ON USE**

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **SCV & Co. LLP**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 000235N/N500089

Sd/-  
**(RAJIV PURI)**  
PARTNER

Place : New Delhi  
Date : 19th May, 2020

MEMBERSHIP No. 084318  
ICAI UDIN : 20084318AAAAAZ9639



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **India Market Overview**

#### **Economy**

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

The Indian economy began on a strong footing for Financial Year 2019-20 (FY20). FY19 had closed registering a growth of 6.7% and there were clear expectations that the economic powerhouse would have a higher GDP grow rate for FY20. However, as the year progressed, it was evident that the forecast was far removed from the realities faced by the country.

India's growth engine was actually sputtering well before the threat of outbreak arrived. Once one of the fastest growing economies in the world, its growth slowed to 4.7% last year - the slowest level in six years. Unemployment was at a 45-year high last year. Small businesses had only just begun to recover from the controversial 2016 currency ban that came as a body blow to the cash-consuming informal economy. Rating agencies, both global and domestic, are unanimous that the COVID-19 pandemic will be an economic tsunami for India. The IMF's estimate of the global economy growing at -3 per cent in 2020 is an outcome "far worse" than the 2009 global financial crises. Even though the country may not slip into a recession, unlike the Eurozone, the US, or Asia-Pacific that have stronger trade ties to China, analysts believe the impact on India's GDP growth will be significant. However, the real impact of the lockdown will be felt in the first quarter of financial year 2021.

#### **Auto segment**

FY20 is not a year the auto segment is likely to forget in a hurry. The sector has been facing a long slowdown with the unit growth in FY19 being largely led by the high volume three- wheelers and two-wheelers categories which grew 49% and 16.5% respectively, over the previous year. However for FY20, all the key categories were in the negative growth zone. Passenger Vehicles (PV) closed the financial year with sales of 2.8 million units, as compared to 3.4 million units FY19, down by 17.8%. Commercial Vehicles (CV) sales was down by a whopping 28.8% to close the year with a sale of nearly 0.72 million units. The growth leaders for the industry, three-wheelers and two- wheeler, also posted negative growth of 9.2% and 17.7% respectively for the year.

The auto industry has been asking for some booster since the beginning of the financial year. Without any stimulus along with poor consumer sentiment, increased cost of ownership due to higher insurance cost, higher financing cost due to the NBFC liquidity crisis, no relief on high GST, increased vehicle prices due to the BS6 upgrade and stringent safety norms only added to the woes of the industry. The results - overall industry sales fell 18%.

#### **Tyre Segment**

Since FY09, the tyre industry has been growing at a CAGR of 7%. It had degrown only during FY13. However, FY20 seems to a repeat of FY13, as the numbers from Automotive Tyre Manufacturers' Association (ATMA) indicate. According to the data released by ATMA for 11- months, the industry shows an overall decline of around 6% as compared to the 11-months numbers of FY19. This is no surprise as the industry's fortunes are closely linked to those of the auto sector and the overall economic development.

In terms of key segments, demand for the Medium & Heavy Commercial Vehicle (M&HCV) segment tyres dropped by 12% even though it had seen a stellar growth of 16% for FY19. The other major segment - PV - posted a drop of 3% for the year.

## (a) Industry Structure and Developments

The tyre industry is directly dependent on the business from the Original Equipment Manufacturers (OEMs) and the replacement market. With the auto sector in a limbo during the year, the tyre segment felt the direct impact of it, as sales to OEMs reduced drastically. However, the replacement market played the role of the saviour and helps recoup some of the losses of the OEM market. The CV space saw a greater utilization of existing assets and helped the sale in the replacement segment.

According to ATMA data, replacement sales for M&HCV accounted for 72% of total domestic production, among the highest in all categories. The category saw good demand in the replacement market post monsoon till the COVID-19 impact and the subsequent lockdown. Imports continued to fall with the continued imposition of anti-dumping duty.

The tyre industry was helped in some measure by fall of some of its key raw material cost in India. These raw materials declined by about 5% in FY20 over the previous year, aided by a drop in Carbon Black, Synthetic Rubber, Nylon Fabric and Chemicals prices. However, the domestic natural rubber prices saw an increase of approx. 7% during the same period. The domestic supplies were partially impacted during the year due to erratic weather pattern. Prices for the imported natural rubber witnessed a spike in the second half of the financial year. Reduced production and supplies from Indonesia and Thailand due to the onset of fungal leaf disease were the key factors for this. The country continued to see the inverted duty on natural rubber during the year.

## (b) Swot Analysis (Opportunities and Threats) Strengths

- Tyre manufacturing facility leased to ApolloTyres Ltd.—a global player.
- Fixed Income from lease rent of the tyre unit.
- Apollo Tyres has the advantage of a diversified market base across geographies and therefore, it is not completely dependent on the Indian market alone. Further, Apollo Tyres is working towards establishing and growing operations in other large markets, including ASEAN and North America.
- The Company is powered by strong product brands in its key markets – Apollo and Vredestein.
- Apollo Tyres enjoys an extensive distribution network for its products across its two key markets.
- Experienced team of workers.

## Weaknesses

- A relatively old tyre manufacturing unit with not very modern machinery.
- No direct presence in the tyre market.
- Dependence on Apollo Tyres.

## Opportunities

- Diversification into other sector through new investments.
- Production of Apollo Tyres leading to technology up gradation

## Threats

- Economic downturn or slowdown in the key markets (India and Europe) can lead to decreased volumes and capacity utilisation.
- The continuing lockdown situation due to COVID-19 pandemic in many parts where the Company operates can have a significant impact of the business of the Apollo Tyres.

**(c) Segment-wise performance**

The truck-bus, cross ply tyres manufactured at the Company's plant leased to Apollo Tyres Ltd- under the brand name 'Apollo' are mostly sold/exported by Apollo Tyres Ltd.

**(d) Outlook**

With the worldwide outbreak of COVID-19, the global economy is staring at a recession of a magnitude never seen before in recent history. To counter the pandemic, countries across the globe has resorted to lockdowns which has already brought the economy to a standstill. While the debate between 'Lives and Livelihood' rages across the world, the International Monetary Fund (IMF) has issued a warning that the repercussion of COVID-19 will be similar to the "worst recession since the Great Depression" and will dwarf the economic damage caused by the global financial crisis a decade back.

The IMF recent projection for a 3% contraction of the global economy would mark the steepest downturn since the Great Depression of the 1930s. However, experts believe that the situation can further worsen given that the behaviour of corona virus continues to be unknown and there are no immediate medical solutions.

With the countrywide lockdown, India will certainly be hit hard and IMF along with other rating agencies have sharply slashed India's growth estimate for FY21 ranging from 0% to 1.9% from the 5.8% estimated in January. According to the European Economic Forecast, EU economy is expected to contract by 7.5% in 2020 and bounce back by 6% in 2021.

The COVID-19 has grave consequences for the automobile industry and all related sectors, with most automobile manufacturers having announced temporary closures of plants due to collapsing demand, supply shortages and government measures. OEMs in India are forecasting a degrowth of between 30-40% in FY21 demand given the BS-VI implementation and the price increase, COVID-19 impact, poor consumer sentiment and liquidity crunch, which in turn will seriously impact the tyre industry.

Industry experts estimate a decline in the replacement tyre industry as well with impact of COVID-19 playing well into the year. All industries across the globe are looking at their respective governments and their decisions regarding stimulus packages, support to turnaround sentiments, triggering demand, etc will decide the economic outcome for any country.

**(e) Risk and Concerns**

The Company has in place a robust risk management framework that identifies and evaluates business risks and opportunities. The Company recognises that these risks need to be handled effectively and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and create sustainable value and growth. The Company's risk management processes focus on ensuring that these risks are identified promptly and a mitigation action plan is identified and monitored periodically to ensure that the risks are being addressed accordingly. The Company's risk management framework operates with the following objectives:

- Proactively identify and highlight risks to the right stakeholders
- Facilitate discussions around risk prioritisation and mitigation
- Provide a framework to assess risk capacity and appetite; develop systems to warn when the appetite is getting breached

**The list of key risks and opportunities identified by the Management are the following:**

- Demand-supply situation must remain in favour of the industry to enable it to undertake price increases.
- Demand in the tyre industry is dependent on economic growth and/or infrastructure development. Any slowdown in

the economic growth across regions impacts the industry.

- The continuing lockdown situation due to the COVID-19 pandemic can lead to a serious impact on the organization including a significant drop in demand of Apollo tyres, drop in profitability, liquidity concerns, etc.

**(f) Internal Controls Systems and their adequacy**

The Company believes that Internal Control is one of the key pillars of governance, which provides freedom to the management within a framework of appropriate checks and balances. It has an adequate internal control framework, which has been instituted considering the nature, size and risks in the business. .. These policies are complimented by a management information and monitoring system, which ensures compliance with internal processes, as well as with applicable laws and regulations.

The Company's internal control environment ensures efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information. The Company uses SAP – Enterprise Resource Planning (ERP) software – as its core IT system. The systems and processes are continuously improved by adopting best-in-class processes and automation and implementing the latest IT tools. The operating management is not only responsible for revenue and profitability, but also for maintaining financial and commercial discipline.

The Company has a well-established independent in-house Internal Audit function that is responsible for providing assurance on compliance with operating systems, internal policies and legal requirements, as well as suggesting improvements to systems and processes.

The Internal Auditor reports functionally to the Audit Committee and administratively to the Chairman. Key internal audit findings are presented to the Audit Committee at its quarterly meetings.

Most importantly, the senior management sets the tone at the top of no tolerance to non- compliance and promotes a culture of continuous innovation and improvement.

**(g) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO PERATIONAL PERFORMANCE**

₹ in Lakhs

S. No.	Particulars	Year Ended	
		31.03.2020	31.03.2019
1.	Revenue from operations	6,323.03	6,322.15
2.	Other income	356.20	291.18
	<b>Total</b>	<b>6,679.23</b>	<b>6,613.33</b>
3.	Expenditure		
	a) Employee benefit expenses	213.93	237.37
	b) Other expenses	328.03	236.43
	<b>Total</b>	<b>541.96</b>	<b>473.80</b>
4.	Operating Profit (EBITDA including other income)	6,137.27	6,139.53
5.	Finance cost	211.89	191.74
6.	Depreciation and amortization expense	124.83	121.34
7.	Profit before tax	5,800.55	5,826.45
8.	Provision for tax		
	- Current tax	1,440.04	1,695.75
	- Deferred tax	(33.06)	145.36
	<b>Total</b>	<b>1,406.98</b>	<b>1,841.11</b>
9.	Profit after tax	4,393.57	3,985.34

**(h) MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company's workers are the key drivers for its sustained growth and success. The Company nurtures and trains its employees to further enhance their management and leadership skills, while the same time rewarding them for high performance; this is done to attract and retain the best talent within the Company. The industrial relations for the year under consideration, by and large, were cordial. The number of permanent employees on the rolls of the company are 670.

**(i) DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGES OF 25% OR MORE AS COMPARED TO IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIO, ALONG WITH DETAILED EXPLANATIONS**

Particulars	2019-20	2018-19
Current ratio	0.26	0.12

The Increase in current ratio was mainly attributable to increase in Bank and other bank balances at year end.

**(J) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FY ALONG WITH DETAILED EXPLANATION THEREOF.**

Particulars	2019-20	2018-19
Return on net worth	9.40%	8.3%

The Increase in return on net worth was mainly attributable to higher net profits in the current year.

**S C V & Co. LLP**

Chartered Accountants

B-41, Panchsheel Enclave, New Delhi-110 017

Tel.: 26499111, 222/444/555

E: delhi@scvindia.com, W: www.scvindia.com

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF

**PTL ENTERPRISES LIMITED****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of PTL ENTERPRISES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act 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 our audit opinion on the Ind AS financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were discussed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1	<b>Evaluation of uncertain tax positions</b> The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. See Note C5(a) to the Ind AS Financial Statements.	<b>Principal Audit Procedures</b> We obtained details of completed tax assessments and demands till the year ended 31st March, 2020 from the management. We involved our internal experts to evaluate the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. We discussed with management's tax team to understand the status of all significant provisions, and any changes to management's judgements in the year. We read correspondence with tax authorities and Company's external tax advisors/lawyers to evaluate our assessment of recorded estimates and evaluate the completeness of the provisions recorded and whether any change was required to management's position on these uncertainties.



**Information other than the Ind AS Financial Statements and Auditor's Report Thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 responsibility for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given tous:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note C5(a) to the Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company other than ₹2.22 Lakhs pertaining to amount of dividend which has not been transferred due to pending transmission of equity shares.
- 3. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration for the year ended 31st March, 2020 has been paid/provided by the Company to its manager in accordance with the provisions of section 197 read with Schedule V to the Act. The Company has not paid any remuneration to its directors during the year ended 31st March, 2020.

For SCV &Co. LLP  
**CHARTERED ACCOUNTANTS**  
FIRM REGISTRATION No. 000235N/N500089

Place : New Delhi  
Date : 19th May, 2020

(RAJIV PURI)  
PARTNER  
MEMBERSHIP No. 084318  
ICAI UDIN: 20084318AAAAAZ9639

## Annexure “A” to the Independent Auditors’ Report

Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our Report of even date.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets verification has been conducted by the management during the year. All the fixed assets of the Company have not been physically verified by the management during the year but there is a regular phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification.
- (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.
- ii. Physical verification of inventory has been conducted by the management at reasonable intervals during the year. The discrepancies noticed on verification between the physical stocks and book records, which in our opinion were not material, have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investment made by it. The Company has not given any loans, given guarantees or security during the year which are covered under provisions of section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations provided by the management, we are of the opinion that the company has not accepted any deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Accordingly, the paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the paragraph 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding, as on 31st March, 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, there are no dues of sales tax or goods and service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

According to the information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount involved (₹ in lakhs)*</b>	<b>Amount unpaid (₹ in lakhs)</b>	<b>Period to which amount relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act, 1961	Income demand Tax	1565.15	1565.15	2014-2015	Commissioner of Income Tax (Appeals),
Income Tax Act, 1961	Income Tax demand	27.22	27.22	2016-2017	Commissioner of Income Tax (Appeals),
The Finance Act, 1994 (Service Tax)	Service Tax on Lease of Medical Equipment's	34.58	33.29	2012-2013 to 2014-2015	Commissioner of Appeals (Service Tax)
The Finance Act, 1994 (Service Tax)	Service Tax on Lease of Medical Equipment's	3.72	3.47	2015-2016	Commissioner of Appeals (Service Tax)

\* Includes interest and penalty wherever mentioned in order

- viii. Based on our audit procedures and on the information and explanations given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year nor it has raised money by way of term loans. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no fraud by the Company or any material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him

as referred to in section 192 of the Companies Act, 2013. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.

- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **SCV &Co. LLP**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 000235N/N500089

Place: New Delhi  
Date: 19th May, 2020

(**RAJIV PURI**)  
PARTNER  
MEMBERSHIP No. 084318  
ICAI UDIN: 20084318AAAAAZ9639

## **Annexure “B” To the Independent Auditor’s Report**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of the independent Auditor’s Report of even date to the members of PTL Enterprises Limited on the Ind AS Financial Statements for the year ended 31st March, 2020)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of PTL ENTERPRISES LIMITED (“the Company”) as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to these Ind AS financial statements.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SCV & Co. LLP**  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 000235N/N500089

(**RAJIV PURI**)  
PARTNER  
MEMBERSHIP No. 084318  
ICAI UDIN: 20084318AAAAAZ9639

Place: New Delhi  
Date: 19th May, 2020

**BALANCE SHEET AS AT MARCH 31, 2020**

₹ Lakhs

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>A. Assets</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment	B1	60,014.09	59,357.59
(b) Capital work-in-progress		418.65	298.86
(c) Financial assets			
i. Investments	B2	2,727.50	7,651.57
ii. Loans	B3	122.48	121.49
(d) Non-current tax assets (net)	B4	883.24	1,329.47
(e) Other non-current assets	B5	156.51	112.25
<b>Total non-current assets</b>		<b>64,322.47</b>	<b>68,871.23</b>
<b>2. Current assets</b>			
(a) Inventories	B6	-	-
(b) Financial assets			
i. Cash and cash equivalents	B7	28.10	67.19
ii. Bank balances other than (i) above	B8	411.41	93.46
iii. Loans	B9	27.82	37.06
iv. Other financial assets	B10	0.14	-
(c) Other current assets	B11	39.46	1.75
<b>Total current assets</b>		<b>506.93</b>	<b>199.46</b>
<b>Total assets (1+2)</b>		<b>64,829.40</b>	<b>69,070.69</b>
<b>B. Equity and liabilities</b>			
<b>1. Equity</b>			
(a) Equity share capital	B12	1,323.77	1,323.77
(b) Other equity	B13	43,387.99	47,465.40
<b>Total equity</b>		<b>44,711.76</b>	<b>48,789.17</b>
<b>Liabilities</b>			
<b>2. Non-current liabilities</b>			
(a) Financial liabilities			
i. Other financial liabilities	B14	2,472.98	2,251.59
(b) Provisions	B15	1,265.69	898.92
(c) Deferred tax liabilities (net)	C2	11,549.81	12,219.29
(d) Other non-current liabilities	B16	2,901.11	3,223.26
<b>Total non-current liabilities</b>		<b>18,189.59</b>	<b>18,593.06</b>
<b>3. Current liabilities</b>			
(a) Financial liabilities			
i. Trade payables			
- total outstanding dues of micro enterprises and small enterprises: and		-	-
- total outstanding dues of creditors other than micro enterprises and			
small enterprises	B17	20.34	24.81
ii. Other financial liabilities	B18	871.42	675.72
(b) Other current liabilities	B19	1,005.34	962.38
(c) Provisions	B20	30.95	25.55
<b>Total current liabilities</b>		<b>1,928.05</b>	<b>1,688.46</b>
<b>Total liabilities (2+3)</b>		<b>20,117.64</b>	<b>20,281.52</b>
<b>Total equity and liabilities (1+2+3)</b>		<b>64,829.40</b>	<b>69,070.69</b>

See accompanying notes forming part of the financial statements

As per our attached Report of even date

**For SCV & Co. LLP**

Chartered Accountants

Firm Regn No. 000235N/N500089

**Rajiv Puri**

Partner

Membership no : 084318

**Onkar S. Kanwar**

Chairman

DIN No.00058921

**Harish Bahadur**

Director

DIN No.00032919

**U.S. Anand**

Director

DIN No.02055913

For and on behalf of the Board of Directors

Place : New Delhi

Date : May 19, 2020

**Anil K. Sriwastawa**  
Chief Financial Officer**Pradeep Kumar**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020**

₹ Lakhs

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
<b>1. Revenue from operations</b>	B21	6,323.03	6,322.15
<b>2. Other income</b>	B22	356.20	291.18
<b>3. Total income (1 + 2)</b>		6,679.23	6,613.33
<b>4. Expenses</b>			
(a) Employee benefits expense	B23	213.93	237.37
(b) Finance costs	B24	211.89	191.74
(c) Depreciation and amortization expense	B1	124.83	121.34
(d) Other expenses	B25	328.03	236.43
<b>Total expenses</b>		<b>878.68</b>	<b>786.88</b>
<b>5. Profit before tax (3 - 4)</b>		<b>5,800.55</b>	<b>5,826.45</b>
<b>6. Tax expense</b>			
- Current tax		1,440.04	1,695.75
- Deferred tax		(33.06)	145.36
<b>Total tax expenses</b>	<b>C2</b>	<b>1406.98</b>	<b>1841.11</b>
<b>7. Profit for the year (5 - 6)</b>		<b>4,393.57</b>	<b>3,985.34</b>
<b>8. Other comprehensive income (OCI)</b>			
<b>(i) Items that will not be reclassified to profit or loss</b>			
(a) Gain / (Loss) on remeasurement of defined benefit plan		(193.66)	(143.90)
(b) Gain / (Loss) on changes in fair value of investment in equity instruments carried at fair value through OCI		(4,924.07)	(825.82)
(c) Deferred tax adjustment on revaluation		30.18	26.83
<b>(ii) Income tax relating to items (a &amp; b) that will not be reclassified to profit or loss</b>		606.25	138.09
<b>Other comprehensive income for the year</b>		<b>(4,481.30)</b>	<b>(804.80)</b>
<b>9. Total comprehensive income for the year (7 + 8)</b>		<b>(87.73)</b>	<b>3,180.54</b>
<b>10. Earnings per equity share (face value of ₹ 2/- each)</b>	<b>C17</b>		
- Basic		6.64	6.02
- Diluted		6.64	6.02

See accompanying notes forming part of the financial statements

As per our attached Report of even date

**For SCV & Co. LLP**

Chartered Accountants  
Firm Regn No. 000235N/N500089

For and on behalf of the Board of Directors

**Rajiv Puri**  
Partner  
Membership no : 084318

**Onkar S. Kanwar**  
Chairman  
DIN No.00058921

**Harish Bahadur**  
Director  
DIN No.00032919

**U.S. Anand**  
Director  
DIN No.02055913

Place : New Delhi  
Date : May 19, 2020

**Anil K. Sriwastawa**  
Chief Financial Officer

**Pradeep Kumar**  
Company Secretary



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

## i) Equity Share Capital

Particulars	₹ Lakhs
Balance as on March 31, 2018	1,323.77
Changes in equity share capital during the year	-
Balance as on March 31, 2019	1,323.77
Changes in equity share capital during the year	-
Balance as on March 31, 2020	1,323.77

## ii) Other Equity

Particulars	Reserves and surplus					Items of other comprehensive income		Grand Total
	Capital reserve	Capital redemption reserve	Revaluation reserve	General reserve	Retained earnings	Total	Equity instrument through other comprehensive income	
<b>Balance as at March 31, 2018</b>	<b>0.10</b>	<b>49.97</b>	<b>29,465.36</b>	<b>1,700.00</b>	<b>14,402.72</b>	<b>45,618.15</b>	<b>262.58</b>	<b>45,880.73</b>
Profit for the year	-	-	-	-	3,985.34	3,985.34	-	3,985.34
Other comprehensive income (OCI) for the year	-	-	-	-	-	-	(825.82)	(825.82)
Income tax on OCI items	-	-	-	-	-	-	96.19	96.19
Remeasurement of defined benefit plans	-	-	-	-	(143.90)	(143.90)	-	(143.90)
Income tax on remeasurement of defined benefit plans	-	-	-	-	41.90	41.90	-	41.90
Final Dividend paid	-	-	-	-	(1,323.77)	(1,323.77)	-	(1,323.77)
Dividend tax paid	-	-	-	-	(272.10)	(272.10)	-	(272.10)
Deferred tax adjustment on revaluation	-	-	26.83	-	-	26.83	-	26.83
Transfer / adjustment	-	-	(26.83)	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>0.10</b>	<b>49.97</b>	<b>29,465.36</b>	<b>1,700.00</b>	<b>16,717.02</b>	<b>47,932.45</b>	<b>(467.05)</b>	<b>47,465.40</b>
Profit for the year	-	-	-	-	4,393.57	4,393.57	-	4,393.57
Other comprehensive income (OCI) for the year	-	-	-	-	-	-	(4,924.07)	(4,924.07)
Income tax on OCI items	-	-	-	-	-	-	573.56	573.56
Remeasurement of defined benefit plans	-	-	-	-	(193.66)	(193.66)	-	(193.66)
Income tax on remeasurement of defined benefit plans	-	-	-	-	32.69	32.69	-	32.69
Final Dividend paid	-	-	-	-	(1,654.71)	(1,654.71)	-	(1,654.71)
Interim Dividend paid	-	-	-	-	(1,654.71)	(1,654.71)	-	(1,654.71)
Dividend tax paid	-	-	-	-	(680.26)	(680.26)	-	(680.26)
Deferred tax adjustment on revaluation	-	-	30.18	-	-	30.18	-	30.18
Transfer / adjustment	-	-	(26.83)	-	26.83	-	-	-
<b>Balance as at March 31, 2020</b>	<b>0.10</b>	<b>49.97</b>	<b>29,468.71</b>	<b>1,700.00</b>	<b>16,986.77</b>	<b>48,205.55</b>	<b>(4,817.56)</b>	<b>43,387.99</b>

As per our attached Report of even date

For SCV &amp; Co. LLP

Chartered Accountants

Firm Regn No. 000235N/N500089

Rajiv Puri

Partner

Membership no : 084318

Onkar S. Kanwar

Chairman

DIN No.00058921

Harish Bahadur

Director

DIN No.00032919

U.S. Anand

Director

DIN No.02055913

Place : New Delhi

Date : May 19, 2020

Anil K. Srivastawa

Chief Financial Officer

Pradeep Kumar

Company Secretary

For and on behalf of the Board of Directors

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

₹ Lakhs

		Year ended March 31, 2020		Year ended March 31, 2019	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
(i)	Net profit before tax		5,800.55		5,826.45
	Adjustments for:				
	Depreciation and amortization expense	124.83		121.34	
	Net gain on disposal of property, plant and equipment	(62.63)		(21.36)	
	Interest income	(78.07)		(150.50)	
	Dividend income	(214.69)		(46.50)	
	Income on account of financial liabilities measured at amortised cost	(323.03)		(322.15)	
	Finance charges	211.89		191.74	
	Liabilities /provisions no longer required written back	(0.30)	(342.00)	(72.82)	(300.25)
(ii)	Operating profit before working capital changes		5,458.55		5,526.20
	Adjustments for changes in working capital:				
	Loans and other financial assets	8.25		(2.10)	
	Other assets	(37.71)		(0.31)	
	Other financial liabilities	(30.79)		141.95	
	Trade payable	(4.47)		0.92	
	Other non-current liabilities	0.88		(0.89)	
	Other current liabilities	43.26		184.65	
	Provisions	178.51	157.93	121.95	446.17
(iii)	Cash generated from operations		5,616.48		5,972.37
	Direct taxes paid (net of refund)		(993.81)		(1,740.06)
	Net cash from operating activities		4,622.67		4,232.31
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Purchase of property, plant & equipment	(823.28)		(373.45)	
	Sale of property, plant & equipment	62.63		51.65	
	Investment made in equity shares	-		(4,183.00)	
	Interest received	77.93		150.50	
	Investment in Fixed term deposits with banks	(200.00)		-	
	Dividend received	214.69		46.50	
	Net cash used in investing activities		(668.03)		(4,307.80)
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	Payment of final dividend	(1,654.71)		(1,323.77)	
	Payment of Interim dividend	(1,654.71)		-	
	Payment of dividend distribution tax	(680.26)		(272.10)	
	Payment of lease liabilities	(4.05)		-	
	Net cash used in financing activities		(3,993.73)		(1,595.87)
	Net (decrease) / increase in cash & cash equivalents (A+B+C)		(39.09)		(1,671.36)
	Cash & cash equivalents as at the beginning of the year		67.19		1,738.55
	Cash & cash equivalents as at the end of the year		28.10		67.19
	Balances with banks				
	On current accounts		28.10		67.19
			28.10		67.19

As per our attached Report of even date

For SCV & Co. LLP

Chartered Accountants

Firm Regn No. 000235N/N500089

For and on behalf of the Board of Directors

Rajiv Puri

Partner

Membership no : 084318

Onkar S. Kanwar

Chairman

DIN No.00058921

Harish Bahadur

Director

DIN No.00032919

U.S. Anand

Director

DIN No.02055913

Place : New Delhi

Date : May 19, 2020

Anil K. Sriwastawa

Chief Financial Officer

Pradeep Kumar

Company Secretary

## **SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENT**

### **1 General information:**

PTL Enterprises Ltd., (formerly known as Premier Tyres Ltd.) ("PTL") was incorporated as a public limited company in the year 1959. The company registered office is situated at 3rd floor, Areekal Mansion, Near Manorama Junction, Panampilly Nagar, Kochi- 682036. The tyres manufacturing facility of PTL at Kalamassery, Kerala, is leased out to Apollo Tyres Limited on long term basis. All production is done by Apollo Tyres Limited. The company is listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

### **2 Significant accounting policies:**

#### **2.1 Basis of preparation and statement of compliance:**

The financial statements have been prepared to comply in all material respects with the Notified accounting standard under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis except for certain financial instruments which are measured as fair values at the end of each reporting period as explained in the accounting policies below.

The accounting policies have been consistently applied by the company except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements were authorised for issue by the company's Board of Directors on 19th May, 2020.

#### **2.2 Use of estimates and judgements:**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the

date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

## **2.3 Property plant and equipments (PPE):**

Property, plant and equipments are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of PPE which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Capital Work in Progress". Leasehold land is amortized over the period of lease proportionately.

### **Transition to Ind AS**

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

## **2.4 Intangible assets:**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Intangible assets are stated at original cost less accumulated amortisation and impairment losses, if any

The intangible assets are amortized over their respective individual estimated useful life on a straight line basis, commencing from the date the asset is available to the company for its use. The amortization period is reviewed at the end of each financial year and the amortization method is revised to reflect the changed pattern.

## **2.5 Depreciation:**

Depreciation on PPE is provided on the straight-line basis at the rates specified in Schedule II of the Companies Act, 2013.

## **2.6 Borrowing costs:**

Borrowing Costs are capitalized as a part of qualifying asset when it results in future economic benefits. Other borrowing costs are expensed.

## **2.7 Financial Instruments:**

### **(i) Initial recognition:**

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**(ii) Subsequent measurement:****a) Financial assets carried at amortized cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets carried at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

**c) Financial assets carried at fair value through profit or loss:**

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

**d) Financial liabilities:**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

**e) Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognized at the proceeds received, net of direct issue costs.

**(iii) Derecognition of financial instruments:**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(iv) Fair value of financial instruments:**

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine fair value include available quoted market prices and discounted cash flow analysis. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amounts approximates fair value due to the short maturity of these instruments.

**2.8 Classification of financial assets:**

Classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

**The company classifies its financial assets in the following measurement categories:**

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**A financial asset that meets the following two conditions is measured at amortised cost unless the asset is designated at fair value through profit or loss under the fair value option :**

- Business model test : the objective of the company's business model is to hold the financial asset to collect the contractual cash flows :
- Cash flow characteristic test : the contractual term of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option:**

- Business model test : the financial asset is held within a business model whose objective is achieved by both collecting cash flows and selling financial assets.
- Cash flow characteristic test : the contractual term of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit or loss.

**2.9 Investments in equity instrument at fair value through other comprehensive income (FVTOCI):**

On initial recognition, the company can make an irrevocable election (on an instrument by instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investment in equity instruments. This election is not permitted if the equity instrument is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains / losses arising from changes in fair value recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of the investments.

The company has equity investments in certain entities which are not held for trading. The company has elected the fair value through other comprehensive income irrevocable option for such investments. Dividend on these investments are recognised in statement of profit and loss.

**2.10 Inventories:**

Inventories are valued at lower of cost and net realizable value.

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

**2.11 Revenue recognition:**

The company recognises revenue when the company satisfies a performance obligation by transferring a promised service (i.e., an asset) to a customer. An asset is transferred when the customer obtains control of that asset and it is probable that the company will collect the consideration to which it will be entitled in exchange for the services that will be transferred to the customer.

Revenue is measured at the transaction price. The transaction price is the amount of consideration, taking into account contractually defined terms of payment and its customary business practice, to which company expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties i.e excluding taxes or duties collected on behalf of the government.

**Other income:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably).

**2.12 Employee benefits:****(i) Short term employee benefits:**

All employee benefits due wholly within twelve months of rendering of services are classified as short term employee benefits. Benefits like salaries, wages, leave salary, contribution to provident fund/ employee state insurance contributions etc. paid or payable during the reporting period and the expected bonus expense are recognised as an expense on an undiscounted basis in the period in which the employee renders the related service.

**(ii) Long term employee benefits:**

Liability for long term compensated absences is determined on the basis of actuarial valuation as on the balance sheet date.

**(iii) Post-employment benefits:****a) Defined contribution plan:**

The state governed provident fund scheme, employees' state insurance scheme and employees pension scheme are defined contribution plans. The company has no obligation, other than the contribution payable to the provident fund scheme, employees' state insurance scheme and employees pension scheme. The contribution paid /payable under the schemes is recognised as an expense during the period in which employee renders the related service.

**b) Defined benefit plan:**

The company's gratuity is defined benefit retirement plan. The company 's liability towards gratuity is determined using the projected unit credit method which recognises each period of service as giving rise to additional unit of employee benefit entitlement.

The liability is provided based on actuarial valuation certified by consulting actuary. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) relating to retirement benefit plans are recognised in other comprehensive income which are not reclassified to statement of profit and loss in subsequent periods.

**2.13 Taxes on income:**

The accounting treatment followed for taxes on income is to provide for current income tax and deferred income tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items



recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior period is the aggregate amount of income tax determined as payable in respect of taxable income for the period, using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred income tax asset and liability are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred tax are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future. The company offsets current tax asset and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **2.14 Expenditure on new projects:**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss. Income earned during construction period is deducted from the total of the indirect expenditure.

#### **2.15 Provisions:**

- i) Provision is recognised (for liabilities that can be measured by using a substantial degree of estimation) when:**
  - a) the company has a present obligation as a result of a past events.
  - b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
  - c) the amount of the obligation can be reliably estimated.
- ii) Contingent liability is disclosed in case there is;**
  - a) possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the company: or
  - b) a present obligation arising from past events but is not recognised because:
    - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation: or
    - (ii) a reliable estimate of the amount of the obligation cannot be made.



**2.16 Reimbursement of expenses:**

The manufacturing and operating expenses of the company reimbursed by M/s Apollo Tyres Ltd. in terms of operating lease are deducted from the total expenses and only net expenses are taken to statement of profit and loss.

**2.17 Impairment:****(i) Financial assets:**

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing components is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the statement of profit and loss.

**(ii) Non-financial assets:****Intangible assets and property, plant and equipment:**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment loss to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior year.

**2.18 Earning per share (EPS):**

Basic EPS are computed by dividing the net profit or loss for the period attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the period. Diluted earning per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**2.19 Leases:****As a lessee**

The Company has lease contracts for Office premises. The Company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an

identified asset, (2) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease.

For short-term leases and low value leases, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease. The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

For leases under which the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are re measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

In the statement of financial position, lease liability is included under other financial liability and ROU assets is included in property, plant and equipment's and the payment of principal portion of lease liabilities has been classified as financing cash flows.

### **Transition**

Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company, otherwise it was classified as an operating lease.

Assets acquired under finance lease are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under an operating lease are recognised as an expense in the statement of profit and loss on straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the users' benefits or the payments to the lessor are structured to increase in line with expected general inflation.

Effective 1 April 2019, the Company has adopted Ind AS 116, "Leases" ("IND AS 116"). As a result, the Company has changed its accounting policy for accounting of leasing arrangements, which has been detailed below.

The Company applied the "Modified Retrospective Approach" on the date of initial application (1 April 2019). Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The most significant effects of this new standard on the Company relate to the recognition of new right-of-use ("ROU") assets and lease liabilities on its financial position for various operating leases.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 10.50%.

**(i) Practical expedients applied**

In applying Ind AS 116 for the first time, the Company has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2019 as short-term leases
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, Determining whether an Arrangement contains a Lease.

**(ii) Adjustments recognised in the balance sheet on 1 April 2019**

The change in accounting policy affected the following items in the balance sheet on 1 April 2019: Right-of-use assets –

increase by ₹14.97 Lakhs

Lease liabilities – increase by ₹14.97 Lakhs

The net impact on retained earnings on 1 April 2019 was Nil

**As a Lessor:** Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases either operating or finance lease using similar principles in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

Leases under which the lessor assumes substantially all the risks and rewards of ownership are classified as finance leases. Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease.

Amount due from lessees under finance lease are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Rental income from operating leases is recognized on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern of the users' benefits or the payments to the lessor are structured to increase in line with expected general inflation."

**2.20 Cash and cash equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

## B1 Property, Plant and Equipment as at March 31, 2020

₹ Lakhs

Description of assets	Gross Block			Accumulated Depreciation		Net Block	
	As at March 31, 2019	Additions	Disposals	As at March 31, 2020	Eliminated on disposal of assets	As at March 31, 2020	As at March 31, 2019
Freehold land	56,848.99	-	-	-	-	56,848.99	56,848.99
Buildings & roads	2,761.95	766.36	-	285.99	114.29	3,128.03	2,475.96
Plant and equipments *	10.82	-	-	4.01	1.86	4.95	6.81
Electrical installations	0.13	-	-	0.10	0.03	0.13	0.03
Computers	2.47	-	-	1.92	0.55	2.47	0.55
Furniture and fixtures	1.52	-	-	0.73	0.17	0.90	0.79
Vehicles	36.34	-	-	11.88	4.92	19.54	24.46
Right of use asset	-	14.97	-	-	3.01	11.96	-
<b>Total</b>	<b>59,662.22</b>	<b>781.33</b>	<b>-</b>	<b>304.63</b>	<b>124.83</b>	<b>60,014.09</b>	<b>59,357.59</b>

\* During the year, the Company has disposed off certain plant & equipments item which were carrying at Nil value on adoption of deemed cost option on transition to IND AS. The entire sale proceeds of ₹ 62.63 Lakhs has been recognised as other income in the statement of profit and loss.

## Property, Plant and Equipment as on March 31, 2019

₹ Lakhs

Description of assets	Gross Block			Accumulated Depreciation		Net Block	
	As at March 31, 2018	Additions	Disposals	As at March 31, 2019	Eliminated on disposal of assets	As at March 31, 2019	As at March 31, 2018
Freehold land	56,848.99	-	-	-	-	56,848.99	56,848.99
Buildings & roads	2,730.65	31.30	-	178.16	107.83	2,475.96	2,552.49
Plant and equipments	10.96	-	0.14	2.74	1.37	6.81	8.22
Electrical installations	0.13	-	-	0.07	0.03	0.10	0.06
Computers	3.23	-	0.76	1.56	1.12	0.55	1.67
Furniture and fixtures	2.25	-	0.73	0.78	0.32	0.79	1.47
Vehicles	76.44	-	40.10	11.42	10.67	24.46	65.02
<b>Total</b>	<b>59,672.65</b>	<b>31.30</b>	<b>41.73</b>	<b>194.73</b>	<b>121.34</b>	<b>59,357.59</b>	<b>59,477.92</b>

## Financial Assets (Non-Current)

## B2 Investments

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Non-Current</b>		
<b>Investment carried at fair value through other comprehensive income (fully paid)</b>		
<b>Investment in equity instruments - quoted</b>		
34,35,000 (34,35,000) equity shares of ₹1/- each (fully paid up) in Apollo Tyres Limited	2,727.39	7,651.46
<b>Others</b>		
<b>Investment in shares - unquoted</b>		
1 (1) share of ₹ 10,000/- each in The Cochin Co-operative Hospitals Society Ltd	0.10	0.10
10 (10) shares of ₹100/- each in The Premier Tyres Employees' Multi-Purpose Co-operative Society Ltd	0.01	0.01
	<b>2,727.50</b>	<b>7,651.57</b>
Aggregate value of quoted investments	2,727.39	7,651.46
Market value of quoted investments	2,727.39	7,651.46
Aggregate value of unquoted investments	0.11	0.11
<b>Note:</b>		
Cost of quoted investments is	8,180.10	8,180.10

## B3 Loans

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Security deposits	121.84	120.85
Claim receivable	0.64	0.64
	<b>122.48</b>	<b>121.49</b>

## Non-Financial Assets (Non-Current)

## B4 Non-Current Tax Assets (Net)

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax*	883.24	1,329.47
(Net of provision for tax of ₹15,364.34 Lakhs (₹ 13,924.29 Lakhs))	883.24	1,329.47

\*including TDS and Advance Tax

**B5 Other Non-Current Assets**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Capital advances	156.51	112.25
	<b>156.51</b>	<b>112.25</b>

**B6 Inventories**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
(valued at lower of cost and net realisable value)		
Stores and spares	5.52	5.52
Less: Provision for obsolete stores and spares	(5.52)	(5.52)
	-	-

**Financial Assets (Current)**

**B7 Cash and Cash Equivalents**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- On current accounts	28.10	67.19
	<b>28.10</b>	<b>67.19</b>

**B8 Other Bank Balances**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Balances with banks</b>		
- On unclaimed dividend accounts	211.41	93.46
Deposits with original maturity exceeding 3 months but less than 12 months	200.00	-
	<b>411.41</b>	<b>93.46</b>

**B9 Loans**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(Unsecured, considered good)</b>		
Advances to employees	27.82	31.61
Advances recoverable - others	5.45	5.45
Provision for doubtful advances recoverable - others	(5.45)	-
	<b>27.82</b>	<b>37.06</b>

**B10 Other Financial Assets (Current)**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Interest accrued on deposits	0.14	-
	<b>0.14</b>	<b>-</b>

**Non-Financial Assets (Current)****B11 Other Current Assets**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	39.46	1.75
	<b>39.46</b>	<b>1.75</b>

**B12 Equity Share Capital**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised</b>		
<b>10,00,00,000 Nos.</b> (10,00,00,000 Nos.) equity shares of ₹ 2/- each	2,000.00	2,000.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, subscribed &amp; fully paid up</b>		
<b>6,61,88,500 Nos.</b> (6,61,88,500 Nos.) equity shares of ₹ 2/- each	1,323.77	1,323.77
	<b>1,323.77</b>	<b>1,323.77</b>

**a. Reconciliation of the equity shares at the beginning and at the end of the year**

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
Shares outstanding at the beginning of the year	6,61,88,500	1,323.77	6,61,88,500	1,323.77
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>6,61,88,500</b>	<b>1,323.77</b>	<b>6,61,88,500</b>	<b>1,323.77</b>

**b. Shares held by the Holding / Ultimate Holding Company and / or their subsidiaries & associates:**

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	₹ Lakhs	No. of Shares	₹ Lakhs
Sunrays Properties & Investment Co. Pvt Ltd (Holding Company)	4,62,12,899	924.26	4,62,12,899	924.26

**c. Details of Shareholders holding more than 5% of the Paid up Share Capital of the Company:**

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% age	No. of Shares	% age
Sunrays Properties & Investment Co. Pvt Ltd (Holding Company)	4,62,12,899	69.82%	4,62,12,899	69.82%
Governor of Kerala	33,74,800	5.10%	33,74,800	5.10%

**d. Terms / rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity shares is entitled to one vote per share, where voting is held by electronic voting / ballot paper. In case of Poll, each holder of equity share is entitled to number of votes against number of shares held.

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 in proportion to the number of equity shares held by the equity share holder.



**B13 Other Equity**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
General reserve	1,700.00	1,700.00
Capital reserve	0.10	0.10
Capital redemption reserve	49.97	49.97
Other reserves	1,750.07	1,750.07
Revaluation reserve	29,468.71	29,465.36
Retained earnings (including remeasurement of defined benefit plans)	16,986.77	16,717.02
Equity instrument through other comprehensive income	(4,817.56)	(467.05)
<b>Total Other Equity</b>	<b>43,387.99</b>	<b>47,465.40</b>

**i) General reserve**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	1,700.00	1,700.00
Addition during the year	-	-
<b>Closing balance</b>	<b>1,700.00</b>	<b>1,700.00</b>

**ii) Capital reserve**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	0.10	0.10
Addition during the year	-	-
<b>Closing balance</b>	<b>0.10</b>	<b>0.10</b>

**iii) Capital redemption reserve**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	49.97	49.97
Addition during the year	-	-
<b>Closing balance</b>	<b>49.97</b>	<b>49.97</b>

iv) Revaluation reserve

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	29,465.36	29,465.36
Deferred tax adjustment on revaluation	30.18	26.83
Transfer to retained earning	(26.83)	(26.83)
<b>Closing balance</b>	<b>29,468.71</b>	<b>29,465.36</b>

v) Retained earnings (including remeasurement of defined benefit plans)

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	16,717.02	14,402.72
Profit for the year	4,393.57	3,985.34
Items of OCI recognised directly in retained earnings		
- Remeasurement of defined benefit plans, net of tax	(160.97)	(102.00)
Final Dividend paid - ₹ 2.50 per share (₹ 2 per share)	(1,654.71)	(1,323.77)
Interim Dividend paid - ₹ 2.50 per share (NIL)	(1,654.71)	-
Dividend tax paid	(680.26)	(272.10)
Transfer from revaluation reserve	26.83	26.83
<b>Closing balance</b>	<b>16,986.77</b>	<b>16,717.02</b>

vi) Equity instrument through other comprehensive income

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance	(467.05)	262.58
Movement during the year (net of tax)	(4,350.51)	(729.63)
<b>Closing balance</b>	<b>(4,817.56)</b>	<b>(467.05)</b>

**Description of nature and purpose of each reserve:**

**General reserve**

General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purpose. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

**Capital reserve**

The same has been created in accordance with provisions of the Act.

**Capital redemption reserve**

The same has been created in accordance with provisions of the Act.

**Revaluation reserve**

Revaluation reserve represents freehold land and building revalued during the year ended March 31, 2016 as per independent valuer report.

**Retained earnings**

Retained earnings represents the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions to shareholders etc.

**Reserve for equity instruments through other comprehensive income**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amount reclassified to retained earnings when those assets have been disposed of.

**Financial Liabilities (Non-Current)****B14 Other Financial Liabilities**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits received	2,463.47	2,251.59
Lease liability	9.51	-
	<b>2,472.98</b>	<b>2,251.59</b>

**Non-Financial Liabilities (Non-Current)****B15 Provisions**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provisions for employee benefits</b>		
Provision for gratuity (refer note C1)	1,144.69	816.67
Provision for leave encashment (refer note C1)	121.00	82.25
	<b>1,265.69</b>	<b>898.92</b>

**B16 Other Non-Current Liabilities**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred income arising out of financial liabilities measured at amortised cost	2,901.11	3,223.26
	<b>2,901.11</b>	<b>3,223.26</b>

**Financial Liabilities (Current)****B17 Trade Payables**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises and Small Enterprises (refer note C10)	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	20.34	24.81
	<b>20.34</b>	<b>24.81</b>

## B18 Other Financial Liabilities

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed dividends*	211.41	93.46
Payable to employees	177.94	160.77
Accounts payable - capital vendors	176.09	68.96
Lease liability	2.89	-
<b>Outstanding liabilities</b>		
- Employee related payables	81.64	91.43
- Others	221.45	261.10
	<b>871.42</b>	<b>675.72</b>

\*Included ₹2.22 Lakhs (₹2.19 Lakhs) relating to unpaid dividend not transferred to Investor Education and Protection Fund under Section 124 of the Companies Act, 2013 due to pending transmission of shares cases.

## Non-Financial Liabilities (Current)

### B19 Other Current Liabilities

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Trade advances received from related party	509.44	425.13
Amount payable to statutory authorities	173.75	214.22
Deferred income arising out of financial liabilities measured at amortised cost	322.15	323.03
	<b>1,005.34</b>	<b>962.38</b>

### B20 Provisions

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provisions for employee benefits</b>		
Provision for gratuity (refer note C1)	22.81	19.18
Provision for leave encashment (refer note C1)	8.14	6.37
	<b>30.95</b>	<b>25.55</b>

### B21 Revenue from Operations

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Income from lease/services	6,000.00	6,000.00
Income on account of financial liabilities measured at amortised cost	323.03	322.15
	<b>6,323.03</b>	<b>6,322.15</b>

**B22 Other Income**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income on bank deposits	71.40	143.93
Interest income others	6.67	6.57
Dividend income from non current equity investments	214.69	46.50
Liabilities /provisions no longer required written back	0.30	72.82
Net gain on disposal of property, plant and equipment	62.63	21.36
Miscellaneous income	0.51	-
	<b>356.20</b>	<b>291.18</b>

**B23 Employee Benefit Expenses**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries, wages and bonus	4,924.11	5,415.51
Contribution to provident and other funds	471.08	406.96
Staff welfare	21.57	19.95
Less: Reimbursement of expenses from Apollo Tyres Ltd.	<b>5,416.76</b>	<b>5,842.42</b>
	5,202.83	5,605.05
	<b>213.93</b>	<b>237.37</b>

**B24 Finance Costs**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Finance charge on financial liabilities measured at amortised cost	210.41	191.74
Finance charge on amortisation of lease liability	1.48	-
	<b>211.89</b>	<b>191.74</b>

**B25 Other Expenses**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Power & fuel	1,251.28	1,312.81
Rent	-	3.90
Insurance	24.64	5.36
Rates and taxes	13.01	7.37
Directors' sitting fees	22.60	15.50
Travelling, conveyance and vehicle	6.75	7.62
Printing, stationery & communication	2.62	1.89
Advertisement & publicity	7.54	12.21
Corporate social responsibility (refer note C14)	110.94	96.91
Legal & professional	120.37	63.38
Bank charges	0.10	0.12
Support service fee of computer & other facilities	8.47	8.47
Repair and maintenance	1.28	1.30
Statutory auditors remuneration (refer note C11)	4.00	4.35
Miscellaneous	7.90	9.46
	1,581.50	1,550.65
Less: Reimbursement of expenses from Apollo Tyres Ltd.	1,253.47	1,314.22
	<b>328.03</b>	<b>236.43</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENT

## C. OTHER NOTES

## C1 Employee benefit liability

## A. Defined contribution plans

Contributions are made to the Company's employees provident fund trust/regional provident fund, employee state insurance, labour welfare fund and employee deposit linked insurance in accordance with the respective fund rules. The interest rate payable to the beneficiaries every year is being notified by the government.

The amount of contribution made by the Company to employees provident fund trust/regional provident fund is ₹457.19 Lakhs (₹ 381.89 Lakhs) and other funds is ₹13.89 Lakhs (₹ 25.07 Lakhs).

## B. Defined benefit plans

## a. Post employment benefit plans

## Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service receives gratuity on leaving the Company as per the Payment of Gratuity Act, 1972.

The following table summaries the components of net benefit expense recognized in the profit and loss account and balance sheet. (Net of reimbursement from Apollo Tyres Ltd.)

## Changes in the present value of defined benefit obligation

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of obligation as at the beginning of the year	2,884.22	2,316.57
Current service cost	157.45	134.94
Interest cost	220.64	178.37
Actuarial (gain) / loss pertaining to Apollo Tyres Ltd.	202.27	365.07
Actuarial (gain) / loss pertaining to PTL	193.66	143.90
Benefits paid	(289.51)	(254.63)
<b>Present value of obligation as at the end of the year</b>	<b>3,368.73</b>	<b>2,884.22</b>

## Changes in the fair value of plan assets

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets as at the beginning of the year	2,048.37	1,725.97
Expected return on plan assets	156.71	132.90
Employer contribution / Cost pertain for service cost	83.39	79.06
Employer contribution / Cost pertain for actuarial (gain) / loss	202.27	365.07
Benefits paid	(289.51)	(254.63)
<b>Fair value of plan assets as at the end of the year</b>	<b>2,201.23</b>	<b>2,048.37</b>

## Net asset / (liability) recognised in the balance sheet

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets as at the end of the year (a)	2,201.23	2,048.37
Present value of obligation as at the end of the year (b)	3,368.73	2,884.22
<b>Net asset / (liability) recognized in the balance sheet (a - b)</b>	<b>(1,167.50)</b>	<b>(835.85)</b>

**Net expense recognised in the statement of profit and loss**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	157.45	134.94
Interest cost (net)	63.93	45.47
<b>Expense recognised in the statement of profit and loss</b>	<b>221.38</b>	<b>180.41</b>
Cost pertain to Apollo Tyres Ltd.	(83.39)	(79.06)
<b>Net expense recognized in the statement of profit and loss</b>	<b>137.99</b>	<b>101.35</b>

**Other comprehensive income**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Actuarial (gain) / loss recognised in other comprehensive income	193.66	143.90

**Principal assumptions**

Particulars	As at March 31, 2020	As at March 31, 2019
Discounting rate	6.88	7.65
Future salary increase *	6.00	6.00
Retirement age (years)	58	58
Mortality table	IALM (2012-14)	IALM (2006-08)
Ages (withdrawal rate%)		
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

\* The estimates of future salary increase takes into account inflation, seniority, promotion and other relevant factor

**Sensitivity analysis**

₹ Lakhs

Impact of change in	Discount rate	Salary increase
Present value of obligation as on March 31, 2020	3,368.73	3,368.73
Impact due to increase of 0.50%	(110.05)	117.61
Impact due to decrease of 0.50 %	117.18	(111.44)

**Sensitivity analysis**

₹ Lakhs

Impact of change in	Discount rate	Salary increase
Present value of obligation as on March 31, 2019	2,884.22	2,884.22
Impact due to increase of 0.50%	(90.02)	96.78
Impact due to decrease of 0.50 %	95.71	(91.80)



**b. Other long term employee benefits****Long term compensated absences**

The following table summaries the components of net benefit expense recognized in the statement of profit and loss and balance sheet (net of reimbursement from Apollo Tyres Ltd.)

**Changes in the present value of defined benefit obligation**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Present value of obligation as at the beginning of the year	237.28	194.49
Current service cost	16.43	13.64
Interest cost	18.15	14.97
Actuarial (gain) / loss pertaining to Apollo Tyres Ltd.	136.68	119.59
Actuarial (gain) / loss pertaining to PTL	23.99	7.88
Benefits paid	(138.61)	(113.29)
<b>Present value of obligation as at the end of the year</b>	<b>293.92</b>	<b>237.28</b>

**Changes in the fair value of plan assets**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets as at the beginning of the year	148.66	126.47
Expected return on plan assets	11.37	9.74
Employer contribution / cost pertain for service cost	6.68	6.15
Employer contribution / cost pertain for actuarial (gain) / loss	136.68	119.59
Benefits paid	(138.61)	(113.29)
<b>Fair value of plan assets as at the end of the year</b>	<b>164.78</b>	<b>148.66</b>

**Net asset / (liability) recognised in the balance sheet**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets as at the end of the year (a)	164.78	148.66
Present value of obligation as at the end of the year (b)	293.92	237.28
<b>Net asset / (liability) recognized in the balance sheet (a - b)</b>	<b>(129.14)</b>	<b>(88.62)</b>

**Net expense recognised in the statement of profit and loss**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current service cost	16.43	13.64
Interest cost (net)	6.78	5.23
Net actuarial (gain) / loss	23.99	7.88
<b>Expense recognised in the statement of profit and loss</b>	<b>47.20</b>	<b>26.75</b>
Cost pertain to Apollo Tyres Ltd.	(6.68)	(6.15)
<b>Net expense recognized in the statement of profit and loss</b>	<b>40.52</b>	<b>20.60</b>

**Principal assumptions**

Particulars	As at March 31, 2020	As at March 31, 2019
Discounting rate	6.88	7.65
Future salary increase*	6.00	6.00
Retirement age (years)	58	58
Mortality table	IALM (2012-14)	IALM (2006-08)
Ages (withdrawal rate%)		
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

\* The estimates of future salary increase takes into account inflation, seniority, promotion and other relevant factor.

**Sensitivity analysis**

₹ Lakhs

Impact of change in	Discount Rate	Salary Increase
Present value of obligation as on March 31, 2020	293.92	293.92
Impact due to increase of 0.50%	(11.43)	12.29
Impact due to decrease of 0.50 %	12.24	(11.57)

**Sensitivity analysis**

₹ Lakhs

Impact of change in	Discount Rate	Salary Increase
Present value of obligation as on March 31, 2019	237.28	237.28
Impact due to increase of 0.50%	(8.80)	9.51
Impact due to decrease of 0.50 %	9.41	(8.97)

**C2 Income taxes**
**i) Reconciliation between average effective tax rate and applicable tax rate**

Particulars	2019 - 20		2018 - 19	
	₹ Lakhs	Rate (%)	₹ Lakhs	Rate (%)
<b>Profit before tax</b>	<b>5,800.55</b>		<b>5,826.45</b>	
Income tax using the Company's domestic tax rate	1,459.88	25.17%	1,696.66	29.12%
Tax effect of				
Change in enacted tax rate	(33.41)	-0.58%	-	-
Non deductible expenses	34.55	0.60%	24.70	0.42%
Exempt income - dividend	(54.03)	-0.93%	(13.54)	-0.23%
Unabsorbed capital loss as per Income Tax Act, 1961	-	-	(151.89)	-2.61%
Others	-	-	285.18	4.89%
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>1,406.98</b>	<b>24.26%</b>	<b>1,841.11</b>	<b>31.60%</b>

**ii) Components of deferred tax liabilities (net)**
**Year ended March 31, 2020**
**₹ Lakhs**

Particulars	As at March 31, 2019	Recognised in statement of profit and loss	Recognized in/reclassified from OCI	As at March 31, 2020
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	12,646.48	(28.87)	(30.18)	12,587.43
Others	65.95	23.15	-	89.10
<b>Gross deferred tax liability (a)</b>	<b>12,712.43</b>	<b>(5.72)</b>	<b>(30.18)</b>	<b>12,676.53</b>
Tax effect of items constituting deferred tax assets				
Fair value of equity instruments	61.57	-	573.56	635.13
Carry forward losses	151.89	-	-	151.89
Employee benefits	269.21	24.44	32.69	326.34
Others	10.47	2.90	-	13.37
<b>Gross deferred tax assets (b)</b>	<b>493.14</b>	<b>27.34</b>	<b>606.25</b>	<b>1,126.73</b>
<b>Net deferred tax liability (a-b)</b>	<b>12,219.29</b>	<b>(33.06)</b>	<b>(636.43)</b>	<b>11,549.81</b>

Year ended March 31, 2019

₹ Lakhs

Particulars	As at March 31, 2018	Recognised in statement of profit and loss	Recognized in/reclassified from OCI	As at March 31, 2019
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment	12,659.11	14.2	(26.83)	12,646.48
Others	(262.84)	328.79	-	65.95
Fair value of equity instruments	34.62	-	(34.62)	-
<b>Gross deferred tax liability (a)</b>	<b>12,430.89</b>	<b>342.99</b>	<b>(61.45)</b>	<b>12,712.43</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Fair value of Equity instruments	-	-	61.57	61.57
Carry forward losses	-	151.89	-	151.89
Employee benefits	192.04	35.27	41.9	269.21
Others	-	10.47	-	10.47
<b>Gross deferred tax assets (b)</b>	<b>192.04</b>	<b>197.63</b>	<b>103.47</b>	<b>493.14</b>
<b>Net deferred tax liability (a-b)</b>	<b>12,238.85</b>	<b>145.36</b>	<b>(164.92)</b>	<b>12,219.29</b>

- iii) On 20th September 2019, the Government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay income tax at reduced rate effective 1st April 2019, subject to certain conditions. The tax expenses for the year ended March 31, 2020 have been provided for at reduced tax rate.

**C3 Capital management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and long-term/short-term borrowings.

Capital of the Company (total equity) as at March 31, 2020 is ₹ **44,711.76** Lakhs (₹ 48,789.17 Lakhs).

**C4 Disclosures on financial instruments**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the financial statements.

**a) Financial assets and liabilities**

The following table presents the carrying amounts and fair value of each category of financial assets and liabilities as at March 31, 2020 and March 31, 2019:

**Financial assets and financial liabilities carried at amortized cost**

₹ Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Cash and cash equivalents	28.10	28.10	67.19	67.19
Other bank balance	411.41	411.41	93.46	93.46
Loans - current	27.82	27.82	37.06	37.06
Other financial asset	0.14	0.14	-	-
Loans - non-current	122.48	122.48	121.49	121.49
	<b>589.95</b>	<b>589.95</b>	<b>319.20</b>	<b>319.20</b>
<b>Financial liabilities</b>				
Trade payables	20.34	20.34	24.81	24.81
Other financial liabilities - current	871.42	871.42	675.72	675.72
Other financial liabilities - non-current	2,472.98	2,472.98	2,251.59	2,251.59
	<b>3,364.74</b>	<b>3,364.74</b>	<b>2,952.12</b>	<b>2,952.12</b>

**Financial assets carried at fair value through OCI:**

₹ Lakhs

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Investments in equity instruments	2,727.50	2,727.50	7,651.57	7,651.57

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of quoted equity shares, quoted corporate debt instruments and mutual fund investments.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e; as prices) or indirectly (i.e; derived from prices).

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

There has been no transfers between level 1, level 2 and level 3 for the years ended March 31, 2020 and March 31, 2019.

**Fair value measurement as at March 31, 2020 for financial assets measured at fair value**

₹ Lakhs

Particulars	Fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments in equity instruments	2,727.50	2,727.39	-	0.11

**Fair value measurement as at March 31, 2019 for financial assets measured at fair value:**

₹ Lakhs

Particulars	Fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments in equity instruments	7,651.57	7,651.46	-	0.11

The following table provides an analysis of fair value of financial instruments that are not measured at fair value on recurring basis, grouped into Level 1 to Level 3 categories:

**Fair value measurement as at March 31, 2020 for financial assets /liabilities not measured at fair value**

₹ Lakhs

Particulars	Fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Loans (non-current financial asset)	122.48	-	-	122.48
Other non-current financial liabilities	2,472.98	-	-	2,472.98

**Fair value measurement as at March 31, 2019 for financial assets /liabilities not measured at fair value**

₹ Lakhs

Particulars	Fair value	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Loans (non-current financial asset)	121.49	-	-	121.49
Other non-current financial liabilities	2,251.59	-	-	2,251.59

The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.

Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

**b) Financial risk management**

In the course of its business, the Company is exposed primarily to liquidity and credit risk, which may impact the fair value of its financial instruments.

The Company has a risk management policy which covers the risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of director

**i) Market risk (equity price risk)**

Equity price risk is related to the change in market reference price of the investments in equity securities.

The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities. The fair value of Company's investment in quoted equity securities as at March 31, 2020 and March 31, 2019 was ₹ **2,727.39** Lakhs and ₹ 7,651.46 Lakhs respectively. A 10% change in equity price as at March 31, 2020 and March 31, 2019 would result in an impact of ₹ **272.74** Lakhs and ₹765.15 Lakhs respectively.

(Note: The impact is indicated on equity before consequential tax impact, if any).

**ii) Credit risk**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments classified as fair value through profit or loss, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of exposure to credit risks.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2020 was ₹ 589.95 Lakhs ( ₹ 319.20 Lakhs as at March 31, 2019) being the total of the carrying amount of balances with banks, short term deposits with banks and other financial assets excluding equity investments.

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other loans or receivables that are neither impaired nor past due, there were no indications as at March 31, 2020, that defaults in payment obligations will occur.

**iii) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2020:

₹ Lakhs

Particulars	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Trade payables	20.34	-	-	-	20.34
Other financial liabilities	871.42	3.20	1.87	6,030.27	6,906.76
<b>Total</b>	<b>891.76</b>	<b>3.20</b>	<b>1.87</b>	<b>6,030.27</b>	<b>6,927.10</b>

The table below provides details regarding the contractual maturities of financial liabilities, including estimated interest payments as at March 31, 2019:

₹ Lakhs

Particulars	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total contractual cash flows
Trade payables	24.81	-	-	-	24.81
Other financial liabilities	675.72	-	-	6,024.36	6,700.08
<b>Total</b>	<b>700.53</b>	<b>-</b>	<b>-</b>	<b>6,024.36</b>	<b>6,724.89</b>



**C5 Contingent liabilities and capital commitments****a Contingent liabilities**

Claims against Company not acknowledged as debts:

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Income tax *	2,555.18	3,088.29
Service tax **	38.30	38.30

\* Apart from this, amount of ₹ **4,910.27 Lakhs** (₹ 4,368.90 Lakhs) are in appeals which have been decided by Appellate authorities in the Company's favour but on which the department has gone for further appeal which in the opinion of the Company, is not sustainable and the probability of cash outflow is considered remote.

\*\* Service tax matter relate to taxability of lease of Medical Equipment under the service tax.

**b Capital Commitments**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	542.55	810.48

**C6 Leases****A Company as a lessee:**

- i) The Company has not taken any residential /commercial premises and plant and machinery under short term leases. The Company has a long term leases for office premises.
- a) The balance sheet shows the following amounts relating to leases

₹ Lakhs

Particulars	As at March 31, 2020
Right-of-use assets	
Building	11.96
<b>Total</b>	<b>11.96</b>

The break-up of current and non-current lease liabilities as at March 31, 2020 is as follows

₹ Lakhs

Particulars	As at March 31, 2020
Lease Liabilities	
Current	2.89
Non-current	9.51
<b>Total</b>	<b>12.40</b>

- b) The following is the movement in lease liabilities during the year ended March 31, 2020:

₹ Lakhs

Particulars	Year ended March 31, 2020
Balance at the beginning of the year	
Reclassified on account of adoption of Ind AS 116	14.97
Finance cost accrued during the period	1.48
Expense relating to variable lease payments not included in the measurement of lease liabilities	-
Payment for leases	(4.05)
<b>Balance at the end of the year</b>	<b>12.40</b>

- c) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

₹ Lakhs

Particulars	As At March 31, 2020
Less than one year	4.08
One to five years	7.68
More than five years	5.70
<b>Total</b>	<b>17.46</b>

- d) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
- e) Rental expense recorded for short-term leases was Nil for the year ended March 31, 2020.
- f) Future cash flows to which the Group is committed (e.g. variable lease payments and leases not yet commenced): None

## B Company as a Lessor

The Company has leased out its plant to Apollo Tyres Ltd. till the financial year ended March 31, 2030. The lease rent, which is renewable as per the lease agreement at a rate to be mutually agreed, amount to Rs 6,000 Lacs for the year, has been credited to the statement of profit and loss.

Lease income recognised in the statement of profit and loss is ₹6,323.03 Lakhs (₹6,322.15 Lakhs) including income from unwinding of deferred income (ie rental income on account of financial liabilities measured at amortised cost) of ₹ 323.03 Lakhs (₹ 322.15 Lakhs).

In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' disclosure of a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Not later than one year	6,000.00	6,000.00
(ii) later than one year and not later than two years	6,000.00	6,000.00
(iii) later than two years and not later than three years	6,000.00	6,000.00
(iv) later than three years and not later than four years	6,000.00	6,000.00
(v) later than four years and not later than five years	6,000.00	6,000.00
(vi) later than five years	30,000.00	36,000.00
<b>Total</b>	<b>60,000.00</b>	<b>66,000.00</b>

## C7 Dividend Distribution:

The Board of Directors have recommended a final dividend of ₹ NIL (₹ 2.50) per share amounting to ₹ NIL (₹1,654.71 Lakhs) on Equity Shares of ₹ 2/- each for the year. Dividend distribution tax on such dividend amounts to ₹ NIL (₹ 340.13 Lakhs).

The Board of Directors have declared and paid an interim dividend of ₹2.50 (₹ NIL) per share amounting to ₹1,654.71 Lakhs (₹ NIL) on Equity Shares of ₹2/- each for the year. Dividend distribution tax on such dividend amounts to ₹340.13 Lakhs (NIL).

**C8 Disclosure required by section 186(4) of the Companies Act 2013**

Investment made - at cost

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
Apollo Tyres Limited (refer note B2)		
34,35,000 (34,35,000) equity shares of ₹1/- each (fully paid up)	8,180.10	8,180.10

**C9 Operating segments**

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Income from lease of plant to Apollo Tyres Limited.

**Geographical information**

Geographical information analyses the company's revenue and non current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets. Company's revenue is derived from domestic customer only.

Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

**Information about major customers**

Revenue from one customer amounting to ₹ 6,000.00 Lakhs (₹ 6,000.00 Lakhs), arising from sale of services.

**C10 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

₹ Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
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 Micro, Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year; and 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 as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

The management has confirmed that none of the suppliers have confirmed that they are registered under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

**C11 Payments to statutory auditors**

₹ Lakhs

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
For audits and quarterly reviews	3.35	3.35
For tax audit	0.50	0.50
For certification fee and other services	0.15	0.50
<b>Total</b>	<b>4.00</b>	<b>4.35</b>

**C12 Disclosure of the relationship and transactions in accordance with Ind AS 24, "Related Party Disclosures"**

**(A) Name of the related parties and nature of relationship**

Particulars	2019-20	2018-19
Holding Company	Sunrays Properties & Investment Co. Pvt. Ltd	Sunrays Properties & Investment Co. Pvt. Ltd
Fellow Subsidiaries	Classic Industries and Exports Limited (Formerly Classic Auto Tubes Limited)	Classic Auto Tubes Ltd.
	Sunrays Global Consultants LLP	Sunrays Global Consultants LLP
	Vilas Polymers Ltd.	Vilas Polymers Ltd.
	CATL Singapore PTE	CATL Singapore PTE
	Premedium Pharmaceuticals Pvt. Ltd.	Premedium Pharmaceuticals Pvt. Ltd.
Enterprises owned or significantly influenced by KMP	Apollo Tyres Ltd.	Apollo Tyres Ltd.
KMP (Key Managerial Personnel) *	<b>Non- Executive Directors</b>	<b>Non- Executive Directors</b>
	Mr. Onkar S. Kanwar	Mr. Onkar S. Kanwar
	Mr. Neeraj Kanwar	Mr. Neeraj Kanwar
	N.A.	Mr. Akshay Chudasama
	Mr. Birendra Kumar Singh	Mr. Birendra Kumar Singh
	Mr. Harish Bahadur	Mr. Harish Bahadur
	Mr. Sanjay M Kaul #	Mr. Sanjay M Kaul
	Ms. Shivi Mohan Rastogi ##	Ms. Shivi Mohan Rastogi
	Mr. Sunil Tandon	Mr. Sunil Tandon
	Mr. U.S. Anand	Mr. U.S. Anand
	Mr. Tapan Mitra ###	N.A.
	<b>Chief Financial Officer</b>	<b>Chief Financial Officer</b>
	Mr. Anil Kumar Sriwastawa	Mr. Anil Kumar Sriwastawa
	<b>Company Secretary</b>	<b>Company Secretary</b>
	Mr. Pradeep Kumar	Mr. Pradeep Kumar
	<b>Manager</b>	<b>Manager</b>
	Mr. Syamkumar P.	Mr. Syamkumar P.

\* KMP's reported as per IND AS 24 "Related Party Disclosures"

# Mr. Sanjay Kaul, Nominee Director was withdrawn by Govt. of Kerala w.e.f. 20.01.2020

## Ms. Shivi Mohan Rastogi resigned from women directorship w.e.f. 15.01.2020

### Mr. Tapan Mitra appointed as Additional Director w.e.f. 09.05.2019

**(B) Transactions with related parties**
**Financial year 2019-20**
**₹ Lakhs**

Particulars	Enterprises owned or significantly influenced by KMP	Key Managerial Personnel	Holding Company	Total
Income from lease/services	6,000.00	-	-	6,000.00
Reimbursement of expenses received / receivable	6,456.30	-	-	6,456.30
Rent paid	3.87	-	-	3.87
Payment for services received	8.47	-	-	8.47
Dividend Paid	-	-	2,310.64	2,310.64
Dividend Received	214.69			214.69
<b>Directors sitting fees</b>				
Mr. Onkar S. Kanwar	-	2.90	-	2.90
Mr. Neeraj Kanwar	-	3.50	-	3.50
Mr. Harish Bahadur	-	3.10	-	3.10
Mr. Birendra Kumar Singh	-	3.40	-	3.40
Mr. U.S. Anand	-	4.30	-	4.30
Mr. Sunil Tandon	-	2.70	-	2.70
Mr. Tapan Mitra		2.70		2.70
	-	22.60	-	22.60
<b>Managerial Remuneration</b>				
Mr. Anil Kumar Sriwastawa		17.86		17.86
Mr. Syamkumar P.		12.29		12.29
		30.15		30.15
<b>Professional Fees</b>				
Mr. Pradeep Kumar		30.00		30.00

**₹ Lakhs**

Amount outstanding as at March 31, 2020	Enterprises owned or significantly influenced by KMP	Key Managerial Personnel	Holding Company	Total
<b>Other Current liabilities</b>				
Apollo Tyres Ltd.	657.94	-	-	657.94
Other Financial liabilities				
<b>Apollo Tyres Ltd.</b>	<b>6,000.00</b>	<b>-</b>	<b>-</b>	<b>6,000.00</b>

Financial year 2018-19

₹ Lakhs

Particulars	Enterprises owned or significantly influenced by KMP	Key Managerial Personnel	Holding Company	Total
Income from lease/services	6,000.00	-	-	6,000.00
Reimbursement of expenses received / receivable	6,919.27	-	-	6,919.27
Reimbursement of expenses paid	8.15	-	-	8.15
Rent paid	3.72	-	-	3.72
Payment for services received	8.47	-	-	8.47
Investment in equity shares of Apollo Tyres Ltd.	4,183.01	-	-	4,183.01
Dividend Paid	-	-	924.26	924.26
Dividend Received	46.50			46.50
<b>Directors sitting fees</b>				
Mr. Onkar S. Kanwar	-	2.20	-	2.20
Mr. Neeraj Kanwar	-	2.20	-	2.20
Mr. Harish Bahadur	-	2.20	-	2.20
Mr. Akshay Chudasama	-	0.95	-	0.95
Mr. Birendra Kumar Singh	-	2.55	-	2.55
Mr. U.S. Anand	-	3.80	-	3.80
Ms. Shivi Mohan Rastogi	-	0.90	-	0.90
Mr. Sanjay M Kaul - Nominee of Government of Kerala	-	0.25	-	0.25
Mr. Sunil Tandon	-	0.45	-	0.45
	-	15.50	-	15.50
<b>Managerial Remuneration</b>				
Mr. Anil Kumar Sriwastawa		15.00		15.00
Mr. Syamkumar P.		10.95		10.95
		25.95		25.95
<b>Professional Fees</b>				
Mr. Pradeep Kumar		28.43		28.43

₹ Lakhs

Amount Outstanding as at March 31, 2019	Enterprises owned or significantly influenced by KMP	Key Managerial Personnel	Holding Company	Total
<b>Other Current liabilities</b>				
Apollo Tyres Ltd.	425.13	-	-	425.13
Other Financial liabilities				
<b>Apollo Tyres Ltd.</b>	<b>6,000.00</b>	<b>-</b>	<b>-</b>	<b>6,000.00</b>

**C13** Government of Kerala, had acquired in the year ended 31st March, 2015, land held by the Company measuring 62.22 Ares (1.50 Acres), comprised in Survey No. 369/1 of Trikkakara North Village for the Kochi Metro Rail Project (KMRP), through an agreement to sale dated 03.09.2014 for ₹ 2,936.28 Lakhs. The rate for the above piece of land was fixed in a tripartite meeting of Kochi Metro officials, District Revenue Officials and representatives of PTL Enterprises Limited through negotiation at District Level Purchase Committee (DLPC) on 16.12.2013. KMRP had issued D form cheques for 80% of the compensation on 18.09.2014 amounting to ₹ 2,325.54 Lakhs after deducting TDS of Rs 23.49 Lakhs, however the same was not allowed to be presented by the KMRP and as they had filed a complaint to Finance Department of Government of Kerala to re-examine the rates fixed by DLPC. The Company had filed a writ petition against KMRP in Kerala High Court. The Kerala High Court had disposed off the writ petition filed by the Company by its judgment dated 21st March 2016, directing the Government of Kerala to examine whether any revisionary right has been reserved with the Government of Kerala at the time of assignment of land in the favour of the Company and take a necessary decision. The Company again filed a writ petition on 5th April 2017 challenging the order dated 31st March, 2017 of the Government of Kerala that the Company did not have a revisionary right. Government of Kerala also deposited 80% of amount in Government Treasury under an interim order of the High Court directing the Government of Kerala to deposit the amount of ₹ 2,325.54 Lakhs in fixed deposit with bank earning maximum interest. Subsequently the Company won the writ petition. Government of Kerala had filed an appeal in Double Bench of High Court of Kerala and a SLP in the Supreme Court against the order of single judge of High Court of Kerala, which was also dismissed and order of High Court in favour of Company has now become final. The Company has filed a contempt petition against Kerala Government and KMRP for making payment upon which Kerala High Court has directed the Distt. Collector to pay the money urgently or to appear in person before the court for explaining the delay in payment. Next hearing is on hold due to COVID 19 Lockdown. The Company has been informed by its Counsel that the Hon'ble Supreme Court has left the question of law open. Therefore, it is possible that the Government may once again agitate the issue before the Courts. In view of the above, since there is an uncertainty regarding ultimate collection of the award amount, the Company has not recognized and accounted this income and its related TDS.

**C14 Expenditure towards corporate social responsibility (CSR) activities**

In accordance with the provisions of section 135 of the Act, the Board of Directors of the Company had constituted a CSR committee. The details for CSR activities are as follows:

Particulars	₹ Lakhs	
	2019-20	2018-19
i) Gross amount required to be spent by the Company during the year	110.94	96.91
ii) Amount spent during the year on the following:		
(a) Construction / acquisition of any asset	-	-
(b) On purposes other than (a) above	110.94	96.91
iii) Details of related party transactions		
(a) Contribution during the year ended March 31, 2020	-	-
(b) Payable as on March 31, 2020	-	-

**C15 Reconciliation of liabilities from financing activities**

Ind AS-7 require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirements. This does not have any impact on the financial statements, accordingly, the reconciliation is not disclosed.

**C16**

**a)** The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has evaluated impact of this pandemic on its business operations

and based on its review and current indicators of future economic conditions, there is no significant impact on its financial statements. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

- b) Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure.

#### C17 Earnings per share (EPS)

The numerator and denominator used to calculate basic and diluted earnings per share

Particulars	2019-20	2018-19
<b>Basic and diluted earnings per share</b>		
Profit attributable to the equity shareholders used as numerator (₹ Lakhs) - (A)	4,393.57	3,985.34
The weighted average number of equity shares outstanding during the year used as denominator - (B)	66,188,500	66,188,500
Basic / Diluted earnings per share (₹) – (A) / (B) (Face value of ₹ 2 each)	6.64	6.02

For and on behalf of the Board of Directors

**Onkar S. Kanwar**  
Chairman  
DIN No.00058921

**Harish Bahadur**  
Director  
DIN No.00032919

**U.S. Anand**  
Director  
DIN No.02055913

Place : New Delhi  
Date : May 19, 2020

**Anil K. Sriwastawa**  
Chief Financial Officer

**Pradeep Kumar**  
Company Secretary



## NOTES

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## NOTES

[illegible]



## **PTL ENTERPRISES LTD.**

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