MOLD-TEK

MOLD-TEK Packaging Limited

ANNUAL REPORT 2022

The Power of Packaging Unleashed!

- *Product & Process Innovations*
- *New End-Use Applications*
- *Geographical Expansion*
- *Sustainability & Circularity*
- *Business Diversification*

MOLD-TEK DEVELOPED PACKAGING SOLUTIONS WITH MANY INNOVATIVE CONCEPTS.

TABLE OF CONTENTS

1 Chairman's Message

2 Growth Drivers

3 Core Competencies & Clientele

4 Corporate Social Responsibility (CSR) Initiatives

5 Awards & Achievements

6 Digital Packaging, Sweet Box

7 Corporate Information

8 Five Years Performance Review

9 Notice of 25th Annual General Meeting

28 Directors' Report & Annexures

56 Management Discussion & Analysis

60 Business Responsibility Report

69 Report on Corporate Governance

Standalone Financial Statements

96 Independent Auditors' Report

105 Balance Sheet

106 Statement of Profit and Loss

107 Statement of Changes in Equity

109 Statement of Cash Flows

110 Notes to the Financial Statements

158 **Consolidated Financial Statements**

From the desk of the Chairman

J. Lakshmana Rao
Chairman and Managing Director

Dear Shareholders,

The global economy was on the verge of recovery post severe two years of the Covid-19 pandemic but sudden escalation of Russia – Ukraine war has resulted in geopolitical insatiability and has set back the growth of global economy. Even during the grueling times, your Company has proved the couplet "When the going gets tough, the tough get going!" In the F.Y 2021-22, we stand tall with a total revenue growth of 31.8% and operating profit (EBIDTA) and net profit (PAT) growth of 26.6% and 32.4% respectively.

The company has significant growth plans in the next 2-3 years, focusing on high-value products through both product & geographical expansion. By improving the product range, the Company has ventured into new segments like – restaurants, sweets, cashews, fertilizers, seeds etc. Your Company also introduced New Pails for DEF market (Diesel Exhaust Fluid) in the country and grabbed a major portion of orders from top lubricant clients, which may offer sizable growth prospects.

Our plants at Mysore and Vizag are also being expanded as per demand projections of APIL. Company has plans to set up new manufacturing plant at Sandolli UP for manufacturing Pails and IML thin wall products. Second plant at Daman is also planned for Food and FMCG products to meet the growing demand from clients in Western India.

QR code concept adoption is taking longer time as clients have to adapt their ERP's with new software plug-ins. This process has been initiated by two major lube clients and may take few more months to get commercialized.

Company planned to diversify into new domain of Injection Blow Molding thus entering into a new market opportunity estimated at ₹ 5000 Cr p.a. Plant for Injection Blow Molded products is coming up at Sultanpur with 2600 MT of capacity, which will be operational at the beginning of next financial year. Also as envisaged at the time of the QIP in Dec-21, the Company is planning a overall capex of ₹ 125 Cr during financial year 2022-23 including plants at new locations. This capex is 2 and half times of last 5 years average capex, which is a remarkable increase.

I am confident with such a well-defined growth plans, a talented team of professionals in different domains and guidance from the experienced top management and with the trust which the shareholders of the Company have bestowed upon the Company, we are all set to achieve new levels of success in the years to come.

Growth Drivers

PAILS

- New plant started in Unnao, U.P, to cater to Kansai Nerolac Paints and other local paint companies. This plant is a stop gap arrangement till our Sandila plant gets fully operational.
- New Plant in North-Land acquired in Sandila Industrial Area, Kanpur - Uttar Pradesh.
- Introduced New Pails for DEF market (Diesel Exhaust Fluid) and grabbed major portion of orders from Gulf Oil, Valvoline Cummins, Apar etc., in this segment which gave sizable growth.
- Received new orders from PSUs like Bharat Petroleum Corporation Ltd. (BPCL) & Balmer & Lawrie (B&L), for their PAN India supplies.

THIN-WALLED PACKS

- Achieved overall 46% Truckload growth in thin wall sector that cater to Food and FMCG customers.
- Added additional 120 new clients in FY 21-22 with revenue of Rs. 13.50 Cr.
- Introduced IML containers for Sweet industries.
- Expanding Thin wall production facility in North & West.

Q PACKS

- Growth in Dairy industries by 50%.
- Supplements and Agri markets by 90%.
- Introduced Q PACKS for cashew packaging as a replacement for tins.

NEW BUSINESS STREAMS

- Added new clients like Himalaya Wellness, Ganapati Herbals for pumps with sizeable quantities
- New IBM plant set up in Hyderabad with 2+2 Machines for OTC pharma products
- Conceptualized new IBM products for pain balm for a reputed MNC in India. Launching it within few months

DIGITAL IML

- Digital IML - Tracking, Tracing, Anti-counterfeit solutions
- Successful case study demonstrating the Anti-counterfeit benefits of digital IML through commercial supplies.
- Customers in Lubricants, Edible oil, Growth enhancers & Pharma interested in this solution.

Our Core Competencies

Innovations as per market needs.

Pioneers in the field of In-Mold labelling (IML) in India.

Operational Excellence

World-class Research & Development

Market Leaders in Rigid Plastic Packaging

100% Backward Integration

Diversified Geographic Presence

Our Clients

Hindustan Unilever Limited

Single Supplier for all Kwality Walls Packs. Ramping up capacity to 2.5x. New Kissan Jam IML Pack launched

Pilot stage of developing a new IBM Pack

100% leak tested fully automatic pump line makes WIPRO our biggest client for their Santoor hand wash.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

R O Water Plant

Setting up of R O Water Plant at Kakinada District of Andhra Pradesh.

Donation

Donation of computers to Telangana Social Welfare Residential Educational Institutions Society

School Building

Construction of School Building at Annaram, Medak District of Telangana.

Mahila Bhavan

Construction of Mahila Bhavan at Sangareddy District of Telangana.

Contribution

Contribution to Sight Savers India.

Ration Distribution

Distribution of Ration to the weaker section of the society in view of the continued effect of the Covid -19 pandemic.

AWARDS & ACHIEVEMENTS

2021-2022

Received the prestigious SIES SOP Star Awards 2021 from SIES School of Packaging for PACKAGING EXCELLENCE along with Asian Paints Limited for TRUGRIP DYNAMO SQUARE PACK SERIES in the category of Transit/ Industrial/ Distribution on 9th April, 2022 at Mumbai.

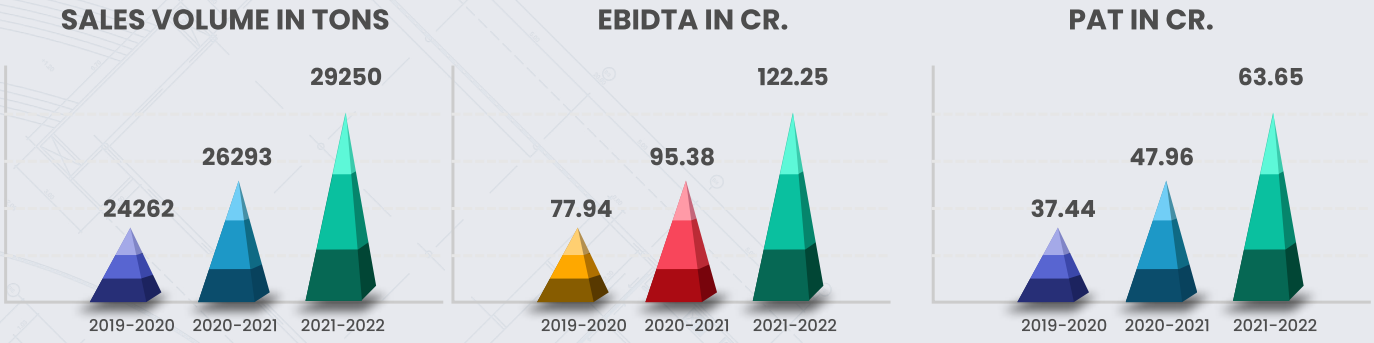
2020-2021

Introduced **SanQ-5 ltr Square Pack** for sanitizers, which bagged **SIES SOP STAR AWARD 2020.**

2019-2020

On 8th of February 2020, Mold-Tek received the **SIES SOP STAR Award 2019**, in Product Packaging for design and development of **Twist Packs** ranging from 50 ml to 1000 ml. These catchy packs are with Square shape at the bottom and round shape on the top.

Mold-Tek Progress



DIGITAL PACKAGING

First time in India through Dynamic QR Coded IML Containers

Unique

QR CODE IML CONTAINERS

Track & Trace Product through the distribution supply chain

Push Information & Training content on the dynamic QR Code

Embed new age promotions through QR Code Scans

SWEET BOX

Hands free robotic operated containers are 100% free from **human contact & Disease**

Our containers are made In-House in FSSC Certified Clean Room facilities

- 100% Tamper Evident
- 100% Leak Proof
- Reusable Container
- In-mould Label Decoration
- Advertising Space on all sides
- Nestable & Stackable
- Permanent Branding
- Non Peelable Label

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. J. Lakshmana Rao
Chairman & Managing Director

Mr. A. Subramanyam
Deputy Managing Director

Mr. P. Venkateswara Rao
Deputy Managing Director

Mr. Srinivas Madireddy
Whole-time Director

Mrs. J. Mytraeyi
Non-Executive Director

Dr. T. Venkateswara Rao
Independent Non-Executive Director

Dr. Venkata Appa Rao Kotagiri
Independent Non-Executive Director

Mr. Eswara Rao Immaneni
Independent Non-Executive Director

Mr. Togaru Dhanraj Tirumala Narasimha
Independent Non-Executive Director

Mrs. Madhuri Venkata Ramani Viswanadham
Independent Non-Executive Director

CHIEF FINANCIAL OFFICER:
Mrs. A. Seshu Kumari

COMPANY SECRETARY:
Mr. Thakur Vishal Singh
(Resigned w.e.f. 4th July, 2022.)
Mr. Subhojeet Bhattacharjee
(Appointed w.e.f. 27th July, 2022.)

STATUTORY AUDITORS:
M/s. M. Anandam & Co.
Chartered Accountants
7 'A', Surya Towers, Sardar Patel,
Road, Secunderabad-500 003

INTERNAL AUDITORS:
M/s. Praturi & Sriram
Chartered Accountants
3-6-220, Street No.15,
Himayatnagar, Hyderabad - 500 029

SECRETARIAL AUDITOR:
Mr. Ashish Kumar Gaggar
Company Secretary in Practice
Flat No.201, IInd Floor,
Lake View Towers, Safari Nagar,
Kothaguda, Kondapur,
Hyderabad-500085

LEGAL ADVISOR:
Mr. M. Radhakrishna Murthy, Advocate
Vidya Nagar, Hyderabad.

BANKERS:
Citibank
ICICI Bank Limited
HSBC Bank

REGISTERED OFFICE:
Plot # 700, Road No. 36,
Jubilee Hills,
Hyderabad - 500 033, Telangana.
Phone : +91 40 40300300
Fax: +91 40 40300328

REGISTRAR & SHARE TRANSFER AGENT:
M/s. XL Softech Systems Limited
3, Sagar Society, Road No. 2,
Hyderabad - 500 034
Phone : +91 40 23545913/14/15
Fax: +91 40 23553214
Email id: xlfield@gmail.com

STATUTORY COMMITTEES*:

AUDIT COMMITTEE:
Mr. Eswara Rao Immaneni- Chairman
Dr. T. Venkateswara Rao- Member
Dr. Venkata Appa Rao Kotagiri- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:
Dr. T. Venkateswara Rao-Chairman
Mr. Eswara Rao Immaneni-Member
Dr. Venkata Appa Rao Kotagiri-Member

NOMINATION AND REMUNERATION COMMITTEE:
Dr. Venkata Appa Rao Kotagiri- Chairman
Dr. T. Venkateswara Rao- Member
Mr. Eswara Rao Immaneni- Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:
Mr. J. Lakshmana Rao- Chairman
Mr. A. Subramanyam-Member
Mr. P. Venkateswara Rao-Member
Dr. Venkata Appa Rao Kotagiri-Member

**Details of Committees forms part of the Report on Corporate Governance*

WORKS:

Unit-1
Survey No. 54,55/A, 70,71 & 72,
Near Air force Academy, Annaram Village,
Gummadidala Mandal,
Sanga Reddy District, Telangana - 502 313

Unit - II
Survey No. 164/Part,
Dommarapochampally,
Village-Gandimaisamma Dundigal Mandal,
Medchal District, Telangana - 500 043

Unit - III
Survey No.160-A, 161-1, &161-5,
Kund Falia, Behind Hotel Hilltop,
Near Coastal Highway, Bhimpore,
Nani Daman, Daman - 396 210

Unit - IV
Survey No. 79, Alinagar Village,
Chetlapotharam Panchayat,
Jinnaram Mandal, Sanga Reddy District,
Telangana - 502 313

Unit - VI
Shed No. D-17 & D-18, Survey No.283,
Phase -1, APIIC, IDA Jeedimetla,
Quthbullapur Mandal,
Medchal District, Telangana - 500 055

Unit - VII
GAT No.656, Khandala - Lonand Road,
Mhavashi (Village), Dhawad Wadi,
Khandala Satara District,
Maharashtra - 412 802

Unit – VIII
Mysore
Plot No-94, SY No-186-P, 187-P, 193-P,
178-P, 179-P, 116-P,
Adakanahally Industrial, Hobli,
Nanajangud (Taluq), Mysore Dist.
Mysore Area,
Chikkaiahnachatra, Karnataka - 571 302

Unit – IX
Vizag
Plot No.2A, SY No 251P, 255P, 256P,
261P, IC-Pudi, Pudi Village,
Rambilli (Mandal), Visakhapatnam (Dist.),
Andhra Pradesh - 531 011

Unit-X
Plot Nos. G40/2, G41 & G42/1,
Sultanpur Village, TSIC
Ameenpur Mandal, Sangareddy District,
Telangana-502032, India.

Unit- XI
B1 & B2 UPSIDC Industrial area,
Awashi Village, Jainpur, Kanpur Dehat,
Uttar Pradesh - 209311

FIVE YEARS PERFORMANCE REVIEW (Standalone)

All amounts in ₹ lakhs, unless otherwise stated

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Income from Operations (excluding taxes)	63,147	47,893	43,744	39,409	33,946
Growth Rates (%)	***31.85***	***9.48***	***11.00***	***16.09***	***12.85***
Other Income	156	60	116	134	105
NET INCOME	**63,303**	**47,953**	**43,860**	**39,542**	**34,051**
Growth Rates (%)	***32.01***	***9.33***	***10.92***	***16.13***	***12.62***
Materials Cost	37,659	27,240	24,986	23,116	19,326
% to Net Income	***59.49***	***56.81***	***56.97***	***58.46***	***56.76***
Over Heads	13,419	11,057	10,754	9,098	8,273
% to Net Income	***21.20***	***23.06***	***24.52***	***23.01***	***24.30***
EBDITA	**12,225**	**9,656**	**8,120**	**7,328**	**6,452**
% to Net Income	***19.31***	***20.14***	***18.51***	***18.53***	***18.95***
Depreciation	2642	2,149	1,907	1,473	1,184
Interest & Finance Expenses	932	994	1,019	709	411
Exceptional items	-	108	286	1,150	-
PBT	**8,651**	**6,405**	**4,908**	**3,996**	**4,857**
% to Net Income	***13.67***	***13.36***	***11.19***	***10.11***	***14.26***
Taxes	2,285	1,597	1,089	1,586	1,688
PAT	**6,366**	**4,808**	**3,819**	**2,410**	**3,169**
% to Net Income	***10.06***	***10.03***	***8.71***	***6.10***	***9.31***
Growth Rates (%)	***32.40***	***25.90***	***58.44***	***(23.94)***	***17.85***
Equity Dividend (%)	***160***	***140***	***100***	***80***	***80***
Dividend Payout (including Tax)	***2,601***	***1,954***	***1,671***	***1,335***	***1,335***
Equity	1,563	1,396	1,386	1,385	1,385
Other equity (excludes Other Comprehensive income, Capital reserve and Share options outstanding)	42,706	23,550	17,818	16,963	15,918
NETWORTH	**44,269**	**24,946**	**19,204**	**18,348**	**17,303**
Net Fixed Assets	27,648	25,087	21,398	19,585	12,939
Total Assets	**57,416**	**43,632**	**36,261**	**34,332**	**30,247**
Market Capitalization	**2,28,163**	**1,09,142**	**47,924**	**71,494**	**89,859**
KEY INDICATORS					
BasicEarningspershare(FaceValueof₹5)-(₹)	**22.12**	**16.86**	**13.78**	**8.70**	**11.44**
Turnover per share (Face Value of ₹5) -(₹)	**219.98**	**168.19**	**158.31**	**142.80**	**122.97**
Book Value per share (Face Value of ₹5)-(₹)	**141.62**	**89.35**	**69.28**	**66.24**	**62.47**
Dividend Pay-Out Ratio	**40.86**	**40.64**	**43.75**	**55.39**	**42.13**
Debt:Equity Ratio	**0.10 : 1**	**0.42 : 1**	**0.61 : 1**	**0.50 : 1**	**0.45 : 1**

Notice of 25th Annual General Meeting of Mold-Tek Packaging Limited

Reg. Office: 8-2-293/82/A/700, Ground Floor, Road No. 36, Jubilee Hills, Hyderabad- 500033
CIN:L21022TG1997PLC026542
Email: cs@moldtekpackaging.com, ir@moldtekpackaging.com
Website: https://www.moldtekpackaging.com

NOTICE IS HEREBY GIVEN THAT THE TWEN TY-FIFTH (25TH) ANNUAL GENERAL MEETING OF THE MEMBERS OF MOLD-TEK PACKAGING LIMITED WILL BE HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2022, AT 11:00 A.M. (IST) THROUGH VIDEO-CONFERENCING ("VC")/ OTHER AUDIO-VISUAL MEANS ("OAVM") ORGANISED BY THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS AND THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 8-2-293/82/A/700, GROUND FLOOR, ROAD NO. 36, JUBILEE HILLS, HYDERABAD – 500033, TELANGANA.

ORDINARY BUSINESS:

1) To receive, consider and adopt the audited financial statements (including the audited consolidated financial statements) of the Company for the financial year ended 31stMarch, 2022, together with the reports of Board of Directors and Auditors thereon.

2) To confirm the payment of interim dividend paid during the year and to declare the final dividend on equity shares for the financial year ended 31st March, 2022.

3) To appoint a Director in place of Mr. P. Venkateshwara Rao, Deputy Managing Director (DIN: 01254851) who retires by rotation and being eligible, offers himself for re-appointment.

4) To re-appoint the statutory auditors, to hold office from the conclusion of the 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting, and to fix their remuneration and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. M. Anandam & Co., Chartered Accountants, Hyderabad (Firm registration number 000125S) be and is hereby re-appointed as the Statutory Auditors of the Company for a second term of five (5) consecutive years, to hold office from the conclusion of the 25th Annual General Meeting until the conclusion of the 30th Annual General Meeting, and that the Board of Directors (or Committee thereof) be and is hereby authorized to fix such remuneration as may be determined in consultation with the said Auditors, plus re-imbursement of out of pocket expenses actually incurred by the Auditors at the time of performing their duties."

SPECIAL BUSINESS:

5) To Re-appoint and fix remuneration of Mr. Srinivas Madireddy (DIN: 01311417) as Whole –time Director of the Company and in this regard to consider and, if thought fit, pass the following resolution as a *Special Resolution*:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force], and Regulation 17(1),17(6)(e) and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Articles of Association of the Company, Nomination and Remuneration Policy of the Company and based on the recommendations of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, consent of the members of the Company, be and is hereby accorded towards the re-appointment of Mr. Srinivas Madireddy, as Whole-time Director of the Company for a period of five (5) years, commencing from 14th May, 2023 to 13th May, 2028, liable to retire by rotation.

RESOLVED FURTHER THAT approval of the shareholders of the Company be and is hereby accorded to the remuneration, perquisites, allowances, stock options, benefits and amenities payable as per the terms and conditions of the Agreement to be entered into by Mr. Srinivas Madireddy with the Company as set out in the statement annexed to the Notice, including the following:

a. **Salary**:

The current gross salary of Mr. Srinivas Madireddy is ₹ 9,05,020 per month in consideration of the performance of his duties (including all perquisites). The Company will provide 12.5 % increment on gross salary for each year (i.e., for the next 3 years) w.e.f. 14th May, 2023 to 13th May, 2026.

b. **Other benefits:**

In addition to the above salary and perquisites, Mr. Srinivas Madireddy shall be entitled to the following annual benefits which shall not be included in the computation of the ceiling of remuneration specified above:

i. ***Provident and superannuation fund****:* The Company's contribution to the provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961. The said contribution will not be included in the computation of the ceiling on remuneration.

ii. ***Gratuity:*** Gratuity payable shall not exceed one half month's salary for each completed year of service and will not be included in the computation of the ceiling on remuneration.

iii. ***Leave encashment:*** Encashment of leave at the end of the tenure in accordance with the rules of the Company.

iv. ***Provision of car and telephone:*** Mr. Srinivas Madireddy shall be entitled to a motor car for use on Company's business and telephone at residence; however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to Mr. Srinivas Madireddy.

c. **Re-imbursements:**

Mr. Srinivas Madireddy shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.

d. **Sitting Fee:**

He will not be eligible for any sitting fees of the Company's board/committee meetings.

RESOLVED FURTHER THAT notwithstanding anything contained herein above, where, during the term of employment of Mr. Srinivas Madireddy, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any statutory authority, as may be required, the remuneration payable to Mr. Srinivas Madireddy, including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Section II of Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the laws from time to time in force and to alter and vary such terms and conditions without being required to seek the further approval of Members within the limits as prescribed above and any action taken by the Board in this regard be and is hereby ratified and approved."

6) To Re-Appoint Dr. Venkata Appa Rao Kotagiri (DIN: 01741020) as an Independent Non-Executive Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013 read with relevant rules and in this regard to consider and if thought fit, to pass the following resolution as a *Special Resolution*:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Dr. Venkata Appa Rao Kotagiri (DIN: 01741020), Independent Non- Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, consent of the Company be and is

hereby accorded for re-appointment of Dr. Venkata Appa Rao Kotagiri (DIN: 01741020) as an Independent Non- Executive Director of the Company to hold office for a second term of five consecutive years w.e.f. 14th May, 2023 to 13th May, 2028 and his office shall not be liable to retire by rotation."

7) To Re-Appoint Mr. Eswara Rao Immaneni (DIN: 08132183) as an Independent Non-Executive Director of the Company for a second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013 read with relevant rules and in this regard to consider and if thought fit, to pass the following resolution as a *Special Resolution*:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Eswara Rao Immaneni (DIN: 08132183), Independent Non- Executive Director of the Company who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, consent of the Company be and is hereby accorded for re-appointment of Mr. Eswara Rao Immaneni (DIN: 08132183) as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years w.e.f. 14th May, 2023 to 13th May, 2028 and his office shall not be liable to retire by rotation."

8) To approve the revision in remuneration payable to Mr. J. Rana Pratap, holding office or place of profit and in this regard to consider and, if thought fit, to pass the following resolution as an *Ordinary Resolution:*

"RESOLVED THAT pursuant to the provisions of Sections 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for continuing to hold office or place of profit under the company by **Mr. J. Rana Pratap, Senior Vice President-Corporate** , who is a relative of Mr. J. Lakshmana Rao, Chairman and Managing Director of the Company, with such designation and remuneration as board may decide from time to time, subject to the following:

The current upper limit of the remuneration of Mr. J. Rana Pratap is ₹ 10,00,000 (Rupees Ten Lakhs only) per month. The Company proposes to pay in consideration of the performance of his duties (including all allowances), during the next 3 years with effect from 1st October, 2022, salary/remuneration with an annual increment between 10-25% per annum based on certain KRA/targets achieved and approved by the Audit Committee, Nomination and Remuneration Committee and the Board. In addition Management may offer incentives if performance exceeds the set targets. However the monthly remuneration shall not exceed ₹ 17,00,000 lakhs per month (Rupees Seventeen lakhs only) including all allowances.

RESOLVED FURTHER THAT Mr. J. Rana Pratap shall also be entitled for reimbursement of actual entertainment, traveling, boarding, lodging expenses or any other expense incurred by him in connection with the Company's business.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered as and when they may determine and deem fit and proper, to revise the above terms of remuneration and to promote / re-designate him to higher grade(s) / scale(s) with all perquisites, usual allowances, incentives, facilities and benefits as applicable to such grade(s) / scale(s) within the above limit of remuneration without requiring the Board to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

9) To approve the revision in remuneration payable to Mr. A. Durga Sundeep, holding office or place of profit and in this regard to consider and, if thought fit, to pass the following resolution as an *Ordinary Resolution:*

"RESOLVED THAT pursuant to the provisions of Sections 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for continuing to hold office or place of profit under the company by **Mr. A. Durga Sundeep, Senior Vice President-Operations & Finance,** who is a relative of

Mr. A. Subramanyam, Deputy Managing Director and Mrs. A. Seshu Kumari, Chief Financial Officer of the Company, with such designation and remuneration as board may decide from time to time, subject to the following:

The current upper limit of the remuneration of Mr. A. Durga Sundeep is ₹ 10,00,000 (Rupees Ten Lakhs only) per month. The Company proposes to pay in consideration of the performance of his duties (including all allowances), during the next 3 years with effect from 1st October, 2022, salary/remuneration with an annual increment between 10-25% per annum based on certain KRA/targets achieved and approved by the Audit Committee, Nomination and Remuneration Committee and the Board. In addition Management may offer incentives if performance exceeds the set targets. However the monthly remuneration shall not exceed ₹ 15,00,000 lakhs per month (Rupees Fifteen lakhs only) including all allowances.

RESOLVED FURTHER THAT Mr. A Durga Sundeep shall also be entitled for reimbursement of actual entertainment, traveling, boarding, lodging expenses or any other expense incurred by him in connection with the Company's business.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized and empowered as and when they may determine and deem fit and proper, to revise the above terms of remuneration and to promote / re-designate him to higher grade(s) / scale(s) with all perquisites, usual allowances, incentives, facilities and benefits as applicable to such grade(s) / scale(s) within the above limit of remuneration without requiring the Board to secure any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

10) To approve the Reclassification of certain member of Promoter Group from "Promoter / Promoter Group" category to "Public shareholding" category and in this regard to consider and, if thought fit pass the following resolution as an *Ordinary Resolution:*

"**RESOLVED THAT** pursuant to the recommendation of the board and provisions of Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') [including any modification(s) or re-enactment thereof for the time being in force] and other applicable provisions, if any, and subject to necessary approvals from the BSE Limited /National Stock Exchange of India Limited and such other authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time, the consent of the Members of the Company be and is hereby accorded for the reclassification of the below mentioned person from the "Promoter / Promoter Group" Category to the "Public" Category in the shareholding of the Company

S. No.	Name of the Outgoing Promoter	No of Shares held as on date of this notice	% of holding
1.	Mrs.Swetha Mythri J	47,302	0.143

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) towards reclassification of the promoters, the Company shall effect such reclassification in the Statement of Shareholding Pattern from immediately succeeding quarter under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance to SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

RESOLVED FURTHER THAT Mr. J. Lakshmana Rao, Chairman and Managing Director and Mr. Subhojeet Bhattacharjee, Company Secretary and Compliance Officer, of the Company, be and are hereby severally authorized to perform and execute all such acts, deeds, matters and things including but not limited to making intimation/filings to stock exchange(s), seeking approvals from the Securities and Exchange Board of India, BSE Limited /National Stock Exchange of India Limited, and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to represent before such authorities as may be required and to take all such steps and decisions in this regard to give full effect to the aforesaid resolutions(s)."

By Order of the Board
For MOLD-TEK PACKAGING LIMITED

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

NOTES :

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), in respect of businesses to be transacted at the Annual General Meeting ("AGM"), as set out under Item No(s). 4to10 above and the relevant details of the Directors as mentioned under Item No(s). 3, 5, 6 and 7 above as required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, is annexed hereto.

2. In view of continuing social distancing norms due to Covid-19 and in accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs ("MCA") read with Circulars dated 12th May, 2020, 15th January, 2021, 13th May 2022 and other relevant circulars, if any, issued by the Securities and Exchange Board of India ("SEBI"), from time to time (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold the Annual General Meeting (AGM) through Video Conference ("VC") or Other Audio Visual Means ("OAVM") up to 31st December, 2022, without the physical presence of members at a common venue. Hence, in compliance with the aforementioned Circulars, the 25thAGM of the Company is being conducted through VC / OAVM. Central Depository Services (India) Limited (CDSL) will be providing facility, for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained in the subsequent paragraphs and is also available on the website of the Company at https://www.moldtekpackaging.com

3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by a Member is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. However, Institutional/Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Institutional/Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to Scrutinizer at ashishgaggar.pcs@gmail.com with a copy marked to cs@moldtekpackaging.com.

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 24th September, 2022 to Friday, the 30th September, 2022 (both days inclusive) for the purpose of payment of dividend. The dividend declared at the Annual General Meeting will be paid to the Members whose names appear in the Register of Members of the Company at the end of the Business Hours on Friday, the 23rd September, 2022 and in respect of shares held in electronic form to those "Deemed Members" whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID AND FOR OBTAINING COPY OF ANNUAL REPORT:

7. In accordance with the circulars issued by MCA and SEBI, the Notice of the 25th AGM along with the Annual Report 2021-22 is being sent by electronic mode to Members whose e-mail ids are registered with the Company or the Depository Participants (DPs). Physical copy of the Notice of the 25th AGM along with Annual Report for the financial year 2021-22 shall be sent to those Members who request for the same.

8. Members holding shares in physical mode and who have not updated their email addresses with the company are requested to update their email addresses by writing to the company at email id: cs@moldtekpackaging.com or to CDSL at Email id: helpdesk.evoting@cdslindia.com, along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport etc.) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register or update their email addresses with the respective Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to cs@moldtekpackaging.com

9. The Notice of the 25th AGM along with Annual Report for the financial year 2021-22, is also available on the website of the company at https://www.moldtekpackaging.com/investors.html and also on the website of Stock Exchanges i.e. BSE Limited, National

Stock Exchange of India Limited and on the website of Central Depository Services (India) Limited (CDSL) at https://www.bseindia.com/ , https://www.nseindia.com/ and https://www.evotingindia.com/ respectively.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

10. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the authorized agency for facilitating voting through electronic means. The facility of casting votes by a Member using remote e-voting system as well as e-voting on the date of the AGM will be provided by CDSL.

11. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, 23rd September, 2022 i.e. a day prior to commencement of book closure date, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.

12. Members may cast their votes through electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9:00 a.m. (IST) on Monday, 26th September, 2022 and will end at 5:00 p.m. (IST) on Thursday, 29th September, 2022. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

13. The detailed instructions and the process for accessing and participating in the 25th AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Access to CDSL e-voting system:

14. Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, through their demat account maintained with DPs. Members are advised to update their mobile number and e-mail id in their demat accounts in order to access e-voting facility. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

a) **Login method for e-voting and joining virtual AGM for individual shareholders holding securities in demat mode is given below:**

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with Central Depository Services Limited **(CDSL)**	1) Users who have opted for CDSL **easi / easiest** facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to easi / easiest are https://web.cdslindia.com/myeasi/home/login or visit https://www.cdslindia.com/ and click on Login icon and select New System myeasi. 2) After successful login the **easi / easiest** user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **CDSL/NSDL/KARVY/LINKINTIME**, so that the user can visit the e-Voting service providers' website directly.

Type of shareholders	Login Method
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the users can directly access e-voting page by providing their demat account number and PAN at https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile number and e-mail id as recorded in their demat account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.
Individual Shareholders holding securities in demat mode with National Securities Depository Limited **(NSDL)**	1) If you are already registered for NSDL **IDeAS** facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under **'Login'** which is available under **'IDeAS'** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for **IDeAS** e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon **'Login'** which is available under **"Shareholder/ Member"** section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

For Technical Assistance: Members facing any technical issues related to login may reach out the respective depositories helpdesk by sending a request on the e-mail id's or contact on the phone nos. provided below:

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

b) **Login method for e-voting and joining virtual AGM for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical form.**

i. The shareholders should log on to the e-voting website https://www.evotingindia.com/

ii. Click on **"Shareholders/Members"** module.

iii. Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and click on **"Login".**

v. If you are holding shares in demat form and had logged on to https://www.evotingindia.com/ and voted on an earlier e-voting of any company, then your existing password is to be used.

vi. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individuals and for Shareholders holding shares in Physical Form
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

vii. After entering these details appropriately, click on **"SUBMIT"** tab.

viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach **"Password Creation"** menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for the relevant Company Name, i.e., "**MOLD-TEK PACKAGING LIMITED"** on which you choose to vote.

xi. On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option **'YES'** or **'NO'** as desired. The option **'YES'** implies that you assent to the Resolution and option **'NO'** implies that you dissent to the Resolution.

xii. Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

xiii. After selecting the resolution, you have decided to vote on, click on **'SUBMIT'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'OK'**, else to change your vote, click on **'CANCEL'** and accordingly modify your vote.

xiv. Once you **'CONFIRM'** your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take a print of the votes cast by clicking on **"Click here to print"** option on the Voting page.

xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

15. **Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this Notice:**

    i. ***For Physical shareholders***- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company/ RTA at cs@moldtekpackaging.com/xlfield@gmail.com.

    ii. ***For Demat shareholders*** - Please update your email id. & mobile no. with your respective Depository Participant (DP) or provide demat account details (CDSL 16 digit beneficiary ID or NSDL 16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhaar Card) to cs@moldtekpackaging.com / ir@moldtekpackaging.com.

    iii. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

16. **Instructions for Members for participating in the 25th AGM through VC/OAVM & E-Voting during meeting are as under:**

    i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

    ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

    iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

    iv. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.

    v. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop 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.

    vii. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting, i.e. by **Friday, the 23rd September, 2022,**mentioning their name, demat account number/folio number, email id, mobile number at company's email id at cs@moldtekpackaging.com /ir@moldtekpackaging.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting, i.e. by **Friday, the 23rd September, 2022,** mentioning their name, demat account number/folio number, email id, mobile number at company's email id at cs@moldtekpackaging.com /ir@moldtekpackaging.com. These queries will be replied to by the company suitably by email.

    viii. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

    ix. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted 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 available during the /AGM.

    x. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

    SINCE SOME BROWSERS ARE NOT OPTIMISED, SHAREHOLDERS ARE REQUESTED TO DOWNLOAD CISCOWEBEX MEETINGS APP FOR BEST RESULTS IN ATTENDING THE AGM. IT IS AVAILABLE IN GOOGLE PLAY STORE.

17. **Note for Non – Individual Shareholders and Custodians:**

    i. Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the **"Corporates"** module.

    ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

v. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

vi. Alternatively Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at ashishgaggar.pcs@gmail.com and to the Company at cs@moldtekpackaging.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

vii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533/ 022- 23058738 and 022-23058542/43.

viii. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533/022-23058542/43.

18. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 25th AGM by email and holds shares as on the cut-off date i.e., Friday, 23rd September, 2022, may obtain the User ID and password by sending a request to the Company's email address cs@moldtekpackaging.com/ir@moldtekpackaging.com. However, if you are already registered with CDSL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evotingindia.com.

19. **Mr. Ashish Kumar Gaggar**, Practicing Company Secretary (**Membership No. FCS 6687**) has been appointed as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process before the AGM in a fair and transparent manner.

20. During the 25th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 25th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 25th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 25th AGM.

21. The Scrutinizer will submit, not later than two working days of conclusion of the 25th AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any authorised person of the Company. The result shall be declared forthwith upon receipt of the Scrutinizer's Report. The result declared along with the Scrutinizer's report shall be placed on the Company's website at https://www.moldtekpackaging.com/ and on the website of CDSL at https://www.cdslindia.com/, immediately after the declaration by the Chairman of the Meeting or any person authorized by the Chairman and would also be communicated to the Stock Exchanges where the shares of the Company are listed. Subject to receipt of requisite number of votes, the resolutions proposed in the notice shall be deemed to be passed on the date of the meeting i.e., Friday, 30th September, 2022.

22. Electronic copy of all the documents referred to in the accompanying Notice of the 25th AGM and the Explanatory Statement shall be available for inspection in the ***'Investors Section'*** of the website of the Company at https://www.moldtekpackaging.com/investors.html

23. Members are requested to note that, dividends if not encashed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may

claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report and FAQs on investor page on Company's website at www.moldtekpackaging.com.

24. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company/ Company's Registrar & Share Transfer Agent (RTA)- in case the shares are held by them in physical in form **Form ISR – 1** and other forms pursuant to SEBI Circular dated 3rd November, 2021.

25. Members may please note that SEBI vide Circular dated 25th January, 2022 has mandated the listed companies to issue securities only in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim for unclaimed suspense account; renewal / exchange of securities certificate; endorsement; subdivision / splitting of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed **Form ISR – 4**, the format of which is available on the Company's website at https://www.moldtekpackaging.com/investors.html

26. Individual Members can now take the facility of making nomination of their holding. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder and the joint-holder(s), if any. A minor can be nominee provided the name of the guardian is given in the nomination form. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further details in this regard, Members may contact **XL Softech Systems Limited**, at their office situated at **3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034, Telangana,** the Registrar and Share Transfer Agent of the Company.

27. The Certificate from the Practicing Company Secretary under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 stating compliance of the regulation and resolution of the Company passed in the general meeting, on implementation of scheme, will be available for inspection by the Members.

28. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. Members are advised to dematerialize the shares held by them in physical form.

    The SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated 20th May, 2009 mandated the submission of PAN by every participant in the security market. Members holding shares in electronic form /physical form are therefore, requested to submit their PAN to the Company or the RTA.

29. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Secretarial or Investor Relations Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, i.e. by **Friday, the 23rd September, 2022**, specifying the point(s).

30. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee and other Committees, as applicable and Auditors etc. who are allowed to attend the /AGM without restriction on account of first come first served basis.

31. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

By Order of the Board
For MOLD-TEK PACKAGING LIMITED

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to Items no. 4 to 10 as mentioned in the Notice:

Item no. 4

The Shareholders of the Company had appointed M/s. M Anandam & Co., Chartered Accountants (Firm Registration Number 000125S), as the Statutory Auditors of the Company at the 20th Annual General Meeting of the Company to hold office from the conclusion of the said meeting till the conclusion of the 25th Annual General Meeting.

Accordingly, M/s. M Anandam & Co. will complete their present first term of five (5) consecutive years at the conclusion of the ensuing 25thAnnual General Meeting of the Company.

In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. M/s. M Anandam & Co is eligible for reappointment for a further period of five years.

The Board of Directors of the Company, on basis of the recommendations of the Audit Committee and after evaluating and considering various parameters viz., capability, team size, experience, clientele served, technical knowledge, independence and the ability to serve a diverse Company like Mold-Tek Packaging Limited approved and hereby recommends to the members the re-appointment of M/s. M Anandam & Co., Chartered Accountants (Firm Registration Number 000125S), as statutory auditors of the Company for a second term of 5 (five) consecutive years, to hold office from the conclusion of this 25thAnnual General Meeting till the conclusion of 30thAnnual General Meeting.

M/s. M Anandam & Co, have consented to their re-appointment as the Statutory Auditors and have confirmed that the re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be re-appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

The remuneration to M/s. M Anandam & Co., would be paid on the recommendation of the Audit Committee and as approved by the Board of Directors during their tenure as statutory auditor of the Company. The remuneration of M/s. M Anandam & Co. for conducting audit for the financial year 2021-22 was ₹ 11,00,000 (Rupees Eleven Lakhs only) plus taxes and reimbursement of out of pocket expenses and the proposed remuneration for the financial year 2022-23 is ₹ 13,00,000 (Rupees Thirteen Lakhs only) plus taxes and reimbursement of out-of-pocket expenses.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications as required by clients, banks, statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Audit Committee had considered various parameters viz., capability, team size, experience, clientele served, technical knowledge, independence and the ability to serve a diverse Company like Mold-Tek Packaging Limited and found M/s. M Anandam & Co.to be suitable to be the Statutory Auditors of the Company.

M/s. M Anandam & Co. is an ISO 9001: 2015 certified and a peer reviewed firm established in the year 1943 by Mr. M Anandam and they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India The firm has fourteen Partners and is providing audit, taxation, secretarial, legal and other services. The firm is having branches at Nizamabad, Khammam and Chennai.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution, as set out in Item No. 4 of the Notice.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

Item no. 5

Mr. Srinivas Madireddy (DIN: 01311417) was appointed as Whole-time Director of the Company for a period of 5 years with effect from 14th May, 2018 to 13th May, 2023 at the 21st Annual General Meeting held on 29th September, 2018 and the Members of the Company at the 24th Annual General Meeting held on 30th September, 2021 had approved the revision in remuneration payable to him w.e.f. 1st October, 2021 till 13th May, 2023.

His present term as the Whole-time Director thus expires on 13th May, 2023.

Currently, Mr. Srinivas Madireddy is in charge of Production, planning and control of all the units of the company and

considering his vast experience of over 34 years in the field of Production Management and other fields, the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2nd September, 2022, subject to the approval of Members at the general meeting, re-appointed Mr. Srinivas Madireddy as Whole-time Director of the Company for a further period of five (5) years from 14th May, 2023 till 13th May, 2028.

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of the Whole-time Director have also increased manifold and therefore the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2nd September, 2022,reviewed the remuneration payable to Mr. Srinivas Madireddy from 14th May, 2023 till 13th May, 2026,keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

Mr. Srinivas Madireddy is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given his consent to act as a Director. In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member, proposing the candidature of Mr. Srinivas Madireddy for his re-appointment as Whole-time Director of the company.

The principal terms and conditions of his re-appointment are mentioned in the resolution set out at item no. 5 of the Notice.

The General Information as required pursuant to Clause 1(B) (iv) of Section II of Part II of Schedule V of the Companies Act, 2013, is provided in the **"Annexure II",** and information as required pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is contained in the statement annexed as **"Annexure I"** hereto.

As per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 and regulation 17(1)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , approval of the Members of the Company by way of a special resolution is required for re-appointment and fixing of remuneration payable to Mr. Srinivas Madireddy.

Hence, the Board recommends the Special Resolution as set out in the item no. 5 for approval of the Members

Except Mr. Srinivas Madireddy and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution as set out in Item no. 5 of the accompanying Notice.

Item nos. 6 & 7:

Dr. Venkata Appa Rao Kotagiri (DIN: 01741020) and Mr. Eswara Rao Immaneni (DIN: 08132183) were appointed as Additional Independent Non-Executive Directors of the Company by the Board in its meeting held on the 14th May, 2018 and were subsequently regularized by the members at the 21st Annual General Meeting of the Company held on 29th September, 2018 for a period of five consecutive years w.e.f. 14th May, 2018 and to hold office up to 13th May, 2023. As per Section 149(10) of the Companies Act, 2013, (the 'Act') and Regulation 25 of SEBI (LODR), Regulations, 2015, (the "Listing Regulations") an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years..

The current term of five consecutive years of Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni will expire on the 13th May, 2023. After taking into account the performance evaluation, during their first term of five years and considering the knowledge, acumen, expertise and experience in respective fields and the substantial contribution made by them during their tenure as Independent Directors since their appointment and accordingly based on the recommendation of Nomination and Remuneration Committee, the board of directors is in the opinion that they fulfill the skills and capabilities as required in the Act and Listing Regulations and therefore consider it desirable and in the interest of the company to have Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni on the board as Independent Non-Executive Director of the company.

Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Consequently, in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the listing Regulations, Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni, being eligible for re-appointment as Independent Directors and offering themselves for re-appointment, are proposed to be re-appointed as Independent Directors for a second term of five consecutive years w.e.f. 14th May, 2023 and to hold office upto 13th May, 2028.

The Company has received declaration from them stating that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 the Act and Regulation16(1) (b) of the Listing Regulations. They have also given their consents to continue to act as Directors of the Company, if so appointed by the members. In the opinion of the Board, Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni

fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations, for their re-appointment as Independent Directors of the Company and are independent of the management.

Brief Profile(s):

Dr. Venkata Appa Rao Kotagiri is an M.B.B.S and holds a Diploma in Ophthalmic Medicine and Surgery (D.O.M.S), and is an Ophthalmic Surgeon by profession. He is the founder of Bobbili Eye Hospital, Andhra Pradesh. He is having vast experience of over 39 years in the field of healthcare and various other business fields.

Mr. Eswara Rao Immaneni is a Chartered Accountant, a senior partner in M/s EC & ASSOCIATES, Chartered Accountants, having branches in Vijayawada, Hyderabad, Vizag, Bangalore and Sydney, Australia. Further, he is a certified Arbitrator and holder of a Post Graduate Certificate in Alternate Dispute Resolution from NALSAR University of Law, Hyderabad.

Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni are not dis-qualified form being appointed as Directors in terms of section 164 of the Act and in terms of Section 160 of the Act, the Company have received notices in writing from members proposing the candidature of Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni for re-appointing them as Independent Directors of the Company as per the provisions of the Act.

The names of companies and the committees in which they are director/member, the letter of appointment and terms and conditions of the appointment are uploaded on the website of the company and available for inspection at the registered office of the company between 11:00 A.M. to 1:00 P.M. on all working days of the Company.

Details of Directors whose appointment as Independent Directors is proposed at Item Nos. 6 and 7, are provided in the **"Annexure I"** 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.

Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni and their relatives are interested in the resolutions as set out respectively at Item Nos. 6 and 7 of the Notice with regards to their respective appointments.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item Nos. 6 and 7 of the Notice for the approval by the members.

Item no. 8

Mr. J. Rana Pratap holds a MBA in Marketing & Operations from IIM Lucknow and a Bachelor's degree in Industrial Engineering from IIT, Delhi. At Mold-Tek, he manages Strategic Initiatives & Business Development while identifying new areas of growth in Packaging including new product development. He is instrumental in diversifying the Company into IBM products which is a huge business opportunity. He has over 10 years of experience in identifying high potential growth areas & arriving at business solutions to real problems. The Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at their meetings held on 2nd September, 2022 approved revision in remuneration of Mr. J. Rana Pratap, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, read with relevant rules w.e.f. 1st October 2022.

Mr. J. Rana Pratap is in the exclusive employment of the Company and will not hold a place of profit in any other Company.

Mr. J. Rana Pratap is well qualified academically and is responsible for new business development. The proposed remuneration of Mr. J. Rana Pratap is considered as minimum remuneration as compared with the remuneration package for similar position in the industry, as the position is very challenging in nature. Similarly placed employees in the Company are/will be getting comparable remuneration.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the related party	**Mr. J. Rana Pratap**
Name of the director or Key Managerial personnel who is related	Mr. J. Lakshmana Rao
Nature of relationship	Mr. J. Lakshmana Rao, Chairman & Managing Director is the father of Mr. J. Rana Pratap.
Nature, Material terms, Monetary value and particulars of the contract or arrangement	Mr. J. Rana Pratap is holding the office or place of profit as Senior Vice President-Corporate of the Company. His remuneration is proposed to be revised as per the terms set out in the resolution given at item number 8.
Any other information relevant or important for the Members to take a decision on the proposed resolution:	Not Applicable

Except Mr. J. Lakshmana Rao and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board recommends passing of the resolution(s) as set out under Item No. 8 for approval of the members as an Ordinary resolution.

No member of the Company who is a related party shall vote to approve the ordinary resolution.

Item no. 9

Mr. A. Durga Sundeep, has completed his Engineering from REC Kurukshetra and MBA from Purdue University, USA. At Mold-Tek, he manages MIS, production planning, material planning, sales forecasting, costing / margin analysis apart from new projects implementation. In addition he also monitors project viability and costing to ensure proper use of the Company's funds. He has over 12 years of experience in identifying & arriving at business solutions to real problems. The Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at their meetings held on 2nd September, 2022 approved the revision in remuneration of Mr. A. Durga Sundeep, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013 read with relevant rules, w.e.f. 1st October 2022.

Mr. A. Durga Sundeep is in the exclusive employment of the Company and will not hold a place of profit in any other Company.

Mr. A. Durga Sundeep is well qualified academically and is responsible for aforementioned roles. The proposed remuneration of Mr. A. Durga Sundeep is considered as minimum remuneration as compared with the remuneration package for similar position in the industry, as the position is very challenging in nature. Similarly placed employees in the Company are/will be getting comparable remuneration.

The particulars of the transaction pursuant to para 3 of Explanation (1) to Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

Name of the related party	**Mr. A. Durga Sundeep**
Name of the director or Key Managerial personnel who is related	Mr. A. Subramanyam & Mrs. A. Seshu Kumari
Nature of relationship	Father & Mother
Nature, Material terms, Monetary value and particulars of the contract or arrangement	Mr. A. Durga Sundeep is holding the office or place of profit as Senior Vice President-Operations & Finance of the Company. His remuneration is proposed to be revised as per the terms set out in the resolution given at item number 9.
Any other information relevant or important for the Members to take adecision on the proposed resolution	Not Applicable

Except Mr. A. Subramanyam and Mrs. A. Seshu Kumari, their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

The Board recommends passing of the resolution(s) as set out under Item No. 9 for approval of the members as an Ordinary Resolution.

No member of the Company who is a related party shall vote to approve the ordinary resolution.

Item no. 10

RECLASSIFICATION OF PROMOTERS

The company has received reclassification request vide letter dated 26th July, 2022, from Mrs. Swetha Mythri J, a Member of the Promoter Group to reclassify her from existing "Promoter/Promoter Group category" to "Public category" of the Company, pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations"). The following are the details regarding her shareholding in the company:

S. No	Name of the Outgoing Promoter	No of Shares held as on date of this notice	% of holding
1.	Mrs. Swetha Mythri J	47,302	0.143

After analyzing the said request of reclassification and having discussed in detail, the board of directors of the company at their meeting held on 27th July, 2022 has favorably considered her request for reclassification since she and the persons related to her:

1) do not together, hold more than ten percent of the total voting rights in the company;
2) do not exercise control over the affairs of the company directly or indirectly;
3) do not have any special rights with respect to the company through formal or informal arrangements including through any shareholder agreements;
4) do not represents on the board (including not having a nominee director) of the Company;
5) do not act as a key managerial person in the Company;
6) are not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
7) are not fugitive economic offender.

Also, it is hereby confirmed that the company:

(i) is compliant with the requirement for minimum public shareholding as required under regulation 38 of the SEBI Listing regulations;

(ii) do not have trading in its shares suspended by the stock exchanges;

(iii) do not have any outstanding dues to the Board, the stock exchanges or the depositories.

Further, she has confirmed that subsequent to reclassification, she would continue to comply with the requirements as mentioned in Regulation 31A of SEBI Listing Regulations.

The Board of Directors have accorded their approval to the said re-classification subject to approval of the Members of the company and relevant regulatory authority.

The board thus hereby recommends the Ordinary Resolution as set out in the item no. 10 of the notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution as set out at item no. 10 of the Notice.

By Order of the Board
For MOLD-TEK PACKAGING LIMITED

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

Annexure-I

Additional information on Director(s) seeking re-appointment in the Annual General Meeting as required under sub-regulation 3 of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard-2 as Issued by the Institute of Company Secretaries of India.

Statement of Disclosure:

Name of the Director	**Mr. P. Venkateswara Rao**	**Mr. Srinivas Madireddy**	**Dr. Venkata Appa Rao Kotagiri**	**Mr. Eswara Rao Immaneni**
DIN	01254851	01311417	01741020	08132183
Date of birth	18th January, 1957	13th May, 1966	10th April, 1959	19th June, 1959
Age	65 Years	56 Years	63 Years	63 Years
Date of first appointment on the board	27th August, 2008	14th May, 2018	14th May, 2018	14th May, 2018
Brief Profile	Mr. P. Venkateswara Rao holds a Bachelor's degree in arts from Osmania University and a diploma degree in Material Management. He has over 43 years of work experience in the field of material management and project execution and co-ordination. He is in charge of overall marketing and commercial activities of the Company.	Mr. Srinivas Madireddy is an Engineer by profession, holding a degree in B.E (Mechanical). He is having vast experience of over 34 years in the field of Production Management and other fields and he is in charge of Production, planning and control of all the units.	Dr. Venkata Appa Rao Kotagiri is an M.B.B.S and holds a Diploma in Ophthalmic Medicine and Surgery (D.O.M.S), and is an Ophthalmic Surgeon by profession. He is the founder of Bobbili Eye Hospital, Andhra Pradesh. He is having vast experience of over 39 years in the field of healthcare and various other business fields.	Mr. Eswara Rao Immaneni is a Chartered Accountant, a senior partner in M/s EC & ASSOCIATES, Chartered Accountants, having branches in Vijayawada, Hyderabad, Vizag, Bangalore and Sydney, Australia. Further, he is a certified Arbitrator and holder of a Post Graduate Certificate in Alternate Dispute Resolution from NALSAR University of Law, Hyderabad.
Terms & Conditions of appointment and re-appointment along with Remuneration sought to be paid	Not Applicable	As mentioned in the resolution no. 5	Not Applicable	Not Applicable
Inter-serelationship with other Directors, Managers and Key Managerial Personnel	Nil	Nil	Nil	Nil
Expertise in specific functional area	Over all in-charge of Materials Management, Marketing and Commercial Activities	Production, Planning and Control of all the units.	Technology & Strategy.	Accounting and Finance.
Qualification	P.G. in Material Management	B.E (Mechanical)	M.B.B.S and Diploma in Ophthalmic Medicine and Surgery (D.O.M.S).	Chartered Accountant (CA).

Name of the Director	Mr. P. Venkateswara Rao	Mr. Srinivas Madireddy	Dr. Venkata Appa Rao Kotagiri	Mr. Eswara Rao Immaneni
Number of Meetings of the Board attended during the financial year 2021-2022	6	6	6	6
Names of other companies in which holds the directorship along with listed entities from which the person has resigned in the past three years;	Mold-Tek Technologies Limited	NIL	(i) Mold-Tek Technologies Limited; (ii)Sri Srinivasa Rajeswari Agro-Tek Mills Private Limited; (iii) Bobbili Eye Hospital Private Limited.	Sankalp Restructuring Private Limited-Date of Cessation-6/01/2021
Names of other companies in which holds the membership/chairmanship of committees of the board	NIL	NIL	Mold-Tek Technologies Limited	NIL
No. of shares held in the Company as on 31st March, 2022	1,86,396	4,41,708	238	7,560

ANNEXURE II REFERRED TO IN THE EXPLANATORY STATEMENT

FOR ITEM NO. 5

Statement containing the information pursuant to the provisions of clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 with respect to ITEM NO. 5

I. GENERAL INFORMATION:

1. **Nature of Industry:** Manufacturing of plastic packaging containers.
2. **Year of commencement of commercial production:** 1997
3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus**: Not applicable
4. **Standalone Financial performance:** **₹ in Lakhs**

Particulars	Year ended 31st March 2022	Year ended 31st March 2021	Year ended 31st March 2020
Income	63,303	47,953	43,860
Net Profit before interest, Depreciation & Tax	12,225	9,656	8,120
Net Profit as per Statement of Profit and Loss	6,366	4,808	3,819
Amount of dividend	2,601	1,954	1,671
Rate of dividend declared/recommended	160	140	100

The Company, after rescheduling of its debts, has not made any default in the repayment of its dues (including public deposits) or interest payments thereon.

5. **Exports performance and net foreign exchange earnings for the year ended 31st March, 2022 is**: ₹ 541.83 lakhs
6. **Foreign investments or collaborations, if any**: Not applicable

II: INFORMATION ABOUT THE APPOINTEE:

1. **Background Details:**

   Mr. Srinivas Madireddy: Mr. Srinivas Madireddy is an Engineer by profession, holding a degree in B.E (Mechanical). He is having vast experience of over 34 years in the field of Production Management and other fields and he is in charge of Production, planning and control of all the units.

2. **Past Remuneration:**

   Mr. Srinivas Madireddy: ₹ 89.32lakhs for the financial year ended 31st March, 2022.

3. **Recognition or awards**: **N.A**

4. **Job Profile and his/her suitability**

   Mr. Srinivas Madireddy: He is the Whole time director of the Company and is in-charge of Production, Planning and Control of all the units. Considering the rich experience and excellent execution capabilities, Mr. Srinivas Madireddy is aptly suitable for the above mentioned roles and responsibilities.

5. **Proposed remuneration:**

   It is proposed to pay a maximum remuneration based on the terms and conditions as detailed in the resolution referred above.

6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**

   Compared to the remuneration profile with respect to industry, size of the company, profile of the position and person, he is entitled to the proposed remuneration.

7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

   Except the remuneration drawn by him from the Company, he does not have any pecuniary relationship, directly or indirectly with the Company.

III. Other Information:

1. **Reasons for inadequate profits:** As of now, the Company is having adequate profits; hence the clause of inadequate profits is not applicable to the company.
2. **Steps taken or proposed to be taken for improvement:** Not Applicable.
3. **Expected increase in productivity and profits in measurable terms:** Not Applicable.

DIRECTORS' REPORT

Dear Members,

The Board is delighted to present the 25th Annual Report on the business and operations of Mold-Tek Packaging Limited ("the Company") along with the summary of standalone and consolidated financial statements for the year ended March 31, 2022.

In compliance with the applicable provisions of the Companies Act, 2013, ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Directors' Report is prepared based on the financial statements of the Company for the year under review.

FINANCIAL PERFORMANCE:

Key highlights of consolidated and standalone financial performance of the Company for the year ended 31 March, 2022, is as summarized below:

₹ in lakhs

Particulars	STANDALONE		CONSOLIDATED	
	2021-22	**2020-21**	**2021-22**	**2020-21**
Revenue from operations	63,147	47,893	63,147	47,893
Other income	156	60	156	88
Total income	**63,303**	**47,953**	**63,303**	**47,981**
Profit before Finance cost, depreciation & tax	12,225	9,656	12,225	9,538
Finance cost	932	994	932	994
Depreciation	2,642	2,149	2,642	2,151
Profit before exceptional items and tax	**8,651**	**6,513**	**8,651**	**6,393**
Provision for current tax	2,032	1,546	2,032	1,546
Provision for deferred tax	253	51	253	51
Exceptional items	-	108	-	-
Net profit (After Tax)	**6,366**	**4,808**	**6,366**	**4,796**
Other comprehensive income (net of tax)	(16)	(22)	(54)	(22)
Profit brought forward from previous years	12,282	8,333	12,320	8,383
Amount available for appropriation	**18,632**	**13,119**	**18,632**	**13,157**
Less: Appropriation				
Dividend on equity shares	1,133	837	1,133	837
Closing Balance of retained earnings	**17,499**	**12,282**	**17,499**	**12,320**

PERFORMANCE REVIEW:

During the year under review, your Company has shown a healthy performance at Standalone level in terms of Revenue, EBIDTA and PAT. Your Company has achieved total revenue of ₹ 63,147 lakhs in F.Y. 2021-22 as compared to ₹ 47,893 lakhs in F.Y. 2020-21 with a growth rate of 31.85%. The operating profit (EBIDTA) has increased by 26.61%, from ₹ 9,656 lakhs in F.Y. 2020-21 to ₹12,225 lakhs in F.Y. 2021-22, resulting in a healthy increase in net profits by 32.40% from ₹ 4,808 lakhs in F.Y. 2020-21 to ₹6,366 lakhs in F.Y. 2021-22. The Basic Earnings per Share (BEPS) on weighted average equity has increased from ₹16.86 in F.Y. 2020-21 to ₹22.12 in F.Y. 2021-22, leading to an increase of 31.19%.

The global economy rebounded after the significant impact of Corona virus (COVID-19) pandemic in F.Y. 2021-22, pent-up demand resulted in robust sales of the products of our Company, helping the Company to generate strong revenues and EBITDA.

ANNUAL SNAP SHOT AND FUTURE OUTLOOK:

Mold-Tek has progressed considerably in the last few years with an increased product range with innovative packaging solutions, keeping in mind the evolving needs of packaging in India. We recognize the importance of continued innovation in packaging products to cater the needs of various customers. As part of our efforts, we have been continuously working towards enhancing our existing products' utility and creating new packaging solutions. The company has significant growth plans in the next 2-3 years, focusing on high-value products through both product & geographical expansion and also diversifying into Injection blow molded products.

New products & development:

By improving the product range, Mold-Tek has expanded its footprint into new segments like – restaurant packs, sweet packs, fertilizers, seeds etc. Some of these products will be our growth drivers over the next 2-3 years.

Launch of new pail container:

Introduced New Pails for DEF market (Diesel Exhaust Fluid) in the country and grabbed a major portion of orders from topmost lubricant industries, which has a sizable growth.

Launch of Confectionary Containers:

The company is launching a new range of products in IML containers for sweet packs, restaurant packs, and online food delivery. Mold-Tek expects a healthy adoption of this packaging in the next couple of years.

Cashew packaging:

Introduced New Q-pack containers in cashew packaging that gives a longer shelf life than tins.

QR Coded IML:

The company has successfully developed futuristic dynamic QR-coded IML packaging with complete traceability all across the supply chain. There is considerable interest in this concept across industries and few customers are at an advanced stage and adapting necessary software updates. Expecting growth in IML share from existing customers and entry into new industries through this feature. This brings the "Digital packaging" concept to India for the first time.

IBM plant with clean room manufacturing:

The major plant of Injection blow molded products is coming up at Sultanpur with 2600 MT P.A capacity, which will be operational at the beginning of next financial year. We Leverage our grip in Injection Molding (Mold design, IML, productivity) and provide low-weight options to customers in Pharma, FMCG & Cosmetics. Major order for a national-wide OTC pharma products has been received in 2 pack sizes that are expected to completely fill the IBM pilot plant capacity right from October/November 2022. However, pharma products expected to start from FY 23-24.

Capacity expansion:

As envisaged at the time of the QIP in Dec-21 MOLDTEK is planning huge capex of ₹125 Cr. during FY2022-23 including new locations and in all segments. This is two and half times of last 5 years average annual capex.

Bulk packs: In view of consistent demand and based on our customer trends, 2600MT P.A of capacity will be added at Daman, Vizag, Hyderabad and Kanpur units. We are enhancing our capacity at Vizag & Mysore for meeting Asian paints, increasing demand.

IML Labels: Mold-Tek doubling IML label printing capacity to 4.5 Cr. labels per month by adding additional Rotogravure and Flexo machines.

Tool room: Mold-Tek planning to increase Tool room capacity from 4 molds per month to 8 molds per month in FY23.

Thin wall: We are glad to inform that the company has decided to set up a second plant at Daman during this financial year, with robotic IML facilities to produce Food & FMCG IML containers for the increasing demand in the western region. This plant will also add IBM products later. The company is adding a capacity of 4700 MT P.A at Sultanpur and Daman Units

COMPANY'S RESPONSE TO COVID-19:

The outbreak of the global pandemic of COVID-19 around the world has had a destabilizing impact on businesses during the F.Y. 2020-21 and also during the first half and particularly the first quarter of F.Y. 2021-22 with the second wave of the Corona Virus and owing to the Omicron variant of the virus starting from December, 2021. As a responsible and resilient Company, we have worked to mitigate the effects of the crisis with agile responses.

The following measures were put in place to protect our employees' health:

- The Company cancelled all travel – both Domestic and International.

- The Company limited the size of gatherings/meetings and avoided external visitors to the premises, besides asking employees to avoid in-person meetings and encouraging video conference.
- Security personnel at all our offices were provided infrared non-contact temperature sensors to screen all employees and visitors entering the premises.
- High contact areas like elevator buttons, door handles, handrails, bathroom taps etc. were sanitized at regular intervals.
- Employees were offered assistance with hospitalization treatment and medical insurance in case of any COVID-19 related emergency.

The COVID-19 has impacted lives and livelihood all around us. As a good Corporate Citizen, the Company pledged its support towards India's fight against COVID-19 by lending a hand to the Government's efforts to endure the social and economic impacts of the Coronavirus pandemic as well as protecting vulnerable populations by enabling access to food and essential supplies.

ENVIRONMENT, HEALTH AND SAFETY:

The Environmental, Health and Safety policy of the Company has "No Accident" as one of its main objectives which acts as a key differentiator in driving workplace safety initiatives. There are no reportable accidents or injuries during the year ended March 31, 2022.

The Company strives to achieve safety, health and environmental excellence in all aspects of its business activities. Acting responsibly with a focus on safety, health and the environment to be part of the Company's DNA.

The manufacturing units are certified for conformance to ISO 9001:2015 standards. The Company manages occupational health and safety by systematically assessing the hazards and mitigating risks through awareness programs and safety training for employees. The Company also addresses health and hygiene needs at workplace by engaging with occupational health experts and providing advice to proactively manage health and wellness of employees.

A process was put in place to manage risks related to COVID-19 by having standard operating procedures (SOP) based on best practices, including day-to-day health monitoring of all employees and sanitizing the workplace with the highest safety standards. Most of the employees were vaccinated to safeguard their health and welfare.

Effective mechanism and guidelines were implemented for an efficient hybrid working model, that enabled work from home (WFH) when possible and physical presence in the office, labs or factory as and when required.

TRANSFER TO RESERVES:

During the year under review, no amount was transferred to any of the reserves by the Company.

DIVIDEND:

(a) Declaration and payment of dividend:

The Board on 9th May, 2022, has recommended a final dividend of 40% (₹2 per equity share) in addition to the interim dividend of 120% (₹6 per equity share) on face value of ₹5 per equity share, declared on 21st April, 2022, which will be paid subject to the approval of the members of the Company in the ensuing Annual General Meeting scheduled to be held on Friday, the 30th day of September, 2022. Total dividend declared for the financial year 2021-22 is 160% (i.e. ₹8 per equity share) on face value of ₹5 per equity share. This will entail an outflow of ₹2601.01 lakhs.

The dividend payout for the year under review has been formulated keeping in view your Company's need for capital and rewarding shareholders.

Equity shares that may be allotted on or before the Book Closure will rank pari passu with the existing shares and holders will be entitled to receive the dividend.

(b) Dividend Distribution Policy:

Pursuant to Regulation 43A of Listing Regulations, the Board adopted a Dividend Distribution Policy, which had been placed on the website of the Company and can be accessed at the link: https://www.moldtekpackaging.com/investors.html

SHARE CAPITAL:

(i) Authorized Share Capital:

The Authorized Share Capital of the Company as on 31st March, 2022 stands at ₹20,00,00,000 (Rupees Twenty crore only) comprising of 4,00,00,000 (Four Crore only) equity shares of ₹5 (Rupees Five only) each.

(ii) Paid up Share Capital:

The paid-up equity share capital of the Company as on 31st day of March, 2022 was ₹ 15,62,65,605 comprising of 3,12,53,121 no. of fully paid Equity shares of face value of ₹5 each.

During the Financial Year 2021-22, the Company has issued Equity Shares in the manner as tabled below:

Sr. No.	Allotment details	No. of Shares	Face value of shares	Paid up Capital of the Company (₹)
1.	Fully paid-up equity shares at the beginning of the Year of ₹5 face value each. *(As on 01.04.2021)*	2,77,71,621	₹5 each	13,88,58,105
2.	Partly-Paid up Equity shares of ₹5 face value each and ₹ 1.25 paid up on each share at the beginning of the year. *(As on 01.04.2021)*	5,55,330	₹5 each (₹1.25 paid up)	6,94,162.50
3.	**Total No. of shares & paid-up capital as on 01.04.2021**	**2,83,26,951**	**₹ 5 each**	**13,95,52,267.50**
4.	Add: Allotment of shares on Exercise of Rights Warrants on 15.04.2021	6,060	₹5 each	30,300
5.	Add: Allotment of shares on Exercise of Rights Warrants on 15.06.2021	2,14,220	₹5 each	10,71,100
6.	Add: Allotment of shares on Exercise of Rights Warrants on 14.07.2021	75,209	₹5 each	3,76,045
7.	Add: Allotment of shares as per MTPL Employees Stock Option Scheme-2016 on 28.07.2021	67,140	₹5 each	3,35,700
8.	Add: Allotment of shares on Exercise of Rights Warrants on 16.08.2021	17,550	₹5 each	87,750
9.	Add: Allotment of shares on Exercise of Rights Warrants on 14.09.2021	32,404	₹5 each	1,62,020
10.	Add: Full and Final call of ₹ 3.75 per equity share on 5, 32,563 partly paid-up equity shares of Face value ₹ 5 each on 09.11.2021	-	₹5 each	19,97,111.25
11.	Add: Allotment of shares on Exercise of Rights Warrants on 15.11.2021	24,051	₹5 each	1,20,255
12.	Add: Full and Final call of ₹. 3.75 per equity share on 11,100 partly paid-up equity shares of Face value ₹ 5 each on 04.12.2021	-	₹5 each	41,625
13.	Add: Allotment of shares under Qualified Institutional Placement on 17.12.2021	14,00,000	₹5 each	70,00,000
14.	Add: Allotment of shares on Exercise of Rights Warrants on 22.12.2021	59,039	₹5 each	2,95,195
15.	Add: Allotment of shares as per MTPL Employees Stock Option Scheme-2016 on 12.01.2022	37,568	₹5 each	1,87,840
16.	Add: Allotment of shares on Exercise of Rights Warrants on 17.01.2022	21,250	₹5 each	1,06,250
17.	Add: Allotment of shares on Exercise of Rights Warrants on 15.02.2022	28,519	₹5 each	1,42,595
18.	Add: Allotment of shares on Exercise of Rights Warrants on 11.03.2022	9,54,827	₹5 each	47,74,135
19.	**Total No. of Equity Shares and paid-up capital**	**3,12,64,788**	**₹5 each**	**15,62,80,188.7**5
20.	Less: Forfeiture of [5,55,330- (5,32,563+11,100)] =11,667 partly paid-up equity shares on account of non-payment of call money	11,667	₹5 each	14583.75
21.	**Total No. of Equity shares and Paid-up capital as on 31.03.2022**	**3,12,53,121**	**₹5 each**	**15,62,65,605**

CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013. The Consolidated Financial Statements for the Financial Year ended March 31, 2022, forms part of the Annual Report. As per the provisions of Section 136 of the Companies Act, 2013.

LISTING OF EQUITY SHARES:

The Company's equity shares are listed on the following Stock Exchanges:

(i) ***BSE Limited (BSE),*** Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra, India.	*(ii)* ***National Stock Exchange of India Limited (NSE)***, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai-400 051, Maharashtra, India.

The Company has paid the annual listing fees to the said stock exchanges for the financial year 2022-23.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

In terms of Section 134(5)(e) of the Act, the term Internal Financial Control means the policies and procedures adopted by a company for ensuring orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Company has adequate Internal Financial Control system in the form of policies and procedures. It follows a structured mechanism of function-specific reviews and risk reporting by senior management of the Company and critical matters are brought to the attention of the Audit Committee and the Board. Further, internal Standard Operating Procedures (SOPs) and Schedule of Authority (SOA) are well defined and documented to provide clear guidance to ensure that all financial transactions are authorized, recorded and reported correctly.

In order to record day-to-day financial transactions and ensure accuracy in reporting thereof, the Company uses an established robust ERP system. Adequate controls and checks are built in the ERP system to integrate the underlying books of account and prevent any kind of control failure. Mapping of policies and procedures including SOPs and SOA is done through ERP and audit of these processes forms part of the work scope of both internal and statutory auditors of the Company.

The Company has a strong and independent in-house Internal Audit ("IA") department that functionally reports to the Chairman of the Audit Committee, thereby maintaining its objectivity. Remediation of deficiencies by the IA department has resulted in a robust framework for internal controls and details of which are provided in the Management Discussion and Analysis Report.

Statutory Auditors in its report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial.

RECONCILIATION OF SHARE CAPITAL AUDIT:

As required by the SEBI Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital.

The Practicing Company Secretary's Certificate in regard to the same is submitted to BSE and the NSE and is also placed before the Board of Directors.

CODE ON INSIDER TRADING:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company had adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (which includes Policy on Determination of Legitimate Purpose). All the Directors, employees and third parties such as auditors, consultants, etc. who could have access to the unpublished price sensitive information of the Company are governed by the said Code. The trading window is closed during the time of declaration of results and on occurrence of any material events as per the code. Mr. Thakur Vishal Singh, Company Secretary of the Company, was the Compliance Officer up to 4th July, 2022 i.e. till the date of his resignation as Company Secretary of the Company and Mr. Subhojeet Bhattacharjee, the present Company Secretary of the Company, is acting as the Compliance Officer w.e.f the 27th day of July, 2022, i.e. the effective day of his appointment as the Company Secretary of the Company and is responsible for setting forth procedures and implementation of the Code for trading in Company's securities. Code of Corporate Disclosure Practices is hosted on the website of the Company and can be accessed at https://www.moldtekpackaging.com/investors.html

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS:

In compliance with the provisions of Section 178 of the Act, Nomination and Remuneration Policy ("NR Policy") of the Company, inter alia, specifies that the Board will conduct performance evaluation of the Board as a whole and its Committees and the individual Directors.

Performance evaluation of Directors shall be done by the entire Board (excluding the director being evaluated). The Nomination and Remuneration Committee shall continue to be responsible for implementation of the methodology followed by the Company in this regard.

The NRC Policy of the Company is placed on the Company's website at https://www.moldtekpackaging.com/investors.html

Performance of the Board is evaluated after seeking inputs from all the directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning, its contribution in effective management of the Company, etc. Based on the assessment, observations on the performance of Board are discussed and key action areas for the Board, Committees and Directors are noted. During the period under review, the annual performance evaluation of the Board, its Committees and individual Directors for the financial year ended 31st March, 2022 was conducted by the Board, at its meeting held on 9th May, 2022. Information and other details on annual performance assessment is given in the Corporate Governance report.

SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY:

As on 31st March, 2022 the Company does not have a material unlisted subsidiary, which requires Secretarial Audit to be conducted pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, for the Financial Year 2021-22.

AUDIT COMMITTEE RECOMMENDATIONS:

The Committee has adopted a Charter for its functioning. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee comprises Mr. Eswara Rao Immaneni as Chairman, Dr. Talupunuri Venkateswara Rao, and Dr. Venkata Appa Rao Kotagiri as members. The Committee met six (6) times during the year under review, the details of which are given in the Corporate Governance Report. During the year under review, there were no instances when the recommendations of the Audit Committee were not accepted by the Board.

REGISTRATION OF INDEPENDENT DIRECTORS IN INDEPENDENT DIRECTORS' DATABANK:

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

DIRECTORS AND OFFICERS (D & O) LIABILITY INSURANCE:

With effect from January 1, 2022, the top 1000 listed entities by market capitalization, calculated as on March 31 of the preceding financial year, shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by its board of directors.

The Company at its Board Meeting held on 27th January, 2022 discussed and reviewed the applicability of the regulation and accordingly decided the quantum and risk to be covered. Further, the company after having discussion with various insurance companies has obtained the Directors and Officers insurance from ICICI Lombard General Insurance Company Limited w.e.f. the 29th day of June, 2022.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company believes that the quality of its employees is the key to its success and is committed to providing necessary human resource development and training opportunities to equip employees with additional skills to enable them to adapt to contemporary technological advancements.

During the year under review, industrial relations remained harmonious at all our offices and establishments.

STATEMENT OF DEVIATION:

Quarterly statement of deviation(s) including report of monitoring agency, if applicable, has been submitted to stock exchange(s) in terms of Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

QUALIFIED INSTITUTIONAL PLACEMENT (QIP):

During the year the Company has raised funds through Qualified Institutional Placement (QIP) to the tune of ₹ 103.6 Crores, (₹ 101.10 Crores net of issue expenses) in terms of chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The issue was open from 14th December, 2021 to 17th December, 2021. Subsequent to the approval accorded by the Board of Directors of the Company, at its meeting held on November 3, 2021 and the approval of the shareholders of the Company by way of a special resolution passed on December 6, 2021 for the QIP, the QIP Committee in its meeting held on 17th December, 2021, approved and allocated 14 lakh equity shares to the eligible qualified institutional buyers at a issue price of ₹ 740 per equity share (including a premium of ₹ 735 per equity share on face value of ₹ 5) and at a premium of ₹ 17.60 (2.44%) per equity share on the floor price of ₹ 722.40 as per SEBI guidelines.

Mold-Tek Packaging Ltd has received overwhelming response for its QIP issue. The funds who have invested in this QIP include marquee investors like Goldman Sachs India Equity, White Oak India Equity Fund, Aditya Birla Sun Life Trustee Private Limited Plc, ICICI Prudential Small Cap Fund and others.

CREDIT RATING:

ICRA Limited vide its letter ref no. ICRA/MOLD-TEK Packaging Limited/30052022/1 dated May 30, 2022 has informed the company that based on a review of the latest developments, the Rating Committee of ICRA, after due consideration, has revised the long-term rating to [ICRA] A+ (pronounced ICRA A plus) from [ICRA] A (pronounced ICRA A).

The Rating Committee of ICRA, after due consideration, has retained the short-term rating at [ICRA] A1 (pronounced ICRA A one). The outlook on the long-term rating is Stable. Post such revision the rating details are as below:

Instrument	Rating
Long-term, Term loan	[ICRA] A+ (Stable)
Long-term loans fund based	[ICRA] A+ (Stable)
Short-term non- fund based	[ICRA]A1

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of Business of the Company during the year under consideration.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There were no significant material orders passed by Regulators /Courts which would impact the going concern status of the Company and its future operations.

EMPLOYEE STOCK OPTION SCHEME:

The Company in terms of the Mold-Tek Packaging Limited, Employees Stock Option Scheme-2016 which was approved by the members of the company in the 19th Annual General Meeting of the company held on 19th September, 2016, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014, had made the 1st tranche of granting of 1,50,000 options, asapproved by the Nomination and Remuneration Committee/Board in its meeting held on 20th July, 2018 and a 2nd tranche of granting of 1,50,000 options under this scheme, as approved by the Nomination and Remuneration Committee/Board in its meeting held on 23rd December, 2020, respectively.

During the year under review the Board at its meeting held on 28th July, 2021, and vide a circular resolution passed on the 12th January, 2022, has vested 67,140 options (out of 1st tranche of granting of 1,50,000 options) and 37,568 options (out of 2nd tranche of granting of 1,50,000 options) respectively, thus the total number of options vested during year is 1,04,708 options. The necessary disclosure of the Outcome of the Board Meeting dated 28th July, 2021 and Circular Resolution Passed by the Board of Directors dated 12th January, 2022 was given to the stock exchange(s).

There has been no changes in the Scheme.

The certificate from the Secretarial Auditor on the implementation of the 2016 Plan in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) ("SEBI SBEB Regulations"), has been uploaded on the website of the Company at https://moldtekpackaging.com/investors.html. The 2016 Plan is being implemented in accordance with the provisions of the Act and SEBI SBEB Regulations. The details of the stock options granted under the 2016 Plan and the disclosures in compliance with SEBI SBEB Regulations and Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 are set out in **'Annexure-A'** and are available on the website of the Company at https://moldtekpackaging.com/investors.html

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as '**Annexure-B'.**

PARTICULARS OF LOANS, GUARANTEES, SECURITIES OR INVESTMENTS:

The details of Loans, Guarantees, Securities and Investments made during the financial year ended 31st March, 2022, are given in the notes to the Financial Statements in compliance with the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

DEPOSITS:

The Company has not accepted any deposits in terms of Section 73 or 76 of the Companies Act, 2013 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

RECLASSIFICATION OF PROMOTER/ PROMOTER GROUP:

During the financial year 2021-22, Mr. K. V. Ramarao, Mr. Prasanna Kumar Golkonda and Mrs. Seshu Priya Golakonda, Promoter(s)/ Member(s) of the Promoter Group of the Company, based on their Letter of Requests dated 27th July, 2021, seeking re-classification in terms of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and approval by the Board of Directors in their meeting held on 28th July, 2021 and by the members of the Company in the 24th Annual General Meeting of the Company held on 30th September, 2021, and subsequent application and approval from the stock exchange(s) have been re-classified from the "Promoter/ Promoter Group" category to "Public" category in the shareholding of the Company.

Also, the Company has received a letter dated 26th July, 2022, from Mrs. Swetha Mythri J, a Member of the Promoter Group to reclassify her from existing "Promoter/Promoter Group category" to "Public category" of the Company, pursuant to the above mentioned regulation, after analyzing the said request of reclassification and having discussed in detail, the board of directors of the company at their meeting held on 27th July, 2022, has favorably considered her request for reclassification and have accorded their approval to the said re-classification subject to approval of the Members of the company and relevant regulatory authority. The same resolution has been recommended by the Board for approval of the members in the ensuing 25th Annual General Meeting of the Company.

All the disclosure regarding the same is available in the website of the Company at https://moldtekpackaging.com/investors.html.

INTERNAL CONTROLS SYSTEMS AND ITS ADEQUACY:

The Company's internal audit systems are geared towards ensuring adequate internal controls commensurate with the size and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of financial statements, ensuring compliances with applicable laws and regulations and safeguarding of assets from unauthorized use.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Annual Report.

INDEPENDENT DIRECTORS' DECLARATION:

Pursuant to the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointments/Re-appointment & Cessation of Directors:

During the financial year under review and consideration, the Board of Directors of the Company, on the basis of the notice received from a member of Mold-Tek Packaging Limited under Section 160 of the Companies Act, 2013, signifying her intention to propose the candidature of Mrs. J. Mytraeyi for the office of Director of the Company and based on the performance evaluation and the recommendation of the nomination and remuneration committee, in its meeting held on the 3rd November, 2021,approved and recommended the appointment of Mrs. J Mytreyi (DIN: 01770112) as Director, under Non-Executive, Non-Independent Director Category of the Company, subject to the approval of the members. The Board being of the opinion that her vast knowledge and varied experience and respect she carries will be of great value to the Company recommended the said appointment to the members. Accordingly, the members of the Company, in the Extra-ordinary general meeting held on 6th December, 2021, inter alia, considered and approved the appointment of Mrs. J Mytreyi (DIN: 01770112) as Director, under Non-Executive, Non-Independent Director Category liable to retire by rotation.

Based on the confirmations received, none of the Directors are disqualified for being appointed/re-appointed as directors in terms of Section 164 of the Companies Act, 2013.

In accordance with the provisions of Section 152 of the Act, Mr. P. Venkateswara Rao, Deputy Managing Director of the Company (DIN: 01254851) is retiring by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Further, Mr. Srinivas Madireddy (DIN: 01311417) was appointed as Whole-time Director of the Company for a period of 5 years with effect from 14th May, 2018 to 13th May, 2023 at the 21st Annual General Meeting held on 29th September, 2018.

His present term as the Whole-time Director thus expires on 13th May, 2023. The Board of Directors and Nomination and Remuneration Committee at its meeting held on 2nd September, 2022, subject to the approval of Members at the general meeting, re- appointed Mr. Srinivas Madireddy for a further period of five (5) years w.e.f. 14th May, 2023 to hold office till 13th May, 2028. The Board has recommended the said resolution for approval of the members in the ensuing 25th Annual General Meeting.

In terms of Regulation 17(1C) the Listing Regulations, 2015, listed entities shall ensure that approval of shareholders for appointment of a person on the Board of Directors or as a manager is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier, also as per Regulation 25(6) of the said Regulations any vacancy in the office of the Independent Director shall be filled by the listed entity at the earliest but not later than three months from the date of such vacancy. The current term of five consecutive years of Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni will expire on the 13th May, 2023, and thus accordingly, to comply with the above mentioned provisions and based on the recommendation of Nomination and Remuneration Committee of the Board and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the listing Regulations, Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni, being eligible for re-appointment as Independent Directors and offering themselves for re-appointment, are proposed to be re-appointed as Independent Directors for a second term of five consecutive years w.e.f. 14th May, 2023 and to hold office upto 13th May, 2028, subject to the approval of the members in the ensuing 25th AGM.

Key Managerial Personnel:

Mr. Thakur Vishal Singh, the Company Secretary and Compliance Officer of the Company resigned from his services w.e.f. the close of business hours on 4th day of July, 2022. The Board in its meeting held on the 27th day of July, 2022, took note of his resignation and placed on record its sincere appreciation for the services rendered by him over the tenure of his employment and based on the recommendation of the Nomination and Remuneration Committee and Letter of Consent received, appointed Mr. Subhojeet Bhattacharjee, an Associate member of the Institute of Company Secretaries of India, to act as the Company Secretary and Compliance Officer of the Company w.e.f. the 27th day of July, 2022.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	*Name of Key Managerial Personnel*	*Designation*
1.	Mr. J. Lakshmana Rao	Chairman and Managing Director
2.	Mr. A. Subramanyam	Deputy Managing Director
3.	Mr. P. Venkateswara Rao	Deputy Managing Director
4.	Mr. Srinivas Madireddy	Whole-time Director
5.	Mrs. A. Seshu Kumari	Chief Financial Officer
6.	Mr. Thakur Vishal Singh *(Resigned w.e.f. 4th July, 2022)*	Company Secretary and Compliance Officer
7.	Mr. Subhojeet Bhattacharjee *(Appointed w.e.f. 27th July, 2022)*	Company Secretary and Compliance Officer

BOARD AND COMMITTEE MEETINGS:

The Board of the Company is comprised of eminent persons of proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

As required under the Act, and the Listing Regulations, the Company has constituted the following statutory committees:

1) Audit Committee;
2) Nomination and Remuneration Committee;
3) Stakeholders Relationship Committee;
4) Risk Management Committee;
5) Corporate Social Responsibility Committee.

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. The Board exhibits strong operational oversight with regular presentations in quarterly meetings. The Board / Committee meetings are pre-scheduled, and a tentative annual calendar of the Board and Committee meetings is circulated to the Directors well in advance to help them plan their schedule and ensure meaningful participation in the meetings. Only in case of special and urgent business, if the need arises, the Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board Committee meetings at short notice, as permitted by law. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, and the terms of reference of various committees are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Section 173 of the Act and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CODE OF CONDUCT:

Board of Directors have adopted and oversee the administration of the Company's Code of Business Conduct and Ethics (the 'Code of Conduct'), which applies to all Directors, Officers and Employees of Mold-Tek Packaging Limited. The Code of Conduct reflects the Company's commitment to doing business with integrity and in full compliance with the law and provides a general roadmap for all the Directors, Officers and Employees to follow as they perform their day-to-day responsibilities with the highest ethical standards. The Code of Conduct also ensures that all members of the Company perform their duties in compliance with applicable laws and in a manner that is respectful of each other and the Company's relationships with its customers, suppliers and shareholders, as well as the communities and regulatory bodies where the Company does business.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company considers social responsibility as an integral part of its business activities. The Corporate Social Responsibility Committee comprises of 3 Executive Directors and one Independent Director, chaired by Mr. J. Lakshmana Rao. The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Act. In compliance with requirements of Section 135 of the Companies Act, 2013, the Company has laid down a CSR Policy. The contents of CSR Policy and report on CSR activities carried out during the financial year ended 31st March, 2022, in the format prescribed under Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended is annexed herewith as '**Annexure-C**' to this report.

STATEMENT ON COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

NOMINATION, REMUNERATION AND PERFORMANCE EVALUATION POLICY:

The requisite details as required under Section 134(3),Section 178(3) and (4) of the Act and Regulation 34(2) of Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2021-22.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

ii. they have 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 at the end of the financial year and of the profit of the Company for that period;

iii. they have 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. they have prepared the annual accounts for the Financial Year ended March 31, 2022, on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected there in and incidental thereto, with the objective

of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. In the financial year 2021-22, the Company has not received any complaint which falls within the scope of this policy. The policy is available on website of the Company at: https://www.moldtekpackaging.com/investors.html

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as '**Annexure-D'** to 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 the 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.

ANNUAL SECRETARIAL COMPLIANCE REPORT:

Pursuant to the provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015 the Board of Directors of the Company had appointed Mr. Ashish Kumar Gaggar, Practicing Company Secretary to undertake the Audit of Annual Secretarial Compliance of the Company for the year ended 31st March, 2022. The Annual Secretarial Compliance Report is annexed as '**Annexure-E '.** The Annual Secretarial Compliance Report for the financial year ended 31st March, 2022 do not contain any qualification, reservation, adverse remark or disclaimer except the observations provided thereunder.

ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

The requisite details as required by Section 177 of the Act and Regulation 22 & 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in the Report on Corporate Governance.

AUDITORS:

a. ***Statutory Auditors***

M/s. Anandam & Co., Chartered Accountants (Firm Registration Number 000125S), were appointed as Statutory Auditors of your Company at the 20th Annual General Meeting (AGM) held on 22nd September, 2017, to hold office for their first term of five consecutive years subject to ratification by Members at every Annual General Meeting, from the conclusion of the 20th AGM till the conclusion of the 25th AGM of the Company, in accordance with the provisions of the Act. However, in accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. M/s. Anandam & Co, Chartered Accountants have confirmed that they are not disqualified from continuing as Auditors of the Company. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

The Board in its meeting held on the 27th day of July, 2022, based on the recommendations of the Audit Committee given in their meeting held on the same date before the board meeting, approved and recommended the appointment of M/s. Anandam & Co., Chartered Accountants (Firm Registration Number 000125S), as statutory auditors of the company, for the second term of five (5) consecutive years, to hold office from the conclusion of the 25th Annual General Meeting till the Conclusion of the 30th Annual General Meeting to be held in the F.Y. 2027-28 subject to the approval of the members at the ensuing 25th Annual General Meeting.

The Statutory Auditors of the Company have issued an unmodified opinion on the financial statements, both standalone and consolidated for the financial year ended 31st March, 2022. The said Auditors' Report(s) for the financial year ended 31st March, 2022 on the financial statements of the Company forms part of this Annual Report.

b. ***Secretarial Auditor***

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed Mr. Ashish Kumar Gaggar, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ended on 31st March, 2022. The Secretarial Audit Report as issued by the Secretarial Auditor for the F.Y. 2021-22, is annexed as '**Annexure-F'**. The Secretarial Audit Report for the financial year ended on 31st March, 2022 does not contain any qualification, reservation, adverse remark or disclaimer except the observations provided thereunder.

c. ***Internal Auditors***

The Board of Directors based on the recommendation of the Audit Committee has appointed M/s. Praturi & Sriram, Chartered Accountants as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis to the Audit Committee and Board of Directors.

TRANSACTIONS WITH RELATED PARTIES:

All Related Party Transactions are placed before the Audit Committee and also the Board for approval, wherever required. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseeable and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company had earlier developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions. In terms of Reg. 23(1) of SEBI (LODR), Regulations, 2015, the Board is required to review the Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and update the same at least in every three (3) years. Accordingly, the said Policy was placed before the Board for its review and necessary updation in its meeting held on 27th January, 2022. The Board had a detailed discussion on the matter and there-after reviewed and updated the Policy and recorded its comments there-in. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://www.moldtekpackaging.com/investors.html The particulars of contracts or arrangements with related parties, if any, referred to in sub-section (1) of section 188 is prepared in Form AOC-2 pursuant to clause (h) of the Companies (Accounts) Rules, 2014 and the same is annexed herewith as **'Annexure- G'** to this Report.

The other requisite details as required by Sections 134 & 188 of the Companies Act, 2013 and Regulation 23, 34(3) and other Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the Report on Corporate Governance and Financial Statements.

SUBSIDIARY:

The company had only one Wholly Owned Subsidiary (WOS) Company, viz, Mold-Tek Packaging FZE, RAK, UAE, which was started in August, 2016, to cater to the requirements of lube, paint, and food industries from the Middle East countries but as the company did not bag the anticipated orders, the management of the Company had reduced the capacity and withdrew equipment from RAK and reinstalled the same in India and the operations were closed.

Due to unavoidable situations and the COVID-19 pandemic outbreak all over the World, the formalities for complete closure and transfer were delayed.

As per the rules & regulations of the RAK, the wholly owned subsidiary of the company- Mold-Tek Packaging FZE, RAK, UAE (Transferor) has been completely transferred to Mrs. Satya Sunitha Deepthimahanti (Transferee) along with all liabilities/debts and other rights of the employees & workers.

Thereafter, other statutory formalities of RAK Government were completed and the necessary approvals were received, hence Mold-Tek Packaging FZE, RAK, UAE, the wholly owned subsidiary of the Company has been completely transferred and appropriate disclosures were given to the stock exchange(s).

The Company has given Consolidated Financial Information up to the date of disinvestment and accordingly Consolidated Financial Statements were prepared up to Financial Year 2021-22.

The consolidated financial statements of the group prepared in accordance with applicable Accounting Standards as specified in the Companies (Accounts) Rules, 2014, form part of the annual report. A statement containing the salient features of the financial statements of subsidiary in Form AOC-1 in terms of Section 129(3) of the Companies Act, 2013 is not included as an annexure to the Directors' Report since the wholly owned subsidiary of the Company has been completely transferred as mentioned in the above paras.

ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of the Annual Return as on 31st March, 2022, is available on the Company's website and that can be accessed at https://www.moldtekpackaging.com/investors.html

By virtue of amendment to Section 92(3) of the Companies Act, 2013 and rule 12 of the Companies (Management and Administration) Rules, 2014, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT, REPORT ON CORPORATE GOVERNANCE AND THE BUSINESS RESPONSIBILITY REPORT:

The Management Discussion and Analysis Report, the Report on Corporate Governance along with the Business Responsibility Report, as required under Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

Your Company is committed to the tenets of good corporate governance and has taken adequate steps to ensure that the principles of corporate governance as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

A Company Secretary in Practice has certified that conditions of Corporate Governance as stipulated under Securities and

Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with by your Company and his certificate is annexed to the Report on Corporate Governance.

A declaration on compliance of Code of Conduct from Mr. J. Lakshmana Rao, Chairman & Managing Director forms part of the Corporate Governance Report.

CEO/CFO CERTIFICATION:

Mr. J. Lakshmana Rao, Chairman & Managing Director and Mrs. A. Seshu Kumari, Financial Controller & Chief Financial Officer of the Company have given a certificate to the Board as contemplated in Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RISK MANAGEMENT:

In terms of the requirement of Section 134(3)(n) of the Companies Act, 2013 and Regulation 21 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has developed and implemented the Risk Management Policy. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report. At present the Company has not identified any element of risk which may threaten the existence of the company. All assets of your Company and other potential risks have been adequately insured.

EMPLOYEE RELATIONS:

The relationship with the workmen and staff remained cordial and harmonious during the year and the management received full co-operation from the employees.

BOARD'S OPINION OF INDEPENDENT DIRECTOR(S) APPOINTED DURING THE YEAR:

As per Rule 8 (5) of Companies (Accounts) Rules, 2014, it is in the opinion of the Board that integrity, expertise and experience of the independent directors appointed during the year, if any, has been fulfilled.

MAINTENANCE OF COST RECORDS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SECTION 148 OF THE COMPANIES ACT, 2013:

The Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the products/services of the company.

CAUTIONARY STATEMENT:

Statements in the Directors' Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation and gratitude for all the assistance and support received from Citibank, HSBC, ICICI Bank and officials of concerned government departments for their co-operation and continued support extended to the Company. They also thank the Members for the confidence they have reposed in the Company and its management.

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date : 2nd September, 2022

ANNEXURE - A

Disclosure pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI forms part of the notes to the financial statements provided in this Annual Report.

Scheme I - MTPL Employees Stock Option Scheme

Scheme II - MTPL Employees Stock Option Scheme-2016 (MTPL ESOS 2016)

A. Details of the Employees Stock Option Schemes (ESOS):

Sr. No.	Description	Year ended 31st March, 2022 Scheme-I	Year ended 31st March, 2022 Scheme-II
1.	Date of shareholders' approval	9th February, 2010	19th September, 2016
2.	Total number of options approved under ESOS	5,00,000	3,00,000
3.	Vesting requirements	Commences at the expiry of one/two years to 4 years from the date of grant.	Commences at the expiry of one year to 5 years from the date of grant.
4.	Exercise price or pricing formula	Exercise price for the purpose of the grant of options shall be the price as reduced by 60% of the closing market price of the equity shares of the company available on BSE on the date immediately preceding the grant date, subject to minimum of the face value of equity share.	Exercise price for the purpose of the grant of options shall be price as reduced up to a maximum of 50% of the closing market price of the equity shares of the Company available on the stock exchange(s) on which the shares of the Company are listed. If equity shares are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the closing market price.
5.	Maximum term of options granted	6 years	5 years
6.	Source of shares (primary, secondary or combination)	Primary	Primary
7.	Variation of terms of options	Nil	Nil

B. Method of Accounting used: Fair Value

C. If the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options and the impact of this difference on profits and on EPS of the company: Not Applicable

Option movement during the year (For each ESOS):

Sr. No.	Description	Year ended 31st March, 2022
1.	Number of options outstanding at the beginning of the year (out of total number of options approved under ESOS)	2,22,000
2.	Number of options granted during the year	-
3.	Number of options forfeited/lapsed during the year	4,860
4.	Number of options vested during the year	1,04,708
5.	Number of options exercised during the year	1,04,708

Sr. No.	Description	Year ended 31st March, 2022
6.	Number of shares arising as a result of exercise of options	1,04,708
7.	Amount realized by exercise of options (₹ lakhs)	240.53
8.	Loan repaid by the Trust during the year from exercise price received	Not applicable
9.	Number of options outstanding at the end of the year (out of total number of options approved under ESOS)	1,12,432
10.	Number of options exercisable at the end of the year (out of total number of options approved under ESOS)	Nil
11.	Weighted-average exercise price (₹) for options whose exercise price either equals or exceeds or is less than the market price of the stock.	643.29
12.	Weighted-average fair values of the options (₹) for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Not applicable
14.	Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	
	a. senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Nil
	b. Any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during the year	Nil
	c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant	Nil
15.	A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information: a) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model; b) the method used and the assumptions made to incorporate the effects of expected early exercise; c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and d) Whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.	Not Applicable
16.	Disclosures in respect of grants made in three years prior to IPO under each ESOS	Not Applicable

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date : 2nd September, 2022

ANNEXURE-B

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

a. Conservation of energy:

Energy conservation is one of the words we are hearing more and more in the present world. Energy conservation is not about making limited resources last as long as they can, that would mean that you are doing nothing more than prolonging a crisis until we finally run out of energy resources all together. Rather, conservation is the process of reducing demand on a limited supply and enabling that supply to begin to rebuild itself. Many times the best way of doing this is to replace the energy used with an alternate source.

Without energy conservation, the world will deplete its natural resources. While some people don't see that as an issue because it will take many decades to happen and they foresee that by the time the natural resources will be exhausted, there will be an alternative; the depletion also comes at the cost of creating an enormous destructive waste product that then impacts the rest of the life. The goal with energy conservation techniques is to reduce demand, protect and replenish supplies, develop and use alternative energy sources, and to clean up the damage from the prior energy processes.

During the year under consideration and review, the following steps were taken for conservation of energy by the Company:

a. Monitoring and analysis of energy consumption on periodic basis;

b. New molding machines selected are always either servo controller or fully electric machines;

c. Replacement of conventional tubes and bulbs with LED;

d. Monitoring, benchmarking and selection of energy intensive equipment only;

e. Minimum use of energy by optimizing processes and material movement in factories;

f. 'Machine On' alarms and automatic switch off machines;

g. Share and implement best energy saving practices across manufacturing units;

h. Initiated the process of setting up of solar power development at all manufacturing units.

b. Technology absorption:

Mold-Tek operates in an industry which requires continuous technology upgradation for manufacturing products and research activities to stay ahead of the market. Currently, the Company has a centralized integrated tool room to develop and repair molds. While the Company's centralized tool room provides advantages such as early development of products at cheaper costs, Mold-Tek will continue to make investments in R&D including and not limited to developing robots, new molds and processes since the Company depends significantly on such processes for upgrading the technologies and processes from time to time. The top management devotes considerable time to develop new design and technologies at the tool room. These R&D activities are critical since it may improve demand for the Company's products and profitability, if the same proves to be successful.

c. Foreign exchange earnings and outgo:

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

₹ in lakhs

Particulars	2021-22	2020-21
Foreign exchange earnings	**541.83**	**533.00**
Foreign exchange outgo	**4,528.63**	**3,876.00**

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date : 2nd September, 2022

ANNEXURE –C

REPORT ON CORPORATE SOCIAL RESPONSIBILITY AS PER RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. A Brief outline of the Company' s CSR Policy:

Mold-Tek Packaging Limited is committed to improve the lives of the society in which it operates. The Company believes in "looking beyond business" and strives to create a positive impact on the communities it serves and on the environment. The Company is committed not just to profits, but also towards leaving a deeper imprint on the society as a whole. We understand that there is a need to strike a balance between the overall objectives of achieving corporate excellence visa-vis the company's responsibilities towards the community.

2. Composition of CSR Committee:

Sl. No.	Name of Director and Designation	Chairman/ Member	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. J. Lakshmana Rao- Chairman & Managing Director	Chairman	2	2
2.	Mr. P. Venkateswara Rao- Deputy Managing Director	Member	2	2
3.	Mr. A. Subramanyam- Deputy Managing Director	Member	2	2
4.	Mr. Venkata Appa Rao Kotagiri- Independent Non- Executive Director	Member	2	2

3. **Web link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**: https://www.moldtekpackaging.com/investors.html

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report**): Not applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-** Not Applicable

6. **Average Net Profit of the Company as per Section 135(5) of the Companies Act, 2013:** ₹ 5617.84 lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 112.36 lakhs

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (7a+7b-7c+7d): ₹ 112.36 lakhs

8. a) CSR amount **spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (in ₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
65.53	46.83	30th April, 2022	Not Applicable		

(b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No)**	**Location of the project**		**Project duration**	**Amount Allocated for the project (₹ in lakhs)**	**Amount spent in the current financial Year (₹ in lakhs)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs)**	**Mode of Implementation - Direct (Yes/ No).**	**Mode of Implementation - Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number**
1.	Construction of Mahila Bhavan	Item no. (iii)	Yes	Telangana	Sanga Reddy	3 years	36.00	10.00	26.00	Yes	Not Applicable	Not Applicable
2.	Setting up of R O Water Plant	Item no. (i)	No	Andhra Pradesh	Kakinada	2 years	29.37	23.54	5.83	Yes	Not Applicable	Not Applicable
3.	Modernization of Hospital and healthcare Equipments	Item no. (i)	No	At various Places	At various Places	3 years	15.00	0	15.00	Yes	Not Applicable	Not Applicable
	TOTAL						**80.37**	**33.54**	**46.83**			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of The Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (₹ in lakhs)**	**Mode of implementation -Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number**
1.	Contribution to Sri Vijay Sankara Desika Trust - Vedic Education	Item no. (ii)	Yes	Telangana	Hyderabad	2.00	Yes	Not Applicable	Not Applicable
2.	Ration Distribution in view of the continued impact of Covid-19 to the needy	Item no. (i)	Yes	At various Places	At various Places	17.97	Yes	Not Applicable	Not Applicable
3.	Contribution to Sight Savers India	Item no. (i)	Yes	Telangana	Hyderabad	5.00	No	Royal Commonwealth Society for the Blind	CSR REG. NO. CSR00001381
4.	Donation of computers to Telangana Social Welfare Residential Educational Institutions Society	Item no. (ii)	Yes	Telangana	Medak, Khammam, Suryapet	7.02	Yes	Not Applicable	Not Applicable
	TOTAL					**31.99**			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 65.53 lakhs

(g) Excess amount for set off, if any: Nil

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in Succeeding financial years.(₹ in lakhs)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	F.Y 2018-19	18.94	18.94	*Not Applicable*			0
2.	F.Y 2019-20	93.95	49.93	*Not Applicable*			44.02
3.	F.Y 2020-21	34.27	0	*Not Applicable*			34.27
	TOTAL	**147.16**	**68.87**	**---**			**78.29**

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID**	**Name of The Project**	**Financial Year in which the project was commenced**	**Project duration.**	**Total amount Allocated for the project (₹ in lakhs)**	**Amount spent on the project in the reporting Financial Year (₹ in lakhs)**	**Cumulative amount spent at the end of reporting Financial Year. (₹ in lakhs)**	**Status of the project - Completed /Ongoing**
1.	EDU-1	IIM- Bangalore	F.Y. 2019-20	3 Years	25.00	10.00	25.00	Completed
2.	EDU-2	School Building -Ventrapragada	F.Y. 2020-21	3 Years	35.00	4.88	34.28	On-going
3.	EDU-3	School Building-Annaram	F.Y. 2021-22	3 Years	58.55	34.77	34.76	On-going
4.	HEALTH 1	Ambulance	F.Y. 2021-22	3 Years	38.00	16.70	16.70	On-going
5.	HEALTH 2	Medical Equipment	F.Y. 2021-22	3 Years	35.00	2.52	2.52	On-going
TOTAL					**191.55**	**68.87**	**113.26**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)- Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Some of the CSR projects are of long term in nature for a duration of 2-3 years, hence the funds allocated to such projects will be spent as per the time lines and such unspent amount as on March 31, 2022 has been transferred to Unspent CSR Account on April 30, 2022 and to be spent towards the projects identified as ongoing projects as on date of transfer of funds.

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

ANNEXURE-D

Disclosure under Section 197(12) and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

(₹ in Lakhs)

Name of the Director	Remuneration	Median remuneration (₹)	Ratio to median remuneration
Executive Directors			
Mr. J. Lakshmana Rao	204.75	3,25,749	62.85:1
Mr. A. Subramanyam	240.81	3,25,749	73.92:1
Mr. P. Venkateswara Rao	170.79	3,25,749	52.43:1
Mr. M. Srinivas	89.32	3,25,749	27.42:1
Non-Executive Directors			
Mrs. J. Mytraeyi	0.80	N.A	N.A
Dr. T. Venkateswara Rao	1.20	N.A	N.A
Dr. Venkata Appa Rao Kotagiri	1.00	N.A	N.A
Mr. Eswara Rao Immaneni	1.20	N.A	N.A
Mrs. Madhuri V R Viswanadham	1.20	N.A	N.A
Mr. T. Dhanraj Tirumala Narasimha	0.80	N.A	N.A

b. Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2021-22

Name	Designation	Increase %
Mr. J. Lakshmana Rao	Chairman & Managing Director	21.56%
Mr. A. Subramanyam	Deputy Managing Director	20.82%
Mr. P. Venkateswara Rao	Deputy Managing Director	24.40%
Mr. M.Srinivas	Whole time Director	17.23%
Mrs. J. Mytraeyi	Non-Executive Director	-
Dr. T. Venkateswara Rao	Independent Non-Executive Director	-
Dr. VenkataAppa Rao Kotagiri	Independent Non-Executive Director	-
Mr. Eswara Rao Immaneni	Independent Non-Executive Director	-
Mrs. Madhuri V R Viswanadham	Independent Non-Executive Director	-
Mr. T Dhanraj Tirumala Narasimha	Independent Non-Executive Director	-
Mrs. A. Seshu Kumari	Chief Financial Officer	19.49%
Mr. Thakur Vishal Singh*	Company Secretary & Compliance Officer	26.44%
Mr. Subhojeet Bhattacharjee#	Company Secretary & Compliance Officer	Not Applicable

** Resigned w.e.f. 4th July, 2022.*
 # Appointed w.e.f. 27th July, 2022

c. Percentage increase in the median remuneration of employees in the financial year 2021-22: 11.85%

d. Number of permanent employees on the rolls of the Company as on 31st March, 2022: 581

e. 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 and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The aggregate remuneration of employees excluding whole-time directors grew by 21.41 % over the previous financial year. The aggregate remuneration for KMPs grew by 21.33 % over the previous financial year. This was based on the recommendation of the Nomination and Remuneration Committee to revise the remuneration as per industry benchmarks. There was no exceptional circumstance or increase for managerial personnel in the last financial year.

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes, the remuneration is as per the remuneration policy of the Company.

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Employees employed throughout the financial year, who was in receipt of remuneration for that year which, in the aggregate, was not less than ₹102 lakhs and employees who are in receipt of remuneration in the financial year 2021-22 which, in the aggregate, is in excess of that is drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company:

(₹ in Lakhs)

Name	Designation/ nature of employment	Qualification	Age (Years)	Date of joining	Remuneration received	Overall experience (Years)	Particulars of last employment
Mr. J. Lakshmana Rao	Chairman & Managing Director	Bachelor's degree in Civil Engineering & PG Diploma in Management from the IIM, Bangalore.	63	Refer Note*	204.75	39	Founder of Mold-Tek Group, Chairman & Managing Director of Mold-Tek Packaging Limited and Mold-Tek Technologies Limited.
Mr. A. Subramanyam	Deputy Managing Director	Bachelor's degree in Mechanical Engineering.	68	Refer Note*	240.81	41	Director, Mold-Tek Technologies Limited.
Mr. P. Venkateswara Rao	Deputy Managing Director	Bachelor of Arts and P.G. in Materials Management.	65	Refer Note*	170.79	43	Director, Mold-Tek Technologies Limited.

Note*:
Percentage of equity shares held and relation with other directors of the above employees has been disclosed in the Report on Corporate Governance.

Mr. J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - M/s. Mold-Tek Packaging Limited and M/s. Mold-Tek Technologies Limited, aggregating to ₹ 281.22 Lakhs pursuant to approval of the Members accorded at the 24th Annual General Meeting of Mold-Tek Packaging Limited held on 30th September, 2021 and 37th Annual General Meeting of Mold-Tek Technologies Limited held on 30th September, 2021.

High Court of Judicature, Andhra Pradesh at Hyderabad by its Order dated 25th July, 2008 has approved the Scheme of Arrangement between Teckmen Tools Private Limited, the Transferor Company, Mold-Tek Technologies Limited, the Transferee Company and the Demerged Company and Mold-Tek Packaging Limited (Former name: Mold-Tek Plastics Limited), the Resulting Company. The employees of Mold-Tek Technologies Limited and Teckmen Tools Private Limited continue to be in the employment of Mold-Tek Packaging Limited.

Details of the top ten employees in terms of remuneration drawn: (₹. in Lakhs)

Sl. No.	Name	Designation	Qualification	Age (Years)	Date of joining	Remu-neration	Overall experience (Years)	Last employment
1.	Mr. J. Lakshmana Rao	Chairman & Managing Director	Bachelor's degree in Civil Engineering & PG Diploma in Management from the IIM, Bangalore.	63	Refer Note*	204.75	39	Founder of Mold-Tek Group, Chairman & Managing Director of Mold-Tek Packaging Limited and Mold-Tek Technologies Limited.
2.	Mr. A. Subramanyam	Deputy Managing Director	Bachelor's degree in Mechanical Engineering.	68	Refer Note*	240.81	41	Director, Mold-Tek Technologies Limited.
3.	Mr. P. Venkateswara Rao	Deputy Managing Director	Bachelor of Arts & P.G. in Materials Management.	65	Refer Note*	170.79	43	Director, Mold-Tek Technologies Limited.
4.	Mr. M. Srinivas	Whole-Time Director	Bachelor's degree in Mechanical Engineering.	56	Refer Note*	89.32	34	Director, Teckmen Tools Private Limited.
5.	Mrs. A. Seshu Kumari	Chief Finan-cial Officer & Finance Controller	Bachelor's degree in Science.	62	Refer Note*	51.20	31	Mold-Tek Technologies Limited.
6.	Mr. J. Rana Pratap	Senior Vice President - Corporate	MBA in Marketing & Operations from IIM, Lucknow and a bachelor's degree in Industrial Engineering from IIT, Delhi.	35	8th April, 2013	88.03	10	Mold-Tek Technologies Limited.
7.	Mr. A. Durga Sundeep	Senior Vice President-Operations & Finance	Engineering from REC Kurukshetra and MBA from Purdue University, USA.	38	8th April, 2013	78.39	12	Mold-Tek Technologies Limited.
8.	Mr. M. Rakesh	General Manager - Marketing.	Industrial Design, NID- Ahmedabad. Plastics Technology, CIPET – Chennai.	53	2nd April, 2018	36.03	28	- Reliance Industries Limited, Mumbai. - CIPET, Hyderabad. - Fenoplast Limited, Hyderabad.
9.	Mr. M. Rajeshwara Rao	General Manager (Unit-VII)	Bachelor's degree in Mechanical Engineering and P.G Diploma in Materials Management.	52	25th May, 1996	35.58	30	Mold-Tek Technologies Limited.
10.	Mrs. Kavya Sarraju	Chief Manager - Marketing	Master of Business Administration – Marketing.	34	1st Janu-ary, 2016	31.14	11	Mold-Tek Technologies Limited.

Note*:

High Court of Judicature, Andhra Pradesh at Hyderabad by its order dated 25th July, 2008 has approved the Scheme of Arrangement between Teckmen Tools Private Limited, the Transferor Company, Mold-Tek Technologies Limited, the Transferee Company and the Demerged Company and Mold-Tek Packaging Limited (Former name: Mold-Tek Plastics Limited), the Resulting Company. The employees of Mold-Tek Technologies Limited and Teckmen Tools Private Limited continue to be in the employment of Mold-Tek Packaging Limited.

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

ANNEXURE-E

Secretarial Compliance Report of "MOLD-TEK PACKAGING LIMITED"

For the year ended 31st March, 2022

I, Ashish Kumar Gaggar have examined:

(a) all the documents and records made available to me and explanation provided by "**MOLD-TEK PACKAGING 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 thiscertification,

for the year ended 31st March, 2022 ("Review Period") in respect of compliance with theprovisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

(a) Securities and Exchange Board of India (Listing Obligations and DisclosureRequirements) 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 andTakeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -

Not Applicable to the listed entity during the period under review

(e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities)

Regulations 2008; ***Not Applicable to the listed entity during the period under review***

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013. ***Not Applicable to the listed entity during the period under review***

(h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;- ***Not Applicable to the listed entity during the period under review***

(i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

(j) Securities and Exchange Board of India (Depositories and Participants) Regulations,2018;

(k) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2021;- ***Not Applicable to the listed entity during the period under review***

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

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

Sr. No.	Regulation Name/SEBI Circular Name	Regulation Number/ circular dated	Compliance Requirement (Regulations/circulars/ guidelines including specific clause)	Deviations	Observations Details
1.	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Regulation 25(10)	With effect from January 1, 2022, the top 1000 listedentities by market capitalization calculated as on March 31 of the preceding financial year, shall undertake Directors and Officers insurance ('D and O insurance') for all their independent directors of such quantum and for such risks as may be determined by its board of directors.	The Company at its Board Meeting held on 27th January, 2022 has discussed and reviewed the applicability of new regulation and accordingly decided the quantum and risk to be covered. Further, the company is in discussion with various insurance companies for obtaining the Directors and Officers insurance ('D and O insurance').	Since the regulation is newly applicable to the company, the company will be obtaining the Directors and Officers insurance ('D and O insurance') in due course.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my examination of those records.

(c) 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 underthe Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder

Sr. No.	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any
	Nil			

The listed entity has taken the following actions to comply with the observations made inprevious reports:

Sr. No.	Regulation Name/SEBI Circular Number	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	Nil				

Sd/-

Ashish Kumar Gaggar
Company Secretary in Practice
FCS : 6687
CP No. : 7321
Date : 19th May, 2022

Place : Hyderabad
UDIN : F006687D000345300
PR: 707/2020

ANNEXURE-F

SECRETARIAL AUDIT REPORT

To
The Members
Mold-Tek Packaging Limited,
Plot No.700, D.No.8-2-293/82/A/700,
Ground Floor, Road No.36, Jubilee Hills,
Hyderabad-500 033, Telangana.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
Ashish Kumar Gaggar
Company Secretary in Practice
FCS : 6687
CP No. : 7321
PR : 707/2020
UDIN : F006687D000830840
Date : 23rd August, 2022
Place : Hyderabad

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

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

To,
The Members,
Mold-Tek Packaging Limited,
Plot No.700, D.No.8-2-293/82/A/700,
Ground Floor, Road No.36, Jubilee Hills,
Hyderabad-500 033, Telangana

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mold-Tek Packaging Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information 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 2022complied 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by company for the financial year ended on 31st March 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) 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 (Issue of capital and Disclosure Requirements), Regulations, 2018;

(d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not Applicable as there was no reportable event during the period under review];**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not Applicable as the company is not registered as Registrar to Issue and Share Transfer Agent during the Financial Year under review];**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not Applicable as there was no reportable event during the period under review];**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not Applicable as there was no reportable event during the period under review];**

(i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(vi) The industry Specific Acts, Labour and other applicable laws as provided by the management of the company:

I have also examined compliance with the applicable clauses of following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India effective from 01 July 2015.

ii. The listing agreements entered into by the company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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.

Adequate notice is given to all 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. Further, the meetings held at shorter notice were in compliance with SS-1 Secretarial Standard on Meetings of the Board of Directors.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further 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.

During the period under review the Company has complied with the provisions of the other Acts, Rules, Regulations, Guidelines, Standards, etc.

Sd/-
Ashish Kumar Gaggar
Company Secretary in Practice
FCS : 6687
CP No. : 7321
PR : 707/2020
UDIN : F006687D000830840
Date : 23rd August, 2022
Place : Hyderabad

ANNEXURE-G

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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

There were no contracts or arrangements or transactions entered during the year ended 31st March, 2022, which were not at arm's length Basis.

2. **Details of material contracts or arrangements or transactions at Arm's length basis:**

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any.	Date(s) of approval by the Board, if any.
1.	Mrs. A. Seshu Kumari; Relative of Director.	Acting as Chief Financial Officer of the Company.	Not Applicable	Salary of ₹ 51.20 Lakhs p.a. paid during the F.Y. 2021-22.	Dates of Approval by the Board: 1st August, 2016, 2nd September, 2021. Dates of Approval by Members/ Shareholders: 19th September, 2016, 30th September, 2021.
2.	Mr. J. Rana Pratap; Relative of Director.	Acting as Senior Vice President-Corporate of the Company.	Not Applicable	Salary of ₹ 88.03 Lakhs p.a. paid during the F.Y. 2021-22.	Dates of Approval by the Board: 1st September, 2018, 2nd September, 2021. Dates of Approval by Members/ Shareholders: 29th September, 2018, 30th September, 2021.
3.	Mr. A. Durga Sundeep; Relative of Director.	Acting as Senior Vice President-Operations & Finance of the Company.	Not Applicable	Salary of ₹ 78.39 Lakhs p.a. paid during the F.Y. 2021-22.	Dates of Approval by the Board: 31st August, 2019, 2nd September, 2021. Dates of Approval by Members/ Shareholders: 30th September, 2019, 30th September, 2021.
4.	Mrs. Kavya Sarraju; Relative of Director.	Acting as Chief Manager-Marketing of the Company.	Not Applicable	Salary of ₹ 31.14 lakhs p.a. paid during the F.Y. 2021-22.	Date of Approval by the Board: 1st August, 2016. Date of Approval by Members/ Shareholders: 19th September, 2016.

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 2nd September, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

While the scenario outside has been grim, we have ensured a robust business performance in F.Y 2021-22 for the company. We have been able to capitalize on the robust demand for rigid packaging due to heightened awareness levels about hygiene and cleanliness. With the world economy opening up we are confident of even better performance in future. Established in 1985 MOLDTEK PACKAGING LIMITED is the pioneer of rigid plastic packaging containers Industry in India. The Company has strong Tool Room to focus with a state of the art R&D center in Hyderabad. Mold-Tek believes that excellence in corporate governance and a culture of professional management brings the best and provides competitive advantage in the market place in long term. The Company has a well-diversified business model in terms of markets and products to fulfil and evolving customer needs. We have created our market positioning with good mix of specialty and commodity packs. We have a unique combination of wide product portfolio under one roof, customized innovation, always ahead in product development curve, scale, global reach and warehousing facility. This also helps us de-risk the business to a large extent from possible uncertainties in the business environment. By remaining focused on our strategy and our unique value proposition for customers, with our capable and experienced team along with a people first approach the Company will continue to grow and drive long term value creation for shareholders and other stakeholders.

OVERVIEW

GLOBAL ECONOMY

For the past three years the entire world has been grappling to reduce the impact of Covid-19 pandemic. The slowdown in the impact of the pandemic, vaccination drives, supportive macroeconomic policies and favorable financial conditions all over the globe proved to be catalyst for global resumption of work and the economy. The global economy was on the verge of recovery post severe two years of the Covid-19 pandemic but sudden escalation of Russia – Ukraine has given birth to geopolitical insatiability and has set back the growth of the global economy. The war has disrupted the already strained global supply chain and has increased inflationary pressures as both these countries account for large share of global energy exports as well as exports of a range of metals, food staples and agricultural inputs. The World Bank has slashed the global economy growth to 3.2% from its earlier estimate of 4.1% on account of the ongoing war, peaked inflation and nagging effects of the pandemic. The International Monetary Fund (IMF) stated in its latest report that Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. (Source: IMF World Economic Outlook)

INDIAN ECONOMY

The Indian economy is on the recovery path despite global headwinds. The country experienced third wave of pandemic owing to the Omicron virus starting from December, 2021 but it was less severe as compared to earlier two waves and this indicates that we are entering the endemic stage. The possibilities of fourth wave hitting India remains low due to improved immunity and high vaccine coverage. Secondly, the Russia-Ukraine war which started in February, 2022 disrupted global supply chain causing oil and commodity prices to move up sharply which has hit the emerging and developing countries. Though the India has not been an exception to the war effect but it has remained in better shape compared to its other counterparts. The GST collections are at all-time high ₹ 1.68 lakh crore in April, 2022 indicating strong economic activity, the country's merchandise exports spurt to a record high of USD 418 billion in the financial year 2021-22, the rupee has been one of the more stable currencies against the dollar in last 12 months. International Monetary Fund (IMF) in its latest report has downgraded India's growth to 8.2% for F.Y 23 from 9% estimated in January, 2022 due to Russia Ukraine war which would result in weaker domestic demand as higher oil prices are expected to weigh on private consumption and investment - and a drag from lower net exports.

INDUSTRY SCENARIO

The packaging industry has evolved significantly in the past two years of the pandemic. Through the different phases of the pandemic new trends have emerged and adopted by various companies in the packaging industry. From smart packaging to sustainable and safe packaging with innovation and artistic touch, the packaging trends have gained a lot of prominence in the food, pharmaceutical, beverage, cosmetic and other FMCG industries. The large FMCG players globally have announced moving to sustainable packaging in a phased manner. Your Company has taken several initiatives to lead on providing sustainable packaging solutions. The global Packaging market valued at USD 1002 billion in 2021 is expected to reach USD 1275 billion by 2027, registering a CAGR of 4% in the forecast period. The global rigid plastic packaging market size was valued at USD 198.9 billion in 2021 and is expected to grow at a compound annual growth rate (CAGR) of 4.7% from 2021 to 2026. The market is

expected to witness significant growth in the future due to its multiple applications in end-use industries such as beverage, food, and healthcare. The global rigid plastic packaging market is driven by factors such as strong demand in major Asia-Pacific markets such as India and China and increasing demand from food & beverage packaging industries. In India, the packaging industry has witnessed constant changes over the years while it emerged as one of the largest sectors in India's economy. According to the Packaging Industry Association of India (PIAI), the sector is growing at 22% to 25% per annum. The Fast-Moving Consumer Goods (FMCG), food processing sector, and pharmaceuticals are also some of the biggest contributors driving the growth of the packaging industry in the country for a long time. In recent years, there has been a new user facilitating the growth of the Indian packaging industry that is e-commerce. The widespread adoption of e-commerce facilities has resulted in thousands of packs being delivered daily across the country. This has further increased the demand for quality packaging of the products.

End-user industries like pharmaceutical, food processing, personal care are expanding with huge investments from large multinational corporations. This has resulted in developing cheaper and sustainable packaging solutions which is fueling the expansion in the packaging sector. Additionally, factors like increase in the working population that require instant food solutions with higher shelf-life have forced packaging companies to come up with innovative and durable packaging solutions. The Covid-19 pandemic has resulted in rapid expansion of online shopping and e-commerce sector which has given a sudden push to the packaging sector. According to the Indian Institute of Packaging (IIP), the packaging consumption in India has increased by 200% in the past decade. With growing awareness, the requirement for ecofriendly and sustainable packaging is steadily on the rise. With several billion parcels delivered every year, the threat of packaging waste is increasing due to which, the need for recyclable packaging material is on the rise. In the current era, this dramatic shift to online shopping, increased global regulation of packaging waste, and the acceleration of consumers' sustainability concerns have all forced a rapid pace of change. Addressing these concerns, whilst maintaining the market standards, many FMCG companies and packaging manufacturers are reconsidering sustainable packaging solutions to enhance their image as a responsible brand the global rigid plastic packaging market was valued at $182,070.0 million in 2020, and is projected to reach $270,595.1 million by 2028, growing at a CAGR of 4.9% from 2021 to 2028. The global demand and supply are broadly balanced.

Discussion on financial performance

We are pleased to report another year of spectacular performance. For the Twelve months ended March 31, 2022, Revenue from operations increased by 31.85 % to ₹ 631.5 crores from ₹ 478.92 crores. Though revenues are inflated by steep increase in RM, Company achieved an impressive 11% volume growth. EBDIT for the period increased by 26.61 % to ₹ 122.25 crores from ₹ 96.55 crores. Net Profit increased by 32.41% to ₹ 63.66 crores as compared to ₹ 48.07 crores in the previous corresponding period. During the year, despite tremendous price volatility of key raw materials, the EBITDA margin has been maintained at a healthy 26.61%.

In this financial year, unprecedented rise in the Raw material prices were successfully passed on to clients to sustain and grow the EBIDTA margins. Food and FMCG products sales (other than Edible Oil) shot up by 40% in this financial year thereby improving the EBIDTA per kg from ₹ 36.72 to ₹ 41.78. Similar growth in Food and FMCG segment is expected in the financial year 2022-23 also.

STANDALONE FINANCIAL AND OPERATIONAL PERFORMANCE - OVERVIEW

₹ lakhs except EPS

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18
Revenue	63,147	47,893	43,744	39,409	33,946
EBITDA	12,225	9,656	8,120	7,328	6,452
Exceptional items	-	108	286	1,150	-
PBT	8,651	6,405	4,908	3,996	4,857
Net Profit	6,366	4,808	3,819	2,410	3,169
BEPS (Face Value of R ₹5) -(₹)	22.12	16.86	13.78	8.70	11.44

The company has 10 state of the art manufacturing facilities spread across India, with a total installed capacity of 4,5000 MT per annum. In addition to being a market leader in the Rigid Plastic Packaging sector, Mold-Tek has emerged as a complete packaging solutions provider with wider range of products and value added services.

Key Financial Indicators

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios. There is no significant change (i.e. 25% or more) in key financial ratios viz. Current Ratio, Debt Equity Ratio, Inventory Turnover, Operating Profit Margin & Net Profit Margin.

Ratio	FY 2021-22	FY 2020-21	% Change	Explanation
Current Ratio	3.72	1.15	223.73	Increased due to decrease in debt and increase in assets on account of Qualified Institutional Placement (QIP) & rights issue money receipt.
Debt-Equity Ratio	0.10	0.42	-77.22	Decreased due to decrease in debt and increase in Equity on account of Qualified Institutional Placement (QIP) & rights issue.
Debt Service Coverage Ratio	5.36	3.79	41.47	Increased due to lower finance cost and principal repayments of loans during the year
Net working Capital Turnover Ratio	3.18	21.76	-85.37	Decreased primarily due to increase in inventory & trade receivables and reduction of current liabilities
Return on Investment (in %)	16.73	4.01	316.77	Increased due to receipt of good dividend during the year

FUTURE OUTLOOK

Your Company plans to change the packaging landscape by creating sustainable and innovative packaging solutions.

New Products & developments:

Mold-Tek has progressed considerably in the last few years with its products, technological and engineering capabilities, keeping in mind the evolving needs of the packaging industry, along with environmental concerns. Now orders from BPCL are received in this year and new brands were added by Gulf for their own products and OEM products.

Additional Capacity:

In view of consistent demand and based on our customer trends, 2600MT P.A of capacity will be added at Daman, Vizag, Hyderabad and Kanpur units. We are enhancing our capacity at Vizag & Mysore for meeting Asian paint's, increasing demand.

New Plant at Uttar Pradesh: The Plant in leased premises started ramping up production and reached 48 tons sales in the month of March and around 83 tons in April, 22. Additional area of 7000 ft. is leased to accommodate expected volumes from Berger Paints new plant at UPSIDC Industrial Area SANDILA I.A PHASE-II, District LUCKNOW. Mold-Tek is also planning to set up second unit at Daman to mainly meet demand for its Food and FMCG –IML products in Western India.

IBM Project: The Sultanpur plant (Unit-10) for IBM, Pharma & Food products is under active construction and expected to start production by October, 2022. The pilot IBM project at our Unit-1 is slated to start trial production by October, 2022. Key personnel were appointed to take up responsibilities of manufacturing IBM &Pharma Products in the fields of Marketing, QA & QC and Production. However, while IBM OTC products may start sales in 2nd quarter of this financial year, Pharma IBM products will start contributing from financial year 2023 as stability tests by clients require 5 to 6 months after sample submission.

Recycling:

The company is planning to expand in-house recycling capacity to evaluate the possibility of using reprocessed plastic from our operations (mostly set up wastage).

Enterprise Risk management

The Company's business is subject to risks and uncertainties that could have both short-term and long-term implications. In a rapidly changing business environment with dynamic customer requirements, business risks are constantly evolving. As a result, there are many emerging risks landscape across businesses. The Company constantly monitors external environment to identify potential emerging risks and their impact on its business.

The following factors, could adversely affect the Company's financial position, results of operations or cash flows.

1. Strategic Risks

Strategic risks can be in form of changes in consumer demand, competition, intellectual property challenges and key customer attrition. Our risk mitigation activities include staying ahead in the new product development curve, relying on the patent, trademark, copyright and trade secret laws of the countries in which we operate and non-disclosure agreements. Our Key Account Team works with the purpose to maintain good customer relationships and keep the attrition at manageable level.

2. Operational Risks

Operations risks include gap in demand and supply, attracting and retaining key personnel, global health outbreaks and information technology. The risk of demand and supply gap is mitigated through the capacity addition at the right time, de-bottlenecking of production lines including shifting of product mix to speciality products. We strive to nurture a working environment that fosters personal and professional growth to attract and retain key personnel. A failure or disruption in our information technology systems could disrupt our operations, compromise customer, employee, vendor and other data and could negatively affect our business. Although we attempt to mitigate these risks by employing a number of measures, our systems and networks remain potentially vulnerable to advanced and persistent threats.

3. Financial Risks

Financial risks include exchange rate risks, interest rate risks and internal control risks. Regarding exchange rate risks, the Company has entered into various derivative contracts including currency options, cross currency swaps and interest rate swaps which are used to manage and hedge foreign currency exchange risks and interest rate risks. The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. The Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The company have in all material respects, adequate internal financial controls with reference to financial statements, 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 issued by the ICAI.

4. Legal and Compliance Risks

Various regulations and legislations have been passed and anticipated in various countries in response to concerns regarding safety, Greenhouse Gas Emissions, climate change and plastic recycling. We take proactive actions, so that our operations and products are not in violation of any safety, health or environment regulations. Regarding patents and proprietary technology the legal and R&D functions of the company ensure that all our patents and proprietary technology is protected in various geographies. Also the company has 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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has put in place systems and controls in commensurate with the size of the operations, across the Company covering various financial and operational functions. 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 performance. The Company through its own Internal Audit Department is responsible for providing assurance on compliance with operating procedures, internal policies and legal requirement as well as suggesting improvements to systems and processes. The company has also identified and documented key internal financial controls for critical processes across all plants, warehouses and offices wherein financial transactions are undertaken. The financial controls are evaluated for operating effectiveness through management's ongoing monitoring and review processes and independent review by internal audit.

HUMAN RESOURCES

Mold-Tek considers people, its biggest assets and 'Believing in People' is at the heart of its human resource strategy. Concerted efforts have been put in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that the Company consistently develops inspiring, strong and credible leadership. We leverage human capital for competitiveness by nurturing knowledge, entrepreneurship and creativity. Mold-Tek strives to encourage diversity in workforce and believes in building the career of its employees through focused interventions. Learning opportunities contribute to better employee engagement, increased productivity, reduced employee turnover and add to a more positive culture. Labour relations remained conducive across all India operations. The plants in India created multiple opportunities to promote open and supportive work environment and enhance participative decision making. We continued imparting teambuilding and collaboration training to our workmen to enhance the team cohesiveness. The total employees as on 31st March, 2022 on the Company's payroll are 581 as compared to 563 as on 31st March 2021.

BUSINESS RESPONSIBILITY REPORT OF MOLD-TEK PACKAGING LIMITED (2021-22)

Introduction

In 2015, the Securities and Exchange Board of India (SEBI) mandated the top 500 companies listed on the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) to prepare a *'Business Responsibility Report'* (BRR) as part of the Annual Report. This is based on clause (f) of sub regulation (2) of regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Business Responsibility Report captures organization's non-financial performance across the economic, environmental and social bottom-line.

Further, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019, which came into effect from 26th December, 2019, amended Regulation 34(2)(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and the *'Business Responsibility Report'* (BRR) was mandated for the top 1000 companies listed on the National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE).

Securities and Exchange Board of India ("SEBI") vide Notification dated 5th May, 2021, amended certain provisions of the Listing Regulations, including submission of Business Responsibility and Sustainability Report ("BRSR") in replacement of the existing Business Responsibility Report. The disclosure requirement in BRSR is based on National Guidelines on Responsible Business Conduct Principles, which is divided into 2 (two) parts i.e. Essential Indicators (to be reported on a mandatory basis) and Leadership Indicators (to be reported on a voluntary basis). The disclosure under the BRSR format is voluntary for the financial year 2021-22 and shall be mandatory from the financial year 2022-23 onwards, accordingly, the Company has decided to publish the BRSR from the financial year 2022-23 onwards.

Mold–Tek Packaging Limited (MTPL), featuring amongst the top 1000 listed entities, has developed this Business Responsibility Report based on the framework suggested by SEBI.

At MTPL, our efforts are focused on taking forward our sustainability objectives, which are well aligned with our business goals. The Company believes that overall development throughout the value chain is crucial for long-term development. Further, by incorporation of sustainability practices in its operations, MTPL ensures the wellbeing of its employees, communities and other stakeholders. Greening operations, technological upgradation, community development and stakeholder wellbeing are some of the avenues through which the Company endeavours to improve its non-financial performance.

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company: L21022TG1997PLC026542
2. Name of the Company: Mold-Tek Packaging Limited
3. Registered Address: 8-2-293/82/A/700, Ground Floor, Road No. 36, Jubilee Hills, Hyderabad - 500033, Telangana.
4. Website: www.moldtekpackaging.com
5. E-mail ID: cs@moldtekpackaging.com
6. Financial Year reported: 2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

   • Manufacturing of plastic packaging containers (NIC Code- 22203)
8. List three key products/services that the Company manufactures/provides (as in Balance Sheet)

   • Rigid Packaging Containers
9. Total number of locations where business activity is undertaken by the Company:

   The Company operates from India with its presence across the country. For more details on plant locations refer to the initial "Corporate Information Page" of Annual Report.
10. Markets served by the Company – Local/State/National/International:

    The products and services offered by MTPL have a national presence and some of the products are exported to other countries.

LOCAL	STATE	NATIONAL	INTERNATIONAL
YES	YES	YES	YES

Section B: Financial Details of the Company on standalone basis

1.	Paid Up Capital (INR) as on 01.04.2022	₹1,562.65 lakhs
2.	Total Turnover (INR)	₹63,146.97 lakhs
3.	Total Profit after Taxes (INR)	₹6,365.53 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR). As percentage of Profit after Tax (%):	₹ 134.4 lakhs (*Please refer the Annexure-C to the Directors' Report.)* 2.11%
5.	List of activities in which expenditure in 4 above has been incurred	• Construction of Mahila Mahal at Sanga Reddy District of Telangana to promote gender equality and empower women. • Setting up of R O water plant at Kakinada District of Andhra Pradesh for making available safe drinking water. • Modernization of Hospitals and Health care Equipments at various places to promote health care including preventive health care. • Contribution to Sri Vijay Sankara Desika Trust - Vedic Education to promote education, including special education and employment enhancing vocation skills especially among children, women and elderly persons. • Contribution to Sight Savers India through Implementing Agency-Royal Commonwealth Society for the Blind, CSR REG. NO. CSR00001381. • Donation of computers to Telangana Social Welfare Residential Educational Institutions Society. **For Further details kindly refer 'Annexure-C' to the Directors' Report.**

Section C: Other Details

1. ***Does the Company have any Subsidiary Company/Companies*?**

Yes, MTPL had one wholly owned subsidiary namely:

a. Mold-Tek Packaging FZE, UAE. Your Company had closed down the operations of the wholly owned subsidiary, Mold-Tek Packaging FZE, UAE and the company has been completely transferred and appropriate disclosures were given to the stock exchange(s).

2. ***Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)***

Not Applicable.

3. ***Do any other entity / entities (e.g. Supplier, distributor etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes indicate the percentage of such entities? [Less than 30%, 30 – 60% and More than 60%]***

The vendor selection process at MTPL includes criteria on abstinence from child labour, forced labour, no drug and alcohol policy, health & safety compliance and non-discrimination among others. Adherence to these policies is mandatory for all contractors appointed by the Company. Furthermore, the Company aims to include all entities across the value chain in its BR initiatives. Currently, Majority of its entities participate in the BR activities. Other entities viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.

Section D: BR Information

1. ***Details of Director/Directors responsible for BR***

a) Details of the Director/Directors responsible for implementation of the Business Responsibility policy/policies:

SR. NO.	PARTICULARS	DETAILS
1.	DIN	00649702
2.	NAME	MR. J LAKSHMANA RAO
3.	DESIGNATION	Chairman & Managing Director

(b) Details of the BR head:

SR. NO.	PARTICULARS	DETAILS
1.	DIN	00649702
2.	NAME	MR. J LAKSHMANA RAO
3.	DESIGNATION	Chairman & Managing Director
4.	TELEPHONE NUMBER	040-40300300
5.	E-MAIL ID.	ir@moldtekpackaging.com

2. ***Principle-wise (as per NVGs) BR Policy/Policies***

(a) Details of Compliance (Reply in Y/N)

The Nine principles as per BRR are as given below:-

P-1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P-2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P-3 Businesses should promote the well-being of all employees.

P-4 Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P-5 Businesses should respect and promote human rights.

P-6 Businesses should respect, protect and make efforts to restore the environment.

P-7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P-8 Businesses should support inclusive growth and equitable development.

P-9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy been formulated in consultation with relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes, The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

No.	QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the Company have a Specified committee of the Board/ Director/Official to oversee the implementation of the policy?	YES*	YES*	YES*	YES*	YES*	YES*	YES*	YES*	YES*
6.	Indicate the link to view the policy online?	**The link to view the policies online is: https://www.moldtekpackaging.com/investors.html?nav=financial-info								
7.	Has the policy been formally Communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
8.	Does the Company have in-house structure to implement its policy/ policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to policy/policies?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	No#	No#	No#	No#	No#	No#	No#	No#	No#

* The company do not have a specified committee, but the Board oversees its implementation.

** The link to view all the policies relating to BRR is https://www.moldtekpackaging.com/investors.html?nav=financial-info

\# The Board of Directors over sees the same.

3. *Governance related to BR*

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR performance of the Company is being assessed annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Mold–Tek Packaging Limited (MTPL), featuring amongst the top 1000 listed entities, has developed this Business Responsibility Report based on the framework suggested by SEBI for the first time in F.Y 2019-20 as mandated by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019, which came into effect from 26th December, 2019. Further, the Securities and Exchange Board of India ("SEBI") vide Notification dated 5th May, 2021, amended certain provisions of the Listing Regulations, including submission of Business Responsibility and Sustainability Report ("BRSR") in replacement of the existing Business Responsibility Report. The disclosure requirement in BRSR is based on National Guidelines on Responsible Business Conduct Principles, which is divided into 2 (two) parts i.e. Essential Indicators (to be reported on a mandatory basis) and Leadership Indicators (to be reported on a voluntary basis). The disclosure under the BRSR format is voluntary for the financial year 2021-22 and shall be mandatory from the financial year 2022-23 onwards, accordingly, the Company has decided to publish the BRSR from the financial year 2022-23 onwards.

Section E: Principle wise Performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. *Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?*

The Policy relating to Ethics, Transparency and Accountability is the backbone of our Company and guides the operations of the Company alone. The Policy includes Code of Conduct which applies to the Directors and the Senior Management of the Company.

A Whistle Blower Policy/ Vigil Mechanism is also in place, which provides opportunity to all stakeholders to report any concerns/issues/ incidents about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policies.

2. *How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.*

During the financial year 2021-22, the Company has not received any complaints from the stakeholders on ethics, transparency and accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

a. Square shaped "Anti-counterfeit" packages: These are innovative products designed and developed by Mold-Tek and facilitate consumers with several features by eliminating the scope of "DUPLICATION / ADULTERATION" of content. Once the pack sealed at the manufacturer's end, ONLY the end-user can open and access the content by breaking open the three stage seals.

b. Usually packages have multiple materials like Glass, Aluminium, Paper, and Polymer (of different types). Mold-Tek' s containers have been developed with PP-IML wherein the entire package including Jar, Lid, Handle and even the label are made up of the same type of material- PP; such that there is no need for segregation while reprocessing. This ensures 100% recyclability.

c. All our packs are reusable and are greater than 700 microns in thickness. This ensures that the life of pack is far beyond the usage cycle of primary content. Our Pails, Q packs and Food packs are all retained for secondary use and the decoration being IN-MOLD labelling, the labels are anti-peel and ant scratch type. This ensures higher brand recall over a prolonged period of time.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

The Company is committed to Environment protection, climate change and taking lot of initiatives to reduce carbon footprint. Please refer to **'Annexure – B'** to the Directors' Report covering inter-alia, details of Conservation of Energy.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's products are used by variety of consumers and it is neither feasible to measure reduction in the usage (energy, water) nor available with us. However at plant level we are taking following actions to reduce energy and water:

a. Monitoring and analysis of energy consumption on periodic basis;

b. New moulding machines selected are always either servo controller or fully electric machines;

c. Replacement of conventional tubes and bulbs with LED;

d. Monitoring, benchmarking and selection of energy intensive equipment only;

e. Minimum use of energy by optimizing processes and material movement in factories;

f. 'Machine On' alarms and automatic switch off machines;

g. Share and implement best energy saving practices across manufacturing units.

- ✓ We are buying only All Electrical Injection Moulding machines instead of Hydraulic based Injection Moulding Machines to save the energy by 30%
- ✓ For all new projects, Installing Water Chillers instead of cooling towers and saving water by 90%.
- ✓ Applying FMEA (Failure Mode Effects and Analysis) to optimise the process rejections thereby carbon foot prints.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, More than 90 % inputs are sourced sustainably. MTPL has ISO procedures for sustainable sourcing including transportation. An effective system for vendor selection, vendor registration, vendor management has been established evaluating vendor rating and proper auditing. To maintain quality and transparency in the supply chain, e-procurement and e-payment services have been set up. The vendor selection process also lays emphasis on Health, Safety, Environment (HSE) and sustainable business practices.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Vendor Qualification and evaluation system is in place. For key materials, suppliers/vendors are audited physically before selecting them for key materials. Vendor's performance is evaluated and the results are shared with concerned on quarterly basis. And QA department work with smaller suppliers in developing quality products on a sustained basis.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so:

Yes, we have a mechanism that all process rejections will be recycled and re-used. Since all our products are made up of polypropylene plastic and easily recyclable, the rejections are grinded into small pieces and reused in the process. The remaining waste, other than plastic is disposed as per the PCB guidelines.

Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees:

   MTPL has a total of 581 employees as on March 31, 2022.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis:

   MTPL has 1758 employees on temporary/contractual/casual basis as on March 31, 2022.

3. Please indicate the number of permanent women employees:

   MTPL has 29 permanent women employees as on March 31, 2022.

4. Please indicate the number of permanent employees with disabilities:

   MTPL has no permanent employees with disabilities as on March 31, 2022.

5. Do you have an employee association that is recognized by management?

   Yes

6. What percentage of your permanent employees are members of this recognized employee association?

   2.5%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year.

   MTPL strives to provide employees a work environment that supports their wellbeing as well as overall growth.

The Company's Code of Conduct for Board Members and Senior Management provide a framework for prevention and redresses complaints related to sexual harassment.

Sl. No.	Category	No of complaints received during the Financial Year	No of complaints pending at the end of this Financial Year
1.	Child Labour/Forced labour/ Involuntary labour	The Company does not employ such labour	Not Applicable
2.	Sexual harassment	NIL	Not Applicable
3.	Discriminatory employment	NIL	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Employee category	% Employees that were given safety training	% Employees that were given skill up gradation training
Permanent Employees	90%	20%
Casual/ Temporary/ Contractual Employees	90%	30%
Permanent Women Employees	90%	20%
Employees with Disabilities	N.A.	N.A.

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. For MTPL, maintaining relationship with stakeholders is a business imperative.

The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholder's.

The company has mapped disadvantaged, vulnerable and marginalised stakeholder's viz. communities in and around the areas of its significant operations and is actively working towards their inclusive growth as part of company's CSR efforts.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company runs initiatives in the areas of Health Care including preventive health care and sanitation, providing safe drinking water, education, skill development leading to creation of alternative employment, Infrastructure development and ensuring environmental sustainability through agro forestry, conservation of natural resources and maintaining quality of soil, air and water, all directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalised stakeholders and being instrumental in cultivating their progress. To achieve the same, the Company has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact. COVID support, insurance to sub-contract labour, vitamin tablets to improve immunity.

Principle 5: Businesses Should Respect and Promote Human Rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

The Policy relating to respecting and promoting human rights covers the Company only. The Company encourage its business partners and third parties with whom it conducts business to abide by this policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

During the financial year 2021-22, the Company did not receive any complaint with regard to violation of human rights.

Principle 6: Business Should Respect, Protect and Make Efforts to Restore the Environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others.**

   MTPL is committed to protection and restoration of the environment while managing our business. We strive to ensure that our leadership is committed to complying with the highest standards of environment management systems. The Policy relating to respecting, protecting and restoring the Environment covers the entire group.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc. Climate change, global warming and environmental risks are serious challenges that the company is fully engaged with and started various initiatives.**

   Sustainable packaging is the slogan at Mold-Tek, introduced almost a decade ago. Even our product brochure mentions the importance of sustainability and demonstrates the same with features incorporated in our entire range of products.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. The Company identifies and assesses potential environmental risks periodically across its plant operations and projects and has taken up several initiatives for offsetting its GHG emissions.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Not applicable

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment. For further details please refer to **'Annexure- B'** to the Directors' Report covering inter-alia, details of Conservation of Energy. Company initiated the process of setting up solar power development at all manufacturing units.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes. The emissions/waste generated by the company is within the permissible limits for the financial year 2021- 22.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   NONE.

   No show cause/ legal notices were received from CPCB/SPCB which are pending as at end of the Financial Year 2021-22.

Principle 7: Businesses, When Engaged In Influencing Public and Regulatory Policy, Should Do So in a Responsible Manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes, MTPL is aware of its responsibilities towards influencing public and regulatory policy and is a member of the following associations:

   a) The Associated Chambers of Commerce & Industry of India;

   b) Andhra Chamber of Commerce;

   c) The Plastics Export Promotion Council;

   d) The All India Plastics Manufacturers Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others):**

   Not through associations and not lobbying or advocating per se. But have spread the message within the network of customers and during expositions and events.

   We have shared the ideas and concepts pertaining to Sustainable packaging for public good with leadership teams of major companies ranging from PAINTS, LUBES, ADHESIVES, INDUSTRIAL CHEMICALS, AGRO-INDUSTRY, FOOD, PHARMA and FMCG.

Principle 8: Businesses Should Support Inclusive Growth and Equitable Development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company has a continuous CSR programme which create sustainable livelihoods, especially among the poor in rural places wherein the Company operates:

Refer **'Annexure- C'** to the Directors' Report for details of CSR spendings.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

Projects are undertaken through in house team as well as through external NGO.

3. Have you done any impact assessment of your initiative?

No, as it is not applicable to the company.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.

The Company has spent an amount of ₹ 134.4 Lakhs as part of its CSR initiatives during the F.Y. 2021-22. Details of the projects are given in Annexure- C- Report on CSR Activities forming part of Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. MTPL undertakes measures in order to ensure that the community development initiatives are adopted successfully by the community. The need for identifying and implementing initiatives is crucial for achieving the CSR objectives of MTPL. The projects implemented are based on needs of the community and are conducted in partnership with local authorities or an NGO. Active participation of local communities in the planning stages of the programme creates a sense of responsibility & commitment among them resulting in successful adoption of the initiatives. Additionally, MTPL regularly engages with the local community to effect a behavioural change for the adoption of the projects.

Principle 9: Businesses Should Engage With and Provide Value to Their Customers and Consumers in A Responsible Manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   The Company is firmly committed to providing world class products and services to customers, supported by capable and qualified manpower to provide pre- and after-sales services. The Company empathises with concerns of all its stakeholders, influencers and recommenders. A well-established mechanism is in place to deal with customer feedback and complaints. Customers can connect with the Company through multiple channels such as email, telephone, website, social media and feedback forms. It is a robust mechanism to appropriately address and resolve any type of complaint. At the end of the financial year, there were only a few unresolved newly reported complaints. Less than 2%.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   The products we make possess labels of customers, being packages made/meant for them.

   The secondary and tertiary packs do contain labels of our company displaying necessary data applicable for such needs. Company displays and maintains high standards of communication and information dissemination to ensure full compliance with applicable regulations.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   There are no cases in relation to unfair trade practices, irresponsible advertising and/or violation of any laws during the financial year 2021-22.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes. As part of our internal procedures, we do follow a customer satisfaction survey and publish the report to senior executives of the company during Management review meets held periodically.

REPORT ON CORPORATE GOVERNANCE

The Directors present the Corporate Governance Report of the Company for the financial year 2021-22. This report elucidates the systems and processes followed by the Company to ensure compliance of corporate governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 ("Act").

A. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company is aligned and committed to the ever-evolving corporate governance practices and believes in going beyond the tenets of law. At Mold-Tek Packaging Limited, we always strive to achieve high standards of integrity, transparency, fairness, accountability, disclosures and business ethics in dealing with its stakeholders.

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the organization. We consider stakeholders as the partners in the Company's success and remain committed to maximizing stakeholders' value. Good Corporate Governance leads to long-term stakeholder value. This is demonstrated in return to shareholders, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered on time at highly competitive prices.

Your Company is aligned and committed to the ever-evolving corporate governance practices and believes in going beyond the tenets of law. At Mold-Tek Packaging Limited, we always strive to achieve high standards of integrity, transparency, fairness, accountability, disclosures and business ethics in dealing with its stakeholders. The Company thus believes that Corporate Governance is not an end in itself but is a catalyst in the process of maximization of shareholders' value. Therefore, shareholders' value as an objective is woven into all aspects of Corporate Governance-the underlying philosophy, development of roles, creation of structures and continuous compliance with standard practices. For Mold-Tek Packaging Limited, however, good corporate governance has been a cornerstone of the entire management process, the emphasis being on professional management with a decision-making model based on decentralization, empowerment and meritocracy.

Company's philosophy extends beyond what is being reported under this Report and it has been the Company's constant endeavor to attain the highest levels of Corporate Governance.

B. THE BOARD OF DIRECTORS:

The Board of Directors along with its committees provides leadership and guidance to the Company's management and supervises the Company's performance. As at March 31, 2022, the Board of Directors ("Board") comprised of 10 Directors, of which Six are Non-Executive Directors and Four are Executive Directors. The Company has an Executive Chairman and Five Independent Directors. Independent Directors comprise half of the total strength of the Board.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence.

The Board has an unfettered and complete access to any information within your Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.

The Composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Director is a Director in more than 10 Public Limited Companies (as specified in Section 165 of the Act) and Director in more than 7 Listed Entities (as specified in Regulation 17A of the Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 Listed Companies or 3 equity Listed Companies in case he/she serves as a Whole-time Director/ Managing Director in any Listed Company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited Companies in which he/she is a director.

i) Board Meetings:

The Board of Directors met 6 times during the financial year 2021-22 i.e., on 26th May, 2021, 28th July, 2021, 2nd September, 2021, 1st November, 2021, 3rd November, 2021 and 27th January, 2022. The maximum gap between any two board meetings did not exceed one hundred and twenty days as stipulated under Section 173 of Companies Act, 2013 and Regulation 17(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii) Attendance of Directors at Board Meetings, Annual General Meeting and Directorships held along with Chairmanships and Memberships in other Committees:

Name of the Director	Category	Number of Board Meetings entitled to attend and actually attended during the year 2021-22		Whether attended last AGM held on 30th September, 2021	No. of directorships in other companies#	No. of Chairmanships/Memberships in other Committees of other Company(ies)*		Directorships in other Listed Company(ies)
		Entitled	Attended			Chairman	Member	
Mr. J. Lakshmana Rao (Chairman & Managing Director)	Executive Director (Promoter)	6	6	Yes	1	-	-	Mold-Tek Technologies Limited- Chairman and Managing Director (Promoter)
Mr. A. Subramanyam (Deputy Managing Director)	Executive Director (Promoter)	6	6	Yes	1	-	-	Mold-Tek Technologies Limited- Director. (Promoter)
Mr. P. Venkateswara Rao (Deputy Managing Director)	Executive Director (Promoter)	6	6	Yes	1	-	_	Mold-Tek Technologies Limited- Director.
Mrs. J. Mytraeyi	Non-Executive Director (Promoter Group)	4	4	Yes	-	-	-	-
Mr. Srinivas Madireddy (Whole-time Director)	Executive Director (Promoter Group)	6	6	Yes	-	-	_	-
Dr. T. Venkateswara Rao	Independent Non-Executive Director	6	6	Yes	2	-	-	-
Mr. Eswara Rao Immaneni	Independent Non-Executive Director	6	6	Yes	-	-	-	-
Dr. Venkata Appa Rao Kotagiri	Independent Non-Executive Director	6	6	Yes	3	-	2	Mold-Tek Technologies Limited-Independent Non-Executive Director
Mr. T. Dhanraj Tirumala Narasimha	Independent Non-Executive Director	6	4	Yes	2	1	1	Mold-Tek Technologies Limited-Independent Non-Executive Director
Mrs. Madhuri Venkata Ramani Viswanadham	Independent Non-Executive Director	6	6	Yes	1	-	-	Mold-Tek Technologies Limited- Non-Executive Additional Director (Independent Woman Director Category)

**In accordance with Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, memberships/chairmanships of only Audit Committee and Stakeholders Relationship Committee of all other public limited companies, whether listed or not, has been considered.*

 # Includes Directorships in the Companies incorporated under the Companies Act, 1956/2013.

iii) Disclosure of relationship between Directors inter-se:

- Mr. J. Lakshmana Rao is son of Mrs. J. Mytraeyi and brother-in-law of Mr. A. Subramanyam.
- Mrs. J. Mytraeyi is mother of Mr. J. Lakshmana Rao and mother-in-law of Mr. A. Subramanyam.
- Mr. A. Subramanyam is brother-in-law of Mr. J. Lakshmana Rao and son-in-law of Mrs. J. Mytraeyi.

iv) Board Process:

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). Draft agenda of Board and Committee Meeting(s) is also circulated to the Directors seeking their comments before finalisation of agenda. Audio-Visual mode facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via Audio-Visual mode.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Management apprises the Board through a presentation at every Meeting on the overall performance of your Company.

The Company has well-established framework for the Meetings of the Board and its Committees which seeks to systematize the decision-making process at the Meetings in an informed and efficient manner. Apart from Board Members and the Company Secretary, the Board and Committee Meetings are also attended by the Chief Financial Officer and wherever required by the Heads of various Corporate Functions.

v) Shares/Warrants held by Directors of the Company:

The number of Equity shares/Detachable Warrants held by the Directors of the Company as on 31st March, 2022 is as below:

Shareholding of the Directors of the Company as on 31st March, 2022.

Name	No. of Equity shares of F.V. ₹ 5/- Each	% of total shares of the Company	No. of Detachable Warrants of F.V. of ₹ 184/- each.	% of total Detachable Warrants of the Company
Mr. J. Lakshmana Rao, Chairman & Managing Director	28,36,553	9.08	-	-
Mr. A. Subramanyam, Deputy Managing Director	18,85,198	6.03	-	-
Mr. P. Venkateswara Rao, Deputy Managing Director	1,86,396	0.6	-	-
Mrs. J. Mytraeyi, Non-Executive Director	86,700	0.28	-	-
Mr. Srinivas Madireddy, Whole-time Director	4,41,708	1.41	-	-
Dr. T. Venkateswara Rao, Independent Non-Executive Director	21,895	0.07	-	-
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	7,560	0.02	288	-
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	238	-	-	-
Mr. T Dhanraj Tirumala Narasimha, Independent Non-Executive Director	-	-	-	-
Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Director	-	-	-	-

vi) Familiarization programmes imparted to Independent Directors:

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on Material Events, Policy on Material Subsidiaries, Whistle Blower Policy, Risk Management Policy, Policy on Anti-Corruption and Anti-Bribery, Policy on Prevention of Sexual Harassment and Corporate Social Responsibility Policy.

The Statutory Auditors, Internal Auditors and Senior Management of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time while approving the Financial Results.

The details of familiarization programme is available at the Company's website: https://www.moldtekpackaging.com/investors.html

vii) Details of skills / expertise / competence of Directors:

The Directors of the Company collectively bring with them a wide range of skills, expertise and competence with their rich experience, which enhances the quality of the Board's decision-making process. The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board is able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced growth of an organization.

The table below depicts the core skills / expertise / competence of the Individual Directors.

Sr. No.	Name of Director	List of core skills/expertise/competencies
1.	Mr. J. Lakshmana Rao	Marketing and Finance.
2.	Mr. A Subramanyam	Over all in-charge of in-house research and development of molds and in-house tool room for designing and development of molds for new products.
3.	Mr. P Venkateswara Rao	Over all in-charge of Materials Management, marketing and commercial activities.
4.	Mr. Srinivas Madireddy	Production, planning and control of all the units.
5.	Mrs. J Mytraeyi	Governance and management affairs.
6.	Mr. Eswara Rao Immaneni	Accountancy.
7.	Dr. T Venkateswara Rao	Commercial Taxes & Government affairs.
8.	Dr. Venkata Appa Rao Kotagiri	Technology & Strategy.
9.	Mr. T. Dhanraj Tirumala Narasimha	Governance.
10.	Mrs. Madhuri Venkata Ramani Viswanadham	Accountancy.

The present Board has the aforesaid skills / expertise / competencies for taking decisions and framing policies and strategies for the Company. In the opinion of the Board of Directors, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of management.

viii) Declaration/ Confirmation by the Board:

All the Independent Directors of the Company have given their respective declaration/disclosures under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfill the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations /disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

ix) Certificate of Independence:

In terms of Listing Regulations, Mr. Ashish Kumar Gaggar, Company Secretary in Practice, has issued a certificate that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of company(ies) by SEBI / Ministry of Corporate Affairs or any other statutory authority.

C. BOARD COMMITTEES

i) AUDITCOMMITTEE:

Overall purpose/objectives

The purpose of the Audit Committee is to assist the Board of Directors (the '**Board**') in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of internal accountants/internal auditors and overseeing the Company's accounting and financial reporting process and the audit of the Company's financial statements.

Powers and terms of reference

The power and terms of reference of the Audit Committee are as mentioned in Regulation 18 and Part C of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee are as under:

i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Directors' Responsibility Statement, to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013,

   b. Changes, if any, in accounting policies and practices and reasons for the same,

   c. Major accounting entries involving estimates based on the exercise of judgment by management,

   d. Significant adjustments made in the financial statements arising out of audit findings,

   e. Compliance with listing and other legal requirements relating to financial statements,

   f. Disclosure of any related party transactions,

   g. Qualifications in the draft audit report.

v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii) Approval or any subsequent modification of transactions of the Company with related parties;

ix) Scrutiny of inter-corporate loans and investments;

x) Valuation of undertakings or assets of the Company, wherever it is necessary;

xi) Evaluation of internal financial controls and risk management systems;

xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii) 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;

xiv) Discussion with internal auditors of any significant findings and follow up there on;

xv) 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;

xvi) 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;

xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii) To review the functioning of the Whistle Blower mechanism;

xix) Approval of appointment of CFO (i.e., the wholetime 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;

xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

xxi) Examination of the financial statement and the auditors' report thereon;

xxii) Monitoring the end use of funds raised through public offers and related matters;

xxiii) The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

xxiv) The Audit Committee shall have authority to investigate into any matter or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company;

xxv) The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote;

xxvi) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

xxvii) Management discussion and analysis of financial condition and results of operations;

xxviii) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxix) Management letters / letters of internal control weaknesses issued by the statutory auditors;

xxx) Internal audit reports relating to internal control weaknesses;

xxxi) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and

xxxii) 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Composition & Meeting

The Audit Committee comprises of Three Independent Non-Executive Directors chaired by Mr. Eswara Rao Immaneni (for the financial year 2021-2022). The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Committee members are independent directors and are financially literate as required under Regulation 18(1)(c) of the Listing Regulations.

Six meetings of the Audit Committee were held during the financial year 2021-22. The dates on which the said meetings were held are 14th May, 2021, 26th May, 2021, 28th July, 2021, 2nd September, 2021, 1st November, 2021 and 27th January, 2022. The maximum time gap between any two meetings was not more than one hundred and twenty days.

The Chief Financial Officer, Statutory Auditors and Internal Auditors of the Company have also attended the above meetings on invitation. The recommendations made by the Audit Committee from time to time have been followed by the Company. As required under the Secretarial Standards, the Chairman of the Committee or in his absence, any other Member of the Committee authorized by him/her on his behalf shall attend the General Meeting of the Company. Mr. Eswara Rao Immaneni, Non-Executive-Independent Director, Chairman of the Audit Committee, was present at the 24th Annual General Meeting of the Company held on September 30, 2021 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

The composition of Audit Committee and particulars of meeting attended by the members of the Audit Committee are given below:

Name & category	Designation	No. of meetings attended during the year 2021-22
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Chairman	6
Dr. T. Venkateswara Rao, Independent Non-Executive Director	Member	6
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member	6

ii) NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee ("NRC") of the Company is constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Brief Description & Terms of reference

The power and terms of reference of the Nomination and Remuneration Committee are as mentioned in Regulation 19 and Part D of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 178 of the Companies Act, 2013, and as laid down in the Nomination, Remuneration and Performance Evaluation Policy and as entrusted by Board of Directors from time to time.

i) Formulation of 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;

ii) Formulation of criteria for evaluation of performance of independent directors and the Board;

iii) Devising a policy on diversity of the Board;

iv) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

v) Reviewing succession plans of Board members, key managerial personnel and senior management employees;

vi) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors; and

vii) Carry out any other functions as provided under the Act and the Listing Regulations and other applicable law.

Composition & Meetings:

The Nomination and Remuneration Committee comprises of three Independent Non-Executive Directors chaired by Dr. Venkata Appa Rao Kotagiri (for the financial year 2021-2022). The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year 2021-22, the Committee met twice viz. on 2nd September, 2021 and 3rd November, 2021.

The composition of Nomination and Remuneration Committee and particulars of meetings attended by the members of the Committee are tabled below:

Name & Category	Chairman/ Member	No of meetings attended during the year 2021-22
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Chairman	2
Dr. T. Venkateswara Rao, Independent Non-Executive Director	Member	2
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Member	2

Nomination, Remuneration and Board Evaluation Policy:

The Company has formulated a Nomination, Remuneration and Board Evaluation Policy as per the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which, *inter-alia*, lays down the criteria for:

- Identifying the persons who are qualified to be appointed as Directors and such persons who may be appointed as senior management personnel of the Company; and
- determining the remuneration of the directors, key managerial personnel (KMP) and other employees.

Nomination, Remuneration and Board Evaluation Policy provides for the following attributes for appointment and removal of Director, KMP and senior management:

Appointment criteria and qualification:

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director in terms of diversity policy of the board and recommend to the board his/her appointment.
- For the appointment of KMP (other than managing/whole-time director) or senior management, a person should possess adequate qualification, expertise and experience for the position he/she is considered for the appointment. Further, for administrative convenience, as regards the appointment of KMP (other than managing/whole-time director) or senior management, the managing director is authorized to identify and appoint a suitable person for such position. However, if the need be, the managing director may consult the committee/board for further directions/guidance.

Term:

- The term of the directors including managing/whole-time director/independent directors shall be governed as per the provisions of the Companies Act, 2013 and Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time; whereas, the term of the KMP (other than the managing/whole-time director) and senior management shall be governed by the prevailing HR policies of the Company.

Evaluation:

- The Committee shall carry out evaluation of performance of every Director.

- The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment/re appointment/continuation of directors on the board shall be subject to the outcome of the yearly evaluation process.

Removal:

- Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable act, rules and regulations thereunder and/or for any disciplinary reasons and subject to such applicable acts, rules and regulations and the Company's prevailing HR policies, the committee may recommend, to the board, with reasons recorded in writing, removal of a director, KMP or senior management.

Remuneration of managing/whole-time director, KMP and senior management:

- The remuneration/compensation/commission, etc. as the case may be, to the managing/whole-time director will be determined by the committee and recommended to the board for approval. The remuneration/ compensation/ commission, etc. as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and central government, wherever required and shall be in accordance with the provisions of the Act and Rules made there under. Further, the managing director of the Company is authorized to decide the remuneration of KMP (other than managing/whole-time director) and senior management, and shall be decided by the managing director based on the standard market practice and prevailing HR policies of the Company.

Remuneration to non-executive/independent director:

- The remuneration/commission/sitting fees, as the case may be, to the non-executive/independent director, shall be in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force or as may be decided by the committee/board/shareholders.
- An independent director shall not been entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Details of the evaluation process:

In terms of the Nomination, Remuneration and Board Evaluation Policy and the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee laid down the criteria for evaluation/assessment of the Directors (including the independent directors) of the Company and the Board as a whole. The Committee also carried out the evaluation of the performance of each Director of the Company.

The Board conducted formal annual evaluation of its own performance, its Committees and the individual directors (without the presence of the director being evaluated). Basis the said evaluation, the Nomination and Remuneration Committee has evaluated the Directors and Senior Management Personnel and made recommendations for the appointment/re-appointment/increase in remuneration of the Directors and Senior Management.

Criteria for evaluation of Board (Including Independent Directors) and its Committees:

The evaluation of the Board (including independent directors) and its committee were based on knowledge to perform the role, attendance, time and level of participation, performance of duties, adequate discharge of responsibilities, level of oversight, understanding of the Company professional conduct, independence, structure and composition, frequency and duration of meetings, its process and procedures, effectiveness of Board/ Committees, its financial reporting process, including internal controls, review of compliance under various regulations etc.

iii) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has a duly Constituted Stakeholders' Relationship Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four meetings of the Stakeholders' Relationship Committee were held during the financial year 2021-22 viz. 26th May, 2021, 28th July, 2021, 1st November, 2021 and 27th January, 2022.

The composition and particulars of attendance of the meeting of the Committee is as below:

Name of the Director	Chairman/ Member	No. of meetings attended during the year 2021-22
Dr. T. Venkateswara Rao, Independent Non-Executive Director	Chairman	4
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Member	4
Dr. Venkata Appa Rao Kotagiri Independent Non-Executive Director	Member	4

The Stakeholders Relationship Committee specifically look into various aspects of interest of shareholders, debenture holders and other security holders. Oversees the redressal of complaints of investors for matters like transfer or credit of shares to demat accounts, non-receipt of dividend/annual reports, etc. It also takes note of share transfer and issue of share certificates.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. Dr. T. Venkateswara Rao, Independent Non-Executive Director, Chairman, of the Committee, was present at the 24th Annual General Meeting of the Company held on 30th September, 2021.

Name of non-executive director heading the committee	Dr. T. Venkateswara Rao, Independent Non-Executive Director
Name and designation of compliance officer	Mr. Thakur Vishal Singh, Company Secretary & Compliance Officer *(upto 04.07.2022).* Mr. Subhojeet Bhattacharjee, Company Secretary & Compliance Officer *(w.e.f. 27.07.2022).*
Number of shareholders' complaints received	Seven (7)
Number not solved to the satisfaction of shareholders	Nil
Number of pending complaints	Nil

Seven (7) complaints were received during the year 2021-22 and Zero complaints were pending as on 31st March, 2022.

iv) RISK MANAGEMENT COMMITTEE:

The Risk Management Committee ("RMC") of the Company is constituted in compliance with Regulation 21 of the Listing Regulations.

Brief Terms of reference:

i) To review risk management policy;

ii) To oversee implementation of the risk management framework including monitoring of material risks to which the organization is exposed to and ensuring implementation of appropriate mitigation plan;

iii) Reviewing the adequacy of the risk management framework and ensuring its effectiveness; and

iv) Such other activities as the Board of Directors may entrust from time to time.

Composition, name of members and Chairperson:

The risk management committee ("the Committee") comprised of 2 Executive Directors and 1 Independent Non-Executive Director as tabled below:

Sr. No.	Name and Designation	Chairman/Member
1.	Mr. J Lakshmana Rao, Chairman & Managing Director	Chairperson
2.	Mr. A Subramanyum, Deputy Managing Director	Member
3.	Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive Director	Member

Risk Management Committee meetings:

During the Financial Year, Risk Management Committee Meeting was held on November 1, 2021 and January 27, 2022.

Attendance at the Risk Management Committee Meeting:

Name of the Director	Chairman/Member	No. of meetings attended during the year 2021-22
Mr. J Lakshmana Rao, Chairman & Managing Director	Chairman	2
Mr. A Subramanyum, Deputy Managing Director	Member	2
Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive Director	Member	2

The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day-to-day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures to be adopted by the Board.

The Company has adequate internal control systems and procedures to combat risks. The Risk management procedures are reviewed by the Audit Committee and the Board of Directors on a quarterly basis at the time of review of the Quarterly Financial Results of the Company. The policy on Risk Management is available on the Company's website, the web link for the same is https://www.moldtekpackaging.com/investors.html

v) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Corporate Social Responsibility reflects the strong commitment of the Company to improve the quality of life of the workforce and their families and also the community and society at large.

The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society.

The Corporate Social Responsibility Committee comprises of three Executive Directors and one Independent Non-Executive Director and is Chaired by Mr. J. Lakshmana Rao as on 31st March, 2022. The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Companies Act, 2013 and is as follows.

Name & category	Chairman/Member
Mr. J. Lakshmana Rao, Chairman & Managing Director	Chairman
Mr. A. Subramanyam, Deputy Managing Director	Member
Mr. P. Venkateswara Rao, Deputy Managing Director	Member
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member

Corporate Social Responsibility Committee meetings:

During the Financial Year, Corporate Social Responsibility Committee Meeting was held on April 24, 2021 and January 27, 2022.

Attendance at the Corporate Social Responsibility Committee Meeting:

Name of the Director	Chairman/Member	No. of meetings attended during the year 2021-22
Mr. J. Lakshmana Rao, Chairman & Managing Director	Chairman	2
Mr. A. Subramanyam, Deputy Managing Director	Member	2
Mr. P. Venkateswara Rao, Deputy Managing Director	Member	2
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member	2

vi) MEETINGS OF INDEPENDENT DIRECTORS:

A separate meeting of the Independent Directors of the Company was held on 27th January, 2022 without the attendance of the Non-Independent Directors and members of management, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness off low of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole. Inputs and suggestions received from the Directors were considered at the Board meeting and have been implemented.

D. REMUNERATION OF DIRECTORS:

There were no pecuniary transactions or relationships with any Non-Executive Director of the Company. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., https://www.moldtekpackaging.com/investors.html . Non-Executive Directors are paid sitting fees.

Details of the remuneration to Executive and Non-Executive Directors for the year ended on 31st March, 2022 are as follows:

₹ in lakhs

Name	Salary	Perquisites & other benefits	Performance bonus/ commission/ Pension	Service Contracts	Notice Period	Others	Sitting fees	Total
Mr. J. Lakshmana Rao (Chairman & Managing Director)	158.90	-	45.85	Remuneration approved for a period of three years	-	-	-	204.75
Mr. A. Subramanyam (Deputy Managing Director)	179.58	14.42	45.85	Remuneration approved for a period of three years	-	0.96	-	240.81
Mr. P. Venkateswara Rao (Deputy Managing Director)	116.02	8.20	45.85	Remuneration approved for a period of three years	-	0.72	-	170.79
Mrs. J. Mytraeyi, Non-Executive Director	-	-	-	-	-	-	0.80	0.80
Mr. Srinivas Madireddy, Whole-time Director	80.17	8.79	-	Remuneration approved for a period of three years	-	0.36	-	89.32
Dr. T. Venkateswara Rao, Independent Non-Executive Director	-	-	-	-	-	-	1.20	1.20
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	-	-	-	-	-	-	1.20	1.20
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	-	-	-	-	-	-	1.00	1.00
Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive Director	-	-	-	-	-	-	0.80	0.80
Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Director	-	-	-	-	-	-	1.20	1.20

Mr. J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - M/s. Mold-Tek Packaging Limited and M/s. Mold-Tek Technologies Limited, aggregating to ₹ 281.22 Lakhs pursuant to approval of the Members accorded at the 24th Annual General Meeting of Mold-Tek Packaging Limited held on 30th September, 2021 and 37th Annual General Meeting of Mold-Tek Technologies Limited held on 30th September, 2021.

The appointment of the Managing Director /Whole-time Director is on the basis of the terms and conditions laid down in the respective resolutions passed by the members in the General Meetings.

E. GENERAL BODY MEETINGS:

Location and time, where last three annual general meetings were held:

Year	Location	Date	Time
2018-19 (AGM)	Best Western Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, Road No. 36, Jubilee Hills, Hyderabad - 500033	30th September, 2019	11:00 a.m.
2019-20 (AGM)	Plot No. 700, Road no. 36, Jubilee Hills, Hyderabad-500006- through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").	30th September, 2020	11:00 a.m.
2020-21 (AGM)	Plot No. 700, Road no. 36, Jubilee Hills, Hyderabad-500006- through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").	30th September, 2021	11:00 a.m.

Whether Any Special Resolutions Passed in The Previous Three Annual General Meetings:

The Company has passed five, nil and three special resolutions as per the agenda given in the notices calling the 24th, 23rd and 22nd annual general meeting of the Company held on 30th September, 2021, 30th September, 2020 and 30th September, 2019 respectively.

Postal Ballot:

During the financial year ended on 31st March, 2022, no Special Resolution was passed by the Members of the Company through Postal Ballot. There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing 25th Annual General Meeting of the Company require passing a resolution through Postal Ballot.

MEANS OF COMMUNICATION:

As per Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is maintaining a functional website at https://www.moldtekpackaging.com/ containing the information about the Company viz. details of business, financial information, shareholding pattern, annual reports, Company's policies, results and contact information of the designated officials of the Company for handling investor grievances. The website is updated from time to time.

Quarterly/half-yearly/annual financial results are generally published in any of the following newspapers: Business Standard, Praja Shakti, Financial Express, Andhra Prabha, Mana Telangana & Nava Telangana. The results are also posted on the Company's website at https://www.moldtekpackaging.com/investors.html and on the website of stock exchanges at https://www.bseindia.com/ and https://www.nseindia.com/ .

The annual report of the Company is available on the Company's website in a user-friendly and downloadable format.

The Company has designated an Email ID exclusively for investor servicing i.e., ir@moldtekpackaging.com.

Investors may raise any queries, complaints or provide suggestions through email. Official news releases and media releases are sent to the stock exchanges.

Detailed presentations made to institutional investors and financial analysts are available on the Company's website at: https://www.moldtekpackaging.com/investors.html

F. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting - Date, Time and Venue:

25th Annual General Meeting	
Date and time	Friday, 30th September, 2022 at 11:00 a.m. (IST)
Venue	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members as set out in the Notice convening the 25th Annual General Meeting.

Financial Year (2021-22):

The financial year of the Company is from 1st April to 31st March. For the Financial Year ending on 31st March, 2023, quarterly un-audited/annual audited results shall be announced in the manner as tabled below:

Financial reporting for		Proposed date
Unaudited results for the quarter ending:	30th June,2022	On or before 14th August, 2022
	30th September, 2022	On or before 14th November, 2022
	31st December, 2022	On or before 14th February, 2023
Audited results for the year ending:	31st March,2023	On or before 30th May, 2023

Book closure date:	24th September, 2022 to 30th September, 2022 (both days inclusive)
Registered office:	8-2-293/82/A/700, Road No.36, Jubilee Hills, Hyderabad - 500 034, Telangana.
Name and address of the stock exchanges on which equity shares of the Company are listed:	(i) **BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 (ii) **National Stock Exchange of India Limited (NSE)** Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
Listing fees:	The Listing fee has been paid to BSE & NSE for the financial year 2022-23.
Dividend Payment Date:	Fifth day onwards from the date of declaration, subject to approval of the members.
Stock/Scrip code:	BSE: 533080; NSE: MOLDTKPAC
ISIN:	INE893J01029
CIN:	L21022TG1997PLCO26542

Market price data- high, low during each month in last financial year:

The monthly high and low prices and volume/no. of equity shares traded on BSE Ltd. (BSE).

Month		BSE		
		High (₹)	*Low (₹)*	*Volume/ No. of Equity Shares Traded*
2021	April	461	342	1,33,031
	May	571	438	2,01,996
	June	514.75	460	7,78,850
	July	545.5	479.95	2,39,374
	August	542.35	445.55	1,36,647
	September	602.7	465.05	5,93,319
	October	784	581.45	3,99,979
	November	755	644.1	1,79,231
	December	862.15	668.85	2,12,762
2022	January	859.45	695.15	1,40,061
	February	779.95	650.5	1,32,413
	March	760	654.2	74,976

The monthly high and low prices and volume/no. of equity shares traded on National Stock Exchange of India Limited (NSE).

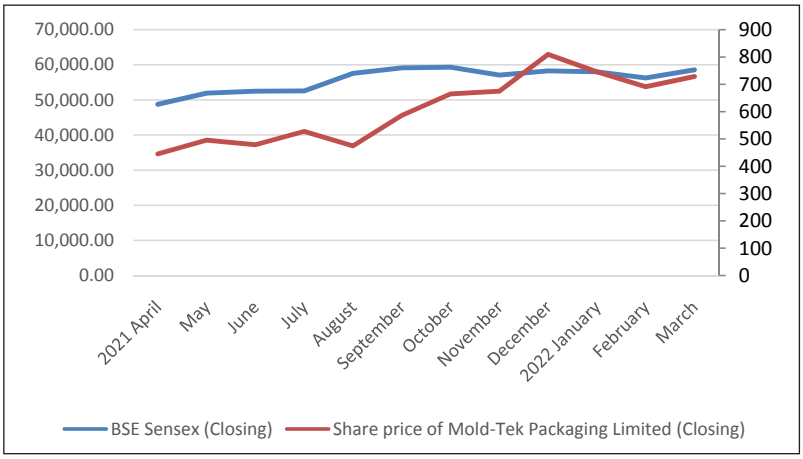
Month		NSE		
		High (₹)	*Low (₹)*	*Volume/ No. of Equity Shares Traded*
2021	April	460	386.20	10,54,983
	May	524.70	435.55	17,09,393
	June	511.90	464.85	13,11,597
	July	546	479.10	15,50,252
	August	543	445.40	18,68,947
	September	603.75	469.30	29,21,806
	October	774	581.90	23,28,644
	November	778.90	645.15	9,88,227
	December	861.70	669.10	18,87,224
2022	January	860	699	9,17,266
	February	778	661.10	9,17,560
	March	742.95	654.80	7,28,916

Performance in comparison to BSE Sensex:

Month		**BSE Sensex (Closing) (₹)**	**Share price of Mold-Tek Packaging Limited (Closing) (₹)**
2021	April	48782.36	445.15
	May	51937.44	495.3
	June	52482.71	478.85
	July	52586.84	527.65
	August	57552.39	474.25
	September	59126.36	586.3
	October	59306.93	664.95
	November	57064.87	674.8
	December	58253.82	809.55
2022	January	58014.17	745.6
	February	56247.28	691.1
	March	58568.51	728.75

Graphical Representation:

Performance in comparison to BSE Sensex

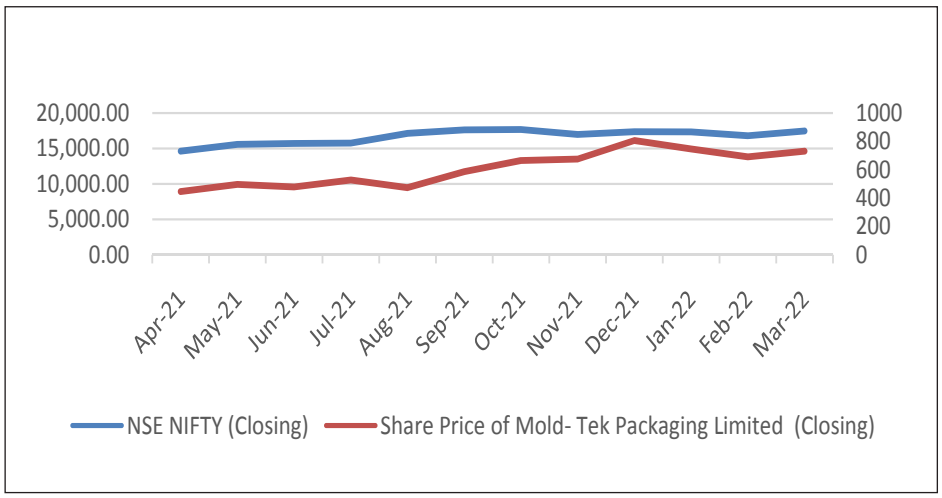


Performance in comparison to NSE Nifty 50:

Month		NSE Nifty 50 (Closing) (₹)	Share price of Mold-Tek Packaging Limited (Closing) (₹)
2021	April	14631.1	445.55
	May	15582.8	495.5
	June	15721.5	478.55
	July	15763.05	527.30
	August	17132.2	473.30
	September	17618.15	584.85
	October	17671.65	665
	November	16983.2	674.35
	December	17354.05	805.75
2022	January	17339.85	745.85
	February	16793.9	690.10
	March	17464.75	730.05

Graphical Representation:

Performance in comparison with NSE Nifty 50



There was no suspension of trading in the Securities of the Company during the year under review.

***Investors' Correspondence/ Registrars to an Issue & Share Transfer Agents*:**

M/s. XL Softech Systems Limited
3, Sagar Society, Road No. 2,
Hyderabad - 500 034,
Phone: +91 40 2354 5913/14/15,
Fax : +91 40 23553214,
Email: xlfield@gmail.com

Share Transfer System:

The requests received for Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are processed and dispatched to the shareholders within a maximum period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. All the valid Deletion of Name, Transmission of Shares, Split and issue of duplicate share certificates are approved by Share Transfer Committee and are noted at Board Meetings.

The shares of the Company can be transferred / traded only in dematerialized form. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

During the year, the Company has obtained, certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, subdivision, consolidation, renewal, exchange and deletion of names, were issued as required under Regulation 40(9) of the SEBI(LODR) Regulations, 2015. The certificates were duly filed with the Stock Exchanges.

Distribution of Shareholding as on 31st March, 2022:

Category	No. of Equity shares of F.V. of ₹ 5/- Each held	Percentage of shareholding %	No. of Partly Paid Equity Shares of ₹ 1.25/- Each held	Percentage of share-holding %	No. of Detachable Warrants	Percentage of Detachable Warrants holding %
Promoters	1,04,75,304	33.52	-	-	-	-
Mutual Funds, Banks, Financial Institutions, Foreign Portfolio Investors, Alternate Investment Funds.	81,86,037	26.19	-	-	3,07,704	16.25
Private Bodies Corporate	6,30,046	2.02	-	-	10,52,817	55.59
Trusts	1	0.00	-	-	-	-
Indian public	1,09,13,828	34.92	-	-	5,14,637	27.18
NRI	8,26,422	2.64	-	-	348	0.02
Clearing members	-	-	-	-	-	-
HUF	2,21,483	0.71	-	-	18,251	0.96
TOTAL	**3,12,53,121**	**100**	**-**	**-**	**18,93,757**	**100**

Distribution of Shareholders as on 31st March, 2022:

1. Equity Share of F.V of ₹ 5/- Per Share:

Slab of shareholding of nominal value of ₹			No. of shareholders	% to Total holding	Share Amount in ₹	% to Total
Upto	-	5,000	51,581	94.22	15,608,025	9.99
5,001	-	10,000	1,746	3.19	6,271,735	4.85
10,001	-	20,000	762	1.39	5,382,095	4.06
20,001	-	30,000	228	0.42	2,837,775	1.96
30,001	-	40,000	102	0.19	1,795,845	1.35
40,001	-	50,000	68	0.12	1,562,225	1.20
50,001	-	100,000	117	0.21	4,062,065	2.93
100,001	and	above	143	0.26	118,745,840	75.31
TOTAL			**54,747**	**100.00**	**156,265,605**	**100**

2. **Detachable Warrants:**

Slab of shareholding of nominal value of ₹			No. of share-holders	% to Total holding	Share Amount in ₹	% to Total
Upto	-	5,000	1,852	94.3	27,448,568	7.88
5,001	-	10,000	67	3.41	8,116,056	2.33
10,001	-	20,000	26	1.32	6,741,208	1.93
20,001	-	30,000	4	0.2	1,894,096	0.54
30,001	-	40,000	0	0	0	0.00
40,001	-	50,000	0	0	0	0.00
50,001	-	100,000	6	0.31	7,982,656	2.29
100,001	and	above	9	0.46	296,268,704	85.02
TOTAL			***1,964***	***100***	***348,451,288***	***100***

Dematerialization of shares:

The Company's shares are available for dematerialization with both the Depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

1. ***Equity Share of F.V of ₹ 5/- Per Share:*** As on 31st March, 2022, 3,11,26,157 no. of equity shares of Face Value of ₹ 5 each aggregating to ₹ 15,56,30,785 of the paid-up share capital are held in dematerialized form with NSDL and CDSL & the rest 1,26,964 equity shares aggregating to Rs. 6,34,820 are in physical form.
2. ***Detachable Warrants of FV of ₹ 184/- Per Warrant:*** As on 31st March, 2022, 18,93,757 no. of Detachable Warrants of FV of ₹ 184/- Per Warrant are held in dematerialized form with NSDL and CDSL.

Outstanding Warrants, Conversion Date and Impact on Equity:

The details regarding the allotment of equity shares of the company due to conversion of detachable warrants on being exercised and its impact on equity during the year under review has been provided in the Directors' Report under the heading Share Capital.

Further please find below the Table of Reconciliation of Detachable Warrants of the Company:

Reconciliation Statement of Detachable Warrants Conversion

Particulars	Number of Warrants
In-principle approval received vide letter no. DCS/RIGHTS/PB/IP-RT/824/2020-21 dated 13th October, 2020 & Trading approval letter No. DCS/RIGHTS/PB/RT-TP/11286/2020-21 dated November 25, 2020. In-principle approval letter no. NSE/LIST/24996 dated 13th October, 2020 & & Trading approval letter No. NSE/LIST/2020/25366 dated November 25, 2020.	33,31,980
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 15.03.2021	5,094
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 15.04.2021	6,060
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 15.06.2021	2,14,220
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 14.07.2021	75,209
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 16.08.2021	17,550
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 14.09.2021	32,404
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 15.11.2021	24,051
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 22.12.2021	59,039
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 17.01.2022	21,250

Particulars	Number of Warrants
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 15.02.2022	28,519
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 11.03.2022	9,54,827
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 19.04.2022	10,56,894
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 16.05.2022	6,87,290
Less - No. of Shares Allotted on Conversion of Detachable Warrants on 22.06.2022	1,23,334
No. of Detachable Warrants lapsed on account of not being exercised within the timeline as provided in the letter of offer dated 17th October, 2020 and hence will be forfeited.	**26,239**

The entire funds raised by the Company through Rights Issue, including the amount received up to the 1st quarter ended on 30th June, 2022 has been utilized for the objects stated in the Letter of Offer for Rights Issue of the Company, dated 17th October, 2020.

The Company has not issued any ADRs or GDRs

Commodity price risk or foreign exchange risk and hedging activities:

The Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company

Plant Locations and Address for Correspondence:

The contact details and locations of plants have been provided in the Corporate Information section of the Annual Report.

Credit Rating:

The Credit rating has been already disclosed in the Directors' Report.

G. OTHER DISCLOSURES:

a. ***Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:***

All related party transactions that were entered into during the financial year were on an arm's length basis, and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

All related party transactions are placed before the Audit Committee and Board for approval. Omnibus approval for related party transactions is granted by the Audit Committee subject to the conditions laid down in the Act and Regulation 23 of SEBI Listing Regulations for transactions which are repetitive in nature. A statement of all related party transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature and value of the transactions. A comprehensive list of related party transactions as required by Ind AS 24, and as prescribed under the Act, forms part of Notes to the standalone financial statements in the Annual Report.

During the financial year ended 31st March, 2022, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large.

The Company's transactions with Related Parties are entered into on considerations of various business exigencies, liquidity and capital resources. All related party transactions are negotiated on an arm's length basis, these transactions are not likely to have any conflict with the interests of the Company at large.

The Company has adopted a related party transactions policy. The policy is available on website of the Company at https://www.moldtekpackaging.com/investors.html

b. ***Details of non-compliance by the listed entity, penalties, and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:***

Kindly refer the Secretarial Audit and Annual Secretarial Compliance Report attached as annexures to the Directors' Report.

c. ***Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel have been denied access to the audit committee:***

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy for Vigil Mechanism for Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy is available on the Company website, at https://www.moldtekpackaging.com/investors.html. During the financial year under review, no Complaint has been received.

d. ***Details of compliance with mandatory requirements and adoption of non-mandatory requirements:***

The Company has complied with the mandatory requirements of the Listing Regulations and has adopted the following non-mandatory requirement in terms of Regulation 27(1) and Part E of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

-Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

e. ***Web link where policy for determining 'material' subsidiaries is disclosed:***

On 14th September, 2021 and as per the rules & regulations of the RAK, the wholly owned subsidiary of the company- Mold-Tek Packaging FZE, RAK, UAE (Transferor) has been completely transferred to Mrs. Satya Sunitha Deepthimahanti (Transferee) along with all liabilities/debts and other rights of the employees & workers by executing a share transfer deed.

Thereafter, other statutory formalities of RAK Government were completed and the necessary approvals were received, hence Mold-Tek Packaging FZE, RAK, UAE, the wholly owned subsidiary of the Company has been completely transferred and appropriate disclosures were given to the stock exchange(s).

The Company has given Consolidated Financial Information up to the date of disinvestment and accordingly Consolidated Financial Statements were prepared up to Financial Year 2021-22

The Board of Directors has adopted the policy and procedures with regard to determination of material subsidiary(ies). This policy deals with determination of material subsidiary(ies) of Mold-Tek Packaging Limited in terms of Regulation 16 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (as amended from time to time) which states that the Company shall formulate a policy for determination of the material subsidiary and the policy is intended to ensure the governance framework of material subsidiary companies. The policy is available on the website of the Company at: https://www.moldtekpackaging.com/investors.html

f. ***Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (LODR) Regulations, 2015.***

During the year the Company has raised funds through Qualified Institutional Placement (QIP) to the tune of ₹ 103.6 Crores, (₹ 101.10 Crores net of issue expenses) in terms of chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. The issue was open from 14th December, 2021 to 17th December, 2021. Subsequent to the approval accorded by the Board of Directors of the Company, at its meeting held on November 3, 2021 and the approval of the shareholders of the Company by way of a special resolution passed on December 6, 2021 for the QIP, the QIP Committee in its meeting held on 17th December, 2021, approved and allocated 14 lakh equity shares to the eligible qualified institutional buyers at a issue price of ₹ 740 per equity share (including a premium of ₹ 735 per equity share on face value of ₹ 5) and at a premium of ₹ 17.60 (2.44%) per equity share on the floor price of ₹ 722.40 as per SEBI guidelines.

Mold-Tek Packaging Ltd has received overwhelming response for its QIP issue. The funds who have invested in this QIP include marquee investors like Goldman Sachs India Equity, White Oak India Equity Fund, Aditya Birla Sun Life Trustee Private Limited Plc, ICICI Prudential Small Cap Fund and others.

The Details of Utilization is as tabled below:

Particulars	Amount (₹ In Crores)
Amount Raised by QIP	103.6
Issue Related Expenses	2.5
Amount raised net of issue expenses	101.10
Funds utilized for i. Ongoing and future capital expenditure requirements of our Company; ii. Working capital requirements; iii. Debt repayment; iv. General corporate purpose as per the placement document of QIP Till the quarter and year ended on **31st March, 2022.** **There was no Deviation/Variation from the applicable objects.**	68.10
Amount yet to be utilized out of the fund raised through QIP as on 31st March, 2022 due to the on-going nature of the projects	33.00
Funds utilized for i. Ongoing and future capital expenditure requirements of our Company; ii. Working capital requirements; iii. Debt repayment; iv. General corporate purpose as per the placement document of QIP Till the quarter and year ended on **30th June, 2022** **There was no Deviation/Variation from the applicable objects.**	12.00
Amount yet to be utilized out of the fund raised through QIP as on 30th June, 2022 due to the on-going nature of the projects	21.00

g. ***Certificate from Practicing Company Secretary:***

The Company has received a certificate from Mr. Ashish Gaggar, Practicing Company Secretary, 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority.

h. ***Instances of not accepting any recommendation of the Committee by the Board:***

There is no such instance where Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

i. ***Given below are the details of fees paid to M/s. M Anandam & Co., Chartered Accountant, Statutory Auditors of the Company on a Consolidated basis during the Financial Year ended March, 2022:***

Sr. No.	Payments to the Statutory Auditors (excluding taxes)	Fee Paid (₹ in Lakhs)
1.	Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.	16.93

j. ***Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:***

The composition of the internal committee is as under:

(i) Mrs. A. Seshu Kumari, Chief Financial Officer - Chairperson

(ii) Mrs. J. Navya, Assistant Financial Controller - Member

(iii) Mr. Thakur Vishal Singh, Company Secretary – Member (*upto 04.07.2022*)

(iv) Mr. Subhojeet Bhattacharjee, Company Secretary-Member (*w.e.f. 27.07.2022*)

(v) Mrs. K. Sirisha, Manager-HR - Member

No meeting was held during the year as no complaints were received from any employee.

Sr.No.	Particulars	No. of complaints
1.	Number of complaints on Sexual harassment received during the year	Nil
2.	Number of Complaints disposed of during the year	Not applicable
3.	Number of cases pending as on end of the financial year	Not applicable

k. ***The Company has Complied with the requirements of necessary disclosures in the Corporate Governance Report in terms sub-paras (2) to (10) of the Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.***

l. ***The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:***

Regulation	Particulars of Regulation	Compliance Status (Yes/ No)
17	Board of Directors	Yes
17A	Maximum number of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect of Subsidiary of Listed entity	Yes
24A	Secretarial Compliance & Audit Report	Yes
25	Obligation with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirement	Yes
46(2) (b) to (i)	Website	Yes

m. ***Disclosure by the Company and its subsidiaries (if any) of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Not Applicable***

n. ***Website:***

The Company is maintaining a functional website viz: https://www.moldtekpackaging.com/ . All the information as specified under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are uploaded on a daily basis under investors column of the website.

o. ***Management Discussion and Analysis:***

A separate report on Management Discussion and Analysis is attached as part of the Annual Report.

p. ***Disclosures with respect to demat suspense account/ unclaimed suspense account:***

In terms of Regulation 39(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following are the details in respect of equity shares lying in the suspense account which were issued in dematerialized form and physical form, respectively.

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

% to Total		Number of shareholders	Number of equity shares
1)	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2021	209	54,534
2)	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	5	3,798
3)	Number of shareholders to whom shares were transferred from suspense account during the year;	5	3,798
4)	Transferred to Investor Education and Protection fund Authority;	0	0
5)	Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 31st March, 2022. (1-3-4)	204	50,736

Note: 1. The voting rights on the shares outstanding in the suspense account as on March 31, 2022 shall remain frozen till the rightful owner of such shares claim the shares.

2. All the shares referred above are in dematerialized format. No shares are held in physical mode.

q. ***Transfer of Unpaid/Unclaimed Dividends and Shares to Investor Education and Protection Fund (IEPF):***

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, during the year under review, an amount of ₹ 7,91,360 was transferred to IEPF, being the interim and final dividends for the financial year 2013-14 which remained unclaimed for a continuous period of seven (7) years. Also, shares of the shareholders, who have not claimed dividends for a continuous period of seven (7) consecutive years, shall be transferred to Investor Education and Protection Fund Authority's account. Accordingly, the Company has transferred 14,340 number of equity shares on 6th April, 2022, by executing a Corporate Action to the Demat account of IEPF Authority.

r. ***Additional disclosures:***

- ***Reconciliation of share capital audit***

  As stipulated by SEBI, a qualified Company Secretary-in-Practice carries out a reconciliation of share capital audit, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital with the stock exchanges. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with depositories). The audit report is being submitted on quarterly basis to the stock exchanges.

- ***Policy on disclosure of material events and information***

  The Company has adopted the Policy on Disclosure of Material Events and Information, in accordance with the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the events and information which are material in nature and are required to be disclosed to the stock exchanges. The said policy is available on the website of the Company at: https://www.moldtekpackaging.com/investors.html

- ***Code of Conduct for prohibition of insider trading***

  Pursuant to the provisions of Securities and Exchange Board of India (SEBI) notified SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors approved and adopted 'Code of Conduct for Prohibition of Insider Trading' which, inter-alia, lays down the process of dealing in securities of the Company, along with the reporting and disclosure requirements by the employees and the connected persons and became effective from 15th May, 2015. The Code provides for pre-clearance of trades above certain thresholds and trading restrictions on the designated employees and connected persons when in possession of unpublished price sensitive information and/or at the time of trading window closure.

In terms of the said regulations, the Company has also formulated 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', with the objective to have a standard and stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.

Further, the SEBI has amended the provisions of Insider Trading Regulations, 2015 vide Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31st December 2018. As per the requirement of the Circular the Board of Directors in their meeting held on 31st January, 2019 has adopted and approved the Amended 'Code of Conduct for Prohibition of Insider Trading' effective from 1st April 2019.

The amended copy of the 'Code of Conduct for Prohibition of Insider Trading' is available on the website of the Company at: https://www.moldtekpackaging.com/investors.html

- ***Policy on preservation of documents and records***

The Company has adopted, in accordance with the Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy to ensure compliance with the applicable document retention laws, preservation of various statutory documents and minimum retention period for the documents and records in respect of which no retention period has been specified by any law/ rule/regulation. The policy also provides for the authority under which the disposal/destruction of documents and records after their minimum retention period can be carried out. The code is available on the website of the Company at: https://www.moldtekpackaging.com/investors.html

- ***Code of conduct for the board of directors & senior management personnel***

The Company has its Code of Conduct for the Board of Directors & Senior Management Personnel of the Company, as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is available on the website of the Company at: https://www.moldtekpackaging.com/investors.html

The Board of Directors and members of the senior management personnel have provided their affirmation to the compliance with this code. The declaration regarding compliance by the Board of Directors and the senior management personnel with the said code of conduct, duly signed by the Chairman & Managing Director forms part of this Annual Report.

- ***CEO/CFO certification***

The Chairman & Managing Director and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Regulation 17(8) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of the Annual Report.

- ***Dividend Distribution Policy***

As per the SEBI (LODR) Regulations, 2015 [amended vide SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 w.e.f. 5.5.2021], the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in the annual report. The Company has adopted a new Dividend Distribution Policy policy on 26th May, 2021 in terms of 43A of the SEBI (Listing Obligations and Disclosure Requirements), 2015. The said policy is available on the website of the company at: https://www.moldtekpackaging.com/investors.html

For and on behalf of the Board of Directors

Sd/-
J. LAKSHMANA RAO
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date : 2nd September, 2022

Declaration as prescribed under Schedule V as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As provided under Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the code of conduct and ethics for the financial year ended March 31, 2022.

Sd/-

J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 9th May, 2022

COMPLIANCE CERTIFICATE FROM CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

The Board of Directors,
Mold-Tek Packaging Limited,

We hereby certify that:

a. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and 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 they have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee:

   1. significant changes in internal control over financial reporting during the year;

   2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. 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.

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Place: Hyderabad
Date: 9th May, 2022

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Mold-Tek Packaging Limited
Plot No.700, D.No.8-2-293/82/A/700, Ground Floor, Road No.36,
Jubilee Hills, Hyderabad-500 033, Telangana, India

I have examined all the relevant records of Mold-Tek Packaging Limited ('the Company'), for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period from 01st April 2021 to 31st March 2022. I have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review the procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in applicable provisions of Listing Regulations for the year ended on March 31, 2022.

I further state that such compliance 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.

.

Sd/-
Ashish Kumar Gaggar
Company Secretary in Practice
FCS: 6687
CP No.: 7321
PR: 707/2020
UDIN: F006687D000830675

Place : Hyderabad
Date : 23rd August, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Mold-Tek Packaging Limited,
Plot No.700, D.No.8-2-293/82/A/700, Ground Floor, Road No.36,
Jubilee Hills, Hyderabad-500 033, Telangana, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mold-Tek Packaging Limited having CIN L21022TG1997PLC026542 and registered office at Plot No.700, D.No.8-2-293/82/A/700, Ground Floor, Road No.36, Jubilee Hills, Hyderabad-500033, Telangana, India (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	Talupunuri Venkateswara Rao	00572657	27/08/2008	-
2.	Lakshmana Rao Janumahanti	00649702	27/08/2008	-
3.	Subramanyam Adivishnu	00654046	27/08/2008	-
4.	Venkateswara Rao Pattabhi	01254851	27/08/2008	-
5.	Srinivas Madireddy	01311417	14/05/2018	-
6.	Venkata Appa Rao Kotagiri	01741020	14/05/2018	-
7.	Mytraeyi Janumahanti	01770112	06/12/2021	-
8.	Eswara Rao Immaneni	08132183	14/05/2018	-
9.	Togaru Dhanrajtirumala Narasimha	01411541	27/01/2020	-
10.	Madhuri Venkata Ramani Viswanadham	08715322	11/03/2020	-

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Name: **Ashish Kumar Gaggar**
Membership No.: F6687
CP No.: 7321
PR: 707/2020
UDIN:F006687D000830631

Place: Hyderabad
Date : 23rd August, 2022

INDEPENDENT AUDITORS' REPORT

To the Members of Mold-Tek Packaging Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Mold-Tek Packaging Limited** ("the Company"), which comprise the Standalone Balance sheet as at 31 March, 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2022, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Standalone 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 standalone 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 issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition** Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over goods is transferred to the customers, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before the control over goods is transferred. Refer Note 2 to the standalone financial statements – Significant Accounting Policies.	**Principal Audit Procedures** Our audit approach was a combination of tests of internal controls and substantive procedures including: • Assessing the appropriateness of Company's revenue recognition in line with Ind AS 115 – Revenue from Contracts with Customers. • Evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off at the year end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year-end and subsequent to the year-end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.

Other Information

The Company's Board of Directors is responsible for the other information. The other information in the annual report does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone 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 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 Cash Flow Statement dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 34 of the standalone 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, which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 42 to the standalone financial statements:

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.000125S)

Sd/-
B.V.Suresh Kumar
Partner
Membership No.212187
UDIN: 22212187AIQABO4465

Place: Hyderabad
Date : 9 May, 2022

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Mold-Tek Packaging Limited** ("the Company") as of 31 March, 2022 in conjunction with our audit of the standalone 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 ('ICAI'). 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 Act.

Auditor's 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 ICAI and deemed to be prescribed under section 143 (10) of the Act, 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 judgment, including the assessment of the risks of material misstatement of the standalone 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.

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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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 31 March 2022, 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 **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.000125S)

Sd/-
B.V.Suresh Kumar
Partner
Membership No.212187
UDIN: 22212187AIQABO4465

Place: Hyderabad
Date : 9 May, 2022

Annexure - B to the Independent Auditors' Report

Annexure - B to the Independent Auditors' Report

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company, we report that

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory

(b) The Company is sanctioned working capital limits in excess of ₹5 Crore during the year from banks or financial institutions on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not stood guarantee or not provided security in/to any other entity. Accordingly, the requirement to report on clause 3(iii) (a) and (b) of the Order are not applicable to the Company

The Company has granted unsecured loans to the erstwhile wholly owned subsidiary. The Company has disinvested in the said subsidiary and made 100% provision for the loan granted in the earlier years. Hence, reporting under clause 3(iii) (c), (d) and (e) of the Order are not applicable to the Company

The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of payment. Hence, reporting under clause 3(iii) (f) of the Order is 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 185 and 186 of the Act in respect of loans wherever applicable.

(v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the

appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, sales tax/value added tax, goods and services tax, customs duty, or cess as at 31 March, 2022 which have not been deposited on account of any dispute pending are as under:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Amount paid under protest (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income tax	8.05	8.05	AY 2012-13	Assistant Commissioner of Income Tax - Circle 16(2)
Income-tax Act, 1961	Income tax	5.07	5.07	AY 2013-14	Commissioner of Income tax (Appeals), NFAC
Income-tax Act, 1961	Income tax	2.56	2.56	AY 2015-16	Assistant Commissioner of Income Tax - Circle 16(2)
Income-tax Act, 1961	Income tax	11.96	11.96	AY 2016-17	CPC, Bangalore
Income-tax Act, 1961	Income tax	67.90	67.90	AY 2017-18	Commissioner of Income Tax Appeals, NFAC
AP Value Added Tax Act, 2005	Value Added Tax	1.53	0.19	FY 2007-08	Dy. Commissioner (CT), Punjagutta Division, Hyderabad

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and procedures performed by us, we report that the Company has applied the term loans for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.

(x) (a) According to the information and explanations provided by the management, the Company has utilized the moneys raised on rights issue and Qualified Institutional Placement (QIP) of equity shares for the purposes for which they were raised.

(b) During the year, the Company has made private placement of equity shares to Qualified Institutional Buyers and the requirements of section 42 and section 62 of the Companies Act have been complied with and the funds have been used for the purposes for which the funds were raised. Further, the Company has not made preferential allotment or convertible debentures during the year.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not engaged in any non-banking financial housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.000125S)

Sd/-
B.V.Suresh Kumar
Partner
Membership No.212187
UDIN: 22212187AIQABO4465

Place: Hyderabad
Date : 9 May, 2022

BALANCE SHEET AS AT 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	As at 31 March, 2022	As at 31 March, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	4.1	25,725.96	23,514.72
(b) Capital work-in-progress	4.2	1,383.78	1,130.20
(c) Investment property	4.3	4.97	5.10
(d) Intangible assets	4.4	65.31	60.18
(e) Intangible assets under development	4.5	98.12	41.76
(f) Right-of-use assets	4.6	370.33	334.84
(g) Financial assets			
(i) Investments	5.1	1,708.55	864.86
(ii) Other financial assets	5.2	396.13	348.36
(h) Other non-current assets	6	588.03	305.50
Current assets			
(a) Inventories	7	9,590.42	7,082.02
(b) Financial assets			
(i) Trade receivables	8.1	14,301.18	9,013.05
(ii) Cash and cash equivalents	8.2	411.98	33.85
(iii) Bank balances other than (ii) above	8.3	1,219.39	85.71
(iv) Loans	8.4	61.44	32.11
(v) Other financial assets	8.5	315.35	238.52
(c) Current tax assets (net)	9	153.60	122.50
(d) Other current assets	10	1,021.51	418.40
TOTAL ASSETS		**57,416.05**	**43,631.68**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	1,562.80	1,395.52
(b) Other equity	12	44,147.80	24,188.12
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,537.29	1,661.51
(ii) Lease liabilities	14	9.49	-
(b) Provisions	15	377.60	348.63
(c) Deferred tax liabilities (net)	16	1,473.17	1,204.86
(d) Other non-current liabilities	17	23.01	2.59
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18.1	1,864.23	9,152.81
(ii) Trade payables	18.2		
A. Dues to micro enterprises and small enterprises		32.27	37.70
B. Dues to creditors other than micro enterprises and small enterprises		2,773.90	3,185.63
(iii) Other financial liabilities	18.3	1,879.10	1,913.17
(iv) Lease liabilities	18.4	29.52	-
(b) Other current liabilities	19	536.11	362.97
(c) Provisions	20	114.84	91.13
(d) Current tax liabilities (net)	21	54.92	87.04
TOTAL EQUITY AND LIABILITIES		**57,416.05**	**43,631.68**
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-

B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-

J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-

A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-

A. Seshu Kumari
Chief Financial Officer

Sd/-

Thakur Vishal Singh
Company Secretary
M.No.A41956

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	Year ended 31 March, 2022	Year ended 31 March, 2021
I. Income			
Revenue from operations	24	63,146.97	47,892.54
Other income	25	156.23	60.00
II. Total income		**63,303.20**	**47,952.54**
III. Expenses			
Cost of materials consumed	26	38,481.57	27,776.78
Changes in inventories of finished goods and work-in-progress	27	(822.71)	(536.70)
Employee benefits expense	28	3,868.15	3,269.12
Finance costs	29	932.33	994.43
Depreciation and amortization expenses	30	2,642.29	2,148.80
Other expenses	31	9,550.56	7,787.35
Total expenses		**54,652.19**	**41,439.78**
IV. Profit before exceptional items and tax (II - III)		**8,651.01**	**6,512.76**
V. Exceptional items	32	-	107.74
VI. Profit before tax (IV - V)		**8,651.01**	**6,405.02**
VII. Tax expense:			
(1) Current tax		2,032.07	1,564.18
(2) Earlier year's taxes		(0.18)	(17.46)
(3) Deferred tax		253.59	50.80
VIII. Profit for the year (VI-VII)		**6,365.53**	**4,807.50**
IX. Other comprehensive income			
Items that will not be reclassified to Profit or Loss			
a) Remeasurement of defined benefit plans		(21.35)	(29.05)
b) Fair value changes in equity instruments		843.69	131.26
c) Income tax relating to items (a) & (b) above		(14.73)	7.31
Other comprehensive income (net of tax)		**807.61**	**109.52**
X. Total comprehensive income for the year		**7,173.14**	**4,917.02**
XI. Earnings per equity share (Face Value ₹5 each)			
(1) Basic (in ₹)	37	22.12	16.86
(2) Diluted (in ₹)	37	21.14	16.18
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

a. Equity share capital

Year ended 31 March, 2022

Balance as at 01 April, 2021	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April, 2021	Changes in equity share capital during the year	Balance as at 31 March, 2022
1,395.52	-	-	167.28	1,562.80

Year ended 31 March, 2021

Balance as at 01 April, 2020	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April, 2020	Changes in equity share capital during the year	Balance as at 31 March, 2021
1,386.30	-	-	9.22	1,395.52

b. Other equity

Year ended 31 March, 2022

Particulars	Reserves and surplus					Money received against share warrants	Equity Instruments through Other Comprehensive Income (OCI)	Total
	Securities premium	Capital reserve	General reserve	Share options out-standing account	Retained earnings			
Balance as at 01 April, 2021	**7,820.14**	**57.15**	**1,914.39**	**32.08**	**12,282.03**	**1,533.79**	**548.54**	**24,188.12**
Profit for the year	-	-	-	-	6,365.53	-	-	6,365.53
Dividends	-	-	-	-	(1,132.92)	-	-	(1,132.92)
Issue expenses on account of Qualified Institutional Placement	(252.20)	-	-	-	-	-	-	(252.20)
Issue of right equity shares upon conversion of share warrants	13,568.85	-	-	-	-	-	-	13,568.85
Amounts received for conversion of share warrants to equity shares (net)	-	-	-	-	-	354.50	-	354.50
Issue expenses on account of rights issue	(4.00)	-	-	-	-	-	-	(4.00)
Issue of equity shares under MTPL Employee Stock Option Scheme	233.24							233.24
Recognition of share based payments	-	-	-	19.07	-	-	-	19.07
Transfer from share options outstanding account on exercise and lapse	38.57	-	-	(38.57)	-	-	-	-
Other comprehensive income	-	-	-	-	(15.98)	-	823.59	807.61
Balance as at 31 March, 2022	**21,404.60**	**57.15**	**1,914.39**	**12.58**	**17,498.66**	**1,888.29**	**1,372.13**	**44,147.80**

(Contd...)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

b. Other equity

Year ended 31 March, 2021

Particulars	Reserves and surplus					Money received against share warrants	Equity Instruments through Other Comprehensive Income (OCI)	Total
	Securities premium	Capital reserve	General reserve	Share options outstanding account	Retained earnings			
Balance as at 01 April, 2020	**7,569.84**	**57.15**	**1,914.39**	**32.37**	**8,333.43**	**-**	**417.28**	**18,324.46**
Profit for the year	-	-	-	-	4,807.50	-	-	4,807.50
Dividends	-	-	-	-	(837.16)	-	-	(837.16)
Issue of partly paid up right equity shares	242.95	-	-	-	-	-	-	242.95
Issue of right equity shares upon conversion of share warrants	9.12	-	-	-	-	-	-	9.12
Share warrants application money	-	-	-	-	-	1,533.79	-	1,533.79
Issue expenses on account of rights issue	(104.99)	-	-	-	-	-	-	(104.99)
Issue of equity shares under MTPL Employee Stock Option Scheme	85.58							85.58
Transfer from share options outstanding account on exercise and lapse	17.64	-	-	(17.64)	-	-	-	-
Recognition of share based payments		-	-	17.35	-	-	-	17.35
Other comprehensive income	-	-	-	-	(21.74)	-	131.26	109.52
Balance as at 31 March, 2021	**7,820.14**	**57.15**	**1,914.39**	**32.08**	**12,282.03**	**1,533.79**	**548.54**	**24,188.12**

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

Particulars	31 March,2022	31 March, 2021
Cash flow from operating activities		
Profit before tax	8,651.01	6,405.02
Adjustments for:		
Depreciation and amortisation expenses	2,692.33	2,187.39
(Profit)/loss on disposal of property, plant and equipment (net)	7.35	20.26
Share based payments to employees	16.99	17.35
Provision for bad and doubtful debts (net of reversals)	13.75	16.00
Creditors written back	(47.19)	-
Foreign exchange fluctuation gain	(2.25)	(6.22)
Amortisation of government grants	1.69	1.51
Finance costs	932.33	994.43
Dividend income	(52.93)	(12.70)
Profit on sale of investments	(11.16)	-
Provision for impairment of loan and advance given to subsidiary	-	(107.74)
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(5,300.51)	(3,226.21)
(Increase)/Decrease in financial assets other than trade receivables	(1,287.61)	324.25
(Increase)/Decrease in other assets	(721.06)	780.78
(Increase)/Decrease in inventories	(2,508.40)	(2,082.45)
Increase/(Decrease) in trade payables	(369.10)	1,422.21
Increase/(Decrease) in other financial liabilities	(54.89)	731.91
Increase/(Decrease) in provisions	31.33	98.70
Increase/(Decrease) in other liabilities	202.67	(10.91)
Cash generated from operations	**2,194.35**	**7,553.58**
Income taxes paid	(1,987.31)	(1,496.91)
Net cash inflow/(outflow) from operating activities	**207.04**	**6,056.67**
Cash flows from investing activities		
Purchase of property, plant & equipment and intangible assets	(5,002.38)	(5,947.95)
Loans and advance given to subsidiary	-	(97.10)
(Increase)/Decrease in capital work-in-progress and intangible assets under development	(309.94)	2.54
(Increase)/Decrease in capital advances	(282.53)	790.07
Dividend income received	52.93	12.70
Provision for impairment of loan and advance given to subsidiary	-	107.74
Proceeds from sale of investments (net)	11.16	-
Proceeds from sale of property, plant & equipment	50.97	48.91
Net cash inflow/(outflow) from investing activities	**(5,479.79)**	**(5,083.10)**
Cash flow from financing activities		
Proceeds from non current borrowings (refer note 22)	2,000.00	70.00
Repayment of non current borrowings (refer note 22)	(927.63)	(1,114.84)
Proceeds/(repayment) from current borrowings (refer note 22)	(7,492.80)	79.18
Dividend paid	(1,132.92)	(837.16)
Increase in securities premium	13,584.46	250.30
Money received against share warrants	354.50	1,533.79
Proceeds from issue of shares	167.28	9.22
Interest paid	(902.01)	(949.77)
Net cash inflow/(outflow) from financing activities	**5,650.88**	**(959.28)**
Net increase/(decrease) in cash and cash equivalents	**378.13**	**14.29**
Cash and cash equivalents at the beginning of the year	**33.85**	**19.56**
Cash and cash equivalents at the end of the year	**411.98**	**33.85**

The above Statement of Cash flows has been prepared under the "indirect method" as set out in Ind AS-7 specified under Section 133 of the Companies Act, 2013.

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

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

NOTES TO THE FINANCIAL STATEMENTS

1 Company information:

Mold-Tek Packaging Limited ('the Company') is a public limited company incorporated in India having its registered office at Hyderabad, Telangana, India. The Company is engaged in the manufacturing of injection-molded containers for lubes, paints, food and other products. The Company has its listings on BSE Limited and National Stock Exchange of India Limited (NSE).

2 Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read along with the Companies (Indian Accounting Standards) Rules as amended and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The presentation of financial statements is based on Ind AS Schedule III of the Companies Act, 2013.

b) Basis of preparation:

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS. 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.

c) Revenue recognition:

i) Revenue from contract with customers

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods is transferred from the Company to the customer. Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the customer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset. Revenue is measured based on consideration specified in the contract with a customer which is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts & volume rebates and excludes amounts collected on behalf of third parties.

ii) Other income

Dividend income is recognised when the right to receive the income is established.

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

Rental income from investment properties is recognised on a straight line basis over the term of the relevant leases.

Export benefit under the duty free credit entitlements is recognized in the Statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme in respect of exports made and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

Sales tax incentives are recognized in the Statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

d) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

e) Employee benefits:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss. The gratuity liability is covered through a recognized Gratuity Fund managed by Life Insurance Corporation of India and the contributions made under the scheme are charged to Statement of profit and loss.

(iv) Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

(v) Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

f) Income taxes:

Tax expense for the year comprises current and deferred tax.

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other

NOTES TO THE FINANCIAL STATEMENTS

applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax relating to items recognized directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the Statement of profit and loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

g) Property, Plant and Equipment (PPE):

PPE is carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE comprises of purchase price, applicable duties and taxes net of input tax credit, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

All other repair and maintenance costs, including regular servicing, are recognised in the Statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of PPE comprises major components having different useful lives, these components are accounted for as separate items.

Leasehold improvements are stated at cost including taxes, freight and other incidental expenses incurred, net of input tax credits availed. The depreciation is provided over the life estimated by the management.

Self constructed assets (Moulds): The Company transfers all the directly attributable expenditure incurred towards construction of moulds including depreciation on actual cost basis.

PPE retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of profit and loss.

h) Expenditure during construction period and intangible assets under development:

Expenditure during construction period (including finance cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Intangible Assets under development includes the expenditure incurred for acquisition of intangible assets.

i) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in Schedule II to the Act.

j) Intangible assets and amortization:

Intangible assets acquired separately are measured on initial recognition cost and are amortized on straight line method based on the estimated useful lives.

The period of amortization and amortization method are reviewed at each financial year end.

Computer software is amortized over a period of five years.

k) Investment property:

Investment property are the properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model which is in accordance with Ind AS 40. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised. Depreciation on building is provided over it's useful life of 30 years using the Straight Line Method.

l) Impairment of assets:

Intangible assets and Property, Plant and Equipment (PPE): Intangible assets and PPE 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 the 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 Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment 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 years.

m) Inventories:

Inventories includes Raw materials, Work-in-progress, Finished goods, Stores & Spares, Packing materials and other consumables. These are valued at lower of cost and net realizable value (NRV). However, raw materials are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Further, cost is determined on weighted average basis.

Material in transit

Valuation of Inventories of Materials in Transit is done at Cost.

Work-in-Progress (WIP) and Finished goods

Cost of Finished Goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis. Finished goods includes sales in transit which is valued at lower of cost and NRV.

n) Provisions, Contingent liabilities and Contingent assets :

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to the reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable

NOTES TO THE FINANCIAL STATEMENTS

estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent Liabilities are also disclosed when there is a possible obligation arising from past events, 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.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realised.

o) Financial instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised 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 dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets 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 payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

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

(iv) 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 component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses 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 expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in Statement of profit and loss.

Financial liabilities and equity instruments

1. Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2. **Equity instruments**

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

3. Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction

costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and unsecured loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of profit and loss.

4. 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 a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5. 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 methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

p) Earnings per share :

The basic earnings per share is computed by dividing the profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

r) Transactions in foreign currencies:

The financial statements of the Company are presented in Indian rupees, which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

s) Segment reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

NOTES TO THE FINANCIAL STATEMENTS

t) Government grants:

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income. Government grants relating to the purchase of Property, Plant and Equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income. The benefit of a government loan at below current market rate of interest is treated as a government grant.

u) Leases:

As a lessee:

The Company assesses whether a contract contains a lease, at inception of a 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 the economic benefits from use of the asset through the period of the lease and

(3) The Company has the right to direct the use of the asset.

The Company recognizes a Right-Of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes 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 commencement date on a straight-line basis over the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance sheet and lease payments shall be classified as financing cash flows.

As Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Operating lease – Rentals payable under operating leases are charged to the Statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is

more representative of the time pattern in which economic benefits from the leased assets are utilised.

v) Investments in subsidiaries:

Investments in subsidiary companies are measured at cost less impairment, if any.

w) Employee share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

x) Dividend distribution:

Dividends paid is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

y) Rounding off amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

z) Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 , MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 applicable from 1st April, 2022. Amendments applicable to the Company are given below:

Ind AS 16 – Proceeds before intended use - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment, amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in the Statement of profit and loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract - The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

3 Use of estimates and critical accounting judgements:

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

4.1(a) Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April, 2021	Additions	Deletions	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	As at 31 March, 2022	As at 31 March, 2022
Freehold land	1,617.65	-	-	1,617.65	-	-	-	-	1,617.65
Buildings	5,976.43	513.71	-	6,490.14	665.18	206.98	-	872.16	5,617.98
Plant and equipment	13,581.61	2,494.89	14.33	16,062.17	4,112.21	1,401.19	8.00	5,505.40	10,556.77
Moulds	6,898.02	1,334.02	84.35	8,147.69	1,841.41	675.85	47.35	2,469.91	5,677.78
Electrical installations and equipment	868.46	199.38	16.00	1,051.84	276.09	101.12	4.04	373.17	678.67
Works equipment and instruments	684.75	117.58	2.00	800.33	186.07	75.95	0.17	261.85	538.48
Office equipment	122.93	23.64	-	146.57	53.20	23.01	-	76.21	70.36
Computers and data processing units	115.14	42.48	1.75	155.87	61.81	24.92	1.66	85.07	70.80
Furniture and fittings	562.66	76.24	-	638.90	154.74	58.82	-	213.56	425.34
Vehicles	626.95	91.12	10.03	708.04	189.17	73.52	8.92	253.77	454.27
Leasehold improvements	-	23.54	-	23.54	-	5.68	-	5.68	17.86
Total	**31,054.60**	**4,916.60**	**128.46**	**35,842.74**	**7,539.88**	**2,647.04**	**70.14**	**10,116.78**	**25,725.96**

4.1(b) Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	As at 31 March, 2021	As at 31 March, 2021
Freehold land	1,097.92	519.73	-	1,617.65	-	-	-	-	1,617.65
Buildings	5,527.51	448.92	-	5,976.43	478.36	186.82	-	665.18	5,311.25
Plant and equipment	10,807.40	2,809.28	35.07	13,581.61	2,973.29	1,154.43	15.51	4,112.21	9,469.40
Moulds	5,233.14	1,664.88	-	6,898.02	1,315.30	526.11	-	1,841.41	5,056.61
Electrical installations and equipment	788.27	80.19	-	868.46	194.17	81.92	-	276.09	592.37
Works equipment and instruments	572.66	112.09	-	684.75	120.24	65.83	-	186.07	498.68
Office equipment	101.65	22.65	1.37	122.93	35.09	19.40	1.29	53.20	69.73
Computers and data processing units	81.90	33.24	-	115.14	42.22	19.59	-	61.81	53.33
Furniture and fittings	477.33	85.33	-	562.66	106.04	48.70	-	154.74	407.92
Vehicles	543.73	157.72	74.50	626.95	151.07	63.07	24.97	189.17	437.78
Total	**25,231.51**	**5,934.03**	**110.94**	**31,054.60**	**5,415.78**	**2,165.87**	**41.77**	**7,539.88**	**23,514.72**

4.2(a) Capital work-in-progress (CWIP) as at 31 March, 2022: ₹1,383.78

Capital work-in-progress includes buildings of ₹643.70, plant and equipment of ₹82.44, moulds of ₹581.11 and others of ₹76.53.

CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Buildings	637.70	6.00	-	-	643.70
Freehold land	1.30	-	-	-	1.30
Plant and equipment	38.51	1.39	33.03	9.51	82.44
Moulds	399.72	23.23	65.81	92.35	581.11
Electrical installations and equipment	23.48	2.95	-	-	26.43
Furniture and fittings	48.80	-	-	-	48.80
Total	**1,149.51**	**33.57**	**98.84**	**101.86**	**1,383.78**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

4.2(b) Capital work-in-progress (CWIP) as at 31 March, 2021: ₹1,130.20

Capital work-in-progress includes buildings of ₹253.67, plant and equipment of ₹158.18, moulds of ₹686.19 and others of ₹32.16.

CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Buildings	250.29	3.38	-	-	253.67
Plant and equipment	115.64	33.03	-	9.51	158.18
Moulds	393.40	115.14	116.07	61.58	686.19
Electrical installations and equipment	12.47	2.95	-	-	15.42
Furniture and fittings	16.74	-	-	-	16.74
Total	**788.54**	**154.50**	**116.07**	**71.09**	**1,130.20**

4.3(a) Investment property

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April, 2021	Additions	Deletions	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	As at 31 March, 2022	As at 31 March, 2022
Freehold land	4.12	-	-	4.12	-	-	-	-	4.12
Buildings	1.63	-	-	1.63	0.65	0.13	-	0.78	0.85
Total	**5.75**	**-**	**-**	**5.75**	**0.65**	**0.13**	**-**	**0.78**	**4.97**

4.3(b) Investment property

Particulars	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	As at 31 March, 2021	As at 31 March, 2021
Freehold land	4.12	-	-	4.12	-	-	-	-	4.12
Buildings	1.63	-	-	1.63	0.52	0.13	-	0.65	0.98
Total	**5.75**	**-**	**-**	**5.75**	**0.52**	**0.13**	**-**	**0.65**	**5.10**

4.3(c) Disclosures - Ind AS 40

Particulars	2021-22	2020-21
Rental income from investment property	3.22	4.51
Direct operating expenses (including repairs and maintenance)	-	-
Income from investment property (net)	**3.22**	**4.51**

Fair value of the investment property as at 31 March, 2022 based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered valuers and Valuation) Rules, 2017 is ₹1661.27 lakhs.

4.4(a) Intangible assets

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at 1 April, 2021	Additions	Deletions	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	As at 31 March, 2022	As at 31 March, 2022
Computer software	124.96	26.45	-	151.41	64.78	21.32	-	86.10	65.31
Total	**124.96**	**26.45**	**-**	**151.41**	**64.78**	**21.32**	**-**	**86.10**	**65.31**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

4.4(b) Intangible assets

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	As at 31 March, 2021	As at 31 March, 2021
Computer software	111.04	13.92	-	124.96	46.92	17.86	-	64.78	60.18
Total	**111.04**	**13.92**	**-**	**124.96**	**46.92**	**17.86**	**-**	**64.78**	**60.18**

4.5(a) Intangible asset under development as at 31 March, 2022: ₹98.12

Intangible assets under development represents amount paid towards installation and implementation of ERP software.

Intangible asset under development aging schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Computer software	56.36	41.76	-	-	98.12

4.5(b) Intangible asset under development as at 31 March, 2021: ₹41.76

Intangible assets under development represents amount paid towards installation and implementation of ERP software.

Intangible asset under development aging schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Computer software	41.76	-	-	-	41.76

4.6 Right-of-use assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	334.84	338.37
Add: Additions during the year	59.33	-
Less: Amortisation during the year	(23.84)	(3.53)
Closing balance	**370.33**	**334.84**

5.1. Investments

Particulars	As at 31 March, 2022	As at 31 March, 2021
Designated at Fair value through Other Comprehensive Income (FVOCI)		
Investments in equity instruments (quoted - fully paid up)		
Mold-Tek Technologies Limited	1,708.55	864.86
21,17,165 (2021-21,17,165) shares of ₹2 each		
Measured at amortised cost		
Investment in equity instruments (Unquoted - at cost- fully paid up)		
Investment in erstwhile wholly owned subsidiary		
Mold-Tek Packaging FZE	1,001.36	1,003.20
Nil (2021-5,458) shares of AED 1,000 each		
Less: Provision for impairment*	(1,001.36)	(1,003.20)
Total	**1,708.55**	**864.86**
Aggregate amount of quoted investments	1,708.55	864.86
Aggregate amount of unquoted investments	1,001.36	1,003.20
Aggregate amount of impairment in value of investments	1,001.36	1,003.20

*Pending approval from RBI, the investments are fully provided for but not written off in the books of account.

5.2. Other financial assets (non-current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earmarked balances		
Margin money deposits with banks against guarantees	28.65	24.59
Deposits with government and others	367.48	323.77
Total	**396.13**	**348.36**

6. Other non-current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured, considered good		
Capital advances	588.03	305.50
Total	**588.03**	**305.50**

7. Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
(Valued at lower of cost and net realizable value)		
Raw materials	4,575.04	3,368.77
Work-in-progress	1,283.37	818.72
Finished goods	1,675.46	1,317.40
{including in-transit of ₹416.47 lakhs (2021 - ₹273.94 lakhs)}		
Packing materials	85.20	63.30
Stores & spares	127.60	83.18
Consumables	1,843.75	1,430.65
Total	**9,590.42**	**7,082.02**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

8.1. Trade receivables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured		
Trade Receivables – considered good	14,341.20	9,060.15
Less: Allowance for expected credit loss	(40.02)	(47.10)
Total	**14,301.18**	**9,013.05**

Trade receivables ageing schedule
As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	14,238.52	13.58	66.65	8.09	2.75	14,329.59
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	1.55	7.44	2.62	11.61
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	(6.79)	(12.33)	(15.53)	(5.37)	(40.02)
Total	**14,238.52**	**6.79**	**55.87**	**-**	**-**	**14,301.18**

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8,926.37	88.00	24.25	5.85	9.86	9,054.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	3.05	-	-	2.77	5.82
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	(10.44)	(18.18)	(5.85)	(12.63)	(47.10)
Total	**8,926.37**	**80.61**	**6.07**	**-**	**-**	**9,013.05**

8.2. Cash and cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks	404.24	22.89
Cash on hand	7.74	10.96
Total	**411.98**	**33.85**

8.3. Bank balances other than Cash and cash equivalents above

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earmarked balances		
Unpaid dividend accounts	87.52	75.26
Amount received against conversion of share warrants	1,056.51	10.45
Unspent CSR Account	75.36	-
Total	**1,219.39**	**85.71**

8.4. Loans (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured, considered good		
Employee advances	61.44	32.11
Loan receivables which have significant increase in credit risk - Loan to erstwhile wholly owned subsidiary	540.03	540.03
Less: Allowance for expected credit loss*	(540.03)	(540.03)
Total	**61.44**	**32.11**

*Pending approval from RBI, the loans are fully provided for but not written off in the books of account.

8.5. Other financial assets (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Incentives receivable from Government:		
Sales tax[1]	258.78	225.88
Electricity[2]	30.86	-
Land and stamp duty[3]	23.87	-
Export benefits receivable[4]	-	8.60
Advance to wholly owned subsidiary	-	4.68
Less: Allowance for expected credit loss	-	(0.64)
Investment sale consideration receivable	1.84	-
Total	**315.35**	**238.52**

1 During the year, the Company has received sales tax incentive from State Government of Maharashtra aggregating to ₹89.89 lakhs under "Package Scheme of Incentives 2008 & 2013", pertaining to financial years 2015-16, 2016-17 & 2019-20. Further, during the year, the Company has recognised an amount of ₹33.02 lakhs (P.Y ₹75.27 lakhs) as incentive receivable for financial year 2021-22 in accordance with the terms of scheme.

During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹89.75 lakhs towards sales tax under "Industrial Development Policy 2015-20", pertaining to financial year 2020-21.

2 During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹30.86 lakhs towards power cost under "Industrial Development Policy 2015-20", pertaining to financial years 2019-20, 2020-21 and period from 1 April, 2021 to 30 September, 2021.

3 During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹23.87 lakhs towards Land cost and Stamp duty paid by the Company under "Industrial Development Policy 2015-20".

4 During the year, the Company has received an incentive of ₹0.36 lakh pertaining to financial year 2016-17 under "Merchandise Exports from India Scheme"and the Company has written off the balance amount of ₹8.24 lakhs.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

9. Current tax assets (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	122.50	131.92
Add: Taxes paid pertaining to previous years	31.10	17.46
Less: Tax refunds	-	26.88
Total	**153.60**	**122.50**

10. Other current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Prepaid expenses	104.13	83.29
Supplier advances	657.46	187.19
Advance given for CSR expenses	9.77	6.42
Advance for expenses to employees	2.12	2.30
Customs deposit & GST credit	248.03	139.20
Total	**1,021.51**	**418.40**

11. Equity share capital

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorized		
4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹5 each	2,000.00	2,000.00
Total	**2,000.00**	**2,000.00**
Issued, subscribed & paid-up capital		
3,12,53,121 (P.Y 2,77,71,621) equity shares of ₹5 each fully paid-up	1,562.66	1,388.58
Nil (P.Y 5,55,330) equity shares of ₹5 each (₹1.25 partly paid up)	-	6.94
Add: Shares forfeited 11,667 (P.Y - Nil)	0.14	-
Total	**1,562.80**	**1,395.52**

79,95,776 equity shares out of the issued, subscribed and paid up share capital were allotted in the financial year 2008-09 pursuant to the Scheme of arrangement without payments being received in cash.

46,625 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 6 July, 2011 by way of Employee Stock Option Scheme.

12,40,000 equity shares of ₹10 each issued at a premium of ₹30 per share on 7 September, 2011 by way of preferential offer.

9,125 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 19 December, 2011 by way of Employee Stock Option Scheme.

19,25,000 equity shares of ₹10 each issued at a premium of ₹35.80 per share on 4 February, 2012 by way of preferential offer.

37,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 5 July, 2012 by way of Employee Stock Option Scheme.

22,950 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 28 June, 2013 by way of Employee Stock Option Scheme.

25,100 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 13 June, 2014 by way of Employee Stock Option Scheme.

39,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 25 July, 2014 by way of Employee Stock Option Scheme.

24,98,350 equity shares of ₹10 each issued at a premium of ₹210.17 per share on 3 February, 2015 by way of Qualified institutional placement.

5,000 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 9 April, 2015 by way of Employee Stock Option Scheme.

Shareholders on 3 February, 2016 approved the share split of ₹10 each, fully paid up into 2 (Two) equity shares of ₹5 each fully paid up.

The Board of Directors fixed the record date as 18 February, 2016. On 17 February, 2016 the Company has sub-divided the existing fully paid equity shares of 1,38,45,526 with face of ₹10 each into 2,76,91,052 fully paid up shares with face value of ₹5 each.

23,325 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 18 October, 2019 by way of Employee Stock Option Scheme.

11,650 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 27 October, 2019 by way of Employee Stock Option Scheme.

6,690 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 13 August, 2020 by way of Employee Stock Option Scheme.

33,810 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 3 October, 2020 by way of Employee Stock Option Scheme.

5,094 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 March, 2021 upon conversion of share warrants to Equity shares.

6,060 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 April, 2021 upon conversion of share warrants to Equity shares.

2,14,220 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 June, 2021 upon conversion of share warrants to Equity shares.

75,209 equity shares of ₹5 each are issued at a premium of ₹179 per share on 14 July, 2021 upon conversion of share warrants to Equity shares.

41,910 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 28 July, 2021 by way of Employee Stock Option Scheme.

25,230 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 28 July, 2021 by way of Employee Stock Option Scheme.

17,550 equity shares of ₹5 each are issued at a premium of ₹179 per share on 16 August, 2021 upon conversion of share warrants to Equity shares.

32,404 equity shares of ₹5 each are issued at a premium of ₹179 per share on 14 September, 2021 upon conversion of share warrants to Equity shares.

5,32,563 equity shares of ₹5 each issued at a premium of ₹175 per share on 9 November, 2021 upon conversion of partly paid up right equity shares to equity shares by way of Rights issue.

24,051 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 November, 2021 upon conversion of share warrants to Equity shares.

11,100 equity shares of ₹5 each issued at a premium of ₹175 per share on 4 December, 2021 upon conversion of partly paid up right equity shares to equity shares by way of Rights issue.

14,00,000 equity shares of ₹5 each issued at a premium of ₹735 per share on 17 December, 2021 by way of Qualified institutional placement.

59,039 equity shares of ₹5 each are issued at a premium of ₹179 per share on 22 December, 2021 upon conversion of share warrants to Equity shares.

23,955 equity shares of ₹5 each issued at a premium of ₹268.05 per share on 12 January, 2022 by way of Employee Stock Option Scheme.

13,613 equity shares of ₹5 each issued at a premium of ₹268.05 per share on 12 January, 2022 by way of Employee Stock Option Scheme.

21,250 equity shares of ₹5 each are issued at a premium of ₹179 per share on 17 January, 2022 upon conversion of share warrants to Equity shares.

28,519 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 February, 2022 upon conversion of share warrants to Equity shares.

9,54,827 equity shares of ₹5 each are issued at a premium of ₹179 per share on 11 March, 2022 upon conversion of share warrants to Equity shares.

Forfeiture of 11,667 equity shares of ₹5 each issued at a premium of ₹175 per share on 4 December, 2021, partly paid up ₹1.25 per share.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(c) Movement in equity share capital

Particulars	Number of shares	Amount
Balance at 01 April, 2020	**2,77,26,027**	**1,386.30**
Movement during the year	6,00,924	9.22
Balance at 31 March, 2021	**2,83,26,951**	**1,395.52**
Movement during the year	29,26,170	167.28
Balance at 31 March, 2022	**3,12,53,121**	**1,562.80**

(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March, 2022		As at 31 March, 2021	
	No. of Shares	% holding	No. of Shares	% holding
Lakshmana Rao Janumahanti	28,36,553	9.08	26,36,553	9.31
DSP Blackrock Small Cap Fund	19,24,232	6.16	18,44,815	6.51
Subrahmanyam Adivishnu	18,85,198	6.03	16,65,706	5.88
Sudharani Janumahanti	16,01,218	5.12	15,76,218	5.56

(c) Shareholding of promoters

1. Fully paid up equity shares

Name of the promoter	As at 31 March, 2022			As at 31 March, 2021		
	No.of Shares	% holding	% Change	No.of Shares	% holding	% Change
Lakshmana Rao Janumahanti	28,36,553	9.08	11.00	25,55,445	9.20	-
Subrahmanyam Adivishnu	18,85,198	6.03	15.72	16,29,124	5.87	(19.71)
Venkateswara Rao Pattabhi	1,86,396	0.60	(20.65)	2,34,896	0.85	-
Total	**49,08,147**	**15.71**	**11.07**	**44,19,465**	**15.92**	**(8.30)**

2. Partly paid up equity shares

Name of the promoter	As at 31 March, 2022			As at 31 March, 2021		
	No.of Shares	% holding	% Change	No.of Shares	% holding	% Change
Lakshmana Rao Janumahanti	-	-	-	81,108	14.61	-
Subrahmanyam Adivishnu	-	-	-	36,582	6.59	-
Venkateswara Rao Pattabhi	-	-	-	8,000	1.44	-
Total	**-**	**-**	**-**	**1,25,690**	**22.64**	**-**

(d) MTPL Employee Stock Option Scheme

The Company has granted 2,02,000 Options to employees on 4 June, 2010 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹26 per option.

The Company has granted 95,100 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹208 per option.

The Company has granted 54,900 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹234 per option.

The Company has granted 95,900 and 54,100 Options to eligible employees aggregating to 1,50,000 options on 23 December, 2020 at ₹246 and ₹260 respectively under the Employees Stock Option scheme, in accordance with the

(Contd...)

guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Particulars	As at 31 March	
	2022	2021
Options outstanding at the beginning of the year	2,22,000	1,12,500
Add: Granted	-	1,50,000
Less: Exercised	1,04,708	40,500
Less: Forfeited/Lapsed	4,860	-
Options outstanding at the end of the year	**1,12,432**	**2,22,000**

(e) Issue of Shares under Rights Issue:

The Company had, issued 5,55,330 equity shares of face value of ₹5 each on right basis ('Rights Equity Shares'). In accordance with the terms of issue, ₹249.90 lakhs i.e. 25% of the Issue Price per Rights Equity Share, was received from the concerned allottees on application and shares were allotted. The Board has made First and final call of ₹135 per Rights Equity Share (including a premium of ₹131.25per share) in November, 2021. As on 31 March, 2022, an aggregate amount of ₹15.75 lakhs is unpaid which were forfeited on 18 February, 2022.

The Company had, issued 33,31,980 detachable warrants along with right equity shares stated above. In accordance with the terms of issue, ₹1532.71 lakhs i.e. 25% of the Issue Price per Share warrant, was received from the concerned allottees on application and shares were allotted. As on 31 March, 2022, an aggregate amount of ₹2613.38 lakhs is unpaid.

(f) Issue of Shares under Qualified Institutional Placement (QIP) Issue

The Company had, issued 14,00,000 equity shares of face value of ₹5 each on Qualified Institutional Placement ('Equity Shares') at an issue price of ₹740 per equity share (including premium of ₹735 per equity share), which is at a premium of ₹17.60 per Equity Share on the floor price of ₹722.40 per Equity Share through eligible Qualified Institutional Placement ("QIP") in terms of chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, Section 42 & 62 and other relevant provisions of the Companies Act, 2013 read with the Regulation 176 of the SEBI ICDR Regulations. In accordance with the terms of issue, the Company has received a total amount of ₹103.60 crore.

(g) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹5 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders 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 shareholders.

12. Other equity

Particulars	As at 31 March, 2022	As at 31 March, 2021
Reserves and surplus		
Securities premium	21,404.60	7,820.14
Capital reserve	57.15	57.15
General reserve	1,914.39	1,914.39
Share options outstanding account	12.58	32.08
Retained earnings	17,498.66	12,282.03
Money received against conversion of share warrants to equity shares	1,888.29	1,533.79
Equity Instruments through Other Comprehensive Income (OCI)	1,372.13	548.54
Total	**44,147.80**	**24,188.12**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(i) Securities premium

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	7,820.14	7,569.84
Movement during the year	13,584.46	250.30
Closing balance	**21,404.60**	**7,820.14**

(ii) Capital reserve

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	57.15	57.15
Movement during the year	-	-
Closing balance	**57.15**	**57.15**

(iii) General reserve

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	1,914.39	1,914.39
Add: Movement during the year	-	-
Closing balance	**1,914.39**	**1,914.39**

(iv) Share options outstanding account

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	32.08	32.37
Add: On account of Share-based payments to employees	19.07	17.35
Less: On account of exercise of employee stock options	(38.57)	(17.64)
Closing balance	**12.58**	**32.08**

(v) Retained earnings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	12,282.03	8,333.43
Add: Profit for the year	6,365.53	4,807.50
Less: Dividends paid	(1,132.92)	(837.16)
Less: Remeasurement of defined benefit plan (net of tax) (OCI)	(15.98)	(21.74)
Closing balance	**17,498.66**	**12,282.03**

(vi) Equity instruments through Other Comprehensive Income (OCI)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	548.54	417.28
Less: Net changes in fair value of financial instruments	823.59	131.26
Closing balance	**1,372.13**	**548.54**

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital reserve

Capital reserve arose on account of amalgamation, transfer of forfeited shares, state subsidy and others. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve

General reserve is used for strengthening the financial position and meeting future contingencies and losses.

(iv) Share options outstanding account

The reserve represents the excess of the fair value of the options on the grant date over the exercise price which is accumulated by the Company in respect of all options that have been granted. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium account on the date of exercise of such options.

(v) Retained earnings

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) Equity Instruments through Other comprehensive income (OCI)

This reserve represents the cumulative gains/loss (net) arising on fair valuation of Equity Instruments, net of amounts reclassified, if any, to retained earnings when those instruments are disposed off.

13. Borrowings (non-current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured loans		
Term loans		
From banks	2,512.29	1,556.40
From others	25.00	84.41
Unsecured loans		
Deferred payment liabilities- Sales tax deferment loan	-	20.70
Total	**2,537.29**	**1,661.51**

a) Secured loans

The following assets of the Company are given as security:

Citicorp Finance (India) Limited has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.94, KIADB-Adakanhallu Industrial Area, Chikkaiahnachatra Hobli, Nanjangud Taluk, Mysore district, Karnataka belonging to the Company.

Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.2A, in Survey no. 251P, 255P, 256P, 261P, IC-PUDI village, Rambilli Mandal, Visakhapatnam district, belonging to the Company.

Citi Bank N.A has first exclusive charge on Plant & equipment and other properties at Pudi (Visakhapatnam) Unit.

Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Daman plant located at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.

Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Satara plant located at Survey no.82/2A, GAT no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Hyderabad unit located at Annaram Village, near air force academy, Medek District, Telangana State.

Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.82/2A, GAT no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.

Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.

Personal guarantees of J. Lakshmana Rao, A. Subramanyam and P. Venkateswara Rao directors of the Company.

In case of vehicle loans obtained from banks and financial institutions, vehicles are offered as security.

Repayment schedule (Other than Vehicle loans):

Bank/Financial institution	Rate of interest p.a	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Citi Bank N.A	7.41%	597.22	722.22	500.00	500.00	125.00
Citi Bank N.A	8.85%	443.38	443.38	221.69	-	-
Total		**1,040.60**	**1,165.60**	**721.69**	**500.00**	**125.00**

Repayment schedule (Vehicle loans):

Bank	Rate of interest p.a	FY 2022-23	FY 2023-24
ICICI Bank Ltd	9.71%	0.48	-
ICICI Bank Ltd	9.00%	3.04	-
Daimler Financial Services India Pvt Ltd	8.41%	36.11	-
Toyota Financial services	7.30%	23.30	25.00
Total		**62.93**	**25.00**

b) Unsecured loans

The Govt. of Andhra Pradesh has extended incentive by way of sales tax deferral scheme pursuant to which the sales tax payment attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years. The Company has availed the scheme for a production facility at Annaram for ₹751.37 lakhs and another production facility at Dommarapochampally for ₹421.91 lakhs. The Company has been repaying installments of the deferred sales tax in accordance with the terms of the scheme. The total sales tax deferral amount as at 31 March, 2022 stands at ₹28.32 lakhs (31st March 2021 ₹68.31 lakhs).

The above sales tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an expenses. Accordingly, an amount of ₹1.69 lakhs (March 31, 2021: ₹1.51 lakhs) has been recognized as an expense.

Repayment schedule:

Particulars	FY 2022-23
Sales tax deferment loan	
Value added tax	21.81
Central sales tax	6.51
Total	**28.32**

14. Lease Liabilities (non-current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease liabilities	9.49	-
Total	**9.49**	**-**

The undiscounted maturities of lease liabilities over the remaining lease term is as follows:

Term	As at 31 March, 2022	As at 31 March, 2021
Not later than three years	9.49	-

15. Provisions (non-current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
For employee benefits		
Leave encashment	113.19	85.91
Gratuity	264.41	262.72
Total	**377.60**	**348.63**

16. Deferred tax liabilities (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred tax assets		
Expenses allowable on payment basis	80.58	101.52
Deferred tax liabilities		
Depreciation and amortisation	1,553.75	1,306.38
Deferred tax liabilities (net)	**1,473.17**	**1,204.86**

Movement in deferred tax liabilities (net)

Particulars	WDV of depreciable PPE/ Investment properties/ intangible assets	Expenses allowable on payment basis	Total
As at 1 April, 2021	1,306.37	(101.52)	1,204.85
(Charged)/Credited			
to statement of profit and loss	247.38	6.21	253.59
to other comprehensive income	-	14.73	14.73
As at 31 March, 2022	**1,553.75**	**(80.58)**	**1,473.17**

17. Other non-current liablities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred income - Sales tax deferment loan	-	2.59
Deferred income - Government grant on Property, plant and equipment	23.01	-
Total	**23.01**	**2.59**

18.1. Borrowings (Current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured loans		
Loans repayable on demand		
Working capital loans from banks	732.39	8,225.18
Current maturities of long-term borrowings (refer note 13)	1,131.84	927.63
Total	**1,864.23**	**9,152.81**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

a) The Company has availed its fund based working capital requirements from multiple banks viz., ICICI Bank Ltd, Citi Bank N.A, and HSBC Ltd. Cash credit limits utilised as at the year end along with total working capital limits sanctioned by the participating banks are in the table given below:

Bank	Nature of Borrowing	Limits as at 31 March,		Balances as on 31 March,	
		2022	2021	2022	2021
ICICI Bank Ltd	CC*	1,500.00	1,500.00	-	1,395.36
HSBC Ltd	CC	4,000.00	4,000.00	730.89	3,887.38
HSBC Ltd	Credit card	10.00	10.00	-	7.48
CITI Bank N.A	CC	3,500.00	3,000.00	-	2,928.55
Debit balance in current accounts				1.50	6.41
Total		**9,010.00**	**8,510.00**	**732.39**	**8,225.18**

*CC-Cash Credit

Working capital facilities from the banks are secured by hypothecation by way of first charge on the following assets of the Company:

i) First Pari passu charge to the above banks by way of hypothecation of the borrower's entire current assets which inter-alia include stocks of raw material, work in process, finished goods, consumables, stores & spares and such other movables including book debts, outstanding monies, receivables both present and future of such form satisfactory to the bank.

ii) First Pari passu charge to the above banks by way of hypothecation of the borrower's movable properties of the Company (Except those specifically charged to term loan lenders).

iii) First Pari passu charge to the above banks by way of equitable mortgage on the following Immovable properties of the Company:-

I. First Charge by way of equitable mortgage of land measuring 6.5125 acres and building in Sy.No 54,55/A,70, 71&72 of Annaram Village, Near Air Force Academy, Gummadidala Mandal, Sanga Reddy District, Telangana belonging to the Company.

II. First Charge by way of equitable mortgage of land measuring 6413 Sq. Yards and building in Sy.No. 164 part, Dammarapochampally Village, Gandimaisamma Dundigal Mandal, Medchal District, Telangana belonging to the Company.

III. First charge by way of equitable mortgage of land measuring 1066.63 Sq. Yards and building in Plot No. D-177 phase III, IDA, Jeedimetla, Quthubullapur Mandal, Medchal District. Telangana belonging to the Company.

IV. First charge by way of equitable mortgage of ground floor, Cellar area of building bearing Municipal No. 8-2-293/82/A/700&700/1 on Plot No. 700 forming part of S.Y. No. 120 (New) of Shaikpet Village and S.Y. No 102/1 of Hakim pet Village admeasuring 3653 SFT of the office space presently occupied by the vendee 50% or 930 SFT of reception area of 1860 SFT all in relevance to the ground Floor 400 Sq.Yards out of 1955 Sq.Yards situated within the approved layout of the Jubilee Hills Co-operative House Building Ltd at Road No. 36, Jubilee hills, belonging to the Company.

V. First charge by way of equitable mortgage of land and building in Shed No. D-17 & D-18, phase III, IDA, Jeedimetla, Quthubullapur Mandal, Medchal District. Telangana belonging to the Company.

VI) Personal guarantees of J. Lakshmana Rao, A. Subramanyam, and P. Venkateswara Rao, directors of the Company.

18.2. Trade payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Dues to micro enterprises and small enterprises (refer note below)	32.27	37.70
Dues to creditors other than micro enterprises and small enterprises	2,773.90	3,185.63
Total	**2,806.17**	**3,223.33**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2022	As at 31 March, 2021
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount due to micro enterprises and small enterprises	32.27	37.70
Interest due on above	-	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
iii) 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 interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

Trade payables aging schedule

As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	32.27	-	-	-	32.27
ii) Others	2,717.01	43.29	3.05	10.55	2,773.90
iii) Disputed Dues-MSME	-	-	-	-	-
IV) Disputed Dues-Others	-	-	-	-	-

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	37.70	-	-	-	37.70
ii) Others	3,120.05	27.76	30.29	7.53	3,185.63
iii) Disputed Dues-MSME	-	-	-	-	-
IV) Disputed Dues-Others	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

18.3. Other financial liabilities (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Interest accrued but not due	30.32	44.66
Unpaid dividend	87.52	75.26
Employee benefits payable	423.05	389.57
Outstanding Expenses payable	322.93	387.88
Expenses payable to related parties (refer note 36)	42.12	48.20
CSR expenses payable	150.38	153.57
Capital creditors	779.90	779.25
Security deposits	42.88	34.78
Total	**1,879.10**	**1,913.17**

18.4. Other financial liabilities (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease liabilities	29.52	-
Total	**29.52**	**-**

19. Other current liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advances from customers	187.12	186.23
Deferred revenue grant - Sales tax deferment loan	2.59	5.94
Statutory dues payable	346.40	170.80
Total	**536.11**	**362.97**

20. Provisions (Current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
For employee benefits		
Leave encashment	67.66	41.04
Gratuity	47.18	50.09
Total	**114.84**	**91.13**

21. Current tax liabilities (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for income tax	2,042.23	1,583.95
Less: Advance tax and TDS of current year	(1,987.31)	(1,496.91)
Total	**54.92**	**87.04**

22. Net debt reconciliation

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance of borrowings	10,822.85	11,787.00
Add:- Proceeds from non-current borrowings	2,000.00	70.00
Less:- Repayment of non-current borrowings	927.63	1,114.84
Proceeds/(repayment) from current borrowings	(7,492.80)	79.18
Fair value adjustment	1.69	1.51
Closing balance of borrowings	**4,404.11**	**10,822.85**

23. Employee benefits

(i) Leave obligations

The leave obligation covers the Company's liability for earned leave which is unfunded.

(ii) Defined contribution plan

The Company has defined contribution plan namely Provident fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

Particulars	31 March, 2022	31 March, 2021
Company's Contribution to Provident Fund	111.37	120.72

(iii) Post- employment obligations

a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Change in defined benefit obligations		
Obligation at the beginning of the year	597.64	483.91
Current service cost	55.45	48.98
Interest cost	40.91	33.12
Remeasurement (gains)/losses	10.16	42.49
Past service cost	-	-
Benefits paid	(11.52)	(10.86)
Obligation at the end of the year	**692.64**	**597.64**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Change in plan assets		
Fair value of plan assets at the beginning of the year	284.83	241.00
Investment income	19.50	16.49
Employer's contributions	99.43	24.76
Benefits paid	(11.52)	(10.86)
Return on plan assets, excluding amount recognised in net interest expense	(11.18)	13.44
Fair value of plan assets at the end of the year	**381.06**	**284.83**
Expenses recognised in the statement of profit and loss consists of		
Employee benefits expense		
Current service costs	55.45	48.98
Past service cost	-	-
Net interest expenses	21.41	16.63
	76.86	**65.61**
Other comprehensive income		
Acturial (gains)/losses	10.16	42.49
Return on plan assets, excluding amount recognised in net interest expense	11.18	(13.44)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	21.34	**29.05**
Expenses recognised in the statement of profit and loss	**98.20**	**94.66**

Amounts recognised in the balance sheet consists of

Particulars		As at 31 March, 2022	As at 31 March, 2021
Fair value of plan assets at the end of the year		381.06	284.83
Present value of obligation at the end of the year		692.64	597.64
Recognised as			
Retirement benefit liability	- Non-current	264.40	262.72
	- current	47.18	50.09

Fair value of plan assets --- 100% with LIC of India

Expected contributions to post- employment benefit plans of gratuity for the year ending 31 March 2023 are ₹47.18 lakhs.

iv) Significant estimates and sensitivity analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

Particulars	Key assumptions		Defined benefit obligation					
			Increase in assumption by			Decrease in assumption by		
	31 March, 2022	31 March, 2021	Rate	31 March, 2022	31 March, 2021	Rate	31 March, 2022	31 March 2021
Discount rate	7.30%	6.85%	1%	606.15	525.20	1%	797.48	685.61
Salary growth rate	8.50%	7.50%	1%	781.77	675.51	1%	614.59	528.69
Attrition rate	1%/2%/3%	1%/2%/3%	0.5%/1%/1.5%	686.06	593.81	0.5%/1%/1.5%	699.99	601.90

(Contd.)

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

v) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

24. Revenue from operations

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue from contracts with customers		
Sale of products	62,984.87	47,772.14
Other operating revenues		
Export incentives	2.10	12.38
Sales tax incentives	122.77	75.27
Sale of scrap	37.23	32.75
Total	**63,146.97**	**47,892.54**

25. Other income

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Rental income from Investment property	3.22	4.51
Dividend income	52.93	12.70
Amortisation of deferred government grant	6.79	8.63
Interest income	13.40	9.40
Creditors written back (net)	47.19	-
Profit on sale of investments	11.16	-
Foreign exchange fluctuation gain (net)	21.54	24.76
Total	**156.23**	**60.00**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

26. Cost of materials consumed

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Raw materials	33,258.37	23,499.50
Pigments	1,123.79	789.56
Handles	1,138.05	929.19
Printing materials	2,517.70	2,294.14
Other consumables	443.66	264.39
Total	**38,481.57**	**27,776.78**

27. Changes in inventories of finished goods and work-in-progress

Particulars		Year ended 31 March, 2022	Year ended 31 March, 2021
Opening inventories			
Finished goods		1,317.40	717.58
Work-in-progress		818.72	881.84
	(A)	**2,136.12**	**1,599.42**
Closing inventories			
Finished goods		1,675.46	1,317.40
Work-in-progress		1,283.37	818.72
	(B)	**2,958.83**	**2,136.12**
Total (A-B)		**(822.71)**	**(536.70)**

28. Employee benefits expense

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Salaries, wages and bonus	3,348.73	2,842.74
Contribution to provident and other funds	120.72	113.72
Gratuity	76.86	65.61
Leave encashment	80.57	59.90
Staff welfare expenses	224.28	169.80
Share-based payments to employees	16.99	17.35
Total	**3,868.15**	**3,269.12**

29. Finance costs

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest on borrowings	911.71	971.54
Interest on shortfall in payment of advance tax	10.16	19.77
Other borrowing costs	10.46	3.12
Total	**932.33**	**994.43**

30. Depreciation and amortization expenses

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation on Property, plant and equipment	2,647.04	2,165.87
Depreciation on Investment property	0.13	0.13
Amortisation of Intangible assets	21.32	17.86
Amortisation of Right-of-use assets	23.84	3.53
Less: Capitalized	(50.04)	(38.59)
Total	**2,642.29**	**2,148.80**

31. Other expenses

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Power and fuel	1,988.37	1,673.05
Packing materials	881.79	654.30
Repairs and maintenance		
Buildings	63.39	53.30
Plant and equipment	428.42	283.19
Moulds	276.71	133.56
Others	229.79	155.72
Insurance	98.69	91.83
Rates & taxes	100.78	78.37
Rent	144.24	126.31
Contract labour and job work charges	2,676.86	2,089.30
Travelling and conveyance	156.07	77.82
Communication expenses	64.42	43.33
Printing and stationery	31.43	25.71
Professional and consultancy charges	147.65	84.85
Freight outwards	1,982.40	1,765.20
Advertisement expenses	2.69	2.35
Tax paid on assessment - Commercial taxes	-	2.27
Sales Promotion expenses	57.88	42.02
Payments to auditors (refer note 31(a) below)	16.93	11.48
Directors' sitting fee	6.20	7.00
Provision for bad and doubtful debts	13.75	16.00
Corporate social responsibility expenditure (refer note 31 (b) below)	112.36	220.62
Net Loss on disposal of property, plant and equipment	7.35	20.26
Provision for capital advances	-	58.00
Intangible assets under development written off	-	21.24
Bank charges	7.45	8.77
Other administrative expenses	54.94	41.50
Total	**9,550.56**	**7,787.35**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

31(a) Payment to auditors

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Statutory auditors		
-Statutory audit fee	8.50	8.50
-For other services (including fee for quarterly reviews)	2.50	2.50
-Certification charges	5.93	0.48
Total	**16.93**	**11.48**

31(b) Corporate social responsibility expenditure

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Amount required to be spent as per Section 135 of the Act	112.36	101.32
Amount of expenditure incurred	41.92	67.05
Shortfall at the end of the year	70.44	34.27
Total of previous years shortfall	-	119.30
Reason for shortfall	The Company has undertaken certain ongoing projects. The unspent amount has been transferred to a separate bank account as per provisions of section 135 of the Companies Act, 2013. Expenses will be incurred based on the progress of the activities.	
Nature of CSR activities	Promoting Education, Health, wellness and water, Disaster relief	

32. Exceptional items

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Allowance for expected credit loss on Loans & advances to subsidiary	-	107.74
Total	**-**	**107.74**

33. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit before income tax expense	8,651.01	6,512.76
Tax at the Indian tax rate of 25.168%	2,177.28	1,639.13
Effect of non-deductible expense	28.28	55.53
Effect of allowances for tax purpose	(173.49)	(130.48)
Effect of deferred tax	253.59	50.80
Tax expense	**2,285.66**	**1,614.98**

34. Contingent liabilities

The Company has following contingent liabilities as at:

Particulars	31 March, 2022	31 March, 2021
Income tax	95.55	95.55
VAT/CST	1.53	1.53
Total	**97.08**	**97.08**

Out of the above, ₹95.74 lakhs (2021- ₹85.27 lakhs) paid/adjusted against refunds under protest.

35. Commitments

1. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March, 2022	31 March, 2021
Property, plant and equipment	816.00	1,602.00

2. Other commitments

Particulars	31 March, 2022	31 March, 2021
Towards corporate social responsibility	73.71	147.16

36. Related party transactions

Names of related parties and nature of relationships:

Names of the related parties	Nature of relationship
i) Key Management Personnel (KMP):	
J. Lakshmana Rao	Chairman & Managing Director
A. Subramanyam	Deputy Managing Director
P. Venkateswara Rao	Deputy Managing Director
M. Srinivas	Whole-time Director
A. Seshu Kumari	Chief Financial Officer
Thakur Vishal Singh	Company Secretary
ii) Non-Whole-time Directors	
J. Mytraeyi	Director
Kotagiri Venkata Appa Rao	Director
T.Venkateswara Rao	Director
Immaneni Eswara Rao	Director
Dhanraj Tirumala	Director
Madhuri Venkata Ramani Viswanadham	Director
B. Ramakrishna	Director

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Names of the related parties		Nature of relationship
iii)	**Relatives of key managerial personnel:**	
	J. Navya Mythri	Assistant Finance Controller, Daughter of Chairman & Managing Director
	J. Rana Pratap	Senior Vice President - Corporate, Son of Chairman & Managing Director
	S. Kavya	Chief Manager - Marketing, Daughter-in-law of Chairman & Managing Director
	A. Durga Sundeep	Senior Vice President - Operations & Finance, Son of A. Subramanyam
	J. Sathya Sravya	Management Trainee - Marketing, Daughter of Chairman & Managing Director
	J.Sudha Rani	Spouse of Chairman & Managing Director
	P.S.N.Vamsi Prasad	Son-in-law of Chairman & Managing Director
	J.Bhujanga Rao	Brother of Chairman & Managing Director
	N. Padmavathi	Sister of Chairman & Managing Director
	A.Lakshmi Mythri	Daughter of A. Subramanyam
	Jandhyala V.S.N. Krishna	Son-in-law of A. Subramanyam
	Y.Manasa	Daughter-in-law of A. Subramanyam
	P.Sai Lakshmi	Spouse of P. Venkateswara Rao
	P.Appa Rao	Brother of P. Venkateswara Rao
	M.Hyma	Spouse of M. Srinivas
	M.Koteshwara Rao	Brother of M. Srinivas
	K.Srinivasa Vengala Rao	Son of Kotagiri Venkata Appa Rao
	T.Vimala	Spouse of T.Venkateswara Rao
iv)	**Moldtek Packaging FZE, UAE**	Erstwhile Wholly owned susidiary (up to 13 September, 2021)
v)	**Enterprises in which key managerial personnel and/or their relatives have control:**	
	Mold-Tek Technologies Limited	
	Friends Packaging Industries	
	Capricorn Industries	
	Dynamic Metal Industries Pvt Ltd	
	Sri Kanaka Durga Mini Transport	
	J.S. Sundaram & Co	

All amounts in ₹ lakhs, unless otherwise stated

Details of transactions during the year where related party relationship existed:

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/ Non Whole-time Directors		Key Management Personnel		Wholly owned subsidiary	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchases								
Friends Packaging Industries	467.92	313.12	-	-	-	-	-	-
Capricon Industries	460.81	335.51	-	-	-	-	-	-
Dynamic Metal Industries Pvt Ltd	250.74	208.48	-	-	-	-	-	-
Services received								
J.S. Sundaram & Co	56.89	48.74	-	-	-	-	-	-
Sri Kanaka Durga Mini Transport	102.12	70.41	-	-	-	-	-	-
Loans & Advances								
Mold-tek Packaging FZE, UAE	-	-	-	-	-	-	-	251.47
Remuneration								
J. Lakshmana Rao	-	-	-	-	204.75	168.44	-	-
A. Subramanyam	-	-	-	-	240.81	199.32	-	-
P. Venkateswara Rao	-	-	-	-	170.79	137.29	-	-
M. Srinivas	-	-	-	-	89.32	76.19	-	-
A. Seshu Kumari	-	-	-	-	51.20	42.85	-	-
Thakur Vishal Singh	-	-	-	-	9.42	7.45	-	-
Dividend paid								
Mold-Tek Technologies Limited	4.60	0.80						
J. Lakshmana Rao	-	-	-	-	103.03	77.27	-	-
A. Subramanyam	-	-	-	-	65.53	61.15	-	-
P. Venkateswara Rao	-	-	-	-	5.38	7.11	-	-
A. Seshu Kumari	-	-	-	-	19.91	14.93	-	-
M. Srinivas	-	-	-	-	17.53	14.09	-	-
J. Navya Mythri	-	-	5.52	4.19	-	-	-	-
J. Rana Pratap	-	-	6.04	4.59	-	-	-	-
S. Kavya	-	-	3.96	2.97	-	-	-	-
J.Mytraeyi	-	-	3.47	2.60	-	-	-	-
A. Durga Sundeep	-	-	7.25	6.01	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/ Non Whole-time Directors		Key Management Personnel		Wholly owned subsidiary	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
J. Sathya Sravya	-	-	6.62	5.02	-	-	-	-
J.Sudha Rani	-	-	61.53	46.15	-	-	-	-
P.S.N.Vamsi Prasad	-	-	0.80	0.60	-	-	-	-
J.Bhujanga Rao	-	-	7.39	5.55	-	-	-	-
N. Padmavathi	-	-	13.76	10.32	-	-	-	-
A.Lakshmi Mythri	-	-	3.70	7.27	-	-	-	-
Jandhyala V.S.N. Krishna	-	-	0.92	1.38	-	-	-	-
Y.Manasa	-	-	2.79	2.83	-	-	-	-
P.Sai Lakshmi	-	-	6.38	4.85	-	-	-	-
P.Appa Rao	-	-	0.02	0.01	-	-	-	-
M.Hyma	-	-	1.11	0.83	-	-	-	-
K.Srinivasa Vengala Rao	-	-	0.74	0.57	-	-	-	-
T.Vimala	-	-	0.88	0.66	-	-	-	-
Kotagiri Venkata Appa Rao	-	-	-	0.01	-	-	-	-
T.Venkateswara Rao	-	-	0.80	0.60	-	-	-	-
Immaneni Eswara Rao	-	-	0.10	0.23	-	-	-	-
Salaries								
J. Navya Mythri	-	-	21.95	19.81	-	-	-	-
J. Rana Pratap	-	-	88.03	48.49	-	-	-	-
S. Kavya	-	-	31.14	26.97	-	-	-	-
A. Durga Sundeep	-	-	78.39	41.03	-	-	-	-
J. Sathya Sravya	-	-	14.57	2.61	-	-	-	-
Sitting Fee								
J. Mytraeyi	-	-	0.80	0.40	-	-	-	-
Kotagiri Venkata Appa Rao	-	-	1.00	0.60	-	-	-	-
T.Venkateswara Rao	-	-	1.20	1.40	-	-	-	-
Immaneni Eswara Rao	-	-	1.20	1.40	-	-	-	-
Dhanraj Tirumala	-	-	0.80	1.20	-	-	-	-

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/ Non Whole-time Directors		Key Management Personnel		Wholly owned subsidiary	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Madhuri Venkata Ramani Viswanadham	-	-	1.20	1.40	-	-	-	-
B. Ramakrishna	-	-	-	0.60	-	-	-	-
Rent paid								
A. Subramanyam	-	-	-	-	26.91	26.03	-	-
P. Venkateswara Rao	-	-	-	-	26.91	26.03	-	-
M. Srinivas	-	-	-	-	10.57	9.40	-	-
Rent Received								
Friends Packaging Industries	3.22	4.51	-	-	-	-	-	-
Dividend Received								
Mold-Tek Technologies Limited	52.93	12.70						
Personal Guarantee given to Bank								
J. Lakshmana Rao	-	-	-	-	5,609.00	5,609.00	-	-
A. Subramanyam	-	-	-	-	4,746.00	4,746.00	-	-
P. Venkateswara Rao	-	-	-	-	655.70	655.70	-	-
Payment of Call Money on Equity Shares & warrants								
Mold-Tek Technologies Limited	138.97	38.66	-	-	-	-	-	-
J. Lakshmana Rao	-	-	-	-	385.50	260.36	-	-
A. Subramanyam	-	-	-	-	352.28	210.52	-	-
P. Venkateswara Rao	-	-	-	-	74.28	25.68	-	-
A. Seshu Kumari	-	-	-	-	144.45	48.15	-	-
M. Srinivas	-	-	-	-	6.31	29.99	-	-
J. Navya Mythri	-	-	110.73	18.51	-	-	-	-
J. Rana Pratap	-	-	38.48	11.24	-	-	-	-
S. Kavya	-	-	5.57	14.45	-	-	-	-
A. Durga Sundeep	-	-	52.97	17.66	-	-	-	-
J. Sathya Sravya	-	-	4.55	10.83	-	-	-	-
J.Sudha Rani	-	-	137.41	162.14	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/ Non Whole-time Directors		Key Management Personnel		Wholly owned subsidiary	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
P.S.N.Vamsi Prasad	-	-	3.85	1.28	-	-	-	-
J.Bhujanga Rao	-	-	5.45	12.84	-	-	-	-
N. Padmavathi	-	-	95.75	31.92	-	-	-	-
A.Lakshmi Mythri	-	-	91.49	17.66	-	-	-	-
Jandhyala V.S.N. Krishna	-	-	1.35	3.21	-	-	-	-
Y.Manasa	-	-	24.08	8.03	-	-	-	-
P.Sai Lakshmi	-	-	31.01	10.34	-	-	-	-
P.Appa Rao	-	-	0.05	0.13	-	-	-	-
M.Hyma	-	-	0.75	1.78	-	-	-	-
K.Srinivasa Vengala Rao	-	-	2.03	4.82	-	-	-	-
T.Vimala	-	-	5.01	1.67	-	-	-	-
T.Venkateswara Rao	-	-	3.31	1.28	-	-	-	-
Immaneni Eswara Rao	-	-	0.06	0.15	-	-	-	-
Outstanding Payable/(Receivable) as at 31 March, 2022								
Trade payables								
Friends Packaging Industries	75.53	62.42	-	-	-	-	-	-
Capricon Industries	31.51	29.67	-	-	-	-	-	-
Dynamic Metal Industries Pvt Ltd	11.10	6.59	-	-	-	-	-	-
J.S. Sundaram & Co	3.05	5.58	-	-	-	-	-	-
Sri Kanaka Durga Mini Transport	12.12	7.45	-	-	-	-	-	-
Other financial liabilities (current)								
Mold-Tek Technologies Limited	26.96	48.20	-	-	-	-	-	-
Other financial assets (current)								
Mold-tek Packaging FZE	-	-	-	-	-	-	-	(4.04)

37. Earnings per share (EPS)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit after tax	6,365.53	4,807.50
Weighted average number of equity shares in calculating Basic EPS	287.77	285.12
Weighted average number of equity shares in calculating Diluted EPS	301.08	297.08
Face value per share (₹)	5.00	5.00
Basic Earnings per Share (BEPS) (₹)	22.12	16.86
Diluted Earnings per Share (DEPS) (₹)	21.14	16.18

38. Segment Information

a) The Company's Executive Chairman, Managing Director and Chief Financial officer examine the Company's performance from a product prospective and have identified one operating segment viz Packaging Containers. Hence segment reporting is not given.

b) Information about products:

Revenue from external customers - Sale of Packaging Containers ₹62,984.87 lakhs (P.Y ₹47,772.14 lakhs).

The Company has made external sales to the following customers meeting the criteria of 10% or more of the entity's revenue.

Customer 1 - ₹26,778.22 lakhs.

39. Share based payments (Ind AS 102)

The Company has granted 7,04,000 options to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme:

Particulars	MTPL Employees Stock Option Scheme	MTPL Employees Stock Option Scheme-2016			
Number of options	404,000	95,100	54,900	95,900	54,100
Vesting plan - Category A	Year I - 50%; Year II - 25%; Year III - 25%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%
Vesting plan - Category B	Year I - 25%; Year II - 35%; Year III - 40%	-	-	-	-
Vesting plan - Category C	Year I - 30%; Year II - 30%; Year III - 40%	-	-	-	-
Vesting period	5 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant
Grant date	9 February, 2010	20 July, 2018	20 July, 2018	23 December, 2020	23 December, 2020
Exercise price (₹ per share)	13.00	208.00	234.00	246.00	260.00
Fair value on the date of Grant of option (₹ per share)	31.48	259.85	259.85	273.05	273.05
Method of settlement	Equity	Equity	Equity	Equity	Equity

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(B) Movement of Options Granted along with Weighted Average Exercise Price (WAEP):

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number	WAEP (₹ in lakhs)	Number	WAEP (₹ in lakhs)
Outstanding at the beginning of the year	2,22,000	533.67	1,12,500	244.70
Granted during the year	-	-	1,50,000	376.57
Exercised during the year	1,04,708	240.53	40,500	87.60
Forfeited during the year	4,860	10.89	-	-
Outstanding at the end of the year	1,12,432	282.25	2,22,000	533.67
Options exercisable at the end of the year	-	-	-	-

The weighted average share price at the date of exercise for options was ₹643.29 per share (31 March, 2021 ₹289.22 per share). For options outstanding at the end of the year, remaining contractual life is 1 year 9 months (31 March, 2021 : 4 months and 2 years 9 months).

(C) Details of the liabilities arising from the Share based payments are as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total carrying amount	12.58	32.08

40. Financial instruments and risk management

Fair values

a) The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

b) The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

Set out below, is a comparision by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

Particulars	Level	31 March 2022		31 March 2021	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Non-current					
Financial assets measured at fair value through other comprehensive income					
Investments	1	1,708.55	1,708.55	864.86	864.86
Financial assets measured at amortised cost					
Other financial assets	3	396.13	396.13	348.36	348.36
Current					
Trade receivables	3	14,301.18	14,301.18	9,013.05	9,013.05
Cash and Cash Equivalents	3	411.98	411.98	33.85	33.85
Other bank balances	3	1,219.39	1,219.39	85.71	85.71
Loans	3	61.44	61.44	32.11	32.11

Particulars	Level	31 March 2022		31 March 2021	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Other financial assets	3	315.35	315.35	238.52	238.52
Total		**18,414.02**	**18,414.02**	**10,616.46**	**10,616.46**
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3				
- Banks		2,537.29	2,537.29	1,640.81	1,640.81
- Sales tax deferment loan		30.91	28.32	68.31	59.78
Current					
Borrowings	3	1,864.23	1,864.23	9,152.81	9,152.81
Trade Payables	3	2,806.17	2,806.17	3,223.33	3,223.33
Other Financial Liabilities	3	1,879.10	1,879.10	1,913.17	1,913.17
Total		**9,117.70**	**9,115.11**	**15,998.43**	**15,989.90**

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Management uses its best judgement 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 the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

41. Financial risk management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at 31 March, 2022 and 31 March, 2021.

The analysis exclude the impact of movements in market variables on the carrying values of financial assets and liabilties .

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2022 and 31 March, 2021.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/other payables, trade/other receivables and derivative assets/liabilities. The risks primarily relate to fluctuations in US Dollar, AED against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and AED exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

Particulars	Foreign currency exposure			
	As at 31 March, 2022		As at 31 March, 2021	
	AED	USD	AED	USD
Loans and advances	-	-	21,087	-
Trade receivables	136,309	37,136	421,345	80,291
Trade payables	-	275,221	-	-
Capital creditors	-	554,875	-	273,069
Net exposure to foreign currency risk	**136,309**	**(792,960)**	**442,432**	**(192,778)**

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Change in AED				
1% increase	0.28	0.88	0.28	0.88
1% decrease	(0.28)	(0.88)	(0.28)	(0.88)
Change in USD				
1% increase	(6.02)	(1.41)	(6.02)	(1.41)
1% decrease	6.02	1.41	6.02	1.41

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and AED, where the functional currency of the entity is a currency other than US dollars and AED.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Change in interest rate				
increase by 100 basis points	(87.89)	(92.16)	(87.89)	(92.16)
decrease by 100 basis points	87.89	92.16	87.89	92.16

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

(B) Credit Risk

Financial assets of the Company include trade receivables, loans to wholly owned subsidiary, employee advances, security deposits held with government authorities and bank deposits which represents Company's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. With respect to other financial assets viz., loans & advances, deposits with government and banks, the credit risk is insignificant since the loans & advances are given to its wholly owned subsidiary and employees only and deposits are held with government bodies and reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

Credit risk on trade receivables and other financial assets is evaluated as follows:

i) Expected credit loss for trade receivable under simplified approach:

Particulars	31 March, 2022	31 March, 2021
Gross carrying amount	14,341.20	9,060.15
Expected credit losses (Loss allowance provision)	(40.02)	(47.10)
Carrying amount of trade receivables	**14,301.18**	**9,013.05**

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

ii) Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit are loan to Wholly owned subsidiary company and employee advances.

Particulars	31 March, 2022	31 March, 2021
Asset group	**Estimated gross carrying amount at default**	**Estimated gross carrying amount at default**
Gross carrying amount		
Loans	540.03	540.03
Employee advances	61.44	32.11
	601.47	**572.14**
Expected credit losses	(540.03)	(540.03)
Net carrying amount		
Employee advances	61.44	32.11
Total	**61.44**	**32.11**

(iii) Reconciliation of loss allowance provision on Trade receivables

Particulars	2021-22	2020-21
Loss allowance at the beginning of the year	**47.10**	**94.61**
Changes in loss allowance during the year	(7.08)	(47.51)
Loss allowance at the end of the year	**40.02**	**47.10**

(iv) Significant estimates and judgements

Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements:

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

Particulars	As at	
	31 March, 2022	31 March, 2021
Expiring within one year (bank overdraft and other facilities)	8,269.11	288.71

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

Particulars	31 March, 2022		31 March, 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	1,864.23	2,537.29	9,152.81	1,661.51
Lease liabilities	29.52	9.49	-	-
Trade Payables	2,806.17	-	3,223.33	-
Other Financial Liabilities	1,879.10	-	1,913.17	-
Total	**6,579.02**	**2,546.78**	**14,289.31**	**1,661.51**

(iii) Management expects finance costs for the year ending 31 March, 2023 to be ₹508.04 lakhs (P.Y 988.88 lakhs).

42. Capital management

A. Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	31 March, 2022	31 March, 2021
Borrowings		
Current	1,864.23	9,152.81
Non current	2,537.29	1,661.51
Sales tax deferment loan	2.59	8.53
Total Debt	**4,404.11**	**10,822.85**
Equity		
Equity share capital	1,562.80	1,395.52
Other equity	44,147.80	24,188.12
Total Equity	**45,710.60**	**25,583.64**
Gearing ratio in % (Debt/Equity)	**9.63%**	**42.30%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022 and 31 March, 2021.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

B. Dividends

Particulars	31 March, 2022	31 March, 2021
Dividends recognised		
Interim dividend for the year ended 31 March, 2021 of ₹3 per fully paid share	-	837.16
Final dividend for the year ended 31 March, 2021 of ₹4 per fully paid share	1,132.92	-
Dividends not recognised		
For the year ended the directors have recommended the payment of final dividend of ₹4 per fully paid up equity share .This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting	-	1,116.42
Interim dividend for the year ended 31 March, 2022 of ₹6 per fully paid share	1,938.60	-
For the year ended the directors have recommended the payment of final dividend of ₹2 per fully paid up equity share .This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting	662.41	-

43. Additional regulatory information

a. Ratios

Ratio	Numerator/Denominator	31 March, 22	31 March, 21	Variance %
(a) Current Ratio	Current Assets/Current Liabilities	3.72	1.15	223.73%
(b) Debt-Equity Ratio	Total Debt/Total equity	0.10	0.42	-77.22%
(c) Debt Service Coverage Ratio	Earnings available for debt service/Debt Service	5.37	3.80	41.37%
(d) Return on Equity Ratio (in %)	Net Income/Average Shareholder's Equity	17.86	21.23	-15.88%
(e) Inventory turnover Ratio	Sales/Average Inventory	7.56	7.91	-4.46%
(f) Trade Receivables Turnover Ratio	Total Sales/Average Trade receivables	6.37	7.60	-16.19%
(g) Trade Payables Turnover Ratio	Total Purchases/Average Trade Payables	18.13	15.50	17.02%
(h) Net Capital Turnover Ratio	Net Sales/Working Capital	3.18	21.76	-85.37%
(i) Net Profit Ratio (in %)	Net Profit/Net Sales	10.11	10.06	0.43%
(j) Return on Capital Employed (in %)	EBIT/Capital Employed	18.58	19.67	-5.57%
(k) Return on Investment (in %)	Income from investments/Time weighted average investments	16.73	4.01	316.77%

(1) **Current Ratio** increased due to decrease in debt and increase in assets on account of Qualified Institutional Placement (QIP) & rights issue money receipt.

(2) **Debt-Equity Ratio** decreased due to decrease in debt and increase in Equity on account of Qualified Institutional Placement (QIP) & rights issue.

(3) **Debt Service Coverage Ratio** increased due to lower finance cost and principal repayments of loans during the year.

(4) **Net Capital Turnover Ratio** decreased primarily due to increase in inventory & trade receivables and reduction of current liabilities

(5) **Return on Investment** increased due to receipt of good dividend during the year

b. The Company has borrowings from banks on the basis of security of current assets. The quarterly statements of current assets filed by the Company with banks are in agreement with the books of accounts.

44. Code on Social Security: The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45. Previous year figures have been recasted/restated wherever necessary.

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

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-

B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-

J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-

A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-

A. Seshu Kumari
Chief Financial Officer

Sd/-

Thakur Vishal Singh
Company Secretary
M.No.A41956

INDEPENDENT AUDITORS' REPORT

To the Members of Mold-Tek Packaging Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Mold-Tek Packaging Limited** (hereinafter referred to as "the Holding Company") and its wholly owned subsidiary Mold-Tek Packaging FZE, UAE, (the Holding Company and its wholly owned subsidiary together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March, 2022, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, 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 and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraphs (a) and (b) of other matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition** Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Group performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over goods is transferred to the customers, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before the control over goods is transferred. Refer Note 2 to the consolidated financial statements – Significant Accounting Policies.	**Principal Audit Procedures** Our audit approach was a combination of tests of internal controls and substantive procedures including: • Assessing the appropriateness of Group's revenue recognition in line with Ind AS 115 – Revenue from Contracts with Customers. • Evaluating the design and implementation of Group's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off the year end. Testing the supporting documentation for sales transactions recorded during the period closer to the year-end and subsequent to the year-end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information included in the annual report does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of Holding Company included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 consolidated 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 consolidated 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.

Other matters

a) The Consolidated financial statements include the unaudited financial statements of the erstwhile wholly owned subsidiary whose financial statements reflect total assets of ₹ Nil as at 13 September, 2021, total revenue of ₹ Nil and total net loss of ₹ Nil for the period ended 13 September, 2021 and net cash outflow amounting to ₹ 9.18 lakhs for the period ended 13 September, 2021 as considered in the consolidated financial statements. These financial statements have been furnished to us by the management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of the erstwhile wholly owned subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid erstwhile wholly owned subsidiary is based solely on the unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these unaudited financial statements are not material to the Group.

b) The financial statements of the erstwhile wholly owned subsidiary, located outside India, have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Management has converted the financial statements from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary is based on the report of other auditor and the conversion adjustments prepared by the Management and audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of subsidiary, as referred to in 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and returns and reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31 March, 2022 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 with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements (Refer Note 34 of the consolidated financial statements);

ii. The Group 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, which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The Management of the Group has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the Group has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 43 to the Consolidated financial statements:

(a) The final dividend proposed in the previous year, declared and paid by the Holding company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Holding company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Holding company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.000125S)

Sd/-
B.V.Suresh Kumar
Partner
Membership No.212187
UDIN: 22212187AIQAIY3029

Place: Hyderabad
Date : 9 May, 2022

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

There are no qualifications or adverse remarks in the report on Companies (Auditor's Report) Order, 2020 of the Companies included in the consolidated financial statements.

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 **Mold-Tek Packaging Limited** ("the Holding Company") as of 31 March, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ('ICAI'). 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 the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding 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 ICAI 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 judgment, including the assessment of the risks of material misstatement of the consolidated 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 Holding Company's internal financial controls system over financial reporting.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Holding 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 31 March, 2022, based on the internal control over financial reporting criteria established by the Holding 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 **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.000125S)

Sd/-
B.V.Suresh Kumar
Partner
Membership No.212187
UDIN: 22212187AIQAIY3029

Place: Hyderabad
Date : 9 May, 2022

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	As at 31 March, 2022	As at 31 March, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	4.1	25,725.96	23,526.54
(b) Capital work-in-progress	4.2	1,383.78	1,130.20
(c) Investment property	4.3	4.97	5.10
(d) Intangible assets	4.4	65.31	60.18
(e) Intangible assets under development	4.5	98.12	41.76
(f) Right-of-use assets	4.6	370.33	334.84
(g) Financial assets			
(i) Investments	5.1	1,708.55	864.86
(ii) Other financial assets	5.2	396.13	348.36
(h) Other non-current assets	6	588.03	305.50
Current assets			
(a) Inventories	7	9,590.42	7,082.02
(b) Financial assets			
(i) Trade receivables	8.1	14,301.18	9,013.05
(ii) Cash and cash equivalents	8.2	411.98	43.03
(iii) Bank balances other than (ii) above	8.3	1,219.39	85.71
(iv) Loans	8.4	61.44	32.11
(v) Other financial assets	8.5	315.35	234.48
(c) Current tax assets (net)	9	153.60	122.50
(d) Other current assets	10	1,021.51	418.40
TOTAL ASSETS		**57,416.05**	**43,648.64**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	1,562.80	1,395.52
(b) Other equity	12	44,147.80	24,200.10
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,537.29	1,661.51
(ii) Lease liabilities	14	9.49	-
(b) Provisions	15	377.60	348.63
(c) Deferred tax liabilities (net)	16	1,473.17	1,204.86
(d) Other non-current liabilities	17	23.01	2.59
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18.1	1,864.23	9,152.81
(ii) Trade payables	18.2		
A. Dues to micro enterprises and small enterprises		32.27	37.70
B. Dues to creditors other than micro enterprises and small enterprises		2,773.90	3,185.63
(iii) Other financial liabilities	18.3	1,879.10	1,918.15
(iv) Lease liabilities	18.4	29.52	-
(b) Other current liabilities	19	536.11	362.97
(c) Provisions	20	114.84	91.13
(d) Current tax liabilities (net)	21	54.92	87.04
TOTAL EQUITY AND LIABILITIES		**57,416.05**	**43,648.64**
Summary of significant accounting policies	**2**		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-

B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-

J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-

A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-

A. Seshu Kumari
Chief Financial Officer

Sd/-

Thakur Vishal Singh
Company Secretary
M.No.A41956

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

	Particulars	Note	Year ended 31 March, 2022	Year ended 31 March, 2021
I.	**Income**			
	Revenue from operations	24	63,146.97	47,892.54
	Other income	25	156.58	88.50
II.	**Total income**		**63,303.55**	**47,981.04**
III.	**Expenses**			
	Cost of materials consumed	26	38,481.57	27,776.78
	Changes in inventories of finished goods and work-in-progress	27	(822.71)	(536.70)
	Employee benefits expense	28	3,868.15	3,289.34
	Finance costs	29	932.33	994.43
	Depreciation and amortization expenses	30	2,642.29	2,150.48
	Other expenses	31	9,551.11	7,913.57
	Total expenses		**54,652.74**	**41,587.90**
IV.	**Profit before tax (II - III)**		**8,650.81**	**6,393.14**
V.	**Tax expense:**			
	(1) Current tax		2,032.07	1,564.18
	(2) Earlier year's taxes		(0.18)	(17.46)
	(3) Deferred tax		253.59	50.80
VI.	**Profit for the year (IV-V)**		**6,365.33**	**4,795.62**
VII.	**Other comprehensive income**			
	1. Items that will not be reclassified to Profit or Loss			
	a) Remeasurement of defined benefit plans		(21.35)	(29.05)
	b) Fair value changes in equity instruments		843.69	131.26
	c) Income tax relating to items (a) & (b) above		(14.73)	7.31
	2. Items that will be reclassified to Profit or Loss			
	- Exchange differences in translating the financial statements of a foreign operation		0.04	(10.75)
	Other comprehensive income (net of tax)		**807.65**	**98.77**
VIII.	**Total comprehensive income for the year**		**7,172.98**	**4,894.39**
	Profit for the year			
	Attributable to:			
	Owners of the parent		**6,365.33**	**4,795.62**
	Non-controlling interests		-	-
	Total comprehensive income for the year			
	Attributable to:			
	Owners of the parent		**7,172.98**	**4,894.39**
	Non-controlling interests		-	-
IX.	**Earnings per equity share (Face Value ₹5 each)**			
	(1) Basic (in ₹)	36	22.12	16.82
	(2) Diluted (in ₹)	36	21.14	16.14
Summary of significant accounting policies		**2**		
The accompanying notes are an integral part of the financial statements.				

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

a. Equity share capital

Year ended 31 March, 2022

Balance as at 01 April, 2021	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April, 2021	Changes in equity share capital during the year	Balance as at 31 March, 2022
1,395.52	-	-	167.28	1,562.80

Year ended 31 March, 2021

Balance as at 01 April, 2020	Changes in Equity share capital due to prior period errors	Restated balance as at 01 April, 2020	Changes in equity share capital during the year	Balance as at 31 March, 2021
1,386.30	-	-	9.22	1,395.52

b. Other equity

Year ended 31 March, 2022

Particulars	Reserves and Surplus					Exchange differences in translating the financial statements of foreign operations	Money received against share warrants	Equity Instruments through Other Comprehensive Income (OCI)	Total
	Securities premium	Capital reserve	General reserve	Share options outstanding account	Retained earnings				
Balance as at 01 April, 2021	**7,820.15**	**57.15**	**1,914.39**	**32.08**	**12,319.24**	**(25.24)**	**1,533.79**	**548.54**	**24,200.10**
Profit for the year	-	-	-	-	6,365.33		-	-	6,365.33
Dividends	-	-	-	-	(1,132.92)		-	-	(1,132.92)
Issue expenses on account of Qualified Institutional Placement	(252.20)	-	-	-	-		-	-	(252.20)
Issue of right equity shares upon conversion of share warrants	13,568.85	-	-	-	-		-	-	13,568.85
Amounts received for conversion of share warrants to equity shares (net)	-	-	-	-	-		354.50	-	354.50
Issue expenses on account of rights issue	(4.00)	-	-	-	-		-	-	(4.00)
Issue of equity shares under MTPL Employee Stock Option Scheme	233.24								233.24
Recognition of share based payments	-	-	-	19.07	-		-	-	19.07
Transfer from share options outstanding account on exercise and lapse	38.57	-	-	(38.57)	-		-	-	-
Consolidation adjustments					(37.02)	25.20			(11.82)
Other comprehensive income	-	-	-	-	(15.98)	0.04	-	823.59	807.65
Balance as at 31 March, 2022	**21,404.61**	**57.15**	**1,914.39**	**12.58**	**17,498.65**	**(0.00)**	**1,888.29**	**1,372.13**	**44,147.80**

b. Other equity

Year ended 31 March, 2021

Particulars	Reserves and Surplus					Exchange differences in translating the financial statements of foreign operations	Money received against share warrants	Equity Instruments through Other Comprehensive Income (OCI)	Total
	Securities premium	Capital reserve	General reserve	Share options outstanding account	Retained earnings				
Balance as at 01 April, 2020	**7,569.84**	**57.15**	**1,914.39**	**32.37**	**8,382.52**	**(14.49)**	**-**	**417.28**	**18,359.06**
Profit for the year	-	-	-	-	4,795.62		-	-	4,795.62
Dividends	-	-	-	-	(837.16)		-	-	(837.16)
Issue of partly paid up right equity shares	242.96	-	-	-	-		-	-	242.96
Issue of right equity shares upon conversion of share warrants	9.12	-	-	-	-		-	-	9.12
Share warrants application money	-	-	-	-	-		1,533.79	-	1,533.79
Issue expenses on account of rights issue	(104.99)	-	-	-	-		-	-	(104.99)
Issue of equity shares under MTPL Employee Stock Option Scheme	85.58								85.58
Transfer from share options outstanding account on exercise and lapse	17.64	-	-	(17.64)	-		-	-	-
Recognition of share based payments		-	-	17.35	-		-	-	17.35
Other comprehensive income	-	-	-	-	(21.74)	(10.75)	-	131.26	98.77
Balance as at 31 March, 2021	**7,820.15**	**57.15**	**1,914.39**	**32.08**	**12,319.24**	**(25.24)**	**1,533.79**	**548.54**	**24,200.10**

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2022

All amounts in ₹ lakhs, unless otherwise stated

Particulars	31 March,2022	31 March, 2021
Cash flow from operating activities		
Profit before tax	8,650.81	6,393.14
Adjustments for:		
Depreciation and amortisation expenses	2,692.33	2,189.04
(Profit)/loss on disposal of property, plant and equipment (net)	7.35	21.51
Share based payments to employees	16.99	17.35
Provision for bad and doubtful debts (net of reversals)	9.71	16.00
Creditors written back	(47.19)	-
Foreign exchange fluctuation gain	(2.21)	(16.97)
Amortisation of government grants	1.69	1.51
Finance costs	932.33	994.43
Dividend income	(52.93)	(12.70)
Profit on sale of investments	(11.16)	-
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(5,296.47)	(3,134.27)
(Increase)/Decrease in financial assets other than trade receivables	(1,291.66)	60.63
(Increase)/Decrease in other assets	(721.06)	853.41
(Increase)/Decrease in inventories	(2,508.40)	(2,082.45)
Increase/(Decrease) in trade payables	(369.10)	1,420.43
Increase/(Decrease) in other financial liabilities	(59.87)	735.86
Increase/(Decrease) in provisions	31.33	98.70
Increase/(Decrease) in other liabilities	202.67	(5.25)
Cash generated from operations	**2,185.16**	**7,550.37**
Income taxes paid	(1,987.31)	(1,496.91)
Net cash inflow/(outflow) from operating activities	**197.85**	**6,053.46**
Cash flows from investing activities		
Purchase of property, plant & equipment and intangible assets	(5,002.38)	(5,947.69)
(Increase)/Decrease in capital work-in-progress and intangible assets under development	(309.94)	2.53
(Increase)/Decrease in capital advances	(282.53)	790.07
Dividend income received	52.93	12.70
Proceeds from sale of investments (net)	11.16	-
Proceeds from sale of property, plant & equipment	50.97	54.52
Net cash inflow/(outflow) from investing activities	**(5,479.79)**	**(5,087.87)**
Cash flow from financing activities		
Proceeds from non current borrowings (refer note 22)	2,000.00	70.00
Repayment of non current borrowings (refer note 22)	(927.63)	(1,114.84)
Proceeds/(repayment) from current borrowings (refer note 22)	(7,492.80)	79.18
Dividend paid	(1,132.92)	(837.16)
Increase in securities premium	13,584.47	250.30
Money received against share warrants	354.50	1,533.79
Proceeds from issue of shares	167.28	9.22
Interest paid	(902.01)	(949.77)
Net cash inflow/(outflow) from financing activities	**5,650.89**	**(959.28)**
Net increase/(decrease) in cash and cash equivalents	**368.95**	**6.31**
Cash and cash equivalents at the beginning of the year	43.03	36.72
Cash and cash equivalents at the end of the year	**411.98**	**43.03**

The above Statement of Cash flows has been prepared under the "indirect method" as set out in Ind AS-7 specified under Section 133 of the Companies Act, 2013.

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

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-

B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Group information:

Mold-Tek Packaging Limited ('the Parent') is a public limited group incorporated in India having its registered office at Hyderabad, Telangana, India. The Group is involved in the manufacturing of injection-molded containers. Mold-Tek Packaging FZE is the wholly owned subsidiary incorporated in UAE (together referred to as Group).

2 Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Statement of compliance:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017, the relevant provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

b) Basis of preparation:

The Consolidated Financial Statements (CFS) include the financial statements of the group and its wholly owned subsidiary. The assets, liabilities, income and expenses of the wholly owned subsidiary is aggregated and consolidated line by line. Profit or loss and each component of other comprehensive income are attributed to the owners. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS. 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.

c) Revenue recognition:

i) Revenue from contract with customers

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods is transferred from the Group to the customer. Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the customer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset. Revenue is measured based on consideration specified in the contract with a customer which is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excludes amounts collected on behalf of third parties.

ii) Other income

Dividend income is recognised when the right to receive the income is established.

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

Rental income from investment properties is recognised on a straight line basis over the term of the relevant leases.

Export benefit under the duty free credit entitlements is recognized in the Statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme in respect of exports made and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

Sales tax incentives are recognized in the Statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

d) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of

qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

e) Employee benefits:

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave is not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss. The gratuity liability is covered through a recognized Gratuity Fund managed by Life Insurance Corporation of India and the contributions made under the scheme are charged to Statement of profit and loss.

(iv) Defined contribution plans

The Group pays provident fund contributions to publicly administered funds as per local regulations wherever applicable. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(v) Bonus plans

The Group recognizes a liability and an expense for bonuses wherever applicable. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

f) Income taxes

Tax expense for the year comprises current and deferred tax.

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax relating to items recognized directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the Statement of Profit and Loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

g) Property, Plant and Equipment (PPE):

PPE are carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE comprises of purchase price, applicable duties and taxes net of input tax credit, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

All other repair and maintenance costs, including regular servicing, are recognised in the Statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of PPE comprises major components having different useful lives, these components are accounted for as separate items.

Leasehold improvements are stated at cost including taxes, freight and other incidental expenses incurred, net of input tax credits availed. The depreciation is provided over the life estimated by the management.

Self constructed assets (Moulds): The Group transfers all the directly attributable expenditure incurred towards construction of moulds including depreciation on actual cost basis.

PPE retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

h) Expenditure during construction period and intangible assets under development:

Expenditure during construction period (including finance cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Intangible Assets under development includes the expenditure incurred for acquisition of intangible assets.

i) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in Schedule II to the Act.

j) Intangible assets and amortization:

Intangible assets acquired separately are measured on initial recognition cost and are amortized on straight line method based on the estimated useful lives.

The amortization period and amortization method are reviewed at each financial year end.

Computer Software is amortized over a period of five years.

k) Investment property:

Investment property is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model which is in accordance with Ind AS 40. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised. Depreciation on building is provided over it's useful life of 30 years using the Straight Line Method.

l) Impairment of 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 the 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 Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment 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 years.

m) Inventories:

Inventories includes Raw materials, Work-in-progress, Finished goods, Stores & Spares, Packing materials and other consumables. These are valued at lower of cost and net realizable value (NRV). However, raw materials are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Further, cost is determined on weighted average basis.

Materials in transit

Valuation of Inventories of Materials in Transit is done at Cost.

Work-in-Progress (WIP) and Finished goods

Valued at lower of cost and NRV. Cost of Finished Goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

n) Provisions, Contingent liabilities and Contingent assets :

The Group recognises provisions when there is present obligation as a result of past event and it is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to the reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent Liabilities are also disclosed when there is a possible obligation arising from past events, 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 Group.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realised.

o) Financial instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised 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 dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets 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 payments of principal and interest on the principal amount outstanding. Further, in case where the Group has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

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

(iv) The Group 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 component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses 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 expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in Statement of profit or loss.

Financial liabilities and equity instruments

1. Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to

the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2. Equity instruments

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

3. Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and unsecured loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of profit and loss.

4. Derecognition of financial instruments

The Group 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 a financial liability) is derecognized from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

5. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

p) Earnings per share :

The basic earnings per share is computed by dividing the .profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q) Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

r) Transactions in foreign currencies

The presentation currency of the Group is Indian Rupee.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

s) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

t) Government grants

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income. The benefit of a government loan at below current market rate of interest is treated as a government grant.

u) Leases

As a lessee:

The Group assesses whether a contract contains a lease, at inception of a 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 Group assesses whether:

(1) The Contract involves the use of an identified asset;

(2) The Group has substantially all the economic benefits from use of the asset through the period of the lease and

(3) The Group has the right to direct the use of the asset.

The Group recognizes a Right-Of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes 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 commencement date on a straight-line basis over the balance lease term of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the Balance sheet and lease payments shall be classified as financing cash flows.

As Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Operating lease – Rentals payable under operating leases are charged to the Statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are utilised.

v) Employee share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

w) Dividend distribution

Dividends paid is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

x) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

y) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 applicable from 1 April, 2022. Amendments applicable to the Company are given below:

Ind AS 16 – Proceeds before intended use - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment, amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in the Statement of profit and loss. The group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract - The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The group does not expect the amendment to have any significant impact in its financial statements.

3 Use of estimates and critical accounting judgements:

In preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

4.1(a) Property, Plant and Equipment

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 1 April, 2021	Additions	Deletions	Adjustments	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	Adjustments	As at 31 March, 2022	As at 31 March, 2022
Freehold land	1,617.65	-	-		1,617.65	-	-	-	-	-	1,617.65
Buildings	5,976.43	513.71	-		6,490.14	665.18	206.98	-	-	872.16	5,617.98
Plant and equipment	13,668.04	2,494.89	14.33	(86.42)	16,062.18	4,112.22	1,401.19	8.00	-	5,505.41	10,556.77
Moulds	6,782.65	1,334.02	84.35	115.36	8,147.68	1,841.40	675.85	47.35	-	2,469.90	5,677.78
Electrical installations and equipment	883.86	199.38	16.00	(15.40)	1,051.84	276.08	101.12	4.04	-	373.16	678.68
Works equipment and instruments	699.44	117.58	2.00	(14.69)	800.33	186.07	75.95	0.17	-	261.85	538.48
Office equipment	128.76	23.64	-	(5.84)	146.56	53.20	23.01	-	-	76.21	70.35
Computers and data processing units	113.90	42.48	1.75	1.24	155.87	61.81	24.92	1.66	-	85.07	70.80
Furniture and fittings	568.73	76.24	-	(6.07)	638.90	154.74	58.82	-	-	213.56	425.34
Vehicles	626.96	91.12	10.03		708.05	189.18	73.52	8.92	-	253.78	454.27
Leasehold improvements	-	23.54	-		23.54	-	5.68	-	-	5.68	17.86
Total	**31,066.42**	**4,916.60**	**128.46**	**(11.82)**	**35,842.74**	**7,539.88**	**2,647.04**	**70.14**	**-**	**10,116.78**	**25,725.96**

All amounts in ₹ lakhs, unless otherwise stated

4.1(b) Property, Plant and Equipment

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 1 April, 2020	Additions	Deletions	Adjustments	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	Adjustments	As at 31 March, 2021	As at 31 March, 2021
Freehold land	1,097.92	519.73	-		1,617.65	-	-	-		-	1,617.65
Buildings	5,527.51	448.92	-		5,976.43	478.36	186.82	-	-	665.18	5,311.25
Plant and equipment	10,893.83	2,809.28	35.07		13,668.04	2,973.30	1,154.43	15.51	-	4,112.22	9,555.82
Moulds	5,117.77	1,664.88	-		6,782.65	1,315.29	526.11	-	-	1,841.40	4,941.25
Electrical installations and equipment	803.67	80.19	-		883.86	194.17	81.91	-	-	276.08	607.78
Works equipment and instruments	587.35	112.09	-		699.44	120.24	65.83	-	-	186.07	513.37
Office equipment	107.49	22.64	1.37		128.76	35.09	19.40	1.29	-	53.20	75.56
Computers and data processing units	80.66	33.24	-		113.90	42.22	19.59	-	-	61.81	52.09
Furniture and fittings	483.40	85.33	-		568.73	106.04	48.70	-	-	154.74	413.99
Vehicles	559.08	157.72	89.39	(0.45)	626.96	157.64	64.73	33.00	(0.19)	189.18	437.78
Total	**25,258.68**	**5,934.02**	**125.83**	**(0.45)**	**31,066.42**	**5,422.35**	**2,167.52**	**49.80**	**(0.19)**	**7,539.88**	**23,526.54**

4.2(a) Capital work-in-progress (CWIP) as at 31 March, 2022: ₹1,383.78

Capital work-in-progress includes buildings of ₹643.70, plant and equipment of ₹82.44, moulds of ₹581.11 and others of ₹76.53.

CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Buildings	637.70	6.00	-	-	643.70
Freehold land	1.30	-	-	-	1.30
Plant and equipment	38.51	1.39	33.03	9.51	82.44
Moulds	399.72	23.23	65.81	92.35	581.11
Electrical installations and equipment	23.48	2.95	-	-	26.43
Furniture and fittings	48.80	-	-	-	48.80
Total	**1,149.51**	**33.57**	**98.84**	**101.86**	**1,383.78**

4.2(b) Capital work-in-progress (CWIP) as at 31 March, 2021: ₹1,130.20

Capital work-in-progress includes buildings of ₹253.67, plant and equipment of ₹158.18, moulds of ₹686.19 and others of ₹32.16.

CWIP aging schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Buildings	250.29	3.38	-	-	253.67
Plant and equipment	115.64	33.03	-	9.51	158.18
Moulds	393.40	115.14	116.07	61.58	686.19
Electrical installations and equipment	12.47	2.95	-	-	15.42
Furniture and fittings	16.74	-	-	-	16.74
Total	**788.54**	**154.50**	**116.07**	**71.09**	**1,130.20**

4.3(a) Investment property

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 1 April, 2021	Additions	Deletions	Adjustments	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	Adjustments	As at 31 March, 2022	As at 31 March, 2022
Freehold land	4.12	-	-	-	4.12	-	-	-	-	-	4.12
Buildings	1.63	-	-	-	1.63	0.65	0.13	-	-	0.78	0.85
Total	**5.75**	**-**	**-**	**-**	**5.75**	**0.65**	**0.13**	**-**	**-**	**0.78**	**4.97**

All amounts in ₹ lakhs, unless otherwise stated

4.3(b) Investment property

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount
	As at 1 April, 2020	Additions	Deletions	Adjustments	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	Adjustments	As at 31 March, 2021	As at 31 March, 2021
Freehold land	4.12	-	-		4.12	-	-	-	-	-	4.12
Buildings	1.63	-	-		1.63	0.52	0.13	-	-	0.65	0.98
Total	**5.75**	**-**	**-**		**5.75**	**0.52**	**0.13**	**-**	**-**	**0.65**	**5.10**

4.3(c) Disclosures - Ind AS 40

Particulars	2021-22	2020-21
Rental income from investment property	3.22	4.51
Direct operating expenses (including repairs and maintenance)	-	-
Income from investment property (net)	3.22	4.51

Fair value of the investment property as at 31 March, 2022 based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered valuers and Valuation) Rules, 2017 is ₹1661.27 lakhs.

4.4(a) Intangible assets

Particulars	Gross carrying amount					Accumulated amortisation					Net carrying amount
	As at 1 April, 2021	Additions	Deletions	Adjustments	As at 31 March, 2022	As at 1 April, 2021	For the Year	On disposals	Adjustments	As at 31 March, 2022	As at 31 March, 2022
Computer software	124.96	26.45	-	-	151.41	64.78	21.32	-	-	86.10	65.31
Total	**124.96**	**26.45**	**-**	**-**	**151.41**	**64.78**	**21.32**	**-**	**-**	**86.10**	**65.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

4.4(b) Intangible assets

Particulars	Gross carrying amount					Accumulated amortisation					Net carrying amount
	As at 1 April, 2020	Additions	Deletions	Adjustments	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	Adjustments	As at 31 March, 2021	As at 31 March, 2021
Computer software	111.04	13.92	-	-	124.96	46.92	17.86	-	-	64.78	60.18
Total	**111.04**	**13.92**	**-**	**-**	**124.96**	**46.92**	**17.86**	**-**	**-**	**64.78**	**60.18**

4.5(a) Intangible asset under development as at 31 March, 2022: ₹98.12

Intangible assets under development represents amount paid towards installation and implementation of ERP software.

Intangible assets under development aging schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Computer software	56.36	41.76	-	-	98.12

4.5(b) Intangible asset under development as at 31 March, 2021: ₹41.76

Intangible assets under development represents amount paid towards installation and implementation of ERP software.

Intangible assets under development aging schedule

Particulars	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Computer software	41.76	-	-	-	41.76

4.6 Right-of-use assets

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Opening balance	334.84	338.37
Add: Additions during the year	59.33	-
Less: Amortisation during the year	(23.84)	(3.53)
Closing balance	**370.33**	**334.84**

5.1. Investments

Particulars	As at 31 March, 2022	As at 31 March, 2021
Designated at Fair value through Other Comprehensive Income (FVOCI)		
Investments in equity instruments (quoted - fully paid up)		
Mold-Tek Technologies Limited	1,708.55	864.86
21,17,165 (2021-21,17,165) shares of ₹2 each		
Total	**1,708.55**	**864.86**
Aggregate amount of quoted investments	1,708.55	864.86
Aggregate amount of impairment in value of investments	-	-

5.2. Other financial assets (non - current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earmarked balances		
Margin money deposits with banks against guarantees	28.65	24.59
Deposits with government and others	367.48	323.77
Total	**396.13**	**348.36**

6. Other non-current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured, considered good		
Capital advances	588.03	305.50
Total	**588.03**	**305.50**

7. Inventories

Particulars	As at 31 March, 2022	As at 31 March, 2021
(Valued at lower of cost and net realizable value)		
	4,575.04	3,368.77
Work-in-progress	1,283.37	818.72
Finished goods	1,675.46	1,317.40
{including material in transit of ₹416.47 lakhs (2021 - ₹273.94 lakhs)}		
Packing materials	85.20	63.30
Stores & spares	127.60	83.18
Consumables	1,843.75	1,430.65
Total	**9,590.42**	**7,082.02**

8.1. Trade receivables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured		
Trade Receivables– considered good	14,341.20	9,060.15
Less: Allowance for expected credit loss	(40.02)	(47.10)
Total	**14,301.18**	**9,013.05**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Trade receivables ageing schedule

As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	14,238.52	13.58	66.65	8.09	2.75	14,329.59
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables– considered good	-	-	1.55	7.44	2.62	11.61
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	(6.79)	(12.33)	(15.53)	(5.37)	(40.02)
Total	**14,238.52**	**6.79**	**55.87**	**-**	**-**	**14,301.18**

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	8,926.37	88.00	24.25	5.85	9.86	9,054.33
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	3.05	-	-	2.77	5.82
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less: Allowance for expected credit loss	-	(10.44)	(18.18)	(5.85)	(12.63)	(47.10)
Total	**8,926.37**	**80.61**	**6.07**	**-**	**-**	**9,013.05**

8.2. Cash and Cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks	404.24	29.69
Cash on hand	7.74	13.34
Total	**411.98**	**43.03**

8.3. Bank balances other than cash and cash equivalents above

Particulars	As at 31 March, 2022	As at 31 March, 2021
Earmarked balances		
Unpaid dividend accounts	87.52	75.26
Amount received against conversion of share warrants	1,056.51	10.45
Unspent CSR Account	75.36	-
Total	**1,219.39**	**85.71**

8.4. Loans (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Unsecured, considered good		
Employee advances	61.44	32.11
Total	**61.44**	**32.11**

8.5. Other financial assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Incentives receivable from Government		
Sales tax[1]	258.78	225.88
Electricity[2]	30.86	-
Land and stamp duty[3]	23.87	-
Export benefits receivable[4]	-	8.60
Investment sale consideration receivable	1.84	-
Total	**315.35**	**234.48**

1 During the year, the Group has received sales tax incentive from State Government of Maharashtra aggregating to ₹89.89 lakhs under "Package Scheme of Incentives 2008 & 2013", pertaining to financial years 2015-16, 2016-17 & 2019-20. Further, during the year, the Group has recognised an amount of ₹33.02 lakhs (P.Y ₹75.27 lakhs) as incentive receivable for financial year 2021-22 in accordance with the terms of scheme.

During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹89.75 lakhs towards sales tax under "Industrial Development Policy 2015-20", pertaining to financial year 2020-21.

2 During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹30.86 lakhs towards power cost under "Industrial Development Policy 2015-20", pertaining to financial years 2019-20, 2020-21 and period from 1 April, 2021 to 30 September, 2021.

3 During the year, The State Government of Andhra Pradesh has sanctioned a total incentive of ₹23.87 lakhs towards Land cost and Stamp duty paid by the Group under "Industrial Development Policy 2015-20".

4 During the year, the Group has received an incentive of ₹0.36 lakh pertaining to financial year 2016-17 under "Merchandise Exports from India Scheme"and the Group has written off the balance amount of ₹8.24 lakhs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

9. Current tax assets (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	122.50	131.92
Add: Taxes paid pertaining to previous years	31.10	17.46
Less: Tax refunds	-	26.88
Total	**153.60**	**122.50**

10. Other current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Prepaid expenses	104.13	83.29
Supplier advances	657.46	187.19
Advance given for CSR expenses	9.77	6.42
Advance for expenses to employees	2.12	2.30
Customs deposit & GST credit	248.03	139.20
Total	**1,021.51**	**418.40**

11. Equity share capital

Particulars	As at 31 March, 2022	As at 31 March, 2021
Authorized		
4,00,00,000 (P.Y 4,00,00,000)equity shares of ₹5 each	2,000.00	2,000.00
Total	**2,000.00**	**2,000.00**
Issued, subscribed & paid-up capital		
3,12,53,121 (P.Y 2,77,71,621) equity shares of ₹5 each fully paid-up	1,562.66	1,388.58
Nil (P.Y 5,55,330) equity shares of ₹5 each (₹1.25 partly paid up)	-	6.94
Add: Shares forfeited 11,667 (PY - Nil)	0.14	-
Total	**1,562.80**	**1,395.52**

79,95,776 equity shares out of the issued, subscribed and paid up share capital were allotted in the financial year 2008-09 pursuant to the Scheme of arrangement without payments being received in cash.

46,625 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 6 July, 2011 by way of Employee Stock Option Scheme.

12,40,000 equity shares of ₹10 each issued at a premium of ₹30 per share on 7 September, 2011 by way of preferential offer.

9,125 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 19 December, 2011 by way of Employee Stock Option Scheme.

19,25,000 equity shares of ₹10 each issued at a premium of ₹35.80 per share on 4 February, 2012 by way of preferential offer.

37,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 5 July, 2012 by way of Employee Stock Option Scheme.

22,950 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 28 June, 2013 by way of Employee Stock Option Scheme.

25,100 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 13 June, 2014 by way of Employee Stock Option Scheme.

39,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 25 July, 2014 by way of Employee Stock Option Scheme.

24,98,350 equity shares of ₹10 each issued at a premium of ₹210.17 per share on 3 February, 2015 by way of Qualified institutional placement.

5,000 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 9 April, 2015 by way of Employee Stock Option Scheme.

Shareholders on 3 February, 2016 approved the share split of ₹10 each, fully paid up into 2 (Two) equity shares of ₹5 each fully paid up. The Board of Directors fixed the record date as 18 February, 2016. On 17 February, 2016 the Group has sub-divided the existing fully paid equity shares of 1,38,45,526 with face of ₹10 each into 2,76,91,052 fully paid up shares with face value of ₹5 each.

23,325 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 18 October, 2019 by way of Employee Stock Option Scheme.

11,650 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 27 October, 2019 by way of Employee Stock Option Scheme.

6,690 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 13 August, 2020 by way of Employee Stock Option Scheme.

33,810 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 3 October, 2020 by way of Employee Stock Option Scheme.

5,094 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 March, 2021 upon conversion of share warrants to Equity shares.

6,060 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 April, 2021 upon conversion of share warrants to Equity shares.

2,14,220 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 June, 2021 upon conversion of share warrants to Equity shares.

75,209 equity shares of ₹5 each are issued at a premium of ₹179 per share on 14 July, 2021 upon conversion of share warrants to Equity shares.

41,910 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 28 July, 2021 by way of Employee Stock Option Scheme.

25,230 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 28 July, 2021 by way of Employee Stock Option Scheme.

17,550 equity shares of ₹5 each are issued at a premium of ₹179 per share on 16 August, 2021 upon conversion of share warrants to Equity shares.

32,404 equity shares of ₹5 each are issued at a premium of ₹179 per share on 14 September, 2021 upon conversion of share warrants to Equity shares.

5,32,563 equity shares of ₹5 each issued at a premium of ₹175 per share on 9 November, 2021 upon conversion of partly paid up right equity shares to equity shares by way of Rights issue.

24,051 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 November, 2021 upon conversion of share warrants to Equity shares.

11,100 equity shares of ₹5 each issued at a premium of ₹175 per share on 4 December, 2021 upon conversion of partly paid up right equity shares to equity shares by way of Rights issue.

14,00,000 equity shares of ₹5 each issued at a premium of ₹735 per share on 17 December, 2021 by way of Qualified institutional placement.

59,039 equity shares of ₹5 each are issued at a premium of ₹179 per share on 22 December, 2021 upon conversion of share warrants to Equity shares.

23,955 equity shares of ₹5 each issued at a premium of ₹268.05 per share on 12 January, 2022 by way of Employee Stock Option Scheme.

13,613 equity shares of ₹5 each issued at a premium of ₹268.05 per share on 12 January, 2022 by way of Employee Stock Option Scheme.

21,250 equity shares of ₹5 each are issued at a premium of ₹179 per share on 17 January, 2022 upon conversion of share warrants to Equity shares.

28,519 equity shares of ₹5 each are issued at a premium of ₹179 per share on 15 February, 2022 upon conversion of share warrants to Equity shares.

9,54,827 equity shares of ₹5 each are issued at a premium of ₹179 per share on 11 March, 2022 upon conversion of share warrants to Equity shares.

Forfeiture of 11,667 equity shares of ₹5 each issued at a premium of ₹175 per share on 4 December, 2021, partly paid up ₹1.25 per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(a) Movement in equity share capital

Particulars	Number of shares	Amount
Balance at 01 April, 2020	**2,77,26,027**	**1,386.30**
Movement during the year	6,00,924	9.22
Balance at 31 March, 2021	**2,83,26,951**	**1,395.52**
Movement during the year	29,26,170	167.28
Balance at 31 March, 2022	**3,12,53,121**	**1,562.80**

(b) Details of shareholders holding more than 5% shares in the Group

Name of the shareholder	As at 31 March, 2022		As at 31 March 2021	
	No. of Shares	% holding	No. of Shares	% holding
Lakshmana Rao Janumahanti	28,36,553	9.08	26,36,553	9.31
DSP Blackrock Small Cap Fund	19,24,232	6.16	18,44,815	6.51
Subrahmanyam Adivishnu	18,85,198	6.03	16,65,706	5.88
Sudharani Janumahanti	16,01,218	5.12	15,76,218	5.56

(c) Shareholding of promoters

1. Fully paid up equity shares

Name of the promoter	As at 31 March, 2022			As at 31 March, 2021		
	No.of Shares	% holding	% Change	No.of Shares	% holding	% Change
Lakshmana Rao Janumahanti	28,36,553	9.08	11.00	25,55,445	9.20	-
Subrahmanyam Adivishnu	18,85,198	6.03	15.72	16,29,124	5.87	(19.71)
Venkateswara Rao Pattabhi	1,86,396	0.60	(20.65)	2,34,896	0.85	-
Total	**49,08,147**	**15.71**	**11.07**	**44,19,465**	**15.92**	**(8.30)**

2. Partly paid up equity shares

Name of the promoter	As at 31 March, 2022			As at 31 March, 2021		
	No.of Shares	% holding	% Change	No.of Shares	% holding	% Change
Lakshmana Rao Janumahanti	-	-	-	81,108	14.61	-
Subrahmanyam Adivishnu	-	-	-	36,582	6.59	-
Venkateswara Rao Pattabhi	-	-	-	8,000	1.44	-
Total	**-**	**-**	**-**	**1,25,690**	**22.64**	**-**

(d) MTPL Employee Stock Option Scheme

The Group has granted 2,02,000 Options to employees on 4 June, 2010 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹26 per option.

The Group has granted 95,100 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹208 per option.

The Group has granted 54,900 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ¹234 per option.

The Group has granted 95,900 and 54,100 Options to eligible employees aggregating to 1,50,000 options on 23 December, 2020 at ₹246 and ₹260 respectively under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

Particulars	As at 31 March	
	2022	2021
Options outstanding at the beginning of the year	2,22,000	1,12,500
Add: Granted	-	1,50,000
Less: Exercised	1,04,708	40,500
Less: Forfeited/Lapsed	4,860	-
Options outstanding at the end of the year	**1,12,432**	**2,22,000**

(e) Issue of Shares under Rights Issue

The Group had, issued 5,55,330 equity shares of face value of ₹5 each on right basis ('Rights Equity Shares'). In accordance with the terms of issue, ₹249.90 lakhs i.e. 25% of the Issue Price per Rights Equity Share, was received from the concerned allottees on application and shares were allotted. The Board has made First and final call of ₹135 per Rights Equity Share (including a premium of ₹131.25per share) in November, 2021. As on 31 March, 2022, an aggregate amount of ₹15.75 lakhs is unpaid which were forfeited on 18 February, 2022.

The Group had, issued 33,31,980 detachable warrants along with right equity shares stated above. In accordance with the terms of issue, ₹1532.71 lakhs i.e. 25% of the Issue Price per Share warrant, was received from the concerned allottees on application and shares were allotted. As on 31 March, 2022, an aggregate amount of ₹2613.38 lakhs is unpaid.

(f) Issue of Shares under Qualified Institutional Placement (QIP) Issue

The Group had, issued 14,00,000 equity shares of face value of ₹5 each on Qualified Institutional Placement ('Equity Shares') at an issue price of ₹740 per equity share (including premium of ₹735 per equity share), which is at a premium of ₹17.60 per Equity Share on the floor price of ₹722.40 per Equity Share through eligible Qualified Institutional Placement ("QIP") in terms of chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended, Section 42 & 62 and other relevant provisions of the Companies Act, 2013 read with the Regulation 176 of the SEBI ICDR Regulations. In accordance with the terms of issue, the Group has received a total amount of ₹103.60 crore.

(g) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a face value of ₹5 each. Each holder of equity share is entitled to one vote per share. The Group declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Group, the equity shareholders will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

12. Other equity

Particulars	As at 31 March, 2022	As at 31 March, 2021
Reserves and surplus		
Securities premium	21,404.61	7,820.15
Capital reserve	57.15	57.15
General reserve	1,914.39	1,914.39
Share options outstanding account	12.58	32.08
Retained earnings	17,498.65	12,319.24
Money received against conversion of share warrants to equity shares	1,888.29	1,533.79
Exchange differences in translating the financial statements of foreign operations	-	(25.24)
Equity Instruments through Other Comprehensive Income (OCI)	1,372.13	548.54
Total	**44,147.80**	**24,200.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(i) Securities premium

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	7,820.15	7,569.84
Movement during the year	13,584.46	250.31
Closing balance	**21,404.61**	**7,820.15**

(ii) Capital reserve

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	57.15	57.15
Movement during the year	-	-
Closing balance	**57.15**	**57.15**

(iii) General reserve

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	1,914.39	1,914.39
Add: Movement during the year	-	-
Closing balance	**1,914.39**	**1,914.39**

(iv) Share options outstanding account

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	32.08	32.37
Add: On account of Share-based payments to employees	19.07	17.35
Less: On account of exercise of employee stock options	(38.57)	(17.64)
Closing balance	**12.58**	**32.08**

(v) Retained earnings

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	12,319.24	8,382.52
Add: Profit for the year	6,365.33	4,795.62
Less: Dividends paid	(1,132.92)	(837.16)
Less: Consolidation adjustments	(37.02)	-
Less: Remeasurement of defined benefit plan (net of tax) (OCI)	(15.98)	(21.74)
Closing balance	**17,498.65**	**12,319.24**

(vi) Exchange differences in translating the financial statements of foreign operations

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	(25.24)	(14.49)
Exchange differences in translating the financial statements of foreign operations	25.24	(10.75)
Closing balance	**-**	**(25.24)**

(vii) Equity Instruments through Other Comprehensive Income (OCI)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance	548.54	417.28
Less: Net changes in fair value of financial instruments	823.59	131.26
Closing balance	**1,372.13**	**548.54**

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Capital reserve

Capital reserve arose on account of amalgamation, transfer of forfeited shares, state subsidy and others. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) General reserve

General reserve is used for strengthening the financial position and meeting future contingencies and losses.

(iv) Share options outstanding account

The reserve represents the excess of the fair value of the options on the grant date over the exercise price which is accumulated by the Group in respect of all options that have been granted. The Group transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium account on the date of exercise of such options.

(v) Retained earnings

This Reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(vi) Exchange differences in translating the financial statements of foreign operations

This reserve represents the cumulative gains/loss (net) arising on fair valuation of Equity Instruments, net of amounts reclassified, if any, to retained earnings when those instruments are disposed off.

(vii) Equity Instruments through Other Comprehensive Income (OCI)

This Reserve represents the cumulative gains (net) arising on fair valuation of Equity Instruments, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed off.

13. Borrowings (non- current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured loans		
Term loans		
from banks	2,512.29	1,556.40
from others	25.00	84.41
Unsecured loans		
Deferred payment liabilities- Sales tax deferment loan	-	20.70
Total	**2,537.29**	**1,661.51**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

a) Secured loans

The following assets of the Group are given as security:

- # Citicorp Finance (India) Limited has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.94, KIADB-Adakanhallu Industrial Area, Chikkaiahnachatra Hobli, Nanjangud Taluk, Mysore district, Karnataka belonging to the Group.
- # Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.2A, in Survey no. 251P, 255P, 256P, 261P, IC-PUDI village, Rambilli Mandal, Visakhapatnam district, belonging to the Group.
- # Citi Bank N.A has first exclusive charge on Plant & equipment and other properties at Pudi (Visakhapatnam) Unit.
- # Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Daman plant located at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Satara plant located at Survey no.82/2A, Gat no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank N.A has first exclusive charge on Plant & equipment and other properties of Hyderabad unit located at Annaram Village, near air force academy, Medek District, Telangana State.
- # Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.82/2A, Gat no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank N.A has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Personal guarantees of J. Lakshmana Rao, A. Subramanyam and P. Venkateswara Rao directors of the Group.
- # In case of vehicle loans obtained from banks and financial institutions, vehicles are offered as security.

Repayment schedule (Other than Vehicle loans):

Bank/Financial institution	Rate of interest p.a	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Citi Bank N.A	7.41%	597.22	722.22	500.00	500.00	125.00
Citi Bank N.A	8.85%	443.38	443.38	221.69	-	-
Total		**1,040.60**	**1,165.60**	**721.69**	**500.00**	**125.00**

Repayment schedule (Vehicle loans)

Bank	Rate of interest p.a	FY 2022-23	FY 2023-24
ICICI Bank Ltd	9.71%	0.48	-
ICICI Bank Ltd	9.00%	3.04	-
Daimler Financial Services India Pvt Ltd	8.41%	36.11	-
Toyota Financial services	7.30%	23.30	25.00
Total		**62.93**	**25.00**

b) Unsecured loans

The Govt. of Andhra Pradesh has extended incentive by way of sales tax deferral scheme pursuant to which the sales tax payment attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years. The Group has availed the scheme for a production facility at Annaram for ₹751.37 lakhs and another production facility at Dommarapochampally for ₹421.91 lakhs. The Group has been repaying installments of the deferred sales tax in accordance with the terms of the scheme. The total sales tax deferral amount as at 31 March, 2022 stands at ₹28.32 lakhs (31st March 2021 ₹68.31 lakhs).

The above sales tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an expenses. Accordingly, an amount of ₹1.69 lakhs (March 31, 2021: ₹1.51 lakhs) has been recognized as an expense.

Repayment schedule:

Particulars	2022-23
Sales tax deferment loan	
Value added tax	21.81
Central sales tax	6.51
Total	**28.32**

14. Lease liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease liabilities	9.49	-
Total	**9.49**	**-**

The undiscounted maturities of lease liabilities over the remaining lease term is as follows:

Term	As at 31 March, 2022	As at 31 March, 2021
Not later than three years	9.49	-

15. Provisions (non-current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
For employee benefits		
Leave encashment	113.19	85.91
Gratuity	264.41	262.72
Total	**377.60**	**348.63**

16. Deferred tax liabilities (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred tax assets		
Expenses allowable on payment basis	80.58	101.52
Deferred tax liabilities		
Depreciation and amortisation	1,553.75	1,306.38
Deferred tax liabilities (net)	**1,473.17**	**1,204.86**

Movement in deferred tax liabilities (net)

Particulars	WDV of depreciable PPE/ Investment properties/ intangible assets	Expenses allowable on payment basis	Total
As at 1 April, 2021	1,306.38	(101.52)	1,204.86
(Charged)/Credited			
to statement of profit and loss	247.37	6.21	253.58
to Other comprehensive income	-	14.73	14.73
As at 31 March, 2022	**1,553.75**	**(80.58)**	**1,473.17**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

17. Other non-current liablities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Deferred income - Sales tax deferment loan	-	2.59
Deferred income - Government grant on Property, plant and equipment	23.01	-
Total	**23.01**	**2.59**

18.1. Borrowings (Current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Secured loans		
Loans repayable on demand		
Working capital loans from banks	732.39	8,225.18
Current maturities of long-term borrowings (refer note 13)	1,131.84	927.63
Total	**1,864.23**	**9,152.81**

a) The Group has availed its fund based working capital requirements from multiple banks viz., ICICI Bank Ltd, Citi Bank N.A, and HSBC Ltd. Cash credit limits utilised as at the year end along with total working capital limits sanctioned by the participating banks are in the table given below:

Bank	Nature of Borrowing	Limits as at 31st March		Balances as on 31st March	
		2022	2021	2022	2021
ICICI Bank Ltd	CC*	1,500.00	1,500.00	-	1,395.36
HSBC Ltd	CC	4,000.00	4,000.00	730.89	3,887.38
HSBC Ltd	Credit card	10.00	10.00	-	7.48
CITI Bank N.A	CC	3,500.00	3,000.00	-	2,928.55
Debit balance in current accounts				1.50	6.41
Total		**9,010.00**	**8,510.00**	**732.39**	**8,225.18**

*CC-Cash Credit

Working capital facilities from the banks are secured by hypothecation by way of first charge on the following assets of the Group:

i) First Pari passu charge to the above banks by way of hypothecation of the borrower's entire current assets which inter-alia include stocks of raw material, work in process, finished goods, consumables, stores & spares and such other movables including book debts, outstanding monies, receivables both present and future of such form satisfactory to the bank.

ii) First Pari passu charge to the above banks by way of hypothecation of the borrower's movable properties of the Group (Except those specifically charged to term loan lenders).

iii) First Pari passu charge to the above banks by way of equitable mortgage on the following Immovable properties of the Group:-

I. First Charge by way of equitable mortgage of land measuring 6.5125 acres and building in Sy.No 54,55/A,70, 71&72 of Annaram Village, Near Air Force Academy, Gummadidala Mandal, Sanga Reddy District, Telangana belonging to the Group.

II. First Charge by way of equitable mortgage of land measuring 6413 Sq. Yards and building in Sy.No. 164 part, Dammarapochampally Village, Gandimaisamma Dundigal Manda, Medchal District, Telangana belonging to the Group.

III. First charge by way of equitable mortgage of land measuring 1066.63 Sq. Yards and building in Plot No. D-177 phase III, IDA, Jeedimetla, Quthubullapur Mandal, Medchal District. Telangana belonging to the Group.

IV. First charge by way of equitable mortgage of ground floor, Cellar area of building bearing Municipal No. 8-2-293/82/A/700&700/1 on Plot No. 700 forming part of S.Y. No. 120(New) of Shaikpet Village and S.Y. No 102/1 of Hakim pet Village admeasuring 3653 SFT of the office space presently occupied by the vendee 50% or 930 SFT of reception area of 1860 SFT all in relevance to the ground Floor 400 Sq.Yards out of 1955 Sq.Yards situated within the approved layout of the Jubilee Hills Co-operative House Building Ltd at Road No. 36 Jubilee hills, belonging to the Group.

V. First charge by way of equitable mortgage of land and building in Shed No. D-17 & D-18, phase III, IDA, Jeedimetla, Quthubullapur Mandal, Medchal District. Telangana belonging to the Group.

VI. Personal guarantees of J. Lakshmana Rao, A. Subramanyam, and P. Venkateswara Rao, directors of the Group.

18.2. Trade payables

Particulars	As at 31 March, 2022	As at 31 March, 2021
Dues to micro enterprises and small enterprises (refer note below)	32.27	37.70
Dues to creditors other than micro enterprises and small enterprises	2,773.90	3,185.63
Total	**2,806.17**	**3,223.33**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2022	As at 31 March, 2021
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount due to micro enterprises and small enterprises	32.27	37.70
Interest due on above	-	-
ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
iii) 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 interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Trade payables aging schedule
As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME	32.27	-	-	-	**32.27**
ii) Others	2,717.01	43.29	3.05	10.55	**2,773.90**
iii) Disputed Dues-MSME	-	-	-	-	**-**
IV) Disputed Dues-Others	-	-	-	-	**-**

As at 31 March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	37.70	-	-	-	**37.70**
ii) Others	3,120.05	27.76	30.29	7.53	**3,185.63**
iii) Disputed Dues-MSME		-	-	-	**-**
IV) Disputed Dues-Others	-	-	-	-	**-**

18.3. Other financial liabilities (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Interest accrued but not due	30.32	44.66
Unpaid dividend	87.52	75.26
Employee benefits payable	423.05	389.57
Outstanding Expenses payable	322.93	392.86
Expenses payable to related parties (refer note 35)	42.12	48.20
CSR expenses payable	150.38	153.57
Capital creditors	779.90	779.25
Security deposits	42.88	34.78
Total	**1,879.10**	**1,918.15**

18.4. Other financial liabilities (current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Lease liabilities	29.52	-
Total	**29.52**	**-**

19. Other current liabilities

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advances from customers	187.12	186.23
Deferred revenue grant - Sales tax deferment loan	2.59	5.94
Statutory dues payable	346.40	170.80
Total	**536.11**	**362.97**

20. Provisions (Current)

Particulars	As at 31 March, 2022	As at 31 March, 2021
For employee benefits		
Leave encashment	67.66	41.04
Gratuity	47.18	50.09
Total	**114.84**	**91.13**

21. Current tax liabilities (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021
Provision for income tax	2,042.23	1,583.95
Less: Advance tax and TDS of current year	(1,987.31)	(1,496.91)
Total	**54.92**	**87.04**

22. Net debt reconciliation

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening balance of borrowings	10,822.85	11,787.00
Add:- Proceeds from non-current borrowings	2,000.00	70.00
Less:- Repayment of non-current borrowings	927.63	1,114.84
Proceeds/(repayment) from current borrowings	(7,492.80)	79.18
Fair value adjustment	1.69	1.51
Closing balance of borrowings	**4,404.11**	**10,822.85**

23. Employee benefits

(i) Leave obligations

The leave obligation covers the Group's liability for earned leave which is unfunded.

(ii) Defined contribution plans

The Group has defined contribution plan namely Provident fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

Particulars	31 March, 2022	31 March, 2021
Group's Contribution to Provident Fund	111.37	120.72

(iii) Post- employment obligations

a) Gratuity

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Change in defined benefit obligations		
Obligation at the beginning of the year	597.64	483.91
Current service cost	55.45	48.98
Interest cost	40.91	33.12
Remeasurement (gains)/losses	10.16	42.49
Past service cost	-	-
Benefits paid	(11.52)	(10.86)
Obligation at the end of the year	**692.64**	**597.64**
Change in plan assets		
Fair value of plan assets at the beginning of the year	284.83	241.00
Investment income	19.50	16.49
Employer's contributions	99.43	24.76
Benefits paid	(11.52)	(10.86)
Return on plan assets , excluding amount recognised in net interest expense	(11.18)	13.44
Fair value of plan assets at the end of the year	**381.06**	**284.83**
Expenses recognised in the statement of profit and loss consists of		
Employee benefits expense		
Current service costs	55.45	48.98
Past service cost	-	-
Net interest expenses	21.41	16.63
	76.86	**65.61**
Other comprehensive income		
Acturial (gains)/losses	10.16	42.49
Return on plan assets, excluding amount recognised in net interest expense	11.18	(13.44)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	21.34	**29.05**
Expenses recognised in the statement of profit and loss	**98.20**	**94.66**

Amounts recognised in the balance sheet consists of:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Fair value of plan assets at the end of the year	381.06	284.83
Present value of obligation at the end of the year	692.64	597.64
Recognised as		
Retirement benefit liability - Non-current	264.40	262.72
- current	47.18	50.09

Fair value of plan assets - 100% with LIC of India

Expected contributions to post- employment benefit plans of gratuity for the year ending 31 March, 2023 are ₹47.18 lakhs.

iv) Significant estimates and sensitivity analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

Particulars	Key assumptions		Defined benefit obligation					
			Increase in assumption by			Decrease in assumption by		
	31 March, 2022	31 March, 2021	Rate	31 March, 2022	31 March, 2021	Rate	31 March, 2022	31 March 2021
Discount rate	7.30%	6.85%	1%	606.15	525.20	1%	797.48	685.61
Salary growth rate	8.50%	7.50%	1%	781.77	675.51	1%	614.59	528.69
Attrition rate	1%/2%/3%	1%/2%/3%	0.5%/1%/ 1.5%	686.06	593.81	0.5%/1%/ 1.5%	699.99	601.90

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

v) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Interest rate risk

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

24. Revenue from operations

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Revenue from contracts with customers		
Sale of products	62,984.87	47,772.14
Other operating revenues		
Export incentives	2.10	12.38
Sales tax incentives	122.77	75.27
Sale of scrap	37.23	32.75
Total	**63,146.97**	**47,892.54**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

25. Other income

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Rental income from Investment property	3.22	4.51
Dividend income	52.93	12.70
Amortisation of deferred government grant	6.79	8.63
Interest income	13.40	15.35
Creditors written back (net)	47.19	-
Provision no longer required	-	24.76
Profit on sale of investments	11.16	-
Foreign exchange fluctuation gain (net)	21.89	22.55
Total	**156.58**	**88.50**

26. Cost of materials consumed

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Raw materials	33,258.37	23,499.50
Pigments	1,123.79	789.56
Handles	1,138.05	929.19
Printing materials	2,517.70	2,294.14
Other consumables	443.66	264.39
Total	**38,481.57**	**27,776.78**

27. Changes in inventories of finished goods and work-in-progress

Particulars		Year ended 31 March, 2022	Year ended 31 March, 2021
Opening inventories			
Finished goods		1,317.40	717.58
Work-in-progress		818.72	881.84
	A	**2,136.12**	**1,599.42**
Closing inventories			
Finished goods		1,675.46	1,317.40
Work-in-progress		1,283.37	818.72
	B	**2,958.83**	**2,136.12**
Total		**(822.71)**	**(536.70)**

28. Employee benefits expense

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Salaries, wages and bonus	3,348.73	2,853.78
Contribution to provident and other funds	120.72	113.72
Gratuity	76.86	74.79
Leave encashment	80.57	59.90
Staff welfare expenses	224.28	169.80
Share-based payments to employees	16.99	17.35
Total	**3,868.15**	**3,289.34**

29. Finance costs

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Interest on borrowings	911.71	971.54
Interest on shortfall in payment of advance tax	10.16	19.77
Other borrowing costs	10.46	3.12
Total	**932.33**	**994.43**

30. Depreciation and amortization expenses

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Depreciation on Property, plant and equipment	2,647.04	2,167.55
Depreciation on Investment property	0.13	0.13
Amortisation of Intangible assets	21.32	17.86
Amortisation of Right-of-use assets	23.84	3.53
Less: Capitalized	(50.04)	(38.59)
Total	**2,642.29**	**2,150.48**

31. Other expenses

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Power and fuel	1,988.37	1,673.05
Packing materials	881.79	654.30
Repairs and maintenance		
Buildings	63.39	53.30
Plant and equipment	428.42	283.19
Moulds	276.71	133.56
Others	229.79	155.72
Insurance	98.69	92.13
Rates & taxes	101.90	82.13
Rent	144.24	126.31
Contract labour and job work charges	2,676.86	2,089.30
Travelling and conveyance	157.55	84.69
Communication expenses	64.42	45.06
Printing and stationery	31.43	25.71
Professional and consultancy charges	149.29	94.48
Freight outwards	1,982.40	1,765.20
Advertisement expenses	2.69	2.35
Tax paid on assessment - Commercial taxes	-	103.43
Sales Promotion expenses	57.88	42.02
Payments to auditors (refer note 31(a) below)	16.93	11.48
Directors' sitting fee	6.20	7.00
Provision for bad and doubtful debts	9.71	16.00
Corporate social responsibility expenditure (refer note 31(b) below)	112.36	220.62
Net Loss on disposal of property, plant and equipment	7.35	21.51
Provision for capital advances	-	58.00
Intangible assets under development written off	-	21.24
Bank charges	7.80	10.29
Other administrative expenses	54.94	41.50
Total	**9,551.11**	**7,913.57**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

31. (a) Payment to auditors

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Statutory auditors		
- Statutory audit fee	8.50	8.50
- For other services (including fees for quarterly reviews)	2.50	2.50
- Certification charges	5.93	0.48
Total	**16.93**	**11.48**

31. (b) Corporate social responsibility expenditure

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Amount required to be spent as per Section 135 of the Act	112.36	101.32
Amount of expenditure incurred	41.92	67.05
Shortfall at the end of the year	70.44	34.27
Total of previous years shortfall	-	119.30
Reason for shortfall	The Company has undertaken certain ongoing projects. The unspent amount has been transferred to a separate bank account as per provisions of section 135 of the Companies Act, 2013. Expenses will be incurred based on the progress of the activities.	
Nature of CSR activities	Promoting Education, Health, wellness and water, Disaster relief	

32. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit before income tax expense	8,650.81	6,393.14
Tax at the Indian tax rate of 25.168%	2,177.28	1,639.13
Effect of non-deductible expense	28.28	55.53
Effect of allowances for tax purpose	(173.49)	(130.48)
Effect of deferred tax	253.59	50.80
Tax expense	**2,285.66**	**1,614.98**

33. Contingent liabilities

The Group has following contingent liabilities as at

Particulars	31 March 2022	31 March 2021
Income tax	95.55	95.55
VAT/CST	1.53	1.53
Total	**97.08**	**97.08**

Out of the above, ₹95.74 lakhs (2021- ₹85.27 lakhs) paid/adjusted against refunds under protest.

34. Commitments

1. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March 2022	31 March 2021
Property, plant and equipment	816.00	1,602.00

2. Other commitments

Particulars	31 March, 2022	31 March, 2021
Towards corporate social responsibility	73.71	147.16

35. Related party transactions

Names of related parties and nature of relationships:

Names of the related parties	Nature of relationship
i) Key Management Personnel (KMP):	
J. Lakshmana Rao	Chairman & Managing Director
A. Subramanyam	Deputy Managing Director
P. Venkateswara Rao	Deputy Managing Director
M. Srinivas	Whole-time Director
A. Seshu Kumari	Chief Financial Officer
Thakur Vishal Singh	Group Secretary
ii) Non-Whole-time Directors	
J. Mytraeyi	Director
Kotagiri Venkata Appa Rao	Director
T.Venkateswara Rao	Director
Immaneni Eswara Rao	Director
Dhanraj Tirumala	Director
Madhuri Venkata Ramani Viswanadham	Director
B. Ramakrishna	Director
iii) Relatives of key managerial personnel:	
J. Navya Mythri	Assistant Finance Controller, Daughter of Chairman & Managing Director
J. Rana Pratap	Senior Vice President - Corporate, Son of Chairman & Managing Director
S. Kavya	Chief Manager - Marketing, Daughter-in-law of Chairman & Managing Director
A. Durga Sundeep	Senior Vice President - Operations & Finance, Son of A. Subramanyam
J. Sathya Sravya	Management Trainee - Marketing, Daughter of Chairman & Managing Director
J.Sudha Rani	Spouse of Chairman & Managing Director
P.S.N.Vamsi Prasad	Son-in-law of Chairman & Managing Director
J.Bhujanga Rao	Brother of Chairman & Managing Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Names of the related parties	Nature of relationship
N. Padmavathi	Sister of Chairman & Managing Director
A.Lakshmi Mythri	Daughter of A. Subramanyam
Jandhyala V.S.N. Krishna	Son-in-law of A. Subramanyam
Y.Manasa	Daughter-in-law of A. Subramanyam
P.Sai Lakshmi	Spouse of P. Venkateswara Rao
P.Appa Rao	Brother of P. Venkateswara Rao
M.Hyma	Spouse of M. Srinivas
M.Koteshwara Rao	Brother of M. Srinivas
K.Srinivasa Vengala Rao	Son of Kotagiri Venkata Appa Rao
T.Vimala	Spouse of T.Venkateswara Rao
iv) Enterprises in which key managerial personnel and/or their relatives have control:	
Mold-Tek Technologies Limited	
Friends Packaging Industries	
Capricorn Industries	
Dynamic Metal Industries Pvt Ltd	
Sri Kanaka Durga Mini Transport	
J.S. Sundaram & Co	

Details of transactions during the period where related party relationship existed:

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/NonWhole-time Directors		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Purchases						
Friends Packaging Industries	467.92	313.12	-	-	-	-
Capricon Industries	460.81	335.51	-	-	-	-
Dynamic Metal Industries Pvt Ltd	250.74	208.48	-	-	-	-
Services received						
J.S. Sundaram & Co	56.89	48.74	-	-	-	-
Sri Kanaka Durga Mini Transport	102.12	70.41	-	-	-	-
Remuneration						
J. Lakshmana Rao	-	-	-	-	204.75	168.44
A. Subramanyam	-	-	-	-	240.81	199.32
P. Venkateswara Rao	-	-	-	-	170.79	137.29
M. Srinivas	-	-	-	-	89.32	76.19
A. Seshu Kumari	-	-	-	-	51.20	42.85
Thakur Vishal Singh	-	-	-	-	9.42	7.45
Dividend paid						

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/NonWhole-time Directors		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Mold-Tek Technologies Limited	4.60	0.80				
J. Lakshmana Rao	-	-	-	-	103.03	77.27
A. Subramanyam	-	-	-	-	65.53	61.15
P. Venkateswara Rao	-	-	-	-	5.38	7.11
A. Seshu Kumari	-	-	-	-	19.91	14.93
M. Srinivas	-	-	-	-	17.53	14.09
J. Navya Mythri	-	-	5.52	4.19	-	-
J. Rana Pratap	-	-	6.04	4.59	-	-
S. Kavya	-	-	3.96	2.97	-	-
J.Mytraeyi	-	-	3.47	2.60	-	-
A. Durga Sundeep	-	-	7.25	6.01	-	-
J. Sathya Sravya	-	-	6.62	5.02	-	-
J.Sudha Rani	-	-	61.53	46.15	-	-
P.S.N.Vamsi Prasad	-	-	0.80	0.60	-	-
J.Bhujanga Rao	-	-	7.39	5.55	-	-
N. Padmavathi	-	-	13.76	10.32	-	-
A.Lakshmi Mythri	-	-	3.70	7.27	-	-
Jandhyala V.S.N. Krishna	-	-	0.92	1.38	-	-
Y.Manasa	-	-	2.79	2.83	-	-
P.Sai Lakshmi	-	-	6.38	4.85	-	-
P.Appa Rao	-	-	0.02	0.01	-	-
M.Hyma	-	-	1.11	0.83	-	-
K.Srinivasa Vengala Rao	-	-	0.74	0.57	-	-
T.Vimala	-	-	0.88	0.66	-	-
Kotagiri Venkata Appa Rao	-	-	-	0.01	-	-
T.Venkateswara Rao	-	-	0.80	0.60	-	-
Immaneni Eswara Rao	-	-	0.10	0.23	-	-
Salaries						
J. Navya Mythri	-	-	21.95	19.81	-	-
J. Rana Pratap	-	-	88.03	48.49	-	-
S. Kavya	-	-	31.14	26.97	-	-
A. Durga Sundeep	-	-	78.39	41.03	-	-
J. Sathya Sravya	-	-	14.57	2.61	-	-
Sitting Fee						
J. Mytraeyi	-	-	0.80	0.40	-	-
Kotagiri Venkata Appa Rao	-	-	1.00	0.60	-	-
T.Venkateswara Rao	-	-	1.20	1.40	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/NonWhole-time Directors		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Immaneni Eswara Rao	-	-	1.20	1.40	-	-
Dhanraj Tirumala	-	-	0.80	1.20	-	-
Madhuri Venkata Ramani Viswanadham	-	-	1.20	1.40	-	-
B. Ramakrishna	-	-	-	0.60	-	-
Rent paid						
A. Subramanyam	-	-	-	-	26.91	26.03
P. Venkateswara Rao	-	-	-	-	26.91	26.03
M. Srinivas	-	-	-	-	10.57	9.40
Rent Received						
Friends Packaging Industries	3.22	4.51	-	-	-	-
Dividend Received						
Mold-Tek Technologies Limited	52.93	12.70				
Personal Guarantee given to Bank						
J. Lakshmana Rao	-	-	-	-	5,609.00	5,609.00
A. Subramanyam	-	-	-	-	4,746.00	4,746.00
P. Venkateswara Rao	-	-	-	-	655.70	655.70
Payment of Call Money on Equity Shares & warrants						
Mold-Tek Technologies Limited	138.97	38.66	-	-	-	-
J. Lakshmana Rao	-	-	-	-	385.50	260.36
A. Subramanyam	-	-	-	-	352.28	210.52
P. Venkateswara Rao	-	-	-	-	74.28	25.68
A. Seshu Kumari	-	-	-	-	144.45	48.15
M. Srinivas	-	-	-	-	6.31	29.99
J. Navya Mythri	-	-	110.73	18.51	-	-
J. Rana Pratap	-	-	38.48	11.24	-	-
S. Kavya	-	-	5.57	14.45	-	-
A. Durga Sundeep	-	-	52.97	17.66	-	-
J. Sathya Sravya	-	-	4.55	10.83	-	-
J.Sudha Rani	-	-	137.41	162.14	-	-
P.S.N.Vamsi Prasad	-	-	3.85	1.28	-	-
J.Bhujanga Rao	-	-	5.45	12.84	-	-
N. Padmavathi	-	-	95.75	31.92	-	-
A.Lakshmi Mythri	-	-	91.49	17.66	-	-
Jandhyala V.S.N. Krishna	-	-	1.35	3.21	-	-
Y.Manasa	-	-	24.08	8.03	-	-
P.Sai Lakshmi	-	-	31.01	10.34	-	-

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel/NonWhole-time Directors		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
P.Appa Rao	-	-	0.05	0.13	-	-
M.Hyma	-	-	0.75	1.78	-	-
K.Srinivasa Vengala Rao	-	-	2.03	4.82	-	-
T.Vimala	-	-	5.01	1.67	-	-
T.Venkateswara Rao	-	-	3.31	1.28	-	-
Immaneni Eswara Rao	-	-	0.06	0.15	-	-
Outstanding Payable/(Receivable) as at 31 March, 2022						
Trade payables						
Friends Packaging Industries	75.53	62.42	-	-	-	-
Capricon Industries	31.51	29.67	-	-	-	-
Dynamic Metal Industries Pvt Ltd	11.10	6.59	-	-	-	-
J.S. Sundaram & Co	3.05	5.58	-	-	-	-
Sri Kanaka Durga Mini Transport	12.12	7.45	-	-	-	-
Other financial liabilities (current)						
Mold-Tek Technologies Limited	26.96	48.20	-	-	-	-

36. Earnings per share (EPS)

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Profit after tax	6,365.33	4,795.62
Weighted average number of equity shares in calculating Basic EPS	287.77	285.12
Weighted average number of equity shares in calculating Diluted EPS	301.08	297.08
Face value per share (₹)	5.00	5.00
Basic Earnings per Share (BEPS) (₹)	22.12	16.82
Diluted Earnings per Share (DEPS) (₹)	21.14	16.14

37. Segment Information

a) The Group's Executive Chairman, Managing Director and Chief Financial officer examine the Group's performance from a product prospective and have identified one operating segment viz Packaging Containers. Hence segment reporting is not given.

b) Information about products:

Revenue from external customers - Sale of Packaging Containers ₹62,984.87 lakhs (P.Y ₹47,772.14 lakhs)

The Group has made external sales to the following customers meeting the criteria of 10% or more of the entity revenue Customer 1 - ₹26,778.22 Lakhs

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

38. Share based payments (Ind AS 102)

The Group has granted 7,04,000 options to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme:

Particulars	MTPL Employees Stock Option Scheme	MTPL Employees Stock Option Scheme-2016			
Number of options	404,000	95,100	54,900	95,900	54,100
Vesting plan - Category A	Year I - 50%; Year II - 25%; Year III - 25%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%
Vesting plan - Category B	Year I - 25%; Year II - 35%; Year III - 40%	-	-	-	-
Vesting plan - Category C	Year I - 30%; Year II - 30%; Year III - 40%	-	-	-	-
Vesting period	5 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant
Grant date	9 February, 2010	20 July, 2018	20 July, 2018	23 December, 2020	23 December, 2020
Exercise price (₹per share)	13.00	208.00	234.00	246.00	260.00
Fair value on the date of Grant of option (₹per share)	31.48	259.85	259.85	273.05	273.05
Method of settlement	Equity	Equity	Equity	Equity	Equity

(B) Movement of Options Granted along with Weighted Average Exercise Price (WAEP):

Particulars	As at 31 March, 2022		As at 31 March, 2021	
	Number	WAEP (₹in lakhs)	Number	WAEP (₹in lakhs)
Outstanding at the beginning of the year	2,22,000	533.67	1,12,500	244.70
Granted during the year	-	-	1,50,000	376.57
Exercised during the year	1,04,708	240.53	40,500	87.60
Forfeited during the year	4,860	10.89	-	-
Outstanding at the end of the year	1,12,432	282.25	2,22,000	533.67
Options exercisable at the end of the year	-	-	-	-

The weighted average share price at the date of exercise for options was ₹643.29 per share (31 March, 2021 ₹289.22 per share). For options outstanding at the end of the year, remaining contractual life is 1 year 9 months (31 March, 2021: 4 months and 2 years 9 months).

(C) Details of the liabilities arising from the Share based payments are as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Total carrying amount	12.58	32.08

39. Additional information, as required under schedule III to the Companies act, 2013, of enterprise consolidated as subsidiary:

Name of the Enterprise	Net assets i.e. Total assets minus Total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated Net assets	₹lakhs	As % of consolidated Profit or Loss	₹lakhs	As % of consolidated Other Comprehensive Income	₹lakhs	As % of consolidated Total Comprehensive Income	₹lakhs
Parent								
Mold-Tek Packaging Limited	100.00	45,710.60	100.00	6,365.33	100.00	807.65	100.00	7,172.98
Subsidiary - Foreign								
Mold-Tek Packaging FZE	-	-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

40. Financial instruments and risk management

Fair values

a) The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

b) The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

Set out below, is a comparision by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

Particulars	Level	31 March, 2022		31 March, 2021	
		Carrying amount	Fair value*	Carrying amount	Fair value*
Non-current					
Financial Assets Measured at fair value through other comprehensive income					
Investments	1	1,708.55	1,708.55	864.86	864.86
Financial assets measured at amortised cost					
Other financial assets	3	396.13	396.13	348.36	348.36
Current					
Trade receivables	3	14,301.18	14,301.18	9,013.05	9,013.05
Cash and Cash Equivalents	3	411.98	411.98	43.03	43.03
Other bank balances	3	1,219.39	1,219.39	85.71	85.71
Loans	3	61.44	61.44	32.11	32.11
Other financial assets	3	315.35	315.35	234.48	234.48
Total		**18,414.02**	**18,414.02**	**10,621.60**	**10,621.60**
Financial liabilities					
Measured at amortised cost					
Non-current					
Borrowings	3				
- Banks		2,537.29	2,537.29	1,640.81	1,640.81
- Sales tax deferment loan		30.91	28.32	68.31	59.78
Current					
Borrowings	3	1,864.23	1,864.23	9,152.81	9,152.81
Trade Payables	3	2,806.17	2,806.17	3,223.33	3,223.33
Other Financial Liabilities	3	1,879.10	1,879.10	1,918.15	1,918.15
Total		**9,117.70**	**9,115.11**	**16,003.41**	**15,994.88**

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Management uses its best judgement 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 the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Group has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

41. Financial risk management

The Group is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at 31 March, 2022 and 31 March, 2021. The analysis exclude the impact of movements in market variables on the carrying values of financial assets and liabilties. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2022 and 31 March, 2021

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/other payables, trade/other receivables and derivative assets/liabilities. The risks primarily relate to fluctuations in US Dollar, AED against the functional currencies of the Group. The Group's exposure to foreign currency changes for all other currencies is not material. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and AED exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

Particulars	Foreign Currency Exposure			
	As at 31 March, 2022		As at 31 March, 2021	
	AED	USD	AED	USD
Loans and advances	-	-	21,087	-
Trade receivables	136,309	37,136	421,345	80,291
Trade payables	-	275,221	-	-
Capital creditors	-	554,875	-	273,069
Net exposure to foreign currency risk	**136,309**	**(792,960)**	**442,432**	**(192,778)**

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Change in AED				
1% increase	0.28	0.88	0.28	0.88
1% decrease	(0.28)	(0.88)	(0.28)	(0.88)
Change in USD				
1% increase	(6.02)	(1.41)	(6.02)	(1.41)
1% decrease	6.02	1.41	6.02	1.41

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and AED, where the functional currency of the entity is a currency other than US dollars and AED.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. As the Group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Group has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2022	31 March, 2021	31 March, 2022	31 March, 2021
Change in interest rate				
increase by 100 basis points	(87.89)	(92.16)	(87.89)	(92.16)
decrease by 100 basis points	87.89	92.16	87.89	92.16

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment

(B) Credit Risk

Financial assets of the Group include trade receivables, loans to wholly owned subsidiary, employee advances, security deposits held with government authorities and bank deposits which represents Group's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Group has a procedure in place aiming to minimise collection losses. Credit control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. With respect to other financial assets viz., loans & advances, deposits with government and banks, the credit risk is insignificant since the loans & advances are given to its wholly owned subsidiary and employees only and deposits are held with government bodies and reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

Credit risk on trade receivables and other financial assets is evaluated as follows:

i) Expected credit loss for trade receivable under simplified approach:

Particulars	31 March, 2022	31 March, 2021
Gross carrying amount	14,341.20	9,060.15
Expected credit losses (Loss allowance provision)	(40.02)	(47.10)
Carrying amount of trade receivables	**14,301.18**	**9,013.05**

ii) Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit are loan to Wholly owned subsidiary company and employee advances.

Particulars	31 March, 2022	31 March, 2021
Asset group	**Estimated gross carrying amount at default**	**Estimated gross carrying amount at default**
Gross carrying amount		
Loans	540.03	540.03
Employee advances	61.44	32.11
	601.47	**572.14**
Expected credit losses	(540.03)	(540.03)
Net carrying amount		
Employee advances	61.44	32.11
Total	**61.44**	**32.11**

(iii) Reconciliation of loss allowance provision on Trade receivables

Particulars	2021-22	2020-21
Loss allowance at the beginning of the year	47.10	94.61
Changes in loss allowance during the year	(7.08)	(47.51)
Loss allowance at the end of the year	**40.02**	**47.10**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

(iv) Significant estimates and judgements

Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Group's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements:

The Group had access to the following undrawn borrowing facilities at the end of the reporting period

Particulars	As at	
	31 March, 2022	31 March, 2021
Expiring within one year (bank overdraft and other facilities)	8,269.11	288.71

(ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

Particulars	31 March, 2022		31 March, 2021	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	1,864.23	2,537.29	9,152.81	1,661.51
Lease liabilities	29.52	9.49	-	-
Trade Payables	2,806.17	-	3,223.33	-
Other Financial Liabilities	1,879.10	-	1,918.15	-
Total	**6,579.02**	**2,546.78**	**14,294.29**	**1,661.51**

(iii) Management expects finance costs for the year ending 31 March, 2023 to be ₹508.04 lakhs (P.Y 988.88 lakhs).

42. Capital management

A. Capital management and Gearing Ratio

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is debt divided by total capital. The Group includes within debt, interest bearing loans and borrowings.

Particulars	31 March, 2022	31 March, 2021
Borrowings		
Current	1,864.23	9,152.81
Non current	2,537.29	1,661.51
Sales tax deferment loan	2.59	8.53
Total Debt	**4,404.11**	**10,822.85**

Particulars	31 March, 2022	31 March, 2021
Equity		
Equity share capital	1,562.80	1,395.52
Other equity	44,147.80	24,200.10
Total Equity	**45,710.60**	**25,595.62**
Gearing ratio in % (Debt/Equity)	**9.63%**	**42.28%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2022 and 31 March, 2021.

B. Dividends

Particulars	31 March, 2022	31 March, 2021
Dividends recognised		
Interim dividend for the year ended 31 March, 2021 of ₹3 per fully paid share	-	837.16
Final dividend for the year ended 31 March, 2021 of ₹4 per fully paid share	1,132.92	-
Dividends not recognised		
For the year ended the directors have recommended the payment of final dividend of ₹4 per fully paid up equity share .This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting	-	1,116.42
Interim dividend for the year ended 31 March, 2022 of ₹6 per fully paid share	1,938.60	-
For the year ended the directors have recommended the payment of final dividend of ₹2 per fully paid up equity share .This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting	662.41	-

43. Additional regulatory information

a. Ratios

Ratio	Numerator/Denominator	31 March, 2022	31 March, 2021	Variance %
(a) Current Ratio	Current Assets/Current Liabilities	3.72	1.15	223.74%
(b) Debt-Equity Ratio	Total Debt/Total equity	0.10	0.42	-77.21%
(c) Debt Service Coverage Ratio	Earnings available for debt service/Debt Service	5.36	3.79	41.47%
(d) Return on Equity Ratio (in %)	Net Income/Average Shareholder's Equity	17.85	21.15	-15.60%
(e) Inventory turnover Ratio	Sales/Average Inventory	7.56	7.91	-4.46%
(f) Trade Receivables Turnover Ratio	Total Sales/Average Trade receivables	6.37	7.60	-16.19%
(g) Trade Payables Turnover Ratio	Total Purchases/Average Trade Payables	18.13	15.50	17.02%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Ratio	Numerator/Denominator	31 March, 2022	31 March, 2021	Variance %
(h) Net Capital Turnover Ratio	Net Sales/Working Capital	3.18	21.76	-85.37%
(i) Net Profit Ratio (in %)	Net Profit/Net Sales	10.11	10.04	0.67%
(j) Return on Capital Employed (in %)	EBIT/Capital Employed	18.58	19.64	-5.39%
(k) Return on Investment (in %)	Income from investments/Time weighted average investments	16.73	4.01	316.77%

(1) Current Ratio increased due to decrease in debt and increase in assets on account of Qualified Institutional Placement (QIP) & rights issue money receipt.

(2) Debt-Equity Ratio decreased due to decrease in debt and increase in Equity on account of Qualified Institutional Placement (QIP) & rights issue.

(3) Debt Service Coverage Ratio increased due to lower finance cost and principal repayments of loans during the year.

(4) Net Capital Turnover Ratio decreased primarily due to increase in inventory & trade receivables and reduction of current liabilities

(5) Return on Investment increased due to receipt of good dividend during the year

b. The group has borrowings from banks on the basis of security of current assets. The quarterly statements of current assets filed by the group with banks are in agreement with the books of accounts.

44. Code on Social Security: The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45. Previous year figures have been recasted/restated wherever necessary.

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

As per our report of even date
For **M.Anandam & Co.,**
Chartered Accountants
(Firm Registration Number: 000125S)

Sd/-
B V Suresh Kumar
Partner
Membership No. 212187

Place : Hyderabad
Date : 9 May, 2022

For and on behalf of Board

Sd/-
J. Lakshmana Rao
Chairman & Managing Director
DIN: 00649702

Sd/-
A. Subramanyam
Deputy Managing Director
DIN: 00654046

Sd/-
A. Seshu Kumari
Chief Financial Officer

Sd/-
Thakur Vishal Singh
Company Secretary
M.No.A41956

MOLD-TEK
Packaging Limited

UNIT - I AT SANGA REDDY DISTRICT, TELANGANA

UNIT-VIII AT MYSURU

UNIT-IX AT VIZAG

MOLD-TEK
Packaging Limited

Plot No. 700, Road No. 36,
Jubilee Hills,
Hyderabad - 500 033,
Telangana, India

Phone: +91 40-40300300
Fax: +91 40-40300328
www.moldtekpackaging.com

If Undelivered, please return to