



**MOLD-TEK**  
Packaging Limited  
(Formerly known as Moldtek Plastics Ltd.)

MTPL/SECT/066/23-24

Date: 2<sup>nd</sup> September, 2023

|  |  |
|--|--|
| <b>The Secretary,<br/>Listing Department,<br/>BSE Ltd.,<br/>Phiroze Jeejeebhoy Towers,<br/>Dalal Street, Fort, Mumbai-400001.<br/>Scrip Code: 533080</b> | <b>The Manager, Listing Department,<br/>National Stock Exchange of India Limited,<br/>Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,<br/>G Block, Bandra Kurla Complex,<br/>Bandra (E), Mumbai-400051.<br/>Symbol: MOLDTKPAC - EQ</b> |
|--|--|

Sir/Madam,

**Sub: Notice of the 26<sup>th</sup> Annual General Meeting (“AGM”) and Annual Report for the financial year 2022-23 pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening the 26<sup>th</sup> AGM of the Members of Mold-Tek Packaging Limited (“the Company”) and the Annual Report for financial year 2022-23, which is being circulated to the members through electronic mode, who have registered their e-mail addresses with the Company/ Depositories. The 26<sup>th</sup> AGM is scheduled to be held on Tuesday, 26<sup>th</sup> September, 2023, at 11:00 A.M (IST) through Video Conference/ Other Audio-Visual Means (“VC/OAVM”).

The Notice and the Annual Report is also uploaded on the Company’s website at <https://www.moldteckpackaging.com/investors.html>

Thanking you,

**For MOLD-TEK PACKAGING LIMITED**

**Subhojeet Bhattacharjee**  
Company Secretary and Compliance Officer

*Encl: A/a*

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Corporate Office :

Plot # 700, Road No. 36, Jubilee Hills, Hyderabad - 500 033, Telangana, INDIA.  
Phone : +91-40-40300300, Fax : +91-40-40300328, E-mail : ir@moldtekindia.com  
Website : www.moldtekgroup.com CIN No: L21022TG1997PLC026542



*The Power of Packaging  
Unleashed!*

# ANNUAL REPORT 2023



Product & Process  
Innovations



New End-Use  
Applications



Geographical  
Expansion



Business  
Diversification



Sustainability &  
Circularity

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**Mold-Tek** Developed  
Packaging Solutions with many  
innovative concepts.

# From the desk of the Chairman

*Dear Shareholders,*

I am glad to inform you that your company in F.Y. 2022-23 has posted an excellent volume growth of around 16% which is the best in the decade, by processing 34,851 tonnes in the year 2022-23 as against 30,143 tonnes in F.Y. 2021-22. Though there is a surge in demand after Covid-19, company achieved the record high volume growth with increased investments in new products and new domains.

In spite of continuous war between Russia and Ukraine, there is a substantial growth in developing countries like India due to increase in internal demand for various products. In addition, our Country also has a great opportunity of becoming an alternative player to China in the Global manufacturing and supply chain.

The thrust given by Central Govt. for manufacturing units in India will certainly move our annual GDP growth towards 7 to 8 % in the near future.

In F.Y. 23, your company has invested ₹148 Crores (as against envisaged ₹125 crores) establishing new facilities for Food, FMCG and Pharma Packaging products.

You are aware that your company has received Letter of Offer/Award as Packaging partner for M/s. Grasim Industries (Aditya Birla Group) for their plants at Panipat, Cheyyar and Mahad. First two plants would go into commercial production by end of this F.Y. Construction of our two plants will start soon as land acquisition has been completed. These two plants are expected to contribute to volume growth of our company from F.Y. 25 onwards.

So far company has invested ₹66 Crores for our Sultanpur Plant till 31.03.2023 and has further plans to invest ₹40 Crores during the current F.Y to complete the Pharma Packaging facilities and also integrated printing facility.

Thus, in total your company has envisaged to invest an amount of around ₹280 Crores during F.Y 23 & F.Y 24 (two financial years) as against ₹321 Crores invested during previous 10 years.

Your company is strategically planning to enter into 4 segments of Pharma Packaging which will enable better penetration and wider application of our product range. The DMF filing and Certification would take some time and production will start thereafter. This segment will contribute significant numbers from F.Y 24-25 onwards. Several new products including medical devices can be added once the initial products are established.

I am confident that with such growth plans and focus on talent and technology, we will soon be on our way to show peak performance in near future.

I would like to thank all our stakeholders for their unconditional support and helping the Company to grow. I would also like to acknowledge the invaluable contribution of all our management and employees who work tirelessly towards the common goal of making Mold-Tek the number one company in the field of rigid packaging in India.



**J. Lakshmana Rao**

*Chairman and Managing Director*





## PAILS

- ⊕ Exponential growth of Gulf Oil's DEF (AdBlue) Pails (YoY): Increase of about 608 Tls in DEF (AdBlue) category compared to last year.
- ⊕ New Business Development: Added 94 Tls of New business from New customers in F.Y 22-23.
- ⊕ Contract signed with M/s. Grasim Industries Limited (Birla Paints Division) for setting up THREE (3) new Plants at Panipat, Cheyyar and Mahad during this F.Y.



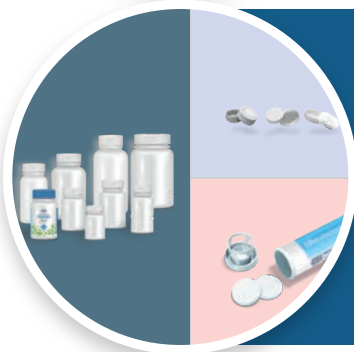
## FOOD & FMCG CONTAINERS

- ⊕ Impressive 36% overall annual growth in Food & FMCG sectors.
- ⊕ Development of IML labels with latest Digital Printing Technology for lower order quantities for the first time in India.
- ⊕ Exports to USA: Increase in no. of clients in exports segment, especially to Batter and Restaurant industries.
- ⊕ New Clients added: ITC, Akshayakalpa Farms, Red Bucket Biryani, etc.
- ⊕ Ice cream sector grew by 38% and Dairy sector showed a whopping 50% increase.



## Q PACKS

- ⊕ Overall Square pack Sales grew by 24%.
- ⊕ Dairy sector Sales of Square pack went up by 28%.
- ⊕ Fertilizers sales went up by 90%.
- ⊕ For the first time, square pack was introduced to replace tin packaging in Cashews segment in Dec. 2021, the sales for 22-23 were ₹4 Cr. and is expected to grow tremendously in 23-24.
- ⊕ Introduced 2 Ltr Square pack in Dec. 2022 which has good potential in Dairy, FMCG and Sweets industries.



## NEW BUSINESS STREAMS

- ⊕ Mold-Tek has always sought opportunities in high value-added segments with better margins; thus focussing on food and FMCG the last decade. Now, company is targeting the Pharma Sector thus setting up facility at Sultanpur to manufacture tablet containers and other advanced products for pharma industry with a capital investment of ₹40 Crores in phase-1. This facility will be production ready by November 2023.

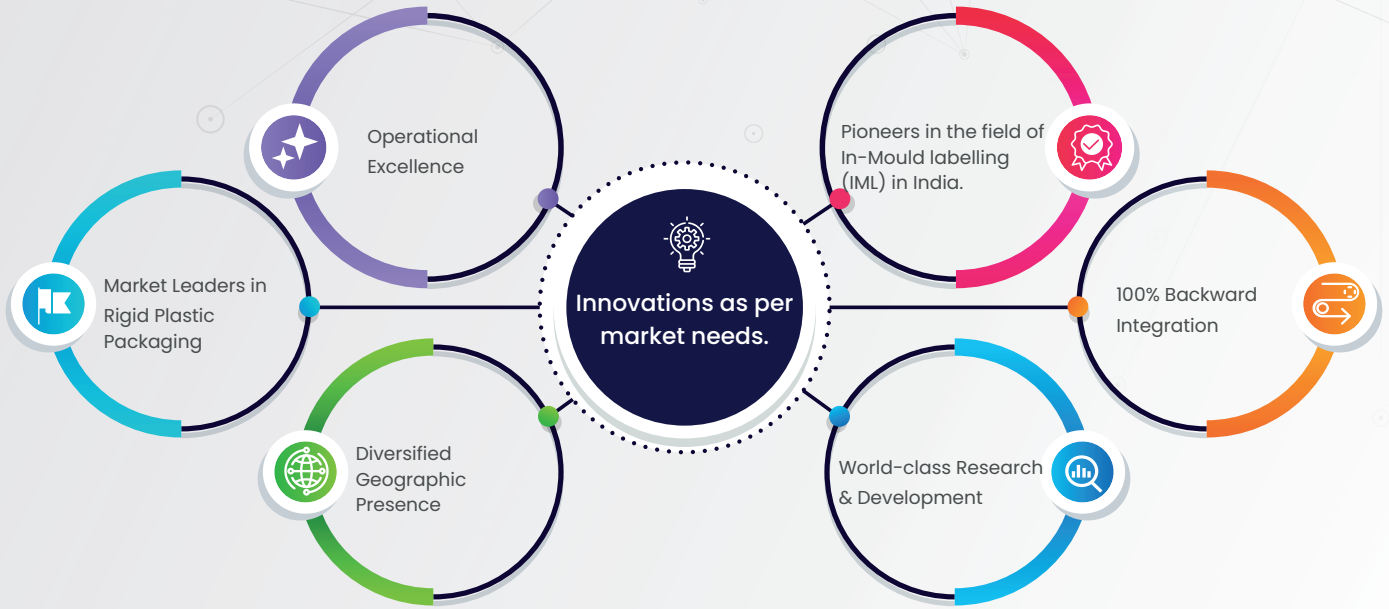


## QR CODED IML

- ⊕ Introduction of Unique QR Coded IML pails for the first time in India through Shell India for their dynamic promotions. This also helps in tracking and tracing their entire distribution from production till point of sale.



# OUR CORE COMPETENCIES



## OUR CLIENTS



Contract signed with Grasim Industries Limited (Birla Paints Division) for setting up 3 new Plants at Panipat, Cheyyar and Mahad during this F.Y.



Trials completed for new IBM Pack.



Entered Agri Business with Square Pack

# CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES



Contributed towards Construction of High School at Thandavapura village of Mysore, Karnataka.



Provided Scholarship to Rajiv Gandhi Ayurveda Medical College, Mahe.



Provided Financial Assistance to Below Poverty Line Children in Telangana through PSS Welfare and Charitable Trust.



Construction of Mahila Bhavan.



Provided Sponsorship for sports.



Contributed towards construction of RO Water Plant at Achyutapuram in Anakapalli district, of Andhra Pradesh.



Contributed for Renovation of Primary School Building in Khandala, Maharashtra.



Contributed to Vedic School in Telangana



Contributed towards Livelihood Enhancement Projects in Ranga Reddy District of Telangana through Arunodaya Trust.



Contributed towards Construction of Zilla Parishad High School at Annaram Village of Sanga Reddy Dist. of Telangana.



Provided Ambulance under CSR activity to Govt. Hospital, Marwad, Nani Daman.





# AWARDS & ACHIEVEMENTS



## 2022-2023

Received **“Best Packaging Partner of the Year”** Award from Red Bucket Biryani and Fast Foods Pvt. Ltd.

The Patent Office of GOI granted Patent for 20 years w.e.f. 25.09.2014 for an invention entitled **“Tamper-Evident Leak-Proof Pail Closure Systems”** on 15.07.2022. Apart from the above the Company has Patent(s) registration for inventions like i) **“A Container with Lid Locking Involving Pilfer Proof Arrangement”** and ii) **“A Tamper Proof Lid Having Spout for Containers and Process for its Manufacture”**.



## 2021-2022

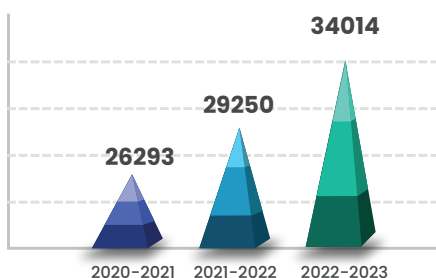
Received the prestigious **SIES SOP Star Awards 2021** from SIES School of Packaging for **PACKAGING EXCELLENCE** along with Asian Paints Limited for **TRUGRIP DYNAMO SQUARE PACK SERIES** in the category of Transit/ Industrial/ Distribution on 9th April, 2022 at Mumbai.

## 2020-2021

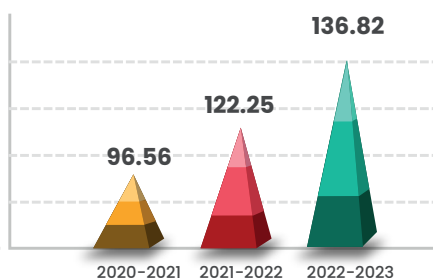
Introduced **SanQ-5 ltr Square Pack** for sanitizers, which bagged **SIES SOP STAR AWARD 2020**.

# MOLD-TEK PROGRESS

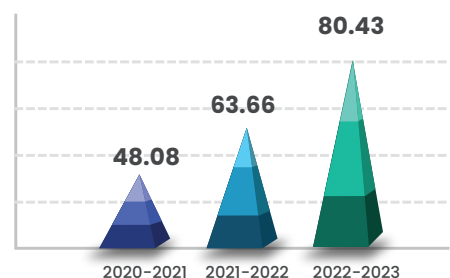
### SALES VOLUME IN MT



### EBIDTA IN ₹CR.



### PAT IN ₹CR.



# INTRODUCING LIGHT WEIGHT **RESTAURANT PACKS**

With increasing use of food delivery apps by consumers, sustainable microwaveable packaging with good design, tamper evidence and leak proofness was the need of the hour. So Mold-Tek introduced light weight Packaging for HORECA segment.

OUR DIGITAL PRINTED IML ENABLES  
**SMALL ORDER QUANTITIES**  
**IN SHORTER TIME**





## 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 Woman Director

**Mr. Ponnuswamy Ramnath@**  
Additional Independent Non-Executive Director

\* Left for her heavenly abode on 9<sup>th</sup> March 2023.

# Retired on account of completion of term on 13<sup>th</sup> May, 2023.

@ Appointed as an Additional Director (Category: Non-Executive, Independent) w.e.f. 17<sup>th</sup> August, 2023.

### CHIEF FINANCIAL OFFICER:

Mrs. A. Seshu Kumari

### COMPANY SECRETARY:

Mr. Thakur Vishal Singh  
(Resigned w.e.f. 4<sup>th</sup> July, 2022.)

Mr. Subhojeet Bhattacharjee  
(Appointed w.e.f. 27<sup>th</sup> 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, II<sup>nd</sup> Floor,  
Lake View Towers, Safari Nagar,  
Kothaguda, Kondapur,  
Hyderabad-500085

### BANKERS:

Citibank  
ICICI Bank Limited  
HSBC Bank

### REGISTERED OFFICE:

8-2-293/82/A/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](mailto:xlfield@gmail.com)

### STATUTORY COMMITTEES\*:

(as on 31.03.2023)

#### AUDIT COMMITTEE:

Mr. Eswara Rao Immaneni- Chairman  
Dr. T. Venkateswara Rao- Member  
Mrs. Madhuri Venkata Ramani Viswanadham  
- Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE:

Dr. T. Venkateswara Rao-Chairman  
Mr. P. Venkateswara Rao-Member  
Mr. Srinivas Madireddy -Member

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

### NOMINATION AND REMUNERATION COMMITTEE:

Dr. Venkata Appa Rao Kotagiri- Chairman (upto  
03.05.2023)  
Dr. T. Venkateswara Rao- Chairman (w.e.f. 03.05.2023)  
Mr. T. Dhanraj Tirumala Narasimha- Member  
Mr. Eswara Rao Immaneni- Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Mr. J. Lakshmana Rao- Chairman  
Mr. A. Subramanyam-Member  
Mr. P. Venkateswara Rao-Member  
Mrs. Madhuri Venkata Ramani Viswanadham-Member

## 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,  
Nanjangud (Taluk), 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

Gata Number 1269, 1270, 1271, &1272,  
C/O Kumar Woolen Mill Village -Magar-  
wara, Tehsil & District -Unnao, Uttar  
Pradesh- 209862, India

## FIVE YEARS PERFORMANCE REVIEW

All amounts in ₹ lakhs, unless otherwise stated

| Particulars   | 2022-23        | 2021-22        | 2020-21        | 2019-20       | 2018-19        |
|---|----------------|----------------|----------------|---------------|----------------|
| Income from Operations  | 72,992         | 63,147         | 47,893         | 43,744        | 39,409         |
| <i>Growth Rates (%)</i>   | <i>15.59</i>   | <i>31.85</i>   | <i>9.48</i>    | <i>11.00</i>  | <i>16.09</i>   |
| Other Income  | 138            | 156            | 60             | 116           | 134            |
| <b>NET INCOME</b>   | <b>73,130</b>  | <b>63,303</b>  | <b>47,953</b>  | <b>43,860</b> | <b>39,542</b>  |
| <i>Growth Rates (%)</i>   | <i>15.52</i>   | <i>32.01</i>   | <i>9.33</i>    | <i>10.92</i>  | <i>16.13</i>   |
| Materials Cost  | 43,597         | 37,659         | 27,240         | 24,986        | 23,116         |
| <i>% to Net Income</i>  | <i>59.62</i>   | <i>59.49</i>   | <i>56.81</i>   | <i>56.97</i>  | <i>58.46</i>   |
| Over Heads  | 15,851         | 13,419         | 11,057         | 10,754        | 9,098          |
| <i>% to Net Income</i>  | <i>21.68</i>   | <i>21.20</i>   | <i>23.06</i>   | <i>24.52</i>  | <i>23.01</i>   |
| <b>EBDITA</b>   | <b>13,682</b>  | <b>12,225</b>  | <b>9,656</b>   | <b>8,120</b>  | <b>7,328</b>   |
| <i>% to Net Income</i>  | <i>18.71</i>   | <i>19.31</i>   | <i>20.14</i>   | <i>18.51</i>  | <i>18.53</i>   |
| Depreciation  | 3,023          | 2,642          | 2,149          | 1,907         | 1,473          |
| Interest & Finance Expenses   | 387            | 932            | 994            | 1,019         | 709            |
| Exceptional items   | -              | -              | 108            | 286           | 1,150          |
| <b>PBT</b>  | <b>10,272</b>  | <b>8,651</b>   | <b>6,405</b>   | <b>4,908</b>  | <b>3,996</b>   |
| <i>% to Net Income</i>  | <i>14.05</i>   | <i>13.67</i>   | <i>13.36</i>   | <i>11.19</i>  | <i>10.11</i>   |
| Taxes   | 2,229          | 2,285          | 1,597          | 1,089         | 1,586          |
| <b>PAT</b>  | <b>8,043</b>   | <b>6,366</b>   | <b>4,808</b>   | <b>3,819</b>  | <b>2,410</b>   |
| <i>% to Net Income</i>  | <i>11.00</i>   | <i>10.06</i>   | <i>10.03</i>   | <i>8.71</i>   | <i>6.10</i>    |
| <i>Growth Rates (%)</i>   | <i>26.34</i>   | <i>32.40</i>   | <i>25.90</i>   | <i>58.44</i>  | <i>(23.94)</i> |
| <i>Equity Dividend (%)</i>  | <i>120</i>     | <i>160</i>     | <i>140</i>     | <i>100</i>    | <i>80</i>      |
| <i>Dividend Payout (including Tax)</i>  | <i>1,990</i>   | <i>2,601</i>   | <i>1,954</i>   | <i>1,671</i>  | <i>1,335</i>   |
| Equity  | 1,658          | 1,563          | 1,396          | 1,386         | 1,385          |
| Other equity (excludes Other Comprehensive income, Capital reserve and Share options outstanding) | 49,707         | 42,706         | 23,550         | 17,818        | 16,963         |
| <b>NETWORTH</b>   | <b>51,365</b>  | <b>44,269</b>  | <b>24,946</b>  | <b>19,204</b> | <b>18,348</b>  |
| Net Fixed Assets  | 39,272         | 27,648         | 25,087         | 21,398        | 19,585         |
| <b>Total Assets</b>   | <b>69,564</b>  | <b>57,416</b>  | <b>43,632</b>  | <b>36,261</b> | <b>34,332</b>  |
| <b>Market Capitalization</b>  | <b>299,461</b> | <b>228,163</b> | <b>109,142</b> | <b>47,924</b> | <b>71,494</b>  |
| <b>KEY INDICATORS</b>   |                |                |                |               |                |
| Basic Earnings per share (Face Value of ₹5)-(₹)   | 24.40          | 22.12          | 16.86          | 13.78         | 8.70           |
| Turnover per share (Face Value of ₹5)-(₹)   | 221.90         | 219.98         | 168.19         | 158.31        | 142.80         |
| Book Value per share (Face Value of ₹5)-(₹)   | 154.90         | 141.62         | 89.35          | 69.28         | 66.24          |
| Dividend Pay-Out Ratio  | 24.74          | 40.86          | 40.64          | 43.75         | 55.39          |
| Debt:Equity Ratio   | 0.09 : 1       | 0.10 : 1       | 0.42 : 1       | 0.61 : 1      | 0.50 : 1       |

## Notice of the Twenty-Sixth (26<sup>th</sup>) 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, Telangana.

CIN: L21022TG1997PLC026542

Email: [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.com); [ir@moldteckpackaging.com](mailto:ir@moldteckpackaging.com)

Website: <https://www.moldteckpackaging.com/>

**NOTICE IS HEREBY GIVEN THAT THE TWENTY-SIXTH (26<sup>TH</sup>) ANNUAL GENERAL MEETING OF THE MEMBERS OF MOLD-TEK PACKAGING LIMITED WILL BE HELD ON TUESDAY, THE 26<sup>TH</sup> DAY OF SEPTEMBER, 2023, AT 11:00A.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 of the Company for the financial year ended 31<sup>st</sup> March, 2023, 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 maximum to the extent as recommended by Board i.e., ₹ 2.00 (40%) per equity share of face value of ₹ 5.00 each for the financial year ended 31<sup>st</sup> March, 2023.
- 3) To appoint a director in place of Mr. Subramanyam Adivishnu (DIN: 00654046), Director, who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

- 4) **To regularize the appointment of Mr. Ponnuswamy Ramnath (DIN: 03625336), Additional Director (Category: Non-Executive, Independent), by appointing him as an Independent Non-Executive 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, 150, 152, 161 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), 25(2A) 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. Ponnuswamy Ramnath (DIN: 03625336), who was appointed as an Additional Director (Category: Non-Executive, Independent) on the Board of the Company w.e.f. 17<sup>th</sup> August, 2023, by the Board vide a resolution passed by circulation, on the recommendation of the Nomination and Remuneration Committee of the Board and who holds office as such up to the date of this Annual General Meeting and 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 is eligible for appointment, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Independent Director, be and is hereby regularized and appointed as an Independent Non-Executive Director of the Company to hold office for first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 to 16<sup>th</sup> August, 2028 and his office shall not be liable to retire by rotation.

**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.”

- 5) **To Re-appoint and fix remuneration of Mr. Lakshmana Rao Janumahanti (DIN: 00649702) as Chairman and Managing 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. Lakshmana Rao Janumahanti (DIN: 00649702), as Chairman and Managing Director of the Company for a period of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029, and fix the remuneration payable there-of as below and that he can draw remuneration either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and the balance from Mold-Tek Technologies Limited and that he shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** approval of the members 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. Lakshmana Rao Janumahanti with the Company as set out in the statement annexed to the Notice, including the following:

a. **Salary:**

The current combined gross salary of Mr. Lakshmana Rao Janumahanti from both the Companies is ₹28,96,354 per month in consideration of the performance of his duties (including all perquisites). The Company will provide 14% increment on gross salary for each year (i.e., for the next 3 years) w.e.f. 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027 to be drawn either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and the balance from Mold-Tek Technologies Limited.

b. **Other benefits:**

In addition to the above salary and perquisites, Mr. Lakshmana Rao Janumahanti 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. Lakshmana Rao Janumahanti 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. Lakshmana Rao Janumahanti.

c. **Commission:**

In addition to the salary and perquisites as stated above, Mr. Lakshmana Rao Janumahanti shall be entitled to commission at the rate of 1.50% of the net profits of the Company as per the provisions of the Companies Act, 2013, read with underlying rules, if any.

d. **Re-imburements:**

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

e. **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. Lakshmana Rao Janumahanti, 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. Lakshmana Rao Janumahanti, 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 and fix remuneration of Mr. Subramanyam Adivishnu (DIN: 00654046) as Deputy Managing 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. Subramanyam Adivishnu (DIN: 00654046), as Deputy Managing Director of the Company for a period of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029, and fix the remuneration payable there-of and that he shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** subject to the approval of above resolution and pursuant to the provisions of Sections 196 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, [including any statutory modification(s) or re-enactment thereof for the time being in force], 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, the approval of the members of the company be and is hereby accorded for re-appointment and continuation of employment of Mr. Subramanyam Adivishnu (DIN: 00654046), as Deputy Managing Director of the Company, who shall attain the age of seventy years during his proposed term of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029.

**RESOLVED FURTHER THAT** approval of the members 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. Subramanyam Adivishnu with the Company as set out in the statement annexed to the Notice, including the following:

a. **Salary:**

The current gross salary of Mr. Subramanyam Adivishnu is ₹26,65,047 per month in consideration of the performance of his duties (including all perquisites). The Company will provide 7% increment on gross salary for each year (i.e., for the next 3 years) w.e.f. 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027.

b. **Other benefits:**

In addition to the above salary and perquisites, Mr. Subramanyam Adivishnu 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. Subramanyam Adivishnu 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. Subramanyam Adivishnu.

c. **Commission:**

In addition to the salary and perquisites as stated above, Mr. Subramanyam Adivishnu shall be entitled to commission at the rate of 1.00% of the net profits of the Company as per the provisions of the Companies Act, 2013, read with underlying rules, if any.

d. **Re-imburements:**

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

e. **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. Subramanyam Adivishnu, 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. Subramanyam Adivishnu, 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."

7) **To Re-appoint and fix remuneration of Mr. P. Venkateswara Rao (DIN: 01254851) as Deputy Managing 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. P. Venkateswara Rao (DIN: 01254851), as Deputy Managing Director of the Company for a period of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029, and fix the remuneration payable there-of and that he shall be liable to retire by rotation.

**RESOLVED FURTHER THAT** subject to the approval of above resolution and pursuant to the provisions of Sections 196 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, [including any statutory modification(s) or re-enactment thereof for the time being in force], 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, the approval of the members of the company be and is hereby accorded for re-appointment and continuation of employment of Mr. P. Venkateswara Rao (DIN: 01254851), as Deputy Managing Director of the Company, who shall attain the age of seventy years during his proposed term of

five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029.

**RESOLVED FURTHER THAT** approval of the members 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. P. Venkateswara Rao with the Company as set out in the statement annexed to the Notice, including the following:

a. **Salary:**

The current gross salary of Mr. P. Venkateswara Rao is ₹ 17,26,596 per month in consideration of the performance of his duties (including all perquisites). The Company will provide 7% increment on gross salary for each year (i.e., for the next 3 years) w.e.f. 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027.

b. **Other benefits:**

In addition to the above salary and perquisites, Mr. P. Venkateswara Rao 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. P. Venkateswara Rao 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. P. Venkateswara Rao.

c. **Commission:**

In addition to the salary and perquisites as stated above, Mr. P. Venkateswara Rao shall be entitled

to commission at the rate of 0.50% of the net profits of the Company as per the provisions of the Companies Act, 2013, read with underlying rules, if any.

d. **Re-imburements:**

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

e. **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. P. Venkateswara Rao, 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. P. Venkateswara Rao, 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."

By Order of the Board  
**For MOLD-TEK PACKAGING LIMITED**

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

**Place:** Hyderabad  
**Date:** 29<sup>th</sup> August, 2023

**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). 4 to 7 above and the relevant details of the Directors as mentioned under said Item No(s). from 4 to 7 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 Compliance with the provisions of the Companies Act, 2013, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 21/2021 dated 14<sup>th</sup> December, 2021, 2/2022 dated 5<sup>th</sup> May, 2022 and 10/2022 dated 28<sup>th</sup> December, 2022, issued by the Ministry of Corporate Affairs (“MCA”) read with Circulars dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021, 13<sup>th</sup> May 2022 and 5<sup>th</sup> January, 2023 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 30<sup>th</sup> September, 2023, without the physical presence of members at a common venue. Hence, in compliance with the aforementioned Circulars, the 26<sup>th</sup> AGM 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](mailto:ashishgaggar.pcs@gmail.com) with a copy marked to [cs@moldtekpackaging.com](mailto: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 **Wednesday, the 20<sup>th</sup> day of September, 2023 to Tuesday, the 26<sup>th</sup> day of September, 2023** (both days inclusive) for the purpose of payment of dividend. The final 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 **Tuesday, the 19<sup>th</sup> day of September, 2023** 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 26<sup>th</sup> AGM along with the Annual Report 2022-23 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 26<sup>th</sup> AGM along with Annual Report for the financial year 2022-23 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](mailto:cs@moldtekpackaging.com) or to CDSL at Email id: [helpdesk.evoting@cdslindia.com](mailto: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](mailto:cs@moldtekpackaging.com)

9. The Notice of the 26<sup>th</sup> AGM along with Annual Report for the financial year 2022-23, 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 [www.evotingindia.com](http://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/arrangement 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 **Tuesday, the 19<sup>th</sup> day of September, 2023** 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 Friday, 22<sup>nd</sup> September, 2023 and will end at 5:00 p.m. (IST) on Monday, 25<sup>th</sup> September, 2023**. 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 26<sup>th</sup> 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 9<sup>th</sup> 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.
15. 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 (India) Limited (CDSL) | 1) Users who have opted for CDSL <b>easi / easiest</b> facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to easi / easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="https://www.cdslindia.com/">https://www.cdslindia.com/</a> and click on Login icon and select New System myeasi.<br>2) After successful login the <b>easi / easiest</b> 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. <b>CDSL/NSDL/KARVY/LINKINTIME</b> , so that the user can visit the e-Voting service providers’ website directly. |



| Type of shareholders   | Login Method  |
|--|---|
|  | <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the users can directly access e-voting page by providing their demat account number and PAN at <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered mobile 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.</p>   |
| <p>Individual Shareholders holding securities in demat mode with National Securities Depository Limited (NSDL)</p>   | <p>1) If you are already registered for NSDL <b>IDEAS</b> facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “<b>Beneficial Owner</b>” icon under ‘<b>Login</b>’ which is available under ‘<b>IDEAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for <b>IDEAS</b> e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDEAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon ‘<b>Login</b>’ which is available under “<b>Shareholder/Member</b>” 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 &amp; voting during the meeting.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>   |

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

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



**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:

|  | <b>For Shareholders holding shares in Demat Form other than individuals and for Shareholders holding shares in Physical Form</b>   |
|--|--|
| <b>PAN</b>   | Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details<br><b>OR</b> 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. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>                |

- 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.

**16. 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@moldteckpackaging.com/xlfield@gmail.com](mailto:cs@moldteckpackaging.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@moldteckpackaging.com / ir@moldteckpackaging.com](mailto:cs@moldteckpackaging.com/ir@moldteckpackaging.com).
- iii. The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above-mentioned shareholders.

**17. Instructions for Members for participating in the 26<sup>th</sup> 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 **Tuesday, 19<sup>th</sup> day of September, 2023**, mentioning their name, demat account number/folio number, email id, mobile number at company's email id at [cs@moldteckpackaging.com /ir@moldteckpackaging.com](mailto:cs@moldteckpackaging.com/ir@moldteckpackaging.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 **Tuesday, 19<sup>th</sup> day of September, 2023**, mentioning their name, demat account number/folio number, email id, mobile number at company's email id at [cs@moldteckpackaging.com /ir@moldteckpackaging.com](mailto:cs@moldteckpackaging.com/ir@moldteckpackaging.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.

**18. 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](http://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](mailto: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](mailto: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 [ashishgagggar.pcs@gmail.com](mailto:ashishgagggar.pcs@gmail.com) and to the Company at [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533/022-23058542/43.
19. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 26<sup>th</sup> AGM by email and holds shares as on the cut-off date i.e., **Tuesday, 19<sup>th</sup> day of September, 2023**, may obtain the User ID and password by sending a request to the Company’s email address [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.com)/[ir@moldteckpackaging.com](mailto:ir@moldteckpackaging.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](http://www.evotingindia.com).
  20. **Mr. Ashish Kumar Gagggar**, 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.
  21. During the 26<sup>th</sup> AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 26<sup>th</sup> AGM, formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 26<sup>th</sup> 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 26<sup>th</sup> AGM.
  22. The Scrutinizer will submit, not later than two working days of conclusion of the 26<sup>th</sup> 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.moldteckpackaging.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., **Tuesday, the 26<sup>th</sup> day of September, 2023**.
  23. Electronic copy of all the documents referred to in the accompanying Notice of the 26<sup>th</sup> AGM and the Explanatory Statement shall be available for inspection in the ‘**Investors Section**’ of the website of the Company at <https://www.moldteckpackaging.com/investors.html>
  24. 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](http://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.moldteckpackaging.com](http://www.moldteckpackaging.com).

25. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of Shareholders with effect from 1<sup>st</sup> April, 2020 and the Company is required to deduct tax at source from Dividend paid to the Shareholders at the prescribed rates. For the prescribed rates for various categories, the Shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The Shareholders are requested to update their PAN with the Company / Company's RTA (in case of shares held in physical mode) and their respective Depository Participant(s) (in case of shares held in dematerialized form). A resident individual Shareholder with PAN and who is not liable to pay income tax can give declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.com)/[ir@moldteckpackaging.com](mailto:ir@moldteckpackaging.com)/[xlfield@gmail.com](mailto:xlfield@gmail.com). Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Resident Shareholders whose Dividend is liable for deduction of TDS at a concessional or Nil rate as per Section 197 of the Income-tax Act, 1961 can submit the certificate/ letter issued by the Assessing Officer, to avail the benefit of lower rate of deduction or non-deduction of tax at source by e-mail to above mentioned e-mail ids. Non-resident Shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing the necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail in mail ids mentioned above.
26. SEBI vide the captioned circular dated March 16, 2023, has mandated: furnishing of PAN, email address, mobile number, bank account details and nomination by holders of physical securities; any service request and complaint shall be entertained only upon registration of the PAN, Contact Details, Bank details and Nomination; to ensure that your PAN is linked to Aadhaar by the date as may be specified by the Central Board of Direct Taxes to avoid freezing of your folio. For the details of the required forms and documents, please refer to the Frequently Asked Question (FAQ)

provided on the link [https://www.moldteckpackaging.com/pdf/SEBI%20FAQs%20on%20ISR-RTA%20\(27.03.2023\).pdf](https://www.moldteckpackaging.com/pdf/SEBI%20FAQs%20on%20ISR-RTA%20(27.03.2023).pdf). The aforesaid ISR and other relevant forms can be downloaded by following the link provided below: <https://www.moldteckpackaging.com/investors.html#tab-5>. You are thus required to furnish the details to our Registrars & Transfer Agents (RTA) M/s. XL Softech Systems Ltd., immediately, by sending the duly signed documents.

***Freezing of Folios without PAN, KYC details and Nomination:***

Folios wherein any one of the said details are not available on or after October 01, 2023, shall be frozen and you will not be eligible to lodge grievance or avail service request from the RTA.

Further effective April 01, 2024, you will not be eligible for receiving dividend in physical mode.

After December 31, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

You are requested to forward the duly filled in documents along with the related proofs as mentioned in the respective forms to the address of our RTA.

27. 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 3<sup>rd</sup> November, 2021.
28. Members may please note that SEBI vide Circular dated 25<sup>th</sup> 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.moldteckpackaging.com/investors.html>



29. 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.
  30. 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.
  31. SEBI vide its notification dated 24<sup>th</sup> 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.
32. 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 **Tuesday, 19<sup>th</sup> day of September, 2023**, specifying the point(s).
  33. 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.
  34. 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.

The SEBI has vide Circular no. MRD/DoP/Cir-05/2009 dated 20<sup>th</sup> 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.

By Order of the Board  
**For MOLD-TEK PACKAGING LIMITED**

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

**Place:** Hyderabad  
**Date:** 29<sup>th</sup> August, 2023



**STATEMENT PURSUANT TO SECTION 102(1) OF THE  
COMPANIES ACT, 2013 (“THE ACT”)**

*The following Statement sets out all material facts relating to Item nos. 4 to 7 as mentioned in the Notice:*

**Item no. 4**

Mr. Ponnuswamy Ramnath (DIN: 03625336) as per the recommendation of the Nomination and Remuneration Committee and after considering his knowledge, acumen, expertise and experience was appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation on 9<sup>th</sup> August, 2023 to hold office for his first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 to 16<sup>th</sup> August, 2028, subject to approval and regularization by members of the Company in the ensuing Annual General Meeting as an Independent Director on the Board. In terms of Regulation 17(1C) of the SEBI (LODR), Regulations, 2015, as amended from time to time, (the “Listing Regulations”), the approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Further, as per Section 149(10) of the Companies Act, 2013, (the ‘Act’) and Regulation 25 of 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.

Based on the recommendation of Nomination and Remuneration Committee, the board of directors is of the opinion that he fulfills 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 Mr. Ponnuswamy Ramnath on the board as an Independent Non-Executive Director of the company.

Mr. Ponnuswamy Ramnath has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company.

Thus, in terms of the provisions of Sections 149,150, 152,161 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, Mr. Ponnuswamy Ramnath, being eligible for appointment as an Independent Director and offering himself for appointment, is proposed to be regularized and appointed as an Independent Director for the first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 and to hold office upto 16<sup>th</sup> August, 2028.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed

under sub-section (6) of Section 149 the Act and Regulation 16(1) (b) of the Listing Regulations. He has also given his consent to act as Director of the Company. In the opinion of the Board, Mr. Ponnuswamy Ramnath 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 his appointment as an Independent Director of the Company and is independent of the management.

**Brief Profile:**

Mr. Ponnuswamy Ramnath has extensive experience in sales and marketing, business development, strategy, operations and has managed businesses across diverse industries such as petrochemicals, building products, chemicals/ specialty chemicals, paper and packaging board, base metals (copper) & precious metals across MNCs and Indian Corporates. Over a career spanning 30 + years, he has built-up market for new products from scratch, acquired businesses, established new applications, set up new projects and managed businesses with turnover of up to ₹ 21,000 Crores (USD 3.5 Bn) with high profitability and ROCE and was associated with esteemed organizations like Reliance Industries Limited, Vedanta Limited, J.K. Paper Limited, Jubilant Life Sciences Ltd., Praxair India Limited, Bakelite Hylam Limited etc. Currently he is acting as the Managing Partner - CEO Practice- Metals, Mining and Chemicals of Gladwin International & Company.

Mr. Ponnuswamy Ramnath is not dis-qualified from being appointed as Director in terms of Section 164 of the Act and in terms of Section 160 of the Act, the Company has received notice in writing from a member proposing the candidature of Mr. Ponnuswamy Ramnath for appointing him as an Independent Director of the Company as per the provisions of the Act.

The names of Companies and the Committees in which he is a director/member, the Letter of Appointment and terms and conditions of the appointment are uploaded on the website of the company and are also 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 Director whose appointment as Independent Director is proposed at Item Nos. 4 is 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.

Mr. Ponnuswamy Ramnath and his relatives are interested in the resolutions as set out at Item No. 4 of the Notice with regards to his appointment.

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 this resolution.

The Board recommends the Special Resolution set out at Item No.4 of the Notice for the approval by the members.

In terms of Regulation 25(2A) of the Listing Regulations, appointment, re-appointment or removal of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution. However as per the first proviso of above Regulation 25(2A) , where a special resolution for the appointment of an independent director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and the votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such an Independent Director shall be deemed to have been made under sub-regulation (2A).

#### **Item no. 5**

Mr. Lakshmana Rao Janumahanti (DIN: 00649702) was appointed as Chairman and Managing Director of the Company for a period of 5 years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018 and in the 34<sup>th</sup> Annual General Meeting of Mold-Tek Technologies Limited held on 29<sup>th</sup> September, 2018 for a period of 5 years from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 and accordingly his remuneration was approved/revised for both companies in their respective aforesaid Annual General Meeting, for 3 years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022. Further, at the 24<sup>th</sup> Annual General Meeting of the company held on 30<sup>th</sup> September, 2021 and at the 37<sup>th</sup> Annual General Meeting of Mold-Tek Technologies Limited held on 30<sup>th</sup> September 2021, the members of the respective companies had approved the revision in remuneration payable to him w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

The remuneration was proposed to be paid either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and the balance from Mold-Tek Technologies Limited.

His present term as the Chairman and Managing Director thus expires on 31<sup>st</sup> March, 2024.

Members are requested to note that Mr. Lakshmana Rao Janumahanti, a Gold Medalist in B. Tech and MBA from the

famous Indian Institute of Management (IIM), Bangalore, 82 batch, is the founder of Mold-Tek Group. Mr. Lakshmana Rao Janumahanti has also been awarded the Prestigious IIM-B Distinguished Alumni Award (DAA), 2021, in recognition of his contribution to industry and society. Under his leadership and guidance Mold-Tek Packaging Limited, which started as a small-scale industry grew rapidly and went for public issue and got listed on BSE & NSE, raised capital for expansions through various Rights Issues to existing members and QIP with some of the top investors in India. It is under his leadership only that the Company has become India's largest Injection Moulding Company with 10 well-equipped plants across the country and with a diversified customer base of the world's finest brands in paints, lubricants and Food & FMCG. He has introduced many innovations and revolutionized the packaging industry in India, with revenue of around ₹ 7,300 Million for the Financial Year 2022-23. Considering his contribution towards the Company and his vast experience of over 40 years in the field of Marketing and Finance, the Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on the 29<sup>th</sup> August, 2023, subject to the approval of members at the general meeting, re-appointed Mr. Lakshmana Rao Janumahanti as Chairman and Managing Director of the Company for a further period of five (5) years from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029.

Members may also 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 Managing Director have also increased manifold. The Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on 29<sup>th</sup> August, 2023, reviewed and accordingly proposed the remuneration payable to Mr. Lakshmana Rao Janumahanti from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027, 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. Lakshmana Rao Janumahanti is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

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

The 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, and 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**” voluntarily by the Company though the Company has adequate profit for payment of remuneration to its Managerial Personnel.

Thus, as per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 and regulation 17(1)(e) of the Listing Regulations, approval of the Members of the Company by way of a special resolution is being sought for re-appointment and fixing of remuneration payable to Mr. Lakshmana Rao Janumahanti.

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

Except Mr. Lakshmana Rao Janumahanti being an appointee, Mr. Subramanyam Adivishnu, Deputy Managing Director and Mrs. Seshu Kumari Adivishnu, Chief Financial Officer, of the Company and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item no. 5 of the accompanying Notice.

**Item no. 6**

Mr. Subramanyam Adivishnu (DIN: 00654046) was appointed as Deputy Managing Director of the Company for a period of 5 years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018 and accordingly his remuneration was approved/revised in aforesaid Annual General Meeting for 3 years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022. Further, the Members of the Company at the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2021 had approved the revision in remuneration payable to him w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

His present term as the Deputy Managing Director thus expires on 31<sup>st</sup> March, 2024.

Further, Mr. Subramanyam Adivishnu shall attain the age of seventy years, during his proposed term of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029 and as per Section 196 and other applicable provisions, if any, of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment thereof for the time being in force], and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “Listing Regulations”), approval of the members is being sought for re-appointment and continuation of employment of Mr. Subramanyam Adivishnu (DIN: 00654046), as Deputy Managing Director of the Company, who shall attain the age of seventy years

during his proposed term of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029.

Members are requested to note that Mr. Subramanyam Adivishnu is the co-promoter of the Company along with Mr. Lakshmana Rao Janumahanti and is in charge of the overall functioning of all the plants and inhouse tool room which plays a vital role in developing products for our rigid packaging business. Mr. Subramanyam Adivishnu holds a Bachelor’s degree in Mechanical Engineering from REC-Suratkal and has also completed course in Mould Design and Manufacturing from CIPET- Chennai. He oversees the inhouse research and development division and inhouse tool room for designing and development of new products. He has also developed inhouse Robots and introduced IML with Robotic Technology, which has given the company a platform to develop IML Products for the first time in India. Considering his vast experience of over 42 years in the field of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products, the Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on 29<sup>th</sup> August, 2023, subject to the approval of members at the General Meeting, re-appointed Mr. Subramanyam Adivishnu as Deputy Managing Director of the Company for a further period of five (5) years from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029. The aforesaid reasons also justify the re-appointment and continuation of employment of Mr. Subramanyam Adivishnu as Deputy Managing Director of the Company, who shall attain the age of seventy years during his proposed term.

Members may also 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 Deputy Managing Director have also increased manifold. The Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on 29<sup>th</sup> August, 2023, reviewed and accordingly proposed the remuneration payable to Mr. Subramanyam Adivishnu from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027, 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. Subramanyam Adivishnu is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The principal terms and conditions of his re-appointment and remuneration are mentioned in the resolution set out at item no. 6 of the Notice.

The 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, and 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**” voluntarily by the Company though the Company has adequate profit for payment of remuneration to its Managerial Personnel.

Thus, as per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 and regulation 17(1) (e) of the Listing Regulations, approval of the Members of the Company by way of a special resolution is being sought for re-appointment and fixing of remuneration payable to Mr. Subramanyam Adivishnu.

Hence, the Board recommends the Special Resolution as set out in the item no. 6 for approval of the members.

Except Mr. Subramanyam Adivishnu being an appointee, Mr. Lakshmana Rao Janumahanti, Chairman and Managing Director and Mrs. Seshu Kumari Adivishnu, Chief Financial Officer, of the Company and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item no. 6 of the accompanying Notice.

#### **Item no. 7**

Mr. P. Venkateswara Rao (DIN: 01254851) was appointed as Deputy Managing Director of the Company for a period of 5 years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018 and accordingly his remuneration was approved/ revised in aforesaid Annual General Meeting for 3 years w.e.f. 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022. Further, the Members of the Company at the 24<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2021 had approved the revision in remuneration payable to him w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

His present term as the Deputy Managing Director thus expires on 31<sup>st</sup> March, 2024.

Further, Mr. P. Venkateswara Rao shall attain the age of seventy years, during his proposed term of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029 and as per Section 196 and other applicable provisions, if any, of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment thereof for the time being in force], and other applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “Listing Regulations”), approval of the members is being sought for re-appointment and

continuation of employment of Mr. P. Venkateswara Rao (DIN: 01254851), as Deputy Managing Director of the Company, who shall attain the age of seventy years during his proposed term of five (5) years, commencing from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029.

Members are requested to note that Mr. P. Venkateswara Rao is in charge of the overall Marketing and Commercial activities of the Company for the last 30+ years. He is instrumental in expanding the Company’s clientele and has close contacts with several blue-chip clients in Paints, Lube, Food and FMCG. He also plays an important role in securing the Company’s new designs / patents, innovative products and other intellectual properties, which is very crucial and adds value to the Company and its overall growth and prosperity and also supervises the legal matters of the Company. His role and contribution over the years has enabled the Company to overcome many challenges and reach new heights. He holds a Bachelor’s degree in Arts from Osmania University and a Diploma Degree in Material Management. Considering his vast experience of over 44 years in the field of Material Management and Project Execution and Coordination, the Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on 29<sup>th</sup> August, 2023, subject to the approval of members at the General Meeting, re-appointed Mr. P. Venkateswara Rao as Deputy Managing Director of the Company for a further period of five (5) years from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2029. The aforesaid reasons also justify the re-appointment and continuation of employment of Mr. P. Venkateswara Rao as Deputy Managing Director of the Company, who shall attain the age of seventy years during his proposed term.

Members may also 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 Deputy Managing Director have also increased manifold. The Nomination and Remuneration Committee, Audit Committee and Board at its meeting held on 29<sup>th</sup> August, 2023, reviewed and accordingly proposed the remuneration payable to Mr. P. Venkateswara Rao from 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2027, 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. P. Venkateswara Rao is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director

The principal terms and conditions of his re-appointment and remuneration are mentioned in the resolution set out at item no. 7 of the Notice.



## **Mold-Tek Packaging Limited**

The 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, and 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**” voluntarily by the Company though the Company has adequate profit for payment of remuneration to its Managerial Personnel.

Thus, as per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 and regulation 17(1) (e) of the Listing Regulations, approval of the Members of the Company by way of a special resolution is being sought for re-appointment and fixing of remuneration payable to Mr. P. Venkateswara Rao.

Hence, the Board recommends the Special Resolution as set out in the item no. 7 for approval of the Members.

Except Mr. P. Venkateswara Rao, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item no. 7 of the accompanying Notice.

By Order of the Board  
**For MOLD-TEK PACKAGING LIMITED**

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

**Place:** Hyderabad  
**Date:** 29<sup>th</sup> August, 2023

**Additional information on Director(s) seeking appointment/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:**

| <b>Name of the Director</b>   | <b>Mr. Ponnuswamy Ramnath</b>   | <b>Mr. Lakshmana Rao Janumahanti</b>  | <b>Mr. Subramanyam Adivishnu</b>  | <b>Mr. P. Venkateswara Rao</b>  |
|---|---|---|---|---|
| <b>DIN</b>  | 03625336  | 00649702  | 00654046  | 01254851  |
| <b>Date of birth</b>  | 15 <sup>th</sup> September, 1958  | 19 <sup>th</sup> April, 1959  | 8 <sup>th</sup> July, 1954  | 18 <sup>th</sup> January, 1957  |
| <b>Age</b>  | 64 Years  | 64 Years  | 69 Years  | 66 Years  |
| <b>Date of first appointment on the board</b>   | 17 <sup>th</sup> August, 2023   | 27 <sup>th</sup> August, 2008   | 27 <sup>th</sup> August, 2008   | 27 <sup>th</sup> August, 2008   |
| <b>Brief Profile</b>  | <p>Mr. Ponnuswamy Ramnath has extensive experience in sales and marketing, business development, strategy, operations and has managed businesses across diverse industries such as petrochemicals, building products, chemicals/ specialty chemicals, paper and packaging board, base metals (copper) &amp; precious metals across MNCs and Indian Corporates. Over a career spanning 30 + years, he has built-up market for new products from scratch, acquired businesses, established new applications, set up new projects and managed businesses with turnover of up to ₹ 21,000 Crores (USD 3.5 Bn) with high profitability and ROCE.</p> | <p>Mr. Lakshmana Rao Janumahanti holds a Bachelor's degree in Civil Engineering &amp; Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore. He is the Founder of Mold-Tek Group, Chairman &amp; Managing Director of Mold-Tek Packaging Limited and Mold-Tek Technologies Limited. He has a vast Experience of around 40 years in the field of Finance &amp; Marketing.</p> | <p>Mr. Subramanyam Adivishnu holds a Bachelor's degree in Mechanical Engineering from REC- Suratkal and has also completed Course in Mould Design and Manufacturing from CIPET- Chennai. He has promoted Mold-Tek Group along with Mr. Lakshmana Rao Janumahanti. He has around 42 years of work experience and is over all in-charge of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products.</p> | <p>Mr. P. Venkateswara Rao holds a Bachelor's degree in Arts from Osmania University and a Diploma Degree in Material Management. He has over 44 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.</p> |
| <b>Terms &amp; Conditions of appointment and re-appointment along with Remuneration sought to be paid</b> | As mentioned in the Resolution set out at item no. 4 of this Notice.  | As mentioned in the Resolution set out at item no. 5 of this Notice.  | As mentioned in the Resolution set out at item no. 6 of this Notice.  | As mentioned in the Resolution set out at item no. 7 of this Notice.  |

| <b>Name of the Director</b>  | <b>Mr. Ponnuswamy Ramnath</b>  | <b>Mr. Lakshmana Rao Janumahanti</b>  | <b>Mr. Subramanyam Adivishnu</b>   | <b>Mr. P. Venkateswara Rao</b>   |
|--|--|---|--|--|
| <b>Inter-se relationship with other Directors, Managers and Key Managerial Personnel</b>   | Nil  | Mr. Lakshmana Rao Janumahanti is the brother of Mrs. A. Seshu Kumari, Chief Financial Officer and brother-in-law of Mr. Subramanyam Adivishnu, Deputy Managing Director of the Company. | Mr. Subramanyam Adivishnu is the brother-in-law of Mr. Lakshmana Rao Janumahanti, Chairman and Managing Director and the husband of Mrs. Seshu Kumari Adivishnu, Chief Financial Officer of the Company. | Nil  |
| <b>Expertise in specific functional area</b>   | Sales and Marketing, Business Development, Strategy & Operations.  | Marketing and Finance   | Over all in-charge of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products.   | Over all in-charge of Materials Management, Marketing and Commercial Activities.           |
| <b>Qualification</b>   | B. Tech in Chemical Engineering and PGDM-Marketing, Finance from the Indian Institute of Management (IIM), Bangalore | Bachelor's degree in Civil Engineering & Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Bangalore.  | Bachelor's degree in Mechanical Engineering from REC- Suratkal and has also completed Course in Mould Design and Manufacturing from CIPET- Chennai.  | Bachelor's degree in Arts from Osmania University and P.G. Diploma in Material Management. |
| <b>Number of Meetings of the Board attended during the financial year 2022-2023</b>  | Not Applicable   | 6   | 6  | 6  |
| <b>Names of other companies in which holds the directorship along with listed entities from which the person has resigned in the past three years;</b> | Nil  | Mold-Tek Technologies Limited   | Mold-Tek Technologies Limited  | Mold-Tek Technologies Limited  |
| <b>Names of other companies in which holds the membership/ chairmanship of committees of the board*</b>  | Nil  | Nil   | Mold-Tek Technologies Limited  | Mold-Tek Technologies Limited  |

| Name of the Director  | Mr. Ponnuswamy Ramnath   | Mr. Lakshmana Rao Janumahanti | Mr. Subramanyam Adivishnu | Mr. P. Venkateswara Rao |
|---|--|-------------------------------|---------------------------|-------------------------|
| No. of shares held in the Company as on 31 <sup>st</sup> March, 2023  | Nil  | 31,23,201                     | 18,85,198                 | 1,86,396                |
| In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements | As detailed in the Statement annexed to this Notice Pursuant to Section 102(1) of The Companies Act, 2013. | N.A.                          | N.A.                      | N.A.                    |

*\*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.*

## ANNEXURE II REFERRED TO IN THE EXPLANATORY STATEMENT FOR ITEM NOS. 5 TO 7

The Company has adequate profit for payment of remuneration to its Managerial Personnel, this statement is being given voluntarily.

*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 NOS. 5 to 7.*

### I. GENERAL INFORMATION:

- Nature of Industry:** Manufacturing of Rigid Plastic Packaging Containers.
- Year of commencement of commercial production:** 1997
- In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not applicable.
- Financial performance:** ₹ in Lakhs

| Particulars                                    | Year ended<br>31 <sup>st</sup> March 2023 | Year ended<br>31 <sup>st</sup> March 2022 | Year ended<br>31 <sup>st</sup> March 2021 |
|--|---|---|---|
| Income   | 73,130                                    | 63,303                                    | 47,953                                    |
| Net Profit before interest, Depreciation & Tax | 13,682                                    | 12,225                                    | 9,656                                     |
| Net Profit as per Statement of Profit and Loss | 8,043                                     | 6,366                                     | 4,808                                     |
| Amount of dividend                             | 1,990                                     | 2,601                                     | 1,954                                     |
| Rate of dividend declared/recommended          | 120                                       | 160                                       | 140                                       |

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

- Exports performance and net foreign exchange earnings for the year ended 31<sup>st</sup> March, 2023** is ₹516.95 lakhs
- Foreign investments or collaborations, if any:** Not applicable

### II: INFORMATION ABOUT THE APPOINTEE:

#### 1. Background Details, Job Profile and Suitability:

**Mr. Lakshmana Rao Janumahanti:** Mr. Lakshmana Rao Janumahanti, a Gold Medalist in B. Tech and MBA from the famous Indian Institute of Management (IIM), Bangalore, 82 batch, is the founder of Mold-Tek Group. Mr. Lakshmana Rao Janumahanti has also been awarded the Prestigious IIM-B Distinguished Alumni Award (DAA), 2021, in recognition of his contribution to industry and society. Under his leadership and guidance Mold-Tek Packaging Limited, which



started as a small-scale industry grew rapidly and went for public issue and got listed on BSE & NSE, raised capital for expansions through various Rights Issues to existing members and QIP with some of the top investors in India. It is under his leadership only that the Company has become India's largest Injection Moulding Company with 10 well-equipped plants across the country and with a diversified customer base of the world's finest brands in paints, lubricants and Food & FMCG. He has introduced many innovations and revolutionized the packaging industry in India, with revenue of around ₹ 7,300 Million for the Financial Year 2022-23. He has vast experience of over forty years in the field of Marketing and Finance.

Considering the above and his overall supervision, administration, planning and execution of activities of the Company, the rich experience and expertise he carries and his role and contribution over the years since inception which has enabled the Company to overcome challenges and reach new heights, he is aptly suitable for the above-mentioned roles and responsibilities.

**Mr. Subramanyam Adivishnu:** Mr. Subramanyam Adivishnu is the co-promoter of the Company along with Mr. Lakshmana Rao Janumahanti and is in charge of the overall functioning of all the plants and inhouse tool room which plays a vital role in developing products for our rigid packaging business. Mr. Subramanyam Adivishnu holds a Bachelor's Degree in Mechanical Engineering from REC- Suratkal and has also completed Course in Mould Design and Manufacturing from CIPET- Chennai. He oversees the inhouse research and development division and inhouse tool room for designing and development of new products. He has also developed inhouse Robots and introduced IML with Robotic Technology, which has given the company a platform to develop IML Products for the first time in India. He has vast experience of over forty two years in the field of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products.

Considering the above and the rich experience and expertise he carries and his role and contribution over the years, he is aptly suitable for the above-mentioned roles and responsibilities.

**Mr. P. Venkateswara Rao:** Mr. P. Venkateswara Rao is in charge of the overall Marketing and Commercial activities of the Company for the last 30+ years. He is instrumental in expanding the Company's clientele and has close contacts with several blue-chip clients in Paints, Lube, Food and FMCG. He also plays an important role in securing the Company's new designs / patents, innovative products and other intellectual

properties, which is very crucial and adds value to the Company and its overall growth and prosperity and also supervises the legal matters of the Company. His role and contribution over the years has enabled the Company to overcome many challenges and reach new heights. He holds a Bachelor's Degree in Arts from Osmania University and a Diploma Degree in Material Management. He has vast experience of over forty four years in the field of Material Management and Project Execution and Coordination.

Considering the above and the rich experience and expertise he carries and his role and contribution over the years he is aptly suitable for the above-mentioned roles and responsibilities.

### **2. Past Remuneration:**

Mr. Lakshmana Rao Janumahanti: ₹237.13 lakhs for the financial year ended 31<sup>st</sup> March, 2023.

Mr. Subramanyam Adivishnu: ₹283.16 lakhs for the financial year ended 31<sup>st</sup> March, 2023.

Mr. P. Venkateswara Rao: ₹205.56 lakhs for the financial year ended 31<sup>st</sup> March, 2023.

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

### **4. Proposed remuneration:**

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

### **5. 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, they are entitled to the proposed remuneration(s).

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

Except the remuneration drawn by them and dividend received, if any, from the Company, on account of shares held, they do 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 26<sup>th</sup> Annual Report on the business and operations of Mold-Tek Packaging Limited (“the Company”) along with the summary of the financial statements for the year ended 31<sup>st</sup> March, 2023.

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 financial performance of the Company for the year ended 31<sup>st</sup> March, 2023, is as summarized below:

₹ in lakhs

| Particulars                                    | 2022-23       | 2021-22       |
|--|---------------|---------------|
| Revenue from operations                        | 72,992        | 63,147        |
| Other income                                   | 138           | 156           |
| <b>Total income</b>                            | <b>73,130</b> | <b>63,303</b> |
| Profit before Finance cost, depreciation & tax | 13,682        | 12,225        |
| Finance cost                                   | 387           | 932           |
| Depreciation                                   | 3,023         | 2,642         |
| <b>Profit before exceptional items and tax</b> | <b>10,272</b> | <b>8,651</b>  |
| Provision for current tax                      | 1,994         | 2,032         |
| Provision for deferred tax                     | 235           | 253           |
| <b>Net profit (After Tax)</b>                  | <b>8,043</b>  | <b>6,366</b>  |
| Other comprehensive income (net of tax )       | (26)          | (16)          |
| Profit brought forward from previous years     | 17,499        | 12,282        |
| <b>Amount available for ap-propriation</b>     | <b>25,516</b> | <b>18,632</b> |
| <b>Less: Appropriation</b>                     |               |               |
| Dividend on equity shares                      | 2,601         | 1,133         |
| <b>Closing Balance of retained earnings</b>    | <b>22,915</b> | <b>17,499</b> |

### **PERFORMANCE REVIEW:**

During the year under review, your Company has shown a healthy performance in terms of Revenue, EBIDTA and PAT. Your Company has achieved total revenue of ₹72,992 lakhs in F.Y. 2022-23 as compared to ₹63,147 lakhs in F.Y.

2021-22 with a growth rate of 15.60%. The operating profit (EBIDTA) has increased by 11.92%, from ₹12,225 lakhs in F.Y. 2021-22 to ₹13,682 lakhs in F.Y. 2022-23, resulting in a healthy increase in net profits by 26.34% from ₹6,366 lakhs in F.Y. 2021-22 to ₹8,043 lakhs in F.Y. 2022-23. The Basic Earnings per Share (BEPS) on weighted average equity has increased from ₹22.12 in F.Y. 2021-22 to ₹24.40 in F.Y. 2022-23, leading to an increase of 10.31%.

### **ANNUAL SNAPSHOT AND FUTURE OUTLOOK:**

The year 2022-23 has started on a positive note due to post pandemic surge in demand mainly in Food and FMCG products. This enabled the company to record a considerable volume growth of around 16% in the F.Y. 23.

By introducing several products for new applications company achieved 30.32% growth in Food and FMCG segments over the previous F.Y. 22. Food and FMCG unit at Sultanpur has started commercial production during March, 2023.

### **New Products & Development:**

Company received good response for its new Food and FMCG products from Restaurants, Dairies, Nutraceuticals and other segments.

Company is developing products in 4 segments for Pharma Packaging which will be established by Oct/ Nov, 2023. These are high value-added products; however, it may take few quarters for us to establish ourselves in the Pharma industry as there are several audits and procedures for commercial supplies.

As envisaged last year, company has doubled its sweet box production capacity and its demand is expected to grow up considerably during the Festive season.

### **Cashew Packaging:**

Last year we introduced our square pack for Cashew Packaging which is expected to accelerate in this current financial year and there is rise in demand for our 15/17 litre square packs.

### **Exports:**

Company started exporting in a small way, IML labelled Food containers for Restaurants and to Retailers in USA, Australia and also received enquiries from Singapore. Company is now focussing on exports as we see potential demand for exporting value added IML products to developed countries in spite of additional Freight cost.

### **New Plants for Grasim (ABG Group):**

As informed earlier, company has been awarded packaging partner status for 3 Locations by Grasim Industries (part of Aditya Birla Group). Land has been acquired for Panipat and Cheyyar and construction activity is under process. These two plants are expected to go into trials / commercial production before end of this financial year itself.

Company has applied for land allocation at Mahad and this plant is expected to go into commercial production by early next F.Y.

### **Integrated Printing Facility:**

Company has initiated Integrated printing facility at Sultanpur, Hyderabad, to bring all printing activities under one roof such as label production and Die cutting for IML / HTL labels which will enable Company to control costs and wastage. This facility would be ready by Nov/ Dec, 23.

### **Digital Printing:**

Company recently, installed Italian Digital Printing Machine for the first time in India for IML which enable us to handle / process small orders and develop IML labels with very low lead time and also enable us to cater to various promotional schemes as and when clients wish to introduce.

Digital Printing is automatic without gap of setting time. This results in quicker service to smaller clients, improved label availability and less wastage.

### **ENVIRONMENT, HEALTH AND SAFETY:**

Mold-Tek Packaging Limited (MTPL) is committed to being an environmentally responsible Company and Environment, Health and Safety are fundamental to the success of our business and part of our annual operating plan.

The Company has an effective Environment, Health & Safety Policy. The Company's offices and units are designed based on careful consideration of statutory requirements, for a healthy and safe workplace, applicable Indian Standards. One of the key focus areas remain safety of employees and investing in technologies and processes to avoid and minimize the manual interfaces with machines. At the design stage of any process, focus is on providing engineering controls to control the various hazards during manufacturing/production. Further, all new plants are highly automated with conveyors and robotics palletization to reduce manual intervention. The Company has a systematic process for identification of work-related hazards. The Company has in place a mechanism for identification of fire hazards, preparation of action plan for control system and plans to mitigate or eliminate hazards.

The Company have EHS Management system manual and we follow the same in all the units. The system covers all employees, workers and interested party's health and safety at each certified location. The system includes everything from planning to developing processes, as well as monitoring and analysing data and improving it continually. Further, we are implementing additional improvements to our safety management systems, based on recommendations received to improve the effectiveness of our existing safety systems and procedures at our units.

### **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 at its meeting held on the 3<sup>rd</sup> day of May, 2023, has recommended a final dividend of 40% (₹2 per equity share) in addition to the interim dividend of 80% (₹4 per equity share) on face value of ₹5 per equity share, declared on 12<sup>th</sup> April, 2023, 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 Tuesday, the 26<sup>th</sup> day of September, 2023. Total dividend declared for the financial year 2022-23 is thus 120% (i.e., ₹6 per equity share) on face value of ₹5 per equity share. This will entail an outflow of ₹1,990 lakhs.

The dividend payout for the year under review has been formulated after considering the financial aspects and 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:***

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<sup>st</sup> 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 had adopted a new Dividend Distribution Policy and such was effective from 26<sup>th</sup> May, 2021 in terms of 43A of

the SEBI (Listing Obligations and Disclosure Requirements), 2015. Further, the Board of Directors of the Company, in its meeting held on 6<sup>th</sup> February, 2023, reviewed and amended the said policy. The policy is available on the website of the company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

### **SHARE CAPITAL:**

#### **(i) Authorized Share Capital:**

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2023 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 31<sup>st</sup> day of March, 2023 was ₹16,58,23,845 comprising of 3,31,64,769 no. of fully paid Equity shares of face value of ₹5 each.

During the Financial Year 2022-23, 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.      | <b>Total No. of Equity Shares &amp; paid-up capital as on 01.04.2022</b>              | <b>3,12,53,121</b> | <b>5 each</b>            | <b>15,62,65,605</b>                |
| 2.      | Add: Allotment of shares on Exercise of Rights Warrants on 19.04.2022                 | 10,56,894          | 5 each                   | 52,84,470                          |
| 3.      | Add: Allotment of shares on Exercise of Rights Warrants on 16.05.2022                 | 6,87,290           | 5 each                   | 34,36,450                          |
| 4.      | Add: Allotment of shares on Exercise of Rights Warrants on 22.06.2022                 | 1,23,334           | 5 each                   | 6,16,670                           |
| 5.      | Add: Allotment of shares as per MTPL Employees Stock Option Scheme-2016 on 09.02.2023 | 44,130             | 5 each                   | 2,20,650                           |
| 6.      | <b>Total No. of Equity Shares and paid-up capital as on 31.03.2023</b>                | <b>3,31,64,769</b> | <b>5 each</b>            | <b>16,58,23,845</b>                |

### **LISTING OF EQUITY SHARES:**

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

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

The Company has paid the annual listing fees to the said stock exchanges for the financial year 2023-24.

### **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 their report expressed an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financials.

### **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, as amended from time to time the Company have adopted the (i) Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives and the (ii) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information collectively referred to as the “Code(s) on PIT”. 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, on occurrence of any material events as per the code when unpublished price sensitive information is deemed to be available with insiders as determined by the Compliance Officer. Mr. Thakur Vishal Singh, Company Secretary of the Company, was the Compliance Officer up to 4<sup>th</sup> 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 27<sup>th</sup> 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(s) on PIT. Further, the Board of Directors of the Company continuously monitors and amends the respective Codes at regular intervals to incorporate and bring the Codes in line with amendments brought in by the regulator(s). The Code(s) were last updated/modified/amended by the Board in its meeting held on 3<sup>rd</sup> May, 2023.

The said Code(s) are available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

### **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS:**

In terms of Section 178(2) and 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014, Nomination and Remuneration Policy (“NR Policy”) of the Company, inter alia, the Board/ Nomination and Remuneration Committee (NRC) 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/ NRC (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.moldteckpackaging.com/investors.html#tab-5>

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 31<sup>st</sup> March, 2023 was conducted by the Board, at its meeting held on 3<sup>rd</sup> May, 2023. Information and other details on annual performance assessment is given in the Corporate Governance report.

Further, in terms of the requirement as contained in Clause VII of the Schedule IV of the Companies Act, 2013 and Regulation 25(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company at their meeting held on 6<sup>th</sup> February, 2023, *inter alia*:

- reviewed the performance of the Non-Independent Directors and the Board as a whole with respect to their rights, duties vis-à-vis performance of Board Members;
- reviewed the performance of the Chairperson of the Company by taking into account the views of executive and non-executive directors of the Company.

#### **SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY:**

As on 31<sup>st</sup> March, 2023 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 2022-23.

#### **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. As on 31<sup>st</sup> March, 2023, the Committee comprises of Mr. Eswara Rao Immaneni, -Independent Director as Chairman, Dr. Talupunuri Venkateswara Rao, and Mrs. Madhuri Venkata Ramani Viswanadham, Independent Directors as members. The Committee met five (5) 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, was required to undertake Directors and Officers Insurance ('D and O insurance') for all their Independent Directors and Officers of such quantum and for such risks as may be determined by its board of directors.

The Company at its Board Meeting held on 27<sup>th</sup> 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 29<sup>th</sup> day of June, 2022.

The Board at its meeting held on 3<sup>rd</sup> May, 2023, re-assessed the quantum and risk to be covered by the said insurance and subsequently the insurance was renewed w.e.f. 29<sup>th</sup> June, 2023.

#### **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, till the time of complete utilization of funds raised by the Company through Rights Issue and Qualified Institutional Placement (QIP).

#### **UTILIZATION OF AMOUNT RAISED THROUGH QUALIFIED INSTITUTIONAL PLACEMENT (QIP):**

During the previous financial year 2021-22 the Company had 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 14<sup>th</sup> December, 2021 to 17<sup>th</sup> December, 2021 and the Company had received overwhelming response for its QIP. The funds who had invested in the QIP included 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.

## **Mold-Tek Packaging Limited**

Further, as on 30<sup>th</sup> September, 2022, the entire funds raised by the Company through Qualified Institutional Placement stands utilized for purpose(s) for which the fund was raised and the same was informed to the stock exchange(s) where the equity shares of the Company are listed.

### **CREDIT RATING:**

ICRA Limited vide its letter ref no. ICRA/MOLD-TEK Packaging Limited/29052023/1 dated 29<sup>th</sup> May, 2023, has informed the company that based on a review of the latest developments, the Rating Committee of ICRA, after due consideration, has retained the long-term rating at [ICRA] A+ (pronounced ICRA A plus) and the short-term rating at [ICRA]A1 (pronounced as ICRA A one).

Outlook on the long-term Rating is 'Stable'. The report from the credit rating agency was intimated to the stock exchange(s) where the equity shares of the Company are listed and is also available in the website of the Company at: <https://www.moldteckpackaging.com/investors.html>.

Post such re-affirmation the rating details are as tabled below:

| <b>Instrument</b>                 | <b>Rating</b>      |
|-----------------------------------|--------------------|
| Long-term, Term Loans             | [ICRA] A+ (Stable) |
| Long-term, Fund Based-Cash Credit | [ICRA] A+ (Stable) |
| Long-term, Unallocated            | [ICRA] A+ (Stable) |
| Short-term non- fund based limits | [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 19<sup>th</sup> Annual General

Meeting of the company held on 19<sup>th</sup> 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 1<sup>st</sup> tranche of granting of 1,50,000 options, as approved by the Nomination and Remuneration Committee/Board in its meeting held on 20<sup>th</sup> July, 2018 and a 2<sup>nd</sup> 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 23<sup>rd</sup> December, 2020, respectively.

During the financial year under review the Board vide a circular resolution passed on the 9<sup>th</sup> February,2023, has vested 44,130 options (out of 2<sup>nd</sup> tranche of granting of 1,50,000 options). The necessary disclosure /Outcome of the Circular Resolution Passed by the Board of Directors on 9<sup>th</sup> February, 2023, was given to the stock exchange(s). There have 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://moldteckpackaging.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://moldteckpackaging.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, if any, made during the financial year ended 31<sup>st</sup> March, 2023, 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 2022-23, the Company has received a letter dated 26<sup>th</sup> 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, after analyzing the said request of reclassification and having discussed in detail, the board of directors of the company at their meeting held on 27<sup>th</sup> July, 2022, had favorably considered her request for reclassification and have accorded their approval to the said re-classification. Further, the shareholders of the Company at the 25<sup>th</sup> Annual General Meeting held on Friday, 30<sup>th</sup> September, 2022, have approved the reclassification of Mrs. Swetha Mythri J, Member of the Promoter Group from “Promoter/Promoter Group” category to “Public” category in the shareholding of the Company.

Subsequently, the Company has filed an application dated 25<sup>th</sup> October, 2022 with the BSE Limited and National Stock Exchange of India Limited for the said re-classification and replied to queries raised by the respective exchange(s) in this regard. Further, the exchange(s) vide letter(s) dated 23<sup>rd</sup> August, 2023, have approved the application for the said reclassification and the Company has given necessary disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015, to the exchange(s).

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

#### **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 read 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 to 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 till the date of approval of the Directors’ Report:

- (i) The Board of Directors of the Company at its meeting held on the 2<sup>nd</sup> of September, 2022, approved and recommended to the members the re-appointment of Mr. Srinivas Madireddy (DIN: 01311417) as Whole – time Director of the Company for a further period of five (5) years, commencing from 14<sup>th</sup> May, 2023 to 13<sup>th</sup> May, 2028, liable to retire by rotation and such was subsequently approved by the members of the Company by passing the required resolution with requisite majority at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022.
- (ii) The Board of Directors of the Company at its meeting held on the 2<sup>nd</sup> of September, 2022, approved and recommended the re-appointment of Dr. Venkata Appa Rao Kotagiri (DIN: 01741020) and Mr. Eswara Rao Immaneni (DIN: 08132183) as Independent Non-Executive Directors of the Company for a second term of five consecutive years, w.e.f. 14<sup>th</sup> May, 2023 to 13<sup>th</sup> May, 2028, not be liable to retire by rotation. Subsequently, whereas, the resolution pertaining to the re-appointment of Mr. Eswara Rao Immaneni (DIN: 08132183) as Independent Non-Executive Directors was passed with requisite majority by members at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022, the resolution pertaining to the re-appointment of Dr. Venkata Appa Rao Kotagiri (DIN: 01741020) failed to get passed with requisite majority. Thus, the tenure/term of Dr. Venkata Appa Rao Kotagiri as an Independent Director of the company has completed on Saturday, 13<sup>th</sup> May, 2023 and he has retired as an Independent Director of the Company with effect from the close of business hours on the same date. The Board of Directors of the Company places on record their sincere appreciations for the services rendered by Dr. Venkata Appa Rao Kotagiri as an Independent Director of the Company during his tenure and wish him the best for his future endeavors. Necessary, disclosures pertaining to the above was given to the stock exchange(s) where the equity shares of the Company are listed.



- (iii) Mrs. J. Mytraeyi, Non-Executive Director of the Company, mother of Mr. J. Lakshmana Rao, Chairman and Managing Director of the Company, aged 89 years left for her heavenly abode on Thursday, 9<sup>th</sup> March, 2023. Mrs. J. Mytraeyi had joined the Board since the inception of the Company. Her vast knowledge and varied experience and the respect she carried was always of and will continue to be of great value to the Company. All the members of the Board and employees of the Company convey their deep sympathy, sorrow and condolences to her family.
- (iv) Mr. Ponnuswamy Ramnath (DIN: 03625336) as per the recommendation of the Nomination and Remuneration Committee and after considering his knowledge, acumen, expertise and experience was appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation on 9<sup>th</sup> August, 2023 to hold office for his first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 to 16<sup>th</sup> August, 2028, subject to approval and regularization by members of the Company in the ensuing Annual General Meeting as an Independent Director. Further, the board of directors is of the opinion that he fulfills 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 Mr. Ponnuswamy Ramnath on the board as an Independent Non-Executive Director of the company. In terms of Regulation 17(1C) of 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. Thus, 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, Mr. Ponnuswamy Ramnath, being eligible for regularization and appointment as an Independent Director and offering himself for appointment, is proposed by Board to be regularized and appointed as an Independent Director for the first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 and to hold office up to 16<sup>th</sup> August, 2028.

Based on the confirmations received, none of the Directors are disqualified for being appointed/re-appointed as directors in terms of the Companies Act, 2013, or under the SEBI (LODR) Regulations, 2015.

In accordance with the provisions of Section 152 of the Act, Mr. Subramanyam Adivishnu, Deputy Managing Director of the Company (DIN: 00654046) is retiring by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Further, Mr. Lakshmana Rao Janumahanti (DIN: 00649702), Chairman and Managing Director, Mr. Subramanyam Adivishnu (DIN: 00654046), Dy. Managing Director and Mr. P. Venkateswara Rao (DIN: 01254851), Dy. Managing Director were appointed in their respective designations for a period of 5 years with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018.

Their present terms thus expire on 31<sup>st</sup> March, 2024. The Board of Directors, Audit Committee and Nomination and Remuneration Committee at their respective meetings held on 29<sup>th</sup> August, 2023, subject to the approval of Members at this general meeting, re-appointed them for a further period of five (5) years w.e.f. 1<sup>st</sup> April, 2024 to hold office till 31<sup>st</sup> March, 2029. The Board has recommended the said resolutions for approval of the members in the ensuing 26<sup>th</sup> Annual General Meeting.

***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 4<sup>th</sup> day of July, 2022. The Board in its meeting held on the 27<sup>th</sup> 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 27<sup>th</sup> 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:

| <b>Sr. No.</b> | <b>Name of Key Managerial Personnel</b>                                       | <b>Designation</b>                       |
|----------------|---|--|
| 1.             | Mr. J. Lakshmana Rao  | Managing Director & Chairman             |
| 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<br>(Resigned w.e.f. 4 <sup>th</sup> July, 2022)       | Company Secretary and Compliance Officer |
| 7.             | Mr. Subhojeet Bhattacharjee<br>(Appointed w.e.f. 27 <sup>th</sup> 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, *inter alia*, 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 of Directors met 6 (six) times during the financial year 2022-23 i.e., on 21<sup>st</sup> April, 2022, 9<sup>th</sup> May, 2022, 27<sup>th</sup> July, 2022, 2<sup>nd</sup> September, 2022, 7<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023. 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 FOR EMPLOYEES AND BUSINESS ETHICS AND CODE OF CONDUCT FOR BOARD MEMBERS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT:**

Board of Directors have adopted and oversee the administration of the Company's Code of Conduct for Employees and Business Ethics and Code of Conduct for Board Members, Key Managerial Personnel & Senior Management which applies to all Directors, Key Managerial Personnel & Senior Management Officers and Employees of Mold-Tek Packaging Limited. The Codes reflects the Company's commitment to doing business with integrity and in full compliance with the law and provides a general roadmap for all covered under the Code(s) to follow as they perform their day-to-day responsibilities with the highest ethical standards. The Codes 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.

At Mold-Tek we strive to be a reliable partner to all our stakeholders especially our business partners and our customers. Our Code of Conduct not only lays out our responsibilities within the organization but also extends to those stakeholders with whom we do business. It serves as a guide for decision making and helps us make choices when faced with challenging situations. It gives us the confidence to make the right decision.

#### **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 31<sup>st</sup> March, 2023, 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 2022-23.

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, 2023, 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 2022-23, 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.moldteckpackaging.com/investors.html#tab-5>

**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 have appointed Mr. Ashish Kumar Gaggar, Practicing Company Secretary to undertake the Audit of Annual Secretarial Compliance of the Company for the year ended 31<sup>st</sup> March, 2023. The Annual Secretarial Compliance Report is annexed as '**Annexure-E**'. The Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2023 do not contain any qualification, reservation, adverse remark or disclaimer except the observations provided therein, if any.

### **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 20<sup>th</sup> Annual General Meeting (AGM) held on 22<sup>nd</sup> 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 20<sup>th</sup> AGM till the conclusion of the 25<sup>th</sup> AGM of the Company, in accordance with the provisions of the Act. However, in accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> 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.

Further, during the Financial year 2022-23, the Board in its meeting held on 27<sup>th</sup> 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, 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 recommended to the members 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 25<sup>th</sup> Annual General Meeting till the Conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the F.Y. 2027-28 and such was subsequently approved by the members of the Company by passing the required resolution with requisite majority at the 25<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022. Thus, M/s. Anandam & Co., Chartered Accountants (Firm Registration Number 000125S), stands re-appointed as statutory auditors of the company, for the second term of five (5) consecutive years, to hold office from the conclusion of the 25<sup>th</sup> Annual General Meeting till the Conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the F.Y. 2027-28.

The Statutory Auditors of the Company have issued an unmodified opinion on the financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and a declaration/statement there-of has been filed with the stock exchange(s) by the Company on 3<sup>rd</sup> May, 2023, along with the outcome of the meeting of the Board of Directors held on the same date. The said Auditors' Report(s) for the financial year ended on 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023. The Secretarial Audit Report as issued by the Secretarial Auditor for the F.Y. 2022-23 is annexed as '**Annexure-F**'. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2023 does not contain any qualification, reservation, adverse remark or disclaimer except the observations provided therein, if any.

#### **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 of the Company.



**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. The Board in its meeting held on the 27<sup>th</sup> day of January, 2022, as per the recommendation of the Audit Committee has reviewed and updated the policy. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://www.moldteckpackaging.com/investors.html#tab-5> 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.

**FORFEITURE OF DETACHABLE WARRANTS:**

The Board of Directors of Mold-Tek Packaging Limited, through Circular Resolution passed on 20<sup>th</sup> September, 2022, has approved the Forfeiture of 26,239 number of Detachable Warrants which are not exercised/tendered to be converted into Equity Shares at the completion of/within the Warrant Exercise Period as per the terms of Letter of Offer dated October 17, 2020. The Company in the best interest of the Warrant holders vide Newspaper Publication dated 3<sup>rd</sup> May, 2022, Stock Exchange Intimations dated 30<sup>th</sup> April, 2022, 4<sup>th</sup> May, 2022 and 12<sup>th</sup> May, 2022, and multiple reminders cum forfeiture notices to the Warrant holders at various times during the Warrants Exercise Period has requested all the Warrant holders for Conversion of Detachable Warrants into Equity Shares issued on Rights Basis, pursuant to the LOF dated October 17, 2020 and a total of 33,05,741 number of equity shares were allotted in lieu of Detachable Warrants

which were exercised/tendered by the warrant holders by following the proper procedure as per the LOF dated October 17, 2020, within the Warrant Exercise Period and the remaining 26,239 number of Detachable Warrants have lapsed on account of not being exercised within the Warrant Exercise period in terms of the LOF and hence are liable to be forfeited.

In terms of the LOF, the Detachable Warrants which are not tendered to be converted into Equity Shares at the completion of the Warrant Exercise Period, shall lapse and the relevant holder(s) of such Warrants shall not be entitled to allotment of the Equity Shares against such Detachable Warrants.

Accordingly, the Board of Directors vide a Resolution passed by Circulation on 20<sup>th</sup> September, 2022, have approved the forfeiture of the remaining 26,239 number of Detachable Warrants which have lapsed as stated above. The Company has subsequently completed the procedural formalities regarding the forfeiture of such Detachable Warrants in due course.

**SUBSIDIARY:**

The Company does not have any subsidiary company in terms of Section 2(87) of the Companies Act, 2013, read with underlying rules as on 31<sup>st</sup> March, 2023.

**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 31<sup>st</sup> March, 2023, is available on the Company's website and that can be accessed at <https://www.moldteckpackaging.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 (MDAR), REPORT ON CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT(BRSR):**

The Management Discussion and Analysis Report and the Report on Corporate Governance 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.

Further, The Business Responsibility and Sustainability Report as required in terms of the provisions of Regulation

34(2)(f) of the SEBI Listing Regulations, separately 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 Risk Management Committee has been constituted in terms of Regulation 21 of the SEBI (LODR) Regulations, 2015, to oversee the formulation and implementation of a detailed risk management policy and to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company. 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 director appointed during the year 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 : 29<sup>th</sup> August, 2023

**DISCLOSURE IN RELATION TO MTPL EMPLOYEE STOCK OPTION SCHEME - 2016**

*[Pursuant to Regulation 14 read with Part F of Schedule I of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB Regulations”) and Section 62(1)(b) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014]*

All the relevant details of the Company’s Employee Stock Option Scheme are provided below and are also available on website of the Company at <https://www.moldteckpackaging.com/investors.html>

**(A) Relevant disclosures in terms of the Accounting Standards prescribed by the Central Government and Section 133 of the Companies Act, 2013 including the ‘Guidance note on accounting for employee share based payments’ issued in that regard from time to time:**

Refer Note No. 11 (d) forming part of the financial statements of the Company for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 102 – Share Based Payment.

**(B) Diluted EPS on issue of shares pursuant to all the schemes covered under the Regulations shall be disclosed in accordance with ‘Indian Accounting Standard 33 - Earnings Per Share’ issued by the Central Government or any other relevant Accounting Standards as issued from time to time:**

Refer Note No. 36 forming part of the financial statements of the Company for the financial year 2022-23. Please note that the said disclosure is provided in accordance with Indian Accounting Standards (Ind AS) 33 – Earnings per share

Scheme I - MTPL Employees Stock Option Scheme

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

**(C) Details of the Employees Stock Option Schemes (ESOS):**

| Sr. No. | Description  | Year ended 31 <sup>st</sup> March, 2023 Scheme-I   | Year ended 31 <sup>st</sup> March, 2023 Scheme-II   |
|---------|--|--|---|
| 1.      | Date of shareholders’ approval                       | 9 <sup>th</sup> February, 2010   | 19 <sup>th</sup> 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   |

A. Method of Accounting used: Fair Value

B. 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 31 <sup>st</sup> March, 2023 |
|---------|---|---|
| 1.      | Number of options outstanding at the beginning of the year (out of total number of options approved under ESOS)   | 1,12,432                                |
| 2.      | Number of options granted during the year   | 0                                       |
| 3.      | Number of options forfeited/lapsed during the year  | 1,140                                   |
| 4.      | Number of options vested during the year  | 44,130                                  |
| 5.      | Number of options exercised during the year   | 44,130                                  |
| 6.      | Number of shares arising as a result of exercise of options   | 44,130                                  |
| 7.      | Amount realized by exercise of options (₹ lakhs)  | 110.77                                  |
| 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)   | 67,162                                  |
| 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.  | 957.70                                  |
| 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:<br>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;<br>b) the method used and the assumptions made to incorporate the effects of expected early exercise;<br>c) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and<br>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 : 29<sup>th</sup> August, 2023



*[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:**

Mold-Tek Packaging has ambitious goals that it strives to achieve in the years to come as part of its sustainability planning. The Company has set targets for ESG commitments, inter-alia, related to Energy Conservation, Nature- Positive and Safe Workplace, Equitable and Inclusive Workplace, Water Stewardship, Ethics, Transparency, Quality, Accountability and Governance and promoting education, healthcare, women empowerment and sanitation through its CSR initiatives and have a positive impact on the society and environment at large. The Company monitors the performance against the specific commitments on an ongoing basis.

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. Replacement of conventional tubes and bulbs with LED;
- c. Monitoring, benchmarking and selection of energy intensive equipment only;

- d. Minimum use of energy by optimizing processes and material movement in factories;
- e. 'Machine On' alarms and automatic switch off machines;
- f. Share and implement best energy saving practices across manufacturing units;
- g. The Company is gradually replacing the Hydraulic machines in its factories with Electric Machines for better energy efficiency and cut down carbon foot-print;
- h. The Company has installed solar power generating systems in its units to channel the electric energy requirements in the said units.

The Company has invested on the research and innovation which have resulted in energy management and optimum utilization of resources, reduction of carbon footprint and improve the efficiency of the processes.

Environmental and Social impact assessment is one of the key inputs for the new product development/process changes. Capital expenditure and R&D spends incurred by the Company embeds cost incurred to mitigate environmental & social hazards. These are inseparable cost of the projects and hence separately identifying such cost is not feasible but still the company has made reasonable estimations to derive the same. Increasing share of renewable energy in overall energy portfolio is a flagship initiative which demonstrated our commitment towards sourcing clean energy and transition to low carbon operation having a direct impact on the environment.

Total of ₹578.96 lakhs (i.e. 0.79% of Total Income) is spent for total R&D and 100% of the same is attributable towards improvement of the environmental and social impacts of product and processes.

**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 moulds. 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 moulds 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               | 2022-23  | 2021-22  |
|---------------------------|----------|----------|
| Foreign exchange earnings | 516.95   | 541.83   |
| Foreign exchange outgo    | 8,329.62 | 4,528.63 |

**For and on behalf of the Board of Directors**

Sd/-

**J. LAKSHMANA RAO**

Chairman & Managing Director

DIN: 00649702

Place: Hyderabad

Date : 29<sup>th</sup> August, 2023

**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           | 1  | 1  |
| 5.      | Mrs. Madhuri Venkata Ramani Viswanadham - Independent Non- Executive Woman Director# | Member           | 1  | 1  |

\* upto 07.11.2022

# w.e.f. 07.11.2022

**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.moldteckpackaging.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:** ₹6779.49 Lakhs

- 7. (a) Two percent of average net profit of the company as per section 135(5): ₹135.59 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): ₹135.59 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. |
| 12.18   | 123.41   | 28 <sup>th</sup> April, 2023 | 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.           | Zilla Parishad High School - An-naram | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  | Yes                 | Telangana               | Medak       | 3 years          | 70.00   | -   | 70.00  | Yes                                       | Not Applicable                                       | Not Applicable          |
| 2.           | High School - Than-davapura - Mysore  | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects   | No                  | Karnataka               | Mysore      | 3 years          | 25.00   | 0.50  | 24.50  | Yes                                       | Not Applicable                                       | Not Applicable          |
| 3.           | Mahila Bhavan and Water Storage Tank  | Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups. Making available safe drinking water | No                  | Andhra Pradesh          | Chittor     | 3 years          | 20.41   | -   | 20.41  | Yes                                       | Not Applicable                                       | Not Applicable          |
| 4.           | RO Water Plant - Achyuta-puram        | Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water  | No                  | Andhra Pradesh          | Anaka-palli | 2 years          | 9.00  | 0.50  | 8.50   | Yes                                       | Not Applicable                                       | Not Applicable          |
| <b>TOTAL</b> |                                       |   |                     |                         |             |                  | <b>124.41</b>                                 | <b>1.00</b>   | <b>123.41</b>  |   |  |                         |



**(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.           | Sports Sponsorship                                   | Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports  | Yes                  | Telangana                | Hyderabad   | 0.25                                      | Yes                                      | Not Applicable   | Not Applicable           |
| 2            | Scholarship to Rajiv Gandhi Ayurveda Medical College | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  | No                   | Pondicherry (UT)         | Mahe        | 0.50                                      | Yes                                      | Not Applicable   | Not Applicable           |
| 3            | Renovation of Primary School Building                | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  | No                   | Maharashtra              | Khandala    | 2.00                                      | Yes                                      | Not Applicable   | Not Applicable           |
| 4            | Contribution to Vedic School                         | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  | Yes                  | Telangana                | Hyderabad   | 1.92                                      | Yes                                      | Not Applicable   | Not Applicable           |
| 5            | Financial Assistance to Below Poverty Line Children  | Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.  | Yes                  | Telangana                | Hyderabad   | 5.91                                      | No                                       | Through Implementing Agency- Potukuchi Somasundara Social Welfare and Charitable Trust | CSR Reg. No. CSR00002182 |
| 6            | Contribution towards Livelihood Enhancement Projects | Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups | Yes                  | Telangana                | Ranga Reddy | 0.60                                      | No                                       | Through Implementing Agency- Arunodaya Trust   | CSR Reg. No. CSR00012742 |
| <b>TOTAL</b> |  |   |                      |                          |             | <b>11.18</b>                              |  |  |                          |

- (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): ₹12.18 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 2019-20               | 44.02  | 30.35  | Not Applicable  |                 |                   | 13.67   |
| 2.      | F.Y 2020-21               | 34.27  | 0  | Not Applicable  |                 |                   | 34.27   |
| 3.      | F.Y. 2021-22              | 70.44  | 52.49  | Not Applicable  |                 |                   | 17.94   |
|         | <b>TOTAL</b>              | <b>148.73</b>  | <b>82.84</b>   | <b>Not Applicable</b>   |                 |                   | <b>65.88</b>  |

(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-3        | School Building-Annaram | F.Y. 2020-21                                      | 3 Years           | 58.55   | 23.79  | 58.55  | Completed                                  |
| 2.      | HEALTH 1     | Ambulance               | F.Y. 2020-21                                      | 3 Years           | 38.00   | -  | 16.70  | On-going                                   |
| 3.      | HEALTH 2     | Medical Equipment       | F.Y. 2020-21                                      | 3 Years           | 35.00   | 6.56   | 9.08   | On-going                                   |
| 4.      | MB 21-22     | Mahila Bhavan           | F.Y. 2021-22                                      | 3 Years           | 36.00   | 35.75  | 35.75  | Completed                                  |
| 5.      | RWP 21-22    | RO Water Plant          | F.Y. 2021-22                                      | 3 Years           | 29.37   | 16.74  | 26.67  | Completed                                  |
| 6.      | HEALTH 3     | Medical Equipment       | F.Y. 2021-22                                      | 3 Years           | 15.72   | -  | -  | On going                                   |
|         | <b>TOTAL</b> |                         |   |                   | <b>212.64</b>                                       | <b>82.84</b>   | <b>146.75</b>  |  |

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 31 March, 2022 has been transferred to Unspent CSR Account on 30 April, 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**

Place: Hyderabad  
Date: 29<sup>th</sup> August, 2023

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

**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 2022-23:**

(₹ in lakhs except Median Remuneration)

| Name of the Director             | Remuneration | Median remuneration (₹) | Ratio to median remuneration |
|----------------------------------|--------------|-------------------------|------------------------------|
| <b>Executive Directors</b>       |              |                         |                              |
| Mr. J. Lakshmana Rao             | 237.13       | 3,67,459                | 64.53:1                      |
| Mr. A. Subramanyam               | 283.16       | 3,67,459                | 77.05:1                      |
| Mr. P. Venkateswara Rao          | 205.56       | 3,67,459                | 55.94:1                      |
| Mr. M. Srinivas                  | 100.46       | 3,67,459                | 27.34:1                      |
| <b>Non-Executive Directors</b>   |              |                         |                              |
| Mrs. J. Mytraeyi*                | 1.20         | N.A.                    | N.A.                         |
| Dr. T. Venkateswara Rao          | 1.40         | N.A.                    | N.A.                         |
| Dr. Venkata Appa Rao Kotagiri#   | 1.10         | N.A.                    | N.A.                         |
| Mr. Eswara Rao Immaneni          | 1.40         | N.A.                    | N.A.                         |
| Mrs. Madhuri VRV                 | 1.40         | N.A.                    | N.A.                         |
| Mr. T Dhanraj Tirumala Narasimha | 0.90         | N.A.                    | N.A.                         |
| Mr. Ponnuswamy Ramnath@          | N.A.         | N.A.                    | N.A.                         |

\* Mrs. J. Mytraeyi left for her heavenly abode on 9<sup>th</sup> March, 2023.

# Dr. Venkata Appa Rao Kotagiri retired w.e.f. 13<sup>th</sup> May, 2023.

@ Mr. Ponnuswamy Ramnath was appointed as an Additional Director (Category: Non-Executive, Independent) w.e.f. from 17<sup>th</sup> August, 2023.

**b. Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2022-23**

| Name                              | Designation                            | Increase % |
|-----------------------------------|--|------------|
| Mr. J. Lakshmana Rao              | Chairman & Managing Director           | 15.81%     |
| Mr. A. Subramanyam                | Deputy Managing Director               | 17.58%     |
| Mr. P. Venkateswara Rao           | Deputy Managing Director               | 20.36%     |
| Mr. M. Srinivas                   | Whole time Director                    | 12.47%     |
| Mrs. J. Mytraeyi@                 | Non-Executive Director                 | N.A.       |
| Dr. T. Venkateswara Rao           | Independent Non-Executive Director     | N.A.       |
| Dr. VenkataAppa Rao Kotagiri§     | Independent Non-Executive Director     | N.A.       |
| Mr. Eswara Rao Immaneni           | Independent Non-Executive Director     | N.A.       |
| Mrs. Madhuri VR Viswanadham       | Independent Non-Executive Director     | N.A.       |
| Mr. T. Dhanraj Tirumala Narasimha | Independent Non-Executive Director     | N.A.       |
| Mr. Ponnuswamy Ramnath&           | Independent Non-Executive Director     | N.A.       |
| Mrs. A. Seshu Kumari              | Chief Financial Officer                | 14.84%     |
| Mr. Thakur Vishal Singh*          | Company Secretary & Compliance Officer | N.A.       |
| Mr. Subhojeet Bhattacharjee#      | Company Secretary & Compliance Officer | N.A.       |

**Note:** The remunerations given above for Executive Directors are inclusive of all annual benefits like Provident and superannuation fund, Gratuity, Leave encashment, Provisions for car and telephone, Commission and Re-imburements and the percentage increase has been calculated accordingly.

§ Dr. Venkata Appa Rao Kotagiri retired w.e.f. 13<sup>th</sup> May, 2023.

@ Mrs. J. Mytraeyi left for her heavenly abode on 9<sup>th</sup> March, 2023.

& Mr. Ponnuswamy Ramnath was appointed as an Additional Director (Category: Non-Executive, Independent) w.e.f. from 17<sup>th</sup> August, 2023

\* Resigned w.e.f. 4<sup>th</sup> Jul, 2022.

# Appointed w.e.f. 27<sup>th</sup> July, 2022.

- c. **Percentage increase in the median remuneration of employees in the financial year 2022-23:** 12.75%
- d. **Number of permanent employees on the rolls of the Company as on 31 March, 2023:** 627
- 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 17.09% over the previous financial year. The aggregate remuneration for KMPs grew by 13.05% 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 2022-23 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:

| Name                    | Designation/<br>nature of<br>employment | Qualification   | Age<br>(Years) | Date of<br>joining | Remu-<br>neration<br>received<br>(₹ in lakhs) | Overall<br>experience<br>(Years) | Particulars of last<br>employment   |
|-------------------------|---|---|----------------|--------------------|---|----------------------------------|---|
| Mr. J. Lakshmana Rao    | Chairman & Managing Director            | Bachelor's degree in Civil Engineering & Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore | 64             | Refer Note*        | 237.13  | 40                               | 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   | 69             | Refer Note*        | 283.16  | 42                               | Director, Mold-Tek Technologies Limited   |
| Mr. P. Venkateswara Rao | Deputy Managing Director                | Bachelor of Arts and P.G. in Materials Management   | 66             | Refer Note*        | 205.56  | 44                               | 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 ₹ 320.90 lakhs per annum pursuant to approval of the Members accorded at the 24<sup>th</sup> Annual General Meeting of Mold-Tek Packaging Limited held on 30<sup>th</sup> September, 2021 and 37<sup>th</sup> Annual General Meeting of Mold-Tek Technologies Limited held on 30<sup>th</sup> September, 2021.

High Court of Judicature, Andhra Pradesh at Hyderabad by its Order dated 25<sup>th</sup> 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               | Remuneration | 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.                         | 64          | Refer Note*                   | 237.13       | 40                         | 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.   | 69          | Refer Note*                   | 283.16       | 42                         | Director, Mold-Tek Technologies Limited.   |
| 3.      | Mr. P. Venkateswara Rao   | Deputy Managing Director                     | Bachelor of Arts & PG. in Materials Management.  | 66          | Refer Note*                   | 205.56       | 44                         | Director, Mold-Tek Technologies Limited.   |
| 4.      | Mr. M. Srinivas           | Whole-Time Director                          | Bachelor's degree in Mechanical Engineering.   | 57          | Refer Note*                   | 100.46       | 35                         | Director, Teckmen Tools Private Limited.   |
| 5.      | Mrs. A. Seshu Kumari      | Chief Financial Officer & Finance Controller | Bachelor's degree in Science.  | 63          | Refer Note*                   | 58.88        | 32                         | 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. | 36          | 8 <sup>th</sup> April, 2013   | 104.32       | 11                         | Mold-Tek Technologies Limited.   |
| 7.      | Mr. A. Durga Sundeep      | Senior Vice President-Operations & Finance   | Engineering from REC Kurukshetra and MBA from Purdue University, USA.  | 39          | 8 <sup>th</sup> April, 2013   | 93.57        | 13                         | Mold-Tek Technologies Limited.   |
| 8.      | Mr. M. Rajeshwara Rao     | General Manager (Unit-VII)                   | Bachelor's degree in Mechanical Engineering and PG Diploma in Materials Management.                                | 53          | 25 <sup>th</sup> May, 1996    | 37.32        | 31                         | Mold-Tek Technologies Limited.   |
| 9.      | Mrs. Kavya Sarraju        | Chief Manager - Marketing                    | Master of Business Administration – Marketing.   | 35          | 1 <sup>st</sup> January, 2016 | 35.93        | 12                         | Mold-Tek Technologies Limited.   |
| 10.     | Mr. A. Venkata Pathi Raju | C.G.M-Projects, Operations & Maintenance     | Bachelor of Commerce (B.Com)   | 61          | 15 <sup>th</sup> May, 1998    | 33.03        | 39                         | Unique Plastics Limited  |

**Note\*:**

High Court of Judicature, Andhra Pradesh at Hyderabad by its order dated 25<sup>th</sup> 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: 29<sup>th</sup> August, 2023



## ANNEXURE-E

### SECRETARIAL COMPLIANCE REPORT OF “MOLD-TEK PACKAGING LIMITED” FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

I **Ashish Kumar Gaggar** have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by “**MOLD-TEK PACKAGING LIMITED**” (hereinafter referred as ‘the listed entity’), having its Registered Office at 8-2-293/82/A/700, Ground Floor, Road No 36, Jubilee Hills, Hyderabad, Telangana - 500033. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity’s books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on **31<sup>st</sup> March 2023**, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

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 this report, for the financial year ended **31<sup>st</sup> March 2023** (“Review Period”) in respect of compliance with the provisions of:
  - i. the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
  - ii. 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 Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*Not applicable to the listed entity during the period under review*);
- (e) 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 Non-Convertible Securities) Regulations, 2021 (*Not applicable to the listed entity during the period under review*);
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) (other regulations as applicable) and circulars/ guidelines issued thereunder;

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

I. (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. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)  | Regulation/ Circular No.   | Deviations   | Action Taken by | Type of Action | Details of Violation   | Fine Amount | Observations/Remarks of the Practicing Company Secretary   | Management Response  | Remarks |
|---------|--|--|--|-----------------|----------------|--|-------------|--|--|---------|
| 1.      | 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. | Regulation 25(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. | There was a delay and company took the Directors and Officers insurance ('D and O insurance') for all the independent directors of the company w.e.f. 29 <sup>th</sup> June, 2022. | NIL             | NIL            | There was a delay and company took the Directors and Officers insurance ('D and O insurance') for all the independent directors of the company w.e.f. 29 <sup>th</sup> June, 2022. | N. A        | The company has obtained the Directors and Officers insurance from ICICI Lombard General Insurance Company Limited w.e.f. the 29 <sup>th</sup> day of June, 2022 | The Regulation became applicable recently to the Company. The Company at its Board Meeting held on 27 <sup>th</sup> 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 29 <sup>th</sup> day of June, 2022. |         |

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

| Sr. No. | Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)  | Regulation/ Circular No.   | Deviations  | Action Taken by | Type of Action | Details of Violation  | Fine Amount | Observations/Remarks of the Practicing Company Secretary  | Management Response | Remarks |
|---------|--|--|---|-----------------|----------------|---|-------------|---|---------------------|---------|
| 1.      | 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. | Regulation 25(10) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. | There was a delay and company took the Directors and Officers insurance ('D and O insurance') for all their independent directors of the company w.e.f. 29 <sup>th</sup> June, 2022 | NIL             | NIL            | There was a delay and company took the Directors and Officers insurance ('D and O insurance') for all the independent directors of the company w.e.f. 29 <sup>th</sup> day of June, 2022. | NA          | The company has obtained the Directors and Officers insurance from ICICI Lombard General Insurance Company Limited w.e.f. the 29 <sup>th</sup> day of June, 2022. |                     | NA      |

II. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18<sup>th</sup> October, 2019:

| Sr. No.   | Particulars   | Compliance Status (Yes/ No/ NA) | Observations/ Remarks by PCS   |
|-----------|---|---------------------------------|--|
| <b>1.</b> | <b>Compliances with the following conditions while appointing/re-appointing an auditor</b>  |                                 |  |
|           | <p>i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>iii. If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>  | <p>NA</p> <p>NA</p> <p>NA</p>   | There has been no change in statutory auditor of the company during the financial year 2022-2023 |
| <b>2.</b> | <b>Other conditions relating to resignation of statutory auditor</b>  |                                 |  |
|           | <p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p> | NA                              | There has been no change in statutory auditor of the company during the financial year 2022-2023 |
| <b>3.</b> | The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/ CFD/CMD1/114/2019 dated 18 <sup>th</sup> October, 2019.  | NA                              | There has been no change in statutory auditor of the company.                                    |

III. I hereby report that, during the review period the compliance status of the listed entity is appended as below :

| Sr. No.   | Particulars   | Compliance Status (Yes/ No/NA) | Observations/ Remarks by PCS* |
|-----------|---|--------------------------------|-------------------------------|
| <b>1.</b> | <b>Secretarial Standards:</b><br>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).  | Yes                            | NA                            |
| <b>2.</b> | <b>Adoption and timely updation of the Policies:</b> <ul style="list-style-type: none"> <li>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul> | Yes                            | NA                            |



## Mold-Tek Packaging Limited

| Sr. No. | Particulars   | Compliance Status (Yes/No/NA) | Observations/Remarks by PCS*   |
|---------|---|-------------------------------|--|
| 3.      | <b>Maintenance and disclosures on Website:</b> <ul style="list-style-type: none"> <li>The Listed entity is maintaining a functional website</li> <li>Timely dissemination of the documents/ information under a separate section on the website</li> <li>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/section of the website</li> </ul> | Yes                           | NA   |
| 4.      | <b>Disqualification of Director:</b><br>None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.   | Yes                           | NA   |
| 5.      | <b>Details related to Subsidiaries of listed entities have been examined w.r.t.:</b> <p>(a) Identification of material subsidiary companies</p> <p>(b) Disclosure requirement of material as well as other subsidiaries</p>   | (a) NA<br>(b) NA              |  |
| 6.      | <b>Preservation of Documents:</b><br>The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.  | Yes                           | NA   |
| 7.      | <b>Performance Evaluation:</b><br>The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.   | Yes                           | NA   |
| 8.      | <b>Related Party Transactions:</b> <p>(a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or</p> <p>(b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.</p>   | (a) Yes<br>(b) NA             | (b) The listed entity has obtained prior approval of Audit Committee for all related party transaction |
| 9.      | <b>Disclosure of events or information:</b><br>The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.   | Yes                           | NA   |
| 10.     | <b>Prohibition of Insider Trading:</b><br>The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.   | Yes                           | NA   |
| 11.     | <b>Actions taken by SEBI or Stock Exchange(s), if any:</b><br>No action(s) has been taken against the listed entity/its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).                            | Yes                           | NA   |
| 12.     | <b>Additional Non-compliances, if any:</b><br>No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.   | Yes                           | NA   |

### **Assumptions & Limitation of scope and Review:**

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
- Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.



3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Sd/-

**Ashish Kumar Gaggar**

Company Secretary in Practice

FCS : 6687

CP No. : 7321

Date : 27<sup>th</sup> May, 2023

Place : Hyderabad

UDIN : F006687E000395011

PR : 707/2020

**SECRETARIAL AUDIT REPORT**

To  
The Members  
**Mold-Tek Packaging Limited**  
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 : F006687E000833502

Date : 21<sup>st</sup> August, 2023

Place : Hyderabad

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023

*[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**  
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 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by company for the financial year ended on 31<sup>st</sup> March, 2023 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 and Sweat Equity) Regulations, 2021.
- (e) 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, 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 with respect to board and general meetings.
- ii. The listing agreements entered into by the company with BSE Limited and National Stock Exchange of India Limited (NSE) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended from time to time.



## **Mold-Tek Packaging Limited**

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 based on the information provided and the representation made by the Company, taken on record by the Board of Directors of the Company, in my opinion 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.

I further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

Sd/-

**Ashish Kumar Gaggar**

**Company Secretary in Practice**

FCS : 6687

CP No. : 7321

PR : 707/2020

UDIN : F006687E000833502

Date : 21<sup>st</sup> August, 2023.

Place : Hyderabad

**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 31<sup>st</sup> March, 2023, 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;<br>Relative of Director.          | Acting as Chief Financial Officer of the Company.                     | Not Applicable                                      | Salary of ₹58.88 lakhs p.a. paid during the F.Y. 2022-23.                                   | Dates of Approval by the Board: 1 <sup>st</sup> August, 2016, 2 <sup>nd</sup> September, 2021.<br>Dates of Approval by Members/ Shareholders: 19 <sup>th</sup> September, 2016, 30 <sup>th</sup> September, 2021.   |
| 2.      | Mr. J. Rana Pratap ;<br>Relative of Director.          | Acting as Senior Vice President- Corporate of the Company.            | Not Applicable                                      | Salary of ₹104.32 lakhs p.a. paid during the F.Y. 2022-23.                                  | Dates of Approval by the Board: 1 <sup>st</sup> September, 2018, 2 <sup>nd</sup> September, 2021, 2 <sup>nd</sup> September, 2022.<br>Dates of Approval by Members/ Shareholders: 29 <sup>th</sup> September, 2018, 30 <sup>th</sup> September, 2021, 30 <sup>th</sup> September, 2022. |
| 3.      | Mr. A Durga Sundeep;<br>Relative of Director.          | Acting as Senior Vice President- Operations & Finance of the Company. | Not Applicable                                      | Salary of ₹93.57 lakhs p.a. paid during the F.Y. 2022-23.                                   | Dates of Approval by the Board: 31 <sup>st</sup> August, 2019, 2 <sup>nd</sup> September, 2021, 2 <sup>nd</sup> September, 2022.<br>Dates of Approval by Members/ Shareholders: 30 <sup>th</sup> September, 2019, 30 <sup>th</sup> September, 2021, 30 <sup>th</sup> September, 2022.   |
| 4.      | Mrs. S Kavya Sarraju;<br>Relative of Director.         | Acting as Chief Manager-NBD Marketing of the Company.                 | Not Applicable                                      | Salary of ₹35.93 lakhs p.a. paid during the F.Y. 2022-23.                                   | Date of Approval by the Board: 1 <sup>st</sup> August, 2016.<br>Date of Approval by Members/ Shareholders: 19 <sup>th</sup> September, 2016.  |

**For and on behalf of the Board of Directors**

Sd/-

**J. LAKSHMANA RAO**

Chairman & Managing Director

DIN: 00649702

Place: Hyderabad  
Date: 29<sup>th</sup> August, 2023

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. **COMPANY OVERVIEW** -

MOLD-TEK PACKAGING LIMITED started in 1986, has been credited as the first company to introduce IML Technology in India. Today, the Company is the India's largest producer of Plastic Packaging Pails. The Company's commitment to research and development is evident through its advanced R&D center in Hyderabad, where it has registered three patents and four currently being applied for. MOLD-TEK believes in practicing excellent corporate governance and maintaining a culture of professional management, which provides the Company with a competitive advantage in the marketplace in the long run. The Company has a well-diversified business model in terms of markets and products to meet the evolving needs of customers, customized innovation, agility in job execution, scale, global reach and warehousing facilities. By remaining focused on its strategy and unique value proposition for customers, with a capable and experienced team and a people-first approach, MOLD-TEK will continue to drive long-term value creation for shareholders and other stakeholders.

### 2. **GLOBAL ECONOMY**-

At first glance, there are indications that the worldwide economy is on track for a steady revival after being hit hard by the pandemic and Russia Ukraine war. China has made a strong comeback following the reopening of its economy, and the supply chain disruptions are gradually resolving. Additionally, the disruptions caused by the war on energy and food markets are diminishing. At the same time, the coordinated and significant tightening of monetary policies by most central banks is expected to yield results, with inflation moving back towards its targets. Potential downside risks would include sticky inflation (especially in advanced economies), the fallout of bank collapses in the US spreading to the wider global economy and an escalation of the war in Ukraine which has now entered its second year. According to the latest projections from the IMF, the global growth rate is expected to reach its lowest point at 2.8% in 2023 and then increase slightly to 3.0% in 2024. Meanwhile, global inflation is expected to decrease, albeit at a slower rate than previously anticipated, from 8.7% in 2022 to 7.0% this year and further down to 4.9% in 2024. In many cases, emerging markets and developing economies are

experiencing strong growth, with growth rates (Q4 over Q4) increasing from 2.8% in 2022 to 4.5% this year. However, advanced economies, particularly the Euro area and the United Kingdom, are facing a slowdown with expected growth rates (also Q4 over Q4) of 0.7% and -0.4%, respectively, this year before rebounding to 1.8% and 2.0% in 2024.

### 3. **INDIAN ECONOMY**-

The Indian economy is now widely seen as the bright spot in an otherwise gloomy global economic outlook, as per IMF Chief Kristalina Georgieva. Staying with the IMF's data points in its April 2023 world economic outlook, the Indian economy saw a growth rate of 6.8% in 2022, and 5.9% in 2023, and is estimated to grow at a rate of 6-6.3% in 2024.

Despite, global headwinds, the Russia-Ukraine war and associated price volatility in crude oil, fertilizer and food prices – India finds itself in a unique position to enter a phase of sustained rapid growth going forward. This is further reinforced by Deloitte's India economic outlook, April 2023, which suggests that to ensure India attains sustained non-inflationary growth, an increase in private investments on manufacturing capacity building is necessary in addition to the country capitalizing on its comparative services advantage.

There is data to back India's potential meteoric rise. For instance, India breached record exports in F.Y 23 with \$ 770 Billion with a surge in services exports, thanks to greater acceptance among multinationals (MNCs) to run operations remotely. More importantly, service exports were not limited to traditional sectors such as IT, but also so an increase in the share of business and professional services such as accounting, audit, research and development, quality assurance and aftersales services.

In the manufacturing sector (and associated exports of goods and products), India is seen to be on the cusp of becoming the next big manufacturer in the world. From an increase in electronics exports such as mobile phones to visible signs of the country improving its capacity building in pharmaceuticals and FMCG – India's future looks bright. This has been supported by multiple government initiatives such as the National Infrastructure Pipeline, PM Gati Shakti and National Logistics Policy, among others, that will help reduce

the cost of logistics while improving the ease of doing business. Similarly, the agriculture sector of the Indian economy grew at 3.5% in F.Y 23 with agriculture exports touching \$ 50.2 Billion in the fiscal year, as per the Press Information Bureau.

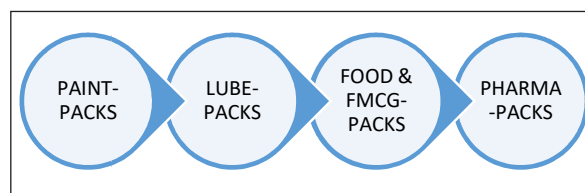
#### 4. **INDUSTRY OVERVIEW-**

MOLD-TEK PACKAGING LIMITED, a leading player in the rigid packaging industry, has built a strong presence in the industry. With its extensive product portfolio of IML, HTL, decorated containers, the Company caters to the diverse packaging needs of Paint, Lubes and Food & FMCG industries. Further, with a focus on innovation, a customer-centric approach and sustainability, MOLD-TEK continues to drive growth and create value for its stakeholders across these industries.

The global packaging industry has experienced robust growth over the past few decades, driven by demographic factors like population growth and rapid urbanization, increased trade, and greater demand for packaging. Sustainability and digitalization are increasingly popular trends that present challenges and opportunities for the industry. Other factors such as changing consumer preferences, margin compression and food safety have also impacted the industry and driven demand for new packaging products and innovations.

The global packaging industry in F.Y 21 was approximately \$ 1,002.4 Billion and is expected to reach \$ 1,275 Billion by 2027. The global rigid packaging market is expected to grow at a CAGR of 4.7% from \$ 207.8 Billion in 2022 to \$ 262.5 Billion in 2027. The growth of the Rigid plastic packaging market is attributed towards growing of food, beverages, healthcare, cosmetics, Industrial and others. Rigid plastic packaging is widely used in the food & beverage industries as it increases the shelf life of the products, thus preventing food loss. The market for rigid plastic packaging in the healthcare segment is also projected to grow at a high rate, owing to the increase in consumption of pharmaceutical products due to the aging population and growth in incidence rates of chronic diseases. Rigid plastic packaging offers aesthetic appeal and durability to the product, which increases its marketability; hence, it is used in the cosmetics & toiletries industry. The growth of the rigid plastic packaging market is majorly driven by rapid expansion of the Paint, Lubes and food & beverage industry.

#### 5. **BUSINESS SEGMENTS AND PERFORMANCE-**



During F.Y. 23 the Food and FMCG-pack business continued to grow at 32.62% and Lube-pack business recorded 30.71% volume growth and Paint-pack business registered a 5.64% growth in volume. During F.Y. 23, Paint Pails constitute 49.13% share of our company revenue, Lubes-Packs business is 24.62% and Food & FMCG is 26.26%. The revenues from new projects are expected to flow from next financial year. Overall, our Company achieved historically highest volume growth of 16% during the reporting period and recorded highest profits and poised to maintain similar or better volume growth in the near future.

#### 6. **DISCUSSION ON FINANCIAL PERFORMANCE-**

We are pleased to report another year of spectacular performance. For the Twelve months ended March 31, 2023, revenue from operations increased by 16% to ₹730 crores from ₹631.47 crores. Though revenues are inflated by steep increase in RM, Company achieved an impressive 16% volume growth. EBDIT for the period increased by 12% to ₹136.82 crores from ₹122.25 crores. Net Profit increased by 26.35% to ₹80.43 crores as compared to ₹63.66 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 18.75%.

#### **FINANCIAL AND OPERATIONAL PERFORMANCE - OVERVIEW**

₹ lakhs except EPS

| Particulars             | 2022-23 | 2021-22 | 2020-21 | 2019-20 | 2018-19 |
|-------------------------|---------|---------|---------|---------|---------|
| Revenue                 | 72,992  | 63,147  | 47,893  | 43,744  | 39,409  |
| EBITDA                  | 13,682  | 12,225  | 9,656   | 8,120   | 7,328   |
| Exceptional items       | -       | -       | 108     | 286     | 1,150   |
| PBT                     | 10,272  | 8,651   | 6,405   | 4,908   | 3,996   |
| Net Profit              | 8,043   | 6,366   | 4,808   | 3,819   | 2,410   |
| BEPS (Face Value of ₹5) | 24.40   | 22.12   | 16.86   | 13.78   | 8.70    |



The Company has 10 state of the art manufacturing facilities spread across India, with a total installed capacity of 45,290 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.

**7. 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 2022-23 | FY 2021-22 | % Change | Explanation  |
|------------------------------------|------------|------------|----------|--|
| Current Ratio                      | 2.43       | 3.72       | (34.07)  | Decreased due to increased in debt on account of increase in current liabilities which primarily comprises of borrowings. There has been an increase in working capital loans availed during the period. |
| Debt Service Coverage Ratio        | 7.54       | 5.37       | 40.55    | Increased due to lower finance cost and principal repayments of loans during the year  |
| Net working Capital Turnover Ratio | 5.16       | 3.18       | 62.15    | Increased primarily due to decrease in inventory & trade receivables and increase of current liabilities   |
| Return on Investment               | 2.01       | 16.73      | (88.00)  | Decreased due to receipt of dividend during the year   |

**8. FUTURE OUTLOOK-**

Your Company plans to change the packaging landscape by creating sustainable and innovative packaging solutions. The F.Y. 2022-23 has continued to see bouts of uncertainty that have tested the growth conditions across the world. Headline inflation continues to remain elevated, exceeding the comfort zone of the monetary authorities and it would result in continued uncertainties in the financial markets and a carry-on impact on the economic conditions. These interdependencies were clearly at play during the recent upheaval in the banking sector in the US and Europe. While the turmoil appears to be contained for now, risk indicators continue to remain a matter of concern. Multi-lateral agencies have already cautioned about the slowdown in global growth with geopolitical tensions adding another layer of ambiguity to the existing uncertainties. Amidst these uncertainties, the Indian economy is expected to be an oasis of stability, offering continued growth momentum. While this momentum may not be entirely impervious to global developments, domestic anchors are firmly in place to propel the economy forward. Businesses, across geographies, would need to be vigilant and exhibit flexibility, working with dynamic operating models to adapt to the evolving conditions while simultaneously building resiliency in their business models to ensure sustained performance.

**9. 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.

**Sultanpur Commercial Supplies:** Construction of Sultanpur, Hyderabad plant (Block-A) has been completed (78,000 sq. ft.) and started commercial supplies with effect from 27 March, 2023.

**New Products & developments:** At Sultanpur Hyderabad, Company started Food and FMCG products manufacturing. However, the pharma division will start operations around October/November, 2023 onwards.

**Status of New Plants for Aditya Birla Group:** Company has acquired land of 11,210 Square Meters at Cheyyar and 7875 Square Meters at Panipat for setting up of 2 new manufacturing plants for Aditya Birla Group. The Panipat plant will be ready in December, 2023 and Cheyyar plant will be operational by January, 2024. Company has applied for land for another plant for ABG at Mahad, Maharashtra.

**Capex on new Plants and additional Capacities:** As announced earlier, Company has spent ₹148 crores during the year on the new projects/manufacturing facility at Sultanpur, lands at Daman, Cheyyar and Panipat and additional

capacities were added at Unit-1, Unit-8 and Unit-9 and enhanced Unit-6 printing capacity. This is historically highest annual investment by the Company. Company expects to invest similar amount during the F.Y. 23-24 on 3 plants for ABG, Pharma division at Sultanpur, Hyderabad, Daman-II and Sandila-UP projects.

## 10. **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. **Gap between Market Demand and Supply:**

Strategic risks can be in form of changes in consumer demand, loss of market share on account of increased competition, intellectual property challenges and Shift of end-consumers/dealers due to a higher number of choices. 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 launch of differentiated products, new variants in our existing portfolio, focus on ease of use as well as differentiated features. 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 encompass various factors such as attracting and retaining key personnel, global health outbreaks, and information technology vulnerabilities. The Company prioritizes creating a supportive work environment that promotes personal and professional growth to attract and retain key talent. Recognizing the potential impact of information technology disruptions, Mold-Tek has implemented measures to mitigate risks, although its systems and networks remain susceptible to advanced and persistent threats that

could disrupt operations and compromise sensitive data of customers, employees, and vendors.

### 3. **Financial Risks:**

Financial risks encompass exchange rate risks, interest rate risks, and internal control risks. To mitigate exchange rate risks, the company utilises various derivative contracts, such as foreign exchange forward contracts. These instruments are employed to effectively manage and hedge against foreign currency exchange risks and interest rate fluctuations. In terms of interest rate cash flow risk, the Company follows a policy to minimize exposure on long-term financing. While the Company is exposed to market interest rate changes through variable interest rate bank borrowings, it maintains adequate internal financial controls that comply with the criteria established by the Company, considering the essential components of internal control outlined in the guidance note issued by the ICAI (Institute of Chartered Accountants of India).

### 4. **Legal and Compliance Risks:**

In response to concerns surrounding safety, Greenhouse Gas Emissions, climate change, and plastic recycling, various countries have enacted and are expected to enact regulations and legislations. Mold-Tek is proactive in taking necessary measures to ensure its operations and products fully comply with safety, health, and environmental regulations. The Company's legal and R&D functions work diligently to protect its patents and proprietary technology across different geographical regions. The Company has implemented robust systems and processes within and in line with the size and scope of its operations, to monitor and ensure compliance with relevant laws, rules, regulations, and guidelines. By doing so, Mold-Tek strives to uphold legal and regulatory compliance at all levels of the organization.

### 5. **Risk of injury or occupational hazard:**

The manufacturing operations of the Company require employees to interact with machinery and material handling equipment which carry an inherent risk of injury and potential exposure to hazardous material/waste. Adherence to standards pertaining to Occupation Health & Safety, the Company's Environment Health and Safety policy,

ESG Policy and highest operational standards for handling hazardous materials, if any. Periodic risk assessments using quantitative risk assessment and closure of action plans arising out of such assessments; Continuous progress in the Behavior Based Safety journey by all plants will mitigate these kinds of risks.

**6. Information Risk:**

Loss of sensitive and confidential information and impact on the reputation of the Company. The risk can be mitigated by continuous protection of confidential information across the IT landscape; by investment in contemporary IT tools to ensure adequate protection of underlying data; by periodic audits to ensure adherence to the processes.

**11. OPPORTUNITIES:**

1. **Innovative packages:** Marketers are acutely aware of the significant value and perception associated with brands. In the FMCG industry, many companies are embracing the idea of refreshing their packaging designs to align with the core values their brands represent. It is crucial to recognize that packaging not only safeguards the product but also safeguards the brand itself. MOLD-TEK First is fully committed to creating inventive packaging solutions that entice customers and boost sales. The Company's focus is on developing packages that captivate consumers and effectively communicate the essence of its brands.
2. **E-commerce:** The growth of e-commerce, which was already on an upward trajectory, received a significant boost during the pandemic as consumers prioritise hygienic packaging when making their purchases. This surge in e-commerce activity has heightened the demand for packaging, especially for new products, and has also led to innovations in last-mile delivery solutions to meet these evolving requirements.
3. **Digitization and Internet of Things (IoT):** Companies are harnessing digital initiatives not only to reduce expenses but also to gain a competitive advantage among consumers. One such example is the integration of technology in packaging, which enhances customer value and service. With the rise of IoT (Internet of Things), packaging is becoming more intuitive and capable of providing instant information to consumers

about the products they purchase. This evolution positions packaging as an enabler, facilitating seamless communication and interaction between products and consumers.

4. **Sustainable packaging solutions:** Mold-Tek first recognizes that sustainable packaging solutions present the most significant opportunity for the Company, and it is committed to achieving that goal. As the awareness of sustainable packaging requirements continues to grow, the Company views it as an opportunity to meet these demands through its products and manufacturing processes. The Company understands that consumers increasingly seek more sustainable packaging options, and it collaborates closely with its customers to ensure its products meet their sustainability needs. Through partnerships with leading global brands, Mold-Tek First offers structure rationalization and recyclability solutions in various categories such as biscuits, noodles, tea and coffee sachets, and soap wrappers, among others. In its pursuit of a better tomorrow, Mold-Tek First invests in research and development to expand its specialty film portfolio, providing sustainable solutions. The Company's initiatives include the development of Biodegradable containers etc.

**12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has designed and implemented robust internal control systems in line with the nature, size, geographical spread and complexities of business operations. Internal control policies and procedures are designed to provide reasonable assurance towards the effectiveness and efficiency of its operations, reliability of financial reporting, compliance with applicable laws and regulations, prevention and detection of frauds & errors and Safeguarding of its assets. The Company has a strong governance structure with related authorities and responsibilities assigned to the Committees of the Board, function heads and various process owners. The established policy framework is reviewed periodically to keep them contemporary and relevant to the changing business environment. Detailed procedures, SOPs, work instructions and controls are well documented, digitized and embedded in business processes to ensure the mitigation of risks in operations, reporting and compliance. Such internal controls are regularly tested for adequacy of design and operating

effectiveness. Compliance with policies and procedures is an integral part of the management review process. The Company's ERP, system infrastructure and checks are integral parts of the internal control system. The Company has been leveraging data analytics, predictive and visualization tools to identify data exceptions and trends for minimizing errors and avenues to improve the processes. The Company has a strong compliance management system to monitor the compliance status online and to update compliance requirements with the latest changes in statutes and business operations. MTPL has received certification for quality management systems aligned with ISO 9001:2015 for manufacture, marketing and purchase functions related to supply of injection moulded plastic packaging containers/pails, closures, pharmaceutical & food packaging containers and components and Certification scheme for food safety management systems consisting of the following elements: ISO 22000:2018, ISO/TS 22002-4:2013 and additional FSSC 22000 requirements [version 5.1 for Manufacturing (Mixing of Polypropylene Resin with Master Batches, Impregnation of Labels, Injection Moulding) of In-mould Labelled Plastic Containers, Lids and Dispensing Pumps for Packaging in Food Industry]. Regular communication and awareness towards the Code of Conduct, whistle blower process and various policies and procedures are done to ensure common understanding on these leveraging e-modules and online training sessions. The Company has strong Internal Audit governance to assure the adequacy and effectiveness of internal controls. This Committee periodically reviews the adequacy and effectiveness of the Company's internal financial controls and the implementation of audit recommendations.

#### **13. HUMAN RESOURCES:**

Mold-Tek recognizes that its people are its greatest assets, and the belief in people is central to its human resource strategy. The Company places a strong emphasis on talent management, succession planning, performance management, and learning and

development initiatives to foster inspiring, strong, and trustworthy leadership. By promoting knowledge, entrepreneurship, and creativity, Mold-Tek utilizes its human capital to drive competitiveness. The Company also embraces workforce diversity and strives to build its employees' careers through targeted interventions. Learning opportunities enhance employee engagement, boost productivity, reduce turnover, and cultivate a positive culture. Labor relations in all India operations remained favorable. The Company's plants in India provided various opportunities to encourage an open and supportive work environment, promoting participative decision-making. The Company continued to provide its workers with team-building and collaboration training to strengthen team cohesiveness. The total employee strength as of 31<sup>st</sup> March 2023 was 627.

#### **14. CAUTIONARY STATEMENT:**

This report will include 'Forward-Looking Statements,' such as statements about the implementation of strategic plans and other statements about Mold-Tek's potential business developments and financial results. Although these Forward-Looking Statements reflect the Company's current evaluation and potential expectations for the development of the Company's business, a variety of risks, uncertainties, and other unknown factors could cause actual developments and outcomes to vary materially from those expected. General market, macroeconomic, governmental, and regulatory patterns, changes in currency exchange and interest rates, competitive pressures, technical advances, changes in the financial conditions of third parties doing business with the Company, regulatory developments, and other main factors that may have an effect on the Company's business and financial results. Mold-Tek disclaims any duty to update or amend any forward-looking statements to represent events or circumstances that might occur in the future.



**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT OF  
MOLD-TEK PACKAGING LIMITED (MTPL) FOR F.Y. 2022-23.**

Securities and Exchange Board of India (“SEBI”) amended certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including submission of Business Responsibility and Sustainability Report (“BRSR”) in replacement of the existing Business Responsibility Report. In terms of the said amendment(s) in terms of Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility and Sustainability Report (BRSR) is mandatory for the top 1000 listed companies, based on market capitalisation as on 31<sup>st</sup> March of every year. 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 was voluntary for the financial year 2021-22 and is mandatory for the financial year 2022-23.

The Company welcomes the reporting framework ‘Business Responsibility and Sustainability Reporting’ (“BRSR”) introduced by the Securities and Exchange Board of India (“SEBI”) containing detailed Environmental, Social and Governance (“ESG”) disclosures and featuring amongst the top 1000 listed entities, has developed this Business Responsibility and Sustainability Report (“BRSR”) based on National Guidelines on Responsible Business Conduct Principles for the financial year 2022-23 and such is as per the framework suggested by SEBI.

At MTPL, our efforts are focused on taking forward our environment, governance and 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 DISCLOSURES**

**I. Details of the listed entity:**

|     |  |  |
|-----|--|--|
| 1.  | Corporate Identity Number (CIN) of the Listed Entity   | L21022TG1997PLC026542.   |
| 2.  | Name of the Listed Entity  | Mold-Tek Packaging Limited   |
| 3.  | Year of incorporation  | 1997   |
| 4.  | Registered office address  | 8-2-293/82/A/700, Ground Floor, Road No.: 36, Jubilee Hills, Hyderabad, Telangana- 500033, India.  |
| 5.  | Corporate address  | Same as Registered Office Address.   |
| 6.  | E-mail   | <a href="mailto:cs@moldteckpackaging.com">cs@moldteckpackaging.com</a>   |
| 7.  | Telephone  | (+91) 40 40300300  |
| 8.  | Website  | <a href="http://www.moldteckpackaging.com">www.moldteckpackaging.com</a>   |
| 9.  | Financial year for which reporting is being done   | 1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023  |
| 10. | Name of the Stock Exchange(s) where shares are listed  | BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)   |
| 11. | Paid-up Capital  | INR 16,58,23,845 (as on 31 <sup>st</sup> March, 2023)  |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report   | Mr. Subhojeet Bhattacharjee, Company Secretary and Compliance Officer; Ph. No.: (+91) 40 40300323;<br>E-mail: <a href="mailto:cs@moldteckpackaging.com">cs@moldteckpackaging.com</a> |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | This report is being prepared on Standalone basis for Mold-Tek Packaging Limited   |

## II. Product/Services:

### 14. Details of business activities (accounting for 90% of the turnover):

| Sr. No. | Description of Main Activity | Description of Business Activity                    | % of Turnover of the entity |
|---------|------------------------------|---|-----------------------------|
| 1       | Manufacturing                | Manufacturing of Rigid Plastic Packaging Containers | 100                         |

### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| Sr.No. | Product/Service            | NIC Code | % of total Turnover contributed |
|--------|----------------------------|----------|---------------------------------|
| 1      | Rigid Packaging Containers | 22203    | 100                             |

## III. Operations:

### 16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants | Number of offices   | Total |
|---------------|------------------|---|-------|
| National      | 10               | 5 (comprising of 1 Registered Office, 2 Stock Depots and 2 Marketing offices) | 15    |
| International | Nil              | Nil   | Nil   |

### 17. Markets served by the entity:

#### a. Number of Locations:

| Locations                        | Number  |
|----------------------------------|---|
| National (No. of States)         | 22 States and 3 Union Territories   |
| International (No. of Countries) | USA, UAE, Philippines, Oman, Egypt, Nepal & Australia – Total 7 Countries |

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

The contribution of exports is about approximately up to 1% of the total turnover of the entity.

#### c. A brief on types of customers:

Mold-Tek Packaging Limited serves a variety of B2B customers across multiple industries, who are in the business of selling Lubricants, Paints, Food Products, Adhesives, Construction Chemicals, Bio Fertilizers, Aqua Feed & Pharma, Veterinary, Chemicals etc. The company offers its packaging products in various decorations like In-Mould Labelling (IML), Heat Transfer Labelling (HTL), Dry Offset Printing (DOP) & Screen Printing (SP). We design and develop our own moulds in our In-house Tool Room to deliver quality products with international standards at local prices. Clients prefer Mold- Tek for quality and service.

## IV. Employees:

### 18. Details as at the end of Financial Year:

#### a. Employees and workers (including differently abled):

| Sr. No.          | Particulars                    | Total (A)   | Male        |              | Female     |              |
|------------------|--------------------------------|-------------|-------------|--------------|------------|--------------|
|                  |                                |             | No. (B)     | % (B / A)    | No. (C)    | % (C / A)    |
| <b>EMPLOYEES</b> |                                |             |             |              |            |              |
| 1.               | Permanent (D)                  | 627         | 603         | 96%          | 24         | 4%           |
| 2.               | Other than Permanent (E)       | 0           | 0           | 0            | 0          | 0            |
| 3.               | <b>Total employees (D + E)</b> | <b>627</b>  | <b>603</b>  | <b>96%</b>   | <b>24</b>  | <b>4%</b>    |
| <b>WORKERS</b>   |                                |             |             |              |            |              |
| 4.               | Permanent (F)                  | 0           | 0           | 0            | 0          | 0            |
| 5.               | Other than Permanent (G)       | 1880        | 1212        | 64.5%        | 668        | 35.5%        |
| 6.               | <b>Total workers (F + G)</b>   | <b>1880</b> | <b>1212</b> | <b>64.5%</b> | <b>668</b> | <b>35.5%</b> |

*Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**b. Differently abled Employees and workers:**

| Sr. No.                            | Particulars                                      | Total (A) | Male     |           | Female   |           |
|------------------------------------|--|-----------|----------|-----------|----------|-----------|
|                                    |  |           | No. (B)  | % (B / A) | No. (C)  | % (C / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |  |           |          |           |          |           |
| 1.                                 | Permanent (D)                                    | 0         | 0        | 0         | 0        | 0         |
| 2.                                 | Other than Permanent (E)                         | 0         | 0        | 0         | 0        | 0         |
| 3.                                 | <b>Total differently abled employees (D + E)</b> | <b>0</b>  | <b>0</b> | <b>0</b>  | <b>0</b> | <b>0</b>  |
| <b>DIFFERENTLY ABLED WORKERS</b>   |  |           |          |           |          |           |
| 4.                                 | Permanent (F)                                    | 0         | 0        | 0         | 0        | 0         |
| 5.                                 | Other than Permanent (G)                         | 0         | 0        | 0         | 0        | 0         |
| 6.                                 | <b>Total differently abled employees (F + G)</b> | <b>0</b>  | <b>0</b> | <b>0</b>  | <b>0</b> | <b>0</b>  |

**19. Participation/Inclusion/Representation of women:**

|                           | Total(A) | No. and percentage of Females |           |
|---------------------------|----------|-------------------------------|-----------|
|                           |          | No. (B)                       | % (B / A) |
| Board of Directors*       | 9        | 1                             | 11.11%    |
| Key Management Personnel# | 6        | 1                             | 16.67%    |

\* The data given is as on 31<sup>st</sup> March, 2023. Mrs. J. Mytraeyi- Non-Executive Director of the Company left for her heavenly abode on the 9<sup>th</sup> March, 2023, before her demise the Board had a total of 10 Directors out of whom 2 were women directors, i.e. 20% of the Board was represented by females.

# The data given is as on 31<sup>st</sup> March, 2023.

**20. Turnover rate for permanent employees and workers:**

(Disclose trends for the past 3 years)

|                     | FY 2022-23 |        |       | FY 2021-22 |        |       | FY 2020-21 |        |       |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
|                     | Male       | Female | Total | Male       | Female | Total | Male       | Female | Total |
| Permanent Employees | 18.1%      | 3.85%  | 17.4% | 15%        | 3.83%  | 14.5% | 10%        | 8.3%   | 9.9%  |
| Permanent Workers*  | -          | -      | -     | -          | -      | -     | -          | -      | -     |

Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.

**V. Holding, Subsidiary and Associate Companies (including joint ventures):**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures:**

| Sr. No. | Name of the holding / subsidiary / associate companies /joint ventures(A)   | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|---------|---|--|-----------------------------------|--|
| 1.      | The Company does not have any holding, subsidiary, associate and joint venture as on the 31 <sup>st</sup> day of March, 2023. |  |                                   |  |

**VI. CSR Details:**

**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes.**

**(ii) Turnover :** ₹72,992 lakhs

**(iii) Net Worth :** ₹51,365 lakhs

## VII. Transparency and Disclosures Compliances:

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)* | F.Y 2022-2023                              |  |  | F.Y 2021 – 2022                            |  |  |
|---|---|--|--|--|--|--|--|
|   |   | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks  | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks  |
| Communities                                       | Yes   | Nil  | Nil  | N.A.   | Nil  | Nil  | N.A.   |
| Investors (other than shareholders)               | Yes   | Nil  | Nil  | N.A.   | Nil  | Nil  | N.A.   |
| Shareholders                                      | Yes   | 34   | 0  | All complaints received were resolved  | 7  | 0  | All complaints received were resolved  |
| Employees and workers                             | Yes   | 0  | 0  | No grievance received.   | 0  | 0  | No grievance received.   |
| Customers & Value Chain Partners –                | Yes   | 9  | 0  | Regarding Mix-Ups, Minor Functional Defects, Transit Damages, Visual Defects etc. All Complaints were resolved promptly. | 47   | 0  | Regarding Mix-Ups, Minor Functional Defects, Transit Damages, Visual Defects etc. All Complaints were resolved promptly. |

\* The Policies of the Company are placed on the Company's website under Corporate Governance section and the same can be accessed through the weblink: <https://www.moldteckpackaging.com/investors.html#tab-5> . Further, there are some internal policies placed on the intranet of the Company.

### 24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--|--|--|--|
| 1.      | Energy Management         | Opportunity                                | <b>Opportunity because-</b> Energy Management helps to bring down the cost of production by consuming less units of electricity and more importantly to bring down the Carbon foot print of the Company. The Company is already in the process of gradually replacing the Hydraulic machines in its factories with Electric Machines which will bring down electric unit consumption significantly and has installed solar power generating systems in its units to channel the electric energy requirements and this has resulted in an approximate carbon offsetting of 3990.3 tons / annum. | Not Applicable                                 | Positive Implication   |



| Sr. No. | Material issue identified                                   | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)  |
|---------|---|--|---|---|---|
| 2.      | Resource Use- Water Management                              | Opportunity & Risk                         | <p><b>Opportunity because-</b> Responsible use of water supports the Company's actions towards sustainable growth. The Company runs the discharged/used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized. Further, chillers are also installed to reduce water consumption.</p> <p><b>Risk because-</b> cooling towers are used for injection moulding machines and they require continuous supply of water, if ground water or external supply is reduced then business may get effected.</p> | Water scarcity may affect production. The Company runs the discharged/used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized. Further, chillers are also installed to reduce water consumption.   | Positive, Conservation of water leads to Positive economic benefit as it brings about cost saving, Efficient usage of resources and help comply Regulatory compliance and Beyond. |
| 3.      | Occupational Health and Safety (OHS) and Environment Safety | Opportunity & Risk                         | <p><b>Opportunity because:</b> Strong internal controls and governance mechanism are in place at each of the factory. This improves the employee/worker safety and overall health wellbeing, leading to improved productivity.</p> <p><b>Risk because:</b> Inherently associated with business activities and processes.</p>  | The assessment of health and environmental risks are done on a continuous basis. Various methods to mitigate risk are done from time to time. The Grievance redressal mechanism is in place. At each of the factory, proper remedial action is planned and implemented.   | Risk: Negative<br>Opportunity: Positive   |
| 4.      | Safety  | Risk and Opportunity                       | The manufacturing operations of the Company require employees to interact with machinery and material handling equipment, all of which carry an inherent risk of injury.  | Adherence to safety standards, the Company's EHS Policy and highest operational standards for handling materials at plants.   | Positive: Adoption of safety related protocols and measures to create a safe work environment.<br>Negative: Impact on health and well-being of employees at the Company.          |
| 5.      | Reputation  | Risk and Opportunity                       | Bad publicity arising out of any act/ action by the Company on social media or any other platform.  | <ul style="list-style-type: none"> <li>• Active monitoring of voices on social media and having a crisis management plan ready;</li> <li>• Actively addressing product complaints;</li> <li>• Ensuring product delivery as promised;</li> <li>• Compliance with all regulatory norms;</li> <li>• Strengthening corporate governance norms, including adherence to the code of conduct(s) by all.</li> </ul> | Positive: Opportunity to improve brand presence and reputation by proactively managing possible issues.   |

| Sr. No. | Material issue identified       | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|---------|---------------------------------|--|--|--|--|
| 6.      | Learning and development        | Opportunity                                | Training is one of the key factors in equipping employees to contribute sustainably.   | Not Applicable                                 | Positive, Consistent efforts towards training in the areas of Quality and Environment, health and safety (EHS) equips the work force to meet a surge in demand of the business.  |
| 7.      | Corporate Social Responsibility | Opportunity                                | Empowering the communities in which we operate provides us an opportunity to contribute to the well-being of society and the environment through various initiatives.  | Not Applicable                                 | Positive   |
| 8.      | Employee Wellbeing              | Opportunity                                | <p>Opportunities:</p> <ul style="list-style-type: none"> <li>- Prioritizing employee well-being can lead to increased productivity, efficiency and overall job satisfaction.</li> <li>- By promoting employee well-being, a supportive work environment can be created that reduces absenteeism and turnover rates.</li> </ul> | Not Applicable                                 | <p>Positive:</p> <ul style="list-style-type: none"> <li>- Healthy and engaged employees tend to be more motivated, focused, and committed to their work.</li> <li>-When employees feel valued and their well-being is prioritized, they are more likely to remain with the company, reducing the costs and disruptions associated with high turnover.</li> </ul> |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions  | P  | P   | P   | P   | P   | P   | P    | P   | P   |
|---|--|-----|-----|-----|-----|-----|------|-----|-----|
|   | 1  | 2   | 3   | 4   | 5   | 6   | 7    | 8   | 9   |
| <b>Policy and management processes</b>  |  |     |     |     |     |     |      |     |     |
| <b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b> | Yes  | Yes | Yes | Yes | Yes | Yes | N.A. | Yes | Yes |
| <b>b. Has the policy been approved by the Board? (Yes/No)</b>   | The Policies which are statutorily required to be adopted by the Board, have been approved by them, while the others policies related to workforce and other matters have been formulated and implemented by the Human Resource and other concerned departments of the Company respectively. |     |     |     |     |     |      |     |     |
| <b>c. Web Link of the Policies, if available</b>  | Refer Note 1<br><a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |     |     |     |     |     |      |     |     |
| <b>2. Whether the entity has translated the policy into procedures. (Yes/No)</b>                                      | Yes  | Yes | Yes | Yes | Yes | Yes | N.A. | Yes | Yes |
| <b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>                                      | Yes, the Company encourages the value chain partners to follow its policies.   |     |     |     |     |     |      |     |     |

|  |   |
|--|---|
| <p><b>4. Name of the national and international codes/ certifications/ labels/ standards [e.g Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.]</b></p>   | <p>The policies above referred confirm with the standards laid in the National Guidelines on Responsible Business Conduct Principles.</p> <p>MTPL has received certification for quality management systems aligned with ISO 9001:2015 for manufacture, marketing and purchase functions related to supply of injection moulded plastic packaging containers/pails, closures, pharmaceutical &amp; food packaging containers and components and Certification scheme for food safety management systems consisting of the following elements: ISO 22000:2018, ISO/TS 22002-4:2013 and additional FSSC 22000 requirements [version 5.1 for Manufacturing (Mixing of Polypropylene Resin with Master Batches, Impregnation of Labels, Injection Moulding) of In-mould Labelled Plastic Containers, Lids and Dispensing Pumps for Packaging in Food Industry].</p>   |
| <p><b>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</b></p>   | <p>Mold-Tek Packaging has ambitious goals that it strives to achieve in the years to come as part of its sustainability planning. The Company has set targets for ESG commitments, inter-alia, related to Energy Conservation, Nature- Positive and Safe Workplace, Equitable and Inclusive Workplace, Water Stewardship, Ethics, Transparency, Quality, Accountability and Governance and promoting education, healthcare, women empowerment and sanitation through its CSR initiatives and have a positive impact on the society and environment at large. The Company monitors the performance against the specific commitments on an ongoing basis.</p> <p>Further, MTPL units are certified Green Zones by Pollution Control Board. The wastages released from the processes of Injection Moulding is Zero hence liquid or solid wastes, if any, released are re-used in controlled way.</p>   |
| <p><b>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</b></p>  | <p>The Board of Directors of the Company has empowered the Management to exercise oversight on the implementation of targets committed under ESG.</p> <p>The Company has already undertaken various projects under its CSR initiatives to promote education by building schools and providing scholarships to the needy and meritorious students, ensure women empowerment by building Mahila Mahals, promote healthcare including preventive healthcare by providing ambulance, medical equipment and other aids and drinking water plants etc. Please refer the “Annexure-C” of the Directors’ Report for more details on CSR initiatives of the Company.</p> <p>Further, the Company is already in the process of gradually replacing the Hydraulic machines in its factories with Electric Machines which will bring down electric unit consumption significantly and has installed solar power generating systems in its units to channel the electric energy requirements, thus ensuring optimum utilization of the resources and reduction of Carbon foot print of the Company.</p> <p>Responsible use of water supports the Company’s actions towards sustainable growth. The Company runs the discharged/used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized. Further, chillers are also installed to reduce water consumption.</p> <p>The Company being a Producer/Importer/Brand Owner (“PIBO”)” within the meaning of the Plastic Waste Management Rules, 2016 as a part of the Extended Producer’s Responsibility under the said Rules, has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company.</p> |
| <p><b>Governance, leadership and oversight</b></p>   |   |
| <p><b>7. Statement by director responsible for the business responsibility and sustainability report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b></p> <p>-We have set targets to reduce our carbon footprint and resource consumption, while ensuring ethical sourcing and responsible supply. We prioritize being a responsible, equitable, and accountable organization, with a focus on the well-being of our associates, clients, shareholders and communities. The Company undertakes various welfare activities in terms of its CSR Policy directly and through different eligible implementing agencies as per its yearly CSR Annual Action Plan. We are moving towards sustainable development and develop strategies to combat climate change by ensuring optimum utilization of resources and energy management. The Company is continuously driving towards the usage of more and more green energy for its manufacturing activities. Our efforts also extend to achieving water neutrality by optimizing water usage, implementing recycling and reuse methods and significantly reducing our reliance on freshwater.</p> |   |

|   |   |
|---|---|
| <b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).</b>   | The Board of Directors monitors the implementation of the business responsibility policies chaired by Mr. J. Lakshmana Rao (DIN: 00649702)- Chairman & Managing Director of the Company and discussions are conducted at regular intervals to discuss the Environment, Social and Governance aspects.   |
| <b>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</b>  | The Board is responsible for decision making on all sustainability related issues. The Stakeholders Relationship Committee of the Board of Directors of the Company is responsible for providing direction to the management on ESG strategy and monitoring the progress and performance on its medium-term and long-term ESG commitments and targets. The details of Composition of the Stakeholders Relationship Committee forms parts of the Report on Corporate Governance. |
| <b>10. Details of Review of NGRBCs by the Company:</b>  |   |
| <b>Subject for Review</b>   | <b>Review of principles undertaken by and frequency</b>   |
| Performance against above policies and follow up action   | The policies of the Company are reviewed periodically / on a need basis by department heads / directors /board committees / board members, wherever applicable  |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances  | The Company is in Compliance with all the statutory requirements of principles to the extent applicable. Status of compliance with all applicable statutory requirements is reviewed by the Board on a regular basis.   |
| <b>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</b><br><br>-No, the policies are reviewed on a periodic basis internally by the Board of Directors. Audit Committee reviews the adherence to the stated policies in the Company and Internal Audit function assists the Audit Committee with the above. Further, the Stakeholders Relationship Committee of the Board of Directors of the Company is responsible for providing direction to the management on ESG strategy and monitoring the progress and performance on its medium-term and long-term ESG commitments and targets. |   |

**Note: 1**

| Principle(s)  | Applicable Policies   | Link for policies  |
|---|---|--|
| Principle 1: Businesses should conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable | Code of Conduct to Regulate, Monitor and Report Trading by Designated Person and their immediate relatives, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Policy on Materiality of and Dealing with Related Party Transactions, Whistle Blower Policy/Vigil Mechanism, Code of Conduct for BOD, KMP and Senior Management, Policy on Materiality of events, Code of Conduct for Employees and Business Ethics. | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |
| Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe  | Environment, Health and Safety Policy and ESG Policy.   | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |
| Principle 3: Businesses should respect and promote the well- being of all employees, including those in their value chains                | Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, Code of Conduct for Employees and Business Ethics, Human Rights Policy, Suppliers and Service Providers Code of Conduct.   | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |
| Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders   | CSR Policy, Code of Conduct for Suppliers and Service Providers, Code of Conduct for Employees and Business Ethics, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.  | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a><br><a href="https://www.moldteckpackaging.com/investors.html#tab-6">https://www.moldteckpackaging.com/investors.html#tab-6</a> |
| Principle 5: Businesses should respect and promote human rights.  | Code of Conduct for Employees and Business Ethics, Human Rights Policy, Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace.  | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |
| Principle 6: Businesses should respect and make efforts to protect and restore the environment  | Environment, Health and Safety Policy and ESG Policy.   | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |

| Principle(s)   | Applicable Policies   | Link for policies  |
|--|---|--|
| Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent | N.A.  | N.A.   |
| Principle 8: Businesses should promote inclusive growth and equitable development  | CSR Policy and Code of Conduct for Employees and Business Ethics    | <a href="https://www.moldteckpackaging.com/investors.html#tab-6">https://www.moldteckpackaging.com/investors.html#tab-6</a><br><a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a> |
| Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner  | Code of Conduct for Suppliers and Service Providers and ESG Policy. | <a href="https://www.moldteckpackaging.com/investors.html#tab-5">https://www.moldteckpackaging.com/investors.html#tab-5</a>  |

**12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**

| Questions   | P1             | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----------------|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/No)   | Not Applicable |    |    |    |    |    |    |    |    |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) |                |    |    |    |    |    |    |    |    |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         |                |    |    |    |    |    |    |    |    |
| It is planned to be done in the next financial year (Yes/No)  |                |    |    |    |    |    |    |    |    |
| Any other reason (please specify)   |                |    |    |    |    |    |    |    |    |

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE:**

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators:**

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

| Segment  | Total number of training and awareness programmes held  | Topics / principles covered under the training and its impact   | % age of persons in respective category covered by the awareness programmes |
|--|---|---|---|
| Board of Directors (BoD) and Key Managerial Personnel (KMPs) | 6 (as part of board meetings for both Directors and KMPs) and Multiple sessions through VC/OAVM for KMPs as part of Senior Management meetings. | Updates and awareness related to regulatory changes are conducted for the Board of Directors & KMPs. Topics covered includes:<br>1) Corporate Governance;<br>2) Companies Act;<br>3) Applicable SEBI Regulations;<br>4) Environmental & Safety matters.<br>Additionally, Familiarization Programme(s) for Independent Directors were conducted during the F.Y. 2022-23. The details can be assessed through below link: <a href="https://www.moldteckpackaging.com/pdf/Familiarisation-Programme-MTPL-15-23.pdf">https://www.moldteckpackaging.com/pdf/Familiarisation-Programme-MTPL-15-23.pdf</a> | 100%  |
| Employees other than BoD and KMPs                            | 2 physical sessions conducted as part of HR half-yearly induction and multiple sessions through VC/OAVM as part of Departmental meetings.       | Health and Safety trainings, Code of Conduct for Employees and Business Ethics, Whistle Blower Policy/Vigil Mechanism, Policy on PoSH, Human Rights Policy etc. Values-based capability building Programme, Session on Code of Conduct to Regulate, Monitor and Report Trading by Designated Person and their Immediate Relatives. Session on requirement of maintenance of Structured Digital Database.  | 97%   |

*Note: Health and Safety related training and awareness sessions are being conducted and provided to the workers at regular intervals.*



2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

| Monetary        |   |   |                   |   |                                       |
|-----------------|---|---|-------------------|---|---------------------------------------|
|                 | NGRBC Principle   | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR)   | Brief of the Case                       | Has an Appeal been referred? (Yes/No) |
| Penalty/ Fine   | During the financial year 2022-23, there were no instances of any material (monetary and non-monetary) fines/ penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/ KMPs) levied by the regulators/law enforcement agencies/ judicial institutions. |   |                   |   |                                       |
| Settlement      |   |   |                   |   |                                       |
| Compounding Fee |   |   |                   |   |                                       |
| Non-Monetary    |   |   |                   |   |                                       |
|                 | NGRBC Principle   | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/ No) |                                       |
| Imprisonment    | NIL   |   |                   |   |                                       |
| Punishment      |   |   |                   |   |                                       |

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

| Case Details   | Name of the regulatory/ enforcement agencies/ judicial institutions |
|----------------|---|
| Not Applicable |   |

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

-MTPL Packaging Limited (MTPL) has zero-tolerance towards bribery. We have put in place measures to detect, prevent and respond to any violations of anti-bribery laws and regulations. MTPL has a Code of Conduct (CoC) for Employees and Business Ethics, which covers acts such as deception, bribery, forgery, extortion, corruption. The CoC is applicable to any irregularity involving employees in their dealings with any external entities. Fraud detection falls within the purview of the terms of reference of Audit Committee and the Risk Management Committee, the Code of Conduct of MTPL mentions that no employee is allowed to accept any form of illegal gratification. If it is proved that any employee has accepted any illegal gratification, the employee is liable for termination from employment. Thus, through this we cover the anti-corruption/anti-bribery policy at MTPL. Also, we have Code of Conduct for Directors and Senior Management of MTPL which covers BOD and senior management to observe highest ethical standards and act with integrity and honesty. The Codes are available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

-There were no instances of any disciplinary action taken by any law enforcement agency on account of charges of bribery/ corruption against Directors/KMPs/employees/ workers during F.Y. 2022-23 and F.Y. 2021-22.

|           | F.Y. 2022-23 | F.Y. 2021-22 |
|-----------|--------------|--------------|
| Directors | Nil          | Nil          |
| KMPs      | Nil          | Nil          |
| Employees | Nil          | Nil          |
| Workers   | Nil          | Nil          |

**6. Details of complaints with regard to conflict of interest:**

|  | FY 2022-23 |         | FY 2021-22 |         |
|--|------------|---------|------------|---------|
|  | Number     | Remarks | Number     | Remarks |
| Number of complaints received in relation to issues of Conflict of interest of Directors | Nil        | N.A.    | Nil        | N.A.    |
| Number of complaints received in relation to issues of Conflict of interest of KMPs      | Nil        | N.A.    | Nil        | N.A.    |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

-Not Applicable as no fines / penalties / action was taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

**Leadership Indicators:**

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

-As a standard practice, initiatives are taken to acquaint and ensure adherence to the various policies of the Company like Policy on Human Rights, Code of Conduct for Suppliers and Service Providers, ESG Policy, Environment, Health and Safety Policy, Code of Conduct for Employees and Business Ethics, Code(s) on PIT, etc. among others, which inculcates within them the essence of the NGRBC Principles and Core Elements at various times during the year during engagement and interaction with value chain partners.

| Total number of awareness programmes held | Topics / principles covered under the training   | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes | Remarks                                       |
|---|--|---|---|
| N.A.                                      | Inclusion of various policies of the Company which inculcates within them the essence of the NGRBC Principles and Core elements as part of various agreements like supply agreements, purchase agreements and others executed by and between the Company and various value chain partners. | 100%  | -   |
| 2   | Sales Meet for product and sales strategy for the year and how to conduct and govern themselves with Integrity, and in a manner that is Ethical, Transparent and Accountable.  | 100% of Sales Team  |   |
| 4   | Product training to Sales team and how to engage with and provide value to their consumers in a responsible manner.  | 100% of Sales Team  | Product training on existing and new products |
| 2   | Online meet with in-charges of Depots for operations monitoring and overview and how to reduce carbon footprint.   | 100% of Depot in-charges were covered   |   |
| 4   | Meet with senior officers of Branch Offices pertaining to Business Ethics and Code of Conduct.   | 100% Senior Branch Officers were covered  |   |

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

-Yes. the Company has Code of Conduct for Board of Directors and Senior Management Personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. Further, the Company receives annual declaration from its Board of Directors and Senior Management Personnel on the entities they are interested in, and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with such entities. If any Director is interested in the item of agenda at the time of meetings, he/she vacates the meeting to avoid conflict of interests. The Code is available on the Company’s website at: <https://www.moldteckpackaging.com/investors.html#tab-5>

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators:**

| <b>Percentage of R&amp;D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&amp;D and capex investments made by the entity, respectively.</b> |  |  |  |
|---|--|--|--|
|   | <b>F.Y. 2022-23</b>  | <b>F.Y.21-22</b>   | <b>Details of improvements in environmental and social impacts</b>   |
| R&D and Capex   | Total of ₹578.96 lakhs (i.e. 0.79% of Total Income) is spent for total R&D and 100% of the same is attributable towards improvement of the environmental and social impacts of product and processes | Total of ₹403.09 lakhs (i.e. 0.64% of Total Income) is spent for total R&D and 100% of the same is attributable towards improvement of the environmental and social impacts of product and processes | The Company has invested on the research and innovation which have resulted in energy management and optimum utilization of resources, reduction of carbon footprint and improve the efficiency of the processes. The details are provided in the Annexure- B of Directors' Report of the Annual Report for F.Y. 2022-23. Environmental and Social impact assessment is one of the key inputs for the new product development/ process changes. Capital expenditure and R&D spends incurred by the Company embeds cost incurred to mitigate environmental & social hazards. These are inseparable cost of the projects and hence separately identifying such cost is not feasible. Increasing share of renewable energy in overall energy portfolio is a flagship initiative which demonstrated our commitment towards sourcing clean energy and transition to low carbon operation having a direct impact on the environment. |

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

-Yes, the core raw material(s) of the Company are/is procured from the world class manufacturers/suppliers, who are constantly upgrading its/their technology, Research & Development in order make the product sustainable.

**b. If yes, what percentage of inputs were sourced sustainably?**

-MTPL has a green procurement guideline which factors social, ethical and environmental aspects before on-boarding of new suppliers and review of existing suppliers. The Company is also focussed on identifying and implementing material processed through the renewable source. The criteria used for selection of suppliers/ vendors go beyond cost relevance and include resource efficiency, product quality, life cycle, environment impact, etc. Company gives preference in selection of vendors which comply with the various principles of sustainability. 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. More than 90 % inputs are sourced sustainably.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

**(a) Plastics (including packaging):**– MTPL 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. Since the Company is in B2B business our products are sold to customers who uses the same for primary and secondary packaging and hence disposition and end life responsibilities lies with our customers. Furthermore, The Company being a Producer/Importer/Brand Owner (“PIBO”) within the meaning of the Plastic Waste Management Rules, 2016 as a part of the Extended Producer’s Responsibility under the said Rules, has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company. We are buying post-consumer recycle material from different vendors and working with them to develop a quality material to increase the percentage of usage in our end products as per EPR guidelines.

**(b) E-waste:-** As per the policy of the Company on the completion of the lifecycle of the product, the e-waste are sold to the vendors. The vendor then collects the material and necessary e-waste certificate is being issue to the Company.

**(c) Hazardous Waste:-** MTPL units are certified Green Zones by Pollution Control Board. The wastages released from the processes of Injection Moulding is Zero. The Company does not produce any hazardous waste and other non-hazardous liquid or solid wastes released are re-used in controlled way.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The EPR is applicable to the Company as Producer/Importer/Brand Owner (“PIBO”) within the meaning of the Plastic Waste Management Rules, 2016 and as part of the Extended Producer’s Responsibility under the said Rules, the Company has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company.

**Leadership Indicators:**

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details: Yes.**

| NIC Code | Name of Product /Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective/Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/ No) If yes, provide the if any, web-link. |
|----------|--------------------------|---------------------------------|--|---|---|
| --       | Plastic Containers       | --                              | Cradle-to-gate*  | No  | No  |

*\*The Company is in B2B business, our product i.e. rigid plastic packaging containers reach our customers and get filled with content at their premises and then gets distributed to end customers/consumers and thus Cradle-to-gate is applicable in our case.*

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product / Service   | Description of the risk / concern | Action Taken |
|---|-----------------------------------|--------------|
| Not Applicable- MTPL units are certified Green Zones by Pollution Control Board. The wastages released from the processes of Injection Moulding is Zero and other liquid or solid wastes released are re-used in controlled way. Further, our products are 100% re-cyclable rigid plastic packaging material. |                                   |              |

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

- Resource efficiency forms an integral part of the Company’s environmental strategy. Through our continuous efforts, we strive to meet the needs of our customers. In doing so, we optimise our resource management approach to efficiently utilise the raw materials and minimise material waste. To ensure the availability of raw materials required for our business operations, we make optimum use of our resources and adopt ways to reuse, recycle and reintroduce excess material in our production process without compromising the quality of our products and solutions. Furthermore, The Company being a Producer/Importer/Brand Owner (“PIBO”) within the meaning of the Plastic Waste Management Rules, 2016 as a part of the Extended Producer’s Responsibility under the said Rules, has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company. We are buying post-consumer recycle material from different vendors and working with them to develop a quality material to increase the percentage of usage in our end products as per EPR guidelines.

| Indicate input material | Recycled or re-used input material to total material |              |
|-------------------------|--|--------------|
|                         | F.Y. 2022-23   | F.Y. 2021-22 |
| Plastic material (PP)   | 9.38%  | 7.80%        |

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

|                               | F.Y 2022-23 |          |                 | F.Y 2021-22 |          |                 |
|-------------------------------|-------------|----------|-----------------|-------------|----------|-----------------|
|                               | Re-Used     | Recycled | Safely Disposed | Re-Used     | Recycled | Safely Disposed |
| Plastic (including packaging) | N.A.        | 852      | N.A.            | N.A.        | 1167     | N.A.            |
| E-waste                       | N.A.        | N.A.     | N.A.            | N.A.        | N.A.     | N.A.            |
| Hazardous waste               | N.A.        | N.A.     | N.A.            | N.A.        | N.A.     | N.A.            |
| Other waste                   | N.A.        | N.A.     | N.A.            | N.A.        | N.A.     | N.A.            |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
|                           | N.A.  |

- MTPL 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. Since the Company is in B2B business our products are sold to customers who uses the same for primary and secondary packaging and hence disposition and end life responsibilities lies with our customers. Furthermore, The Company being a Producer/Importer/Brand Owner (“PIBO”) within the meaning of the Plastic Waste Management Rules, 2016 as a part of the Extended Producer’s Responsibility under the said Rules, has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company. We are buying post-consumer recycle material from different vendors and working with them to develop a quality material to increase the percentage of usage in our end products as per EPR guidelines.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.**

**Essential Indicators:**

1. a. Details of measures for the well-being of employees:

| Category                               | % of employees covered by |                  |             |                    |             |                    |              |                    |              |                     |           |
|--|---------------------------|------------------|-------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|---------------------|-----------|
|  | Total (A)                 | Health insurance |             | Accident insurance |             | Maternity benefits |              | Paternity Benefits |              | Day Care facilities |           |
|  |                           | Number (B)       | % (B / A)   | Number (C)         | % (C / A)   | Number (D)         | % (D / A)    | Number (E)         | % (E / A)    | Number (F)          | % (F / A) |
| <b>Permanent employees</b>             |                           |                  |             |                    |             |                    |              |                    |              |                     |           |
| Male                                   | 603                       | 603              | 100%        | 603                | 100%        | N.A.               | N.A.         | 603                | 100%         | 0                   | 0         |
| Female                                 | 24                        | 24               | 100%        | 24                 | 100%        | 24                 | 100%         | N.A.               | N.A.         | 0                   | 0         |
| <b>Total</b>                           | <b>627</b>                | <b>627</b>       | <b>100%</b> | <b>627</b>         | <b>100%</b> | <b>24</b>          | <b>3.82%</b> | <b>603</b>         | <b>96.1%</b> | <b>0</b>            | <b>0</b>  |
| <b>Other than Permanent employees*</b> |                           |                  |             |                    |             |                    |              |                    |              |                     |           |
| Male                                   | -                         | -                | -           | -                  | -           | -                  | -            | -                  | -            | -                   | -         |
| Female                                 | -                         | -                | -           | -                  | -           | -                  | -            | -                  | -            | -                   | -         |
| <b>Total</b>                           | <b>-</b>                  | <b>-</b>         | <b>-</b>    | <b>-</b>           | <b>-</b>    | <b>-</b>           | <b>-</b>     | <b>-</b>           | <b>-</b>     | <b>-</b>            | <b>-</b>  |

b. Details of measures for the well-being of workers:

| Category                            | % of workers covered by |                  |             |                    |             |                    |              |                    |              |                     |           |
|-------------------------------------|-------------------------|------------------|-------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|---------------------|-----------|
|                                     | Total (A)               | Health insurance |             | Accident insurance |             | Maternity benefits |              | Paternity Benefits |              | Day Care facilities |           |
|                                     |                         | Number (B)       | % (B / A)   | Number (C)         | % (C / A)   | Number (D)         | % (D / A)    | Number (E)         | % (E / A)    | Number (F)          | % (F / A) |
| <b>Permanent workers</b>            |                         |                  |             |                    |             |                    |              |                    |              |                     |           |
| Male                                | -                       | -                | -           | -                  | -           | -                  | -            | -                  | -            | -                   | -         |
| Female                              | -                       | -                | -           | -                  | -           | -                  | -            | -                  | -            | -                   | -         |
| <b>Total</b>                        | <b>-</b>                | <b>-</b>         | <b>-</b>    | <b>-</b>           | <b>-</b>    | <b>-</b>           | <b>-</b>     | <b>-</b>           | <b>-</b>     | <b>-</b>            | <b>-</b>  |
| <b>Other than Permanent workers</b> |                         |                  |             |                    |             |                    |              |                    |              |                     |           |
| Male                                | 1212                    | 1212             | 100%        | 1212               | 100%        | N.A.               | N.A.         | 1212               | 100%         | 0                   | 0         |
| Female                              | 668                     | 668              | 100%        | 668                | 100%        | 668                | 100%         | N.A.               | N.A.         | 0                   | 0         |
| <b>Total</b>                        | <b>1880</b>             | <b>1880</b>      | <b>100%</b> | <b>1880</b>        | <b>100%</b> | <b>668</b>         | <b>35.5%</b> | <b>1212</b>        | <b>64.5%</b> | <b>0</b>            | <b>0</b>  |

*Note: Vendors are required to adhere to the statutory compliances as per applicable laws and rules. In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*



**2. Details of retirement benefits.**

| Benefits | F.Y 2022-23  |  |  | F.Y 2021-22  |  |  |
|----------|--|--|--|--|--|--|
|          | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF       | 100%   | 100%   | Y  | 100%   | 100%   | Y  |
| Gratuity | 100%   | -  | N.A.   | 100%   | -  | N.A.   |
| ESI      | 22.17%   | 100%   | Y  | 21.22%   | 100%   | Y  |

**3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

As on the 31<sup>st</sup> day of March, 2023, the Company does not have any differently abled employee and worker but the Company is in process of making all the required premises accessible for differently abled employees & workers.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company provides equal opportunity in employment for all sections of society and ensures indiscrimination in employment in any form i.e. age, gender, nationality, race, religion, disabilities and sexual orientation. At MTPL we believe that Diversity and Inclusivity (D&I) at workplace is an instrument for economic growth, sustainable competitive advantage and societal progress.

The Company’s Code of Conduct for Employees and Business Conduct and Policy on Human Rights specifically calls out for no discrimination on any grounds. The Code of Conduct can be accessed at on our website at <https://www.moldteckpackaging.com/investors.html#tab-5>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Gender       | Permanent employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | -                   | -              | -                   | -              |
| Female       | -                   | -              | -                   | -              |
| <b>Total</b> | -                   | -              | -                   | -              |

*Note: During the year under considering no parental leave was availed by any employee.*

**6. Is there a mechanism available to receive and redress grievances for the following \categories of employees and worker? If yes, give details of the mechanism in brief.**

|                                       | Yes/No (If yes, then give details of the mechanism in brief)  |
|---------------------------------------|---|
| <b>Permanent Workers</b>              | Yes, the grievances of employees & workers are addressed and resolved through effective mechanism and approach. An efficient grievance redressal system has been set up at MTPL. We also have an efficient Whistleblower mechanism that empowers associates of the company, including subsidiaries, to approach the Ombudsperson/Chairman of the Audit Committee of the Board of the company and make protective disclosures about unethical behavior and actual or suspected fraud. Further, an Internal Complaints Committee is also present, as required by law. The Company conducts regular site visits by management and undertakes annual opinion surveys which provides a mechanism for individual issues to be reported. |
| <b>Other than Permanent Workers</b>   |   |
| <b>Permanent Employees</b>            |   |
| <b>Other than Permanent Employees</b> |   |

**7. Membership of employees and worker in association(s) or unions recognised by the listed entity:**

| Cat-egory                 | F.Y. 2022-23  |  |         | F.Y. 2021-22  |   |         |
|---------------------------|---|--|---------|---|---|---------|
|                           | Total employ-ees / workers in respective category (A) | No. of employees / Workers in respective category, who are part of association(s) or Union (B) | % (B/A) | Total employ-ees / workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| Total Permanent Employees |   |  |         |   |   |         |
| -Male                     | 603   | 24   | 3.98%   | 586   | 24  | 4.09%   |
| -Female                   | 24  | 2  | 8.33%   | 22  | 2   | 9.09%   |
| Total Permanent Workers   |   |  |         |   |   |         |
| -Male                     | N.A.  | N.A.   | N.A.    | N.A.  | N.A.  | N.A.    |
| -Female                   | N.A.  | N.A.   | N.A.    | N.A.  | N.A.  | N.A.    |

*Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**8. Details of training given to employees and workers:**

| Category         | F.Y. 2022-23 |                               |             |                       |              | F.Y. 2021-22 |                               |             |                       |               |
|------------------|--------------|-------------------------------|-------------|-----------------------|--------------|--------------|-------------------------------|-------------|-----------------------|---------------|
|                  | Total (A)    | On Health and safety measures |             | On Skill upgrada-tion |              | Total (D)    | On Health and safety measures |             | On Skill upgrada-tion |               |
|                  |              | No. (B)                       | % (B/A)     | No. (C)               | % (C/A)      |              | No. (E)                       | % (E/D)     | No. (F)               | % (F/D)       |
| <b>Employees</b> |              |                               |             |                       |              |              |                               |             |                       |               |
| Male             | 603          | 603                           | 100%        | 373                   | 61.8%        | 586          | 586                           | 100%        | 329                   | 56.1%         |
| Female           | 24           | 24                            | 100%        | 18                    | 75%          | 22           | 22                            | 100%        | 17                    | 77.27%        |
| <b>Total</b>     | <b>627</b>   | <b>627</b>                    | <b>100%</b> | <b>391</b>            | <b>62.3%</b> | <b>608</b>   | <b>608</b>                    | <b>100%</b> | <b>346</b>            | <b>56.90%</b> |
| <b>Workers</b>   |              |                               |             |                       |              |              |                               |             |                       |               |
| Male             | 1212         | 1212                          | 100%        | 598                   | 49.3%        | 1243         | 1243                          | 100%        | 472                   | 37.9%         |
| Female           | 668          | 668                           | 100%        | 427                   | 63.9%        | 665          | 665                           | 100%        | 387                   | 58.1%         |
| <b>Total</b>     | <b>1880</b>  | <b>1880</b>                   | <b>100%</b> | <b>1025</b>           | <b>54.5%</b> | <b>1908</b>  | <b>1908</b>                   | <b>100%</b> | <b>859</b>            | <b>45.02%</b> |

**9. Details of performance and career development reviews of employees and worker:**

At MTPL, we have a well-defined annual appraisal process conducted for all the employees based on their DOJ, during which a one-to-one discussion is done with employees regarding their individual performance, development and training plan, future growth and targets and KRA's etc.

| Category         | F.Y. 2022-23 |             |             | F.Y. 2021-22 |             |             |
|------------------|--------------|-------------|-------------|--------------|-------------|-------------|
|                  | Total (A)    | No. (B)     | % (B / A)   | Total (C)    | No. (D)     | % (D / C)   |
| <b>Employees</b> |              |             |             |              |             |             |
| Male             | 603          | 603         | 100%        | 586          | 586         | 100%        |
| Female           | 24           | 24          | 100%        | 22           | 22          | 100%        |
| <b>Total</b>     | <b>627</b>   | <b>627</b>  | <b>100%</b> | <b>608</b>   | <b>608</b>  | <b>100%</b> |
| <b>Workers*</b>  |              |             |             |              |             |             |
| Male             | N.A.         | N.A.        | N.A.        | N.A.         | N.A.        | N.A.        |
| Female           | N.A.         | N.A.        | N.A.        | N.A.         | N.A.        | N.A.        |
| <b>Total</b>     | <b>N.A.</b>  | <b>N.A.</b> | <b>N.A.</b> | <b>N.A.</b>  | <b>N.A.</b> | <b>N.A.</b> |

*Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**10. Health and safety management system:**

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes, we have the EHS Management system manual and we follow the same in all the units. The system covers all employees. The system covers all employees, workers and interested party’s health and safety at each certified location. The system includes everything from planning to developing processes, as well as monitoring and analysing data and improving it continually. Further, we are implementing additional improvements to our safety management systems, based on recommendations received to improve the effectiveness of our existing safety systems and procedures our units.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We have the HIRA system (Hazard Identification and Risk Assessment), which will be renewed yearly or on process change, whichever is earlier.

The focus includes Life-Saving Rules campaign, near misses and unsafe conditions that could result in injury, and the need for increased safety related communication at all levels of our organisation. We also emphasise training to raise awareness about routine and non-routine hazards during production and planned shutdowns for repairs and maintenance

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, we have Hazard reporting in the Incident reporting system and the same will be updated in HIRA. Periodic awareness sessions to build ‘Safety First’ mindset are being conducted.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, all employees are covered under Company’s health insurance and personal accident policy.

**11. Details of safety related incidents, in the following format:**

| Safety Incident / Number  | Category  | F.Y. 2022-23 | F.Y. 2021-22 |
|---|-----------|--------------|--------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0            | 0            |
|   | Workers   | 0            | 0            |
| Total recordable work-related injuries  | Employees | 0            | 0            |
|   | Workers   | 0            | 0            |
| No. of fatalities   | Employees | 1            | 0            |
|   | Workers   | 0            | 0            |
| High consequence work-related injury or ill-health (excluding fatalities)     | Employees | 0            | 0            |
|   | Workers   | 0            | 0            |

**12. Describe the measures taken by the entity to ensure a safe and healthy work place:**

-The Company has an effective Environment, Health & Safety Policy and Risk Management Policy. The Company’s offices and units are designed based on careful consideration of statutory requirements, for a healthy and safety workplace, applicable Indian Standards. One of the key focus areas remain safety of employees and investing in technologies and processes to avoid and minimize the manual interfaces with machines. At the design stage of any process, focus is on providing engineering controls to control the various hazards during manufacturing/production. Further, all new plants are highly automated with conveyors and robotics palletisation to reduce manual intervention. The Company has a systematic processes for identification of work-related hazards. The Company has in place a mechanism for identification of fire hazards, preparation of action plan for control system and plans to mitigate or eliminate hazards.

**13. Number of Complaints on the following made by employees and workers;**

|                    | F.Y 2022-23           |                                       |         | F.Y 2021-22           |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                     | 0                                     | -       | 0                     | 0                                     | -       |
| Health & Safety    | 0                     | 0                                     | -       | 0                     | 0                                     | -       |

*Note: MTPL has not received any complaint on “Health & Safety” and “Working Conditions” in F.Y. 22-23 and F.Y. 21-22. However, the Company encourages its employees and contractor workers to proactively submit safety observations and report unsafe acts and conditions at workplace as a preventive action*

**14. Assessments for the year:**

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100%  |
| Working Conditions          | 100%  |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Corrective actions have been taken post consultation of managerial and non-managerial employees and workers. Effectiveness of the corrective actions have also been monitored.

**Leadership Indicators:**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

(A) Employees (Y/N): Yes.

(B) Workers (Y/N): Yes.

All employees are covered under Health Insurance and Accidental policy.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company has a process in place for ensuring the compliance of the statutory dues such as GST, direct tax, employee related deductions etc. and its payments as applicable of the relevant value chain partners of the Company. The Company has a practice of informing the vendors about the statutory changes affecting their responsibilities in respect of deduction/ withholding of tax at source in respect of their transactions with the Company.

**3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

| Category  | Total no. of affected employees/ workers |             | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |             |
|-----------|--|-------------|---|-------------|
|           | F.Y 2022-23                              | F.Y 2021-22 | F.Y 2022-23   | F.Y 2021-22 |
| Employees | 1  | 0           | 0   | 0           |
| Workers   | 0  | 0           | 0   | 0           |

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

-Yes, MTPL Packaging Limited as an organisation uses its retainership program depending on case to case basis and the suitability of the position. Some employees, after retirement age, are considered for advisory role in the Company only at the discretion of management.

**5. Details on assessment of value chain partners:**

|                             | <b>% of value chain partners (by value of business done with such partners) that were assessed</b>  |
|-----------------------------|---|
| Health and safety practices | As a standard practice, initiatives are taken to acquaint and ensure adherence to the various policies of the Company like Policy on Human Rights, Code of Conduct for Suppliers and Service Providers, ESG Policy, Environment, Health and Safety Policy, Code of Conduct for Employees and Business Ethics, Code(s) on PIT, etc. among others, which inculcates within them the essence of the NGRBC Principles and Core Elements at various times during the year during engagement and interaction with value chain partners. |
| Working Conditions          |   |

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

-The Company has started with reviewing the raw material suppliers as well as goods and services providers for evidence of their position on certain criteria. During the year no significant risks / concerns pertaining to health and safety practices and working conditions of value chain partners were identified or reported to the Company.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators:**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

-MTPL has put in place systems and procedures to identify, prioritise and address the needs and concerns of its stakeholders, across businesses and units, in a continuous, consistent and systematic manner. The Company has mapped its internal and external stakeholders and believes that an effective stakeholder engagement process is necessary to achieve its sustainable goal of inclusive growth. We consider individuals, groups, institutions or entities that contribute to shaping our business that add value or constitute a core part of the business value chain as key stakeholders. Our stakeholders are both internal and external and direct as well as indirect. Our key stakeholders include employees, investors, suppliers and partners, customers, government authorities and the community.

The process for identification of such key stakeholders is of qualitative nature. It is conducted in consultation with and feedback from different departments along with Senior Management and Board.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

| <b>Stakeholder Group</b> | <b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/No)</b> | <b>Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other</b>  | <b>Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)</b> | <b>Purpose and scope of engagement including key topics and concerns raised during such engagement</b>  |
|--------------------------|---|---|--|---|
| Employees                | No  | We use digital as well as physical channels of communication including but not limited to e-mails, leadership touchpoints and appraisal and training programmes for personal and professional growth. | Regularly  | Through physical and digital channels of communication, we aim to provide our employees an empowering workplace that encourages transparent engagement and the freedom to act, innovate and grow as professionals and individuals. Our ongoing effort is to maintain two-way engagement with colleagues in corporate office, manufacturing locations etc. and also for Rewards & Recognition, Talent Management, Compliance with policies of the Company, CSR & Sustainability updates. |



| Stakeholder Group        | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other   | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement  |
|--------------------------|--|---|---|--|
| Shareholders / Investors | No   | We interact with our shareholders, potential investors and research analysts through investor meetings/calls, conferences, earnings call, investor events, e-mail, press releases, stock exchange intimations, investor presentations and annual reports. | Quarterly and as and when need arises   | We engage with them so that they can take an informed decision to invest in our Company. The key areas of engagement include an update on the business and financial performance, Company's strategy and growth levers, potential opportunities and risks, disclosing Quarterly/ Half Yearly/ Yearly Results, sending Annual Reports and Notice for General Meetings, Dividend updates |
| Customers                | No   | Physical and virtual meetings, customer events, calls, e-mail and website.  | Regularly   | We engage with our customers to ensure regular supply of the products, keep them informed about new products, participate in the bids/ tenders and maximise the outreach of our products.  |
| Suppliers & Partners     | No   | Physical and virtual meetings, supplier forums, partner events, calls, e-mail and website.  | Frequent and need based   | To make suppliers aware of the requirements of the Company with respect to the quality and other specifications. They are also made aware of the policies of the Company with respect to the ethical practices and also the quality standards maintained by the Company.   |
| Government authorities   | No   | Our interactions with authorities take place through e-mails, meetings, submissions, etc. as required.  | Need Basis  | With regulatory authorities our engagement is aimed at discharging responsibilities with policymakers and to understand and discuss matters pertaining to the industry. To understand various Law points, regulations, amendments and approvals.   |
| Community                | Yes  | Our engagement with the community includes physical visits as well as digital channels. Community Welfare Programmes, Community visits / meeting, Local authority and town council meetings.  | Frequent and need based   | With giving back to society as a core tenet of the Company, our corporate social responsibility and employee volunteering programmes target the areas of education, health, women empowerment and rural development activities.  |

### Leadership Indicators:

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

- At Mold-Tek Packaging Limited, we prioritize stakeholder consultation on economic, environmental, and social topics to ensure a comprehensive approach to our Environmental, Social, and Governance (ESG) framework. We engage in careful deliberations with the Mold-Tek Packaging board and management to identify our key internal and external stakeholders, which include Investors, Employees, Customers, Suppliers and Partners, Government Authorities and Communities. Through this inclusive approach, we gather valuable insights and feedback from our stakeholders. These inputs are integrated into our decision-making processes, allowing us to align our business imperatives with the critical needs of our stakeholders and the broader society. This information serves as a crucial input for informed decision-making, enabling us to navigate economic, environmental and social considerations responsibly and sustainably.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

-Yes, Effective engagement helps us connect stakeholder needs with organisational goals, creates the basis of an effective strategy development and unlocks greater share value for all stakeholders. We use multiple platforms to engage with a

wide variety of stakeholders to understand their unique needs and concerns and chart out suitable strategies to address them. Our internal and external stakeholders identified key material topics across ESG that are likely to impact Company’s business-like product availability, responsible pricing and affordability, high-quality, safety, anti-bribery and corruption. Further, the Company has interactions on Environmental and Social areas with the Government Regulatory Authorities, Distributors, Suppliers and the local community and this helps in identifying material topics that are the most relevant and applicable for MTPL and actions are to be taken on them. We ensure that we take inputs received from stakeholders and integrate them into our processes and policies.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

MTPL actively engages with the community on a regular basis, focusing on areas such as community development, environmental initiatives among others. Any concerns that arise are promptly addressed and discussed in a timely manner. The Company’s CSR activities focus on the disadvantaged, vulnerable and marginalised segments of the society. Kindly refer to the “Annexure – C” i.e. Annual Report on Corporate Social Responsibility Activities for further details.

**PRINCIPLE 5: Businesses should respect and promote human rights.**

**Essential Indicators:**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

| Category               | F.Y. 2022-23 |                                       |             | F.Y. 2021-22 |                                       |             |
|------------------------|--------------|---------------------------------------|-------------|--------------|---------------------------------------|-------------|
|                        | Total (A)    | No. of employees/ workers covered (B) | % (B /A)    | Total (C)    | No. of employees/ workers covered (D) | % (D/C)     |
| <b>Employees</b>       |              |                                       |             |              |                                       |             |
| Permanent              | 627          | 627                                   | 100%        | 608          | 608                                   | 100%        |
| Other than permanent   | 0            | 0                                     | 0           | 0            | 0                                     | 0           |
| <b>Total Employees</b> | <b>627</b>   | <b>627</b>                            | <b>100%</b> | <b>608</b>   | <b>608</b>                            | <b>100%</b> |
| <b>Workers</b>         |              |                                       |             |              |                                       |             |
| Permanent              | N.A.         | N.A.                                  | N.A.        | N.A.         | N.A.                                  | N.A.        |
| Other than permanent   | 1880         | 1880                                  | 100%        | 1908         | 1908                                  | 100%        |
| <b>Total Workers</b>   | <b>1880</b>  | <b>1880</b>                           | <b>100%</b> | <b>1908</b>  | <b>1908</b>                           | <b>100%</b> |

*Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category                    | F.Y 2022-23 |                       |         |                        |         | F.Y 2021-22 |                       |         |                        |         |
|-----------------------------|-------------|-----------------------|---------|------------------------|---------|-------------|-----------------------|---------|------------------------|---------|
|                             | Total (A)   | Equal to Minimum wage |         | More than Minimum Wage |         | Total (D)   | Equal to Minimum wage |         | More than Minimum Wage |         |
|                             |             | No. (B)               | % (B/A) | No. (C)                | % (C/A) |             | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| <b>Employees</b>            |             |                       |         |                        |         |             |                       |         |                        |         |
| <b>Permanent</b>            |             |                       |         |                        |         |             |                       |         |                        |         |
| Male                        | 603         | 0                     | 0       | 603                    | 100%    | 586         | 0                     | 0       | 586                    | 100%    |
| Female                      | 24          | 0                     | 0       | 24                     | 100%    | 22          | 0                     | 0       | 22                     | 100%    |
| <b>Other than Permanent</b> |             |                       |         |                        |         |             |                       |         |                        |         |
| Male                        | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    |
| Female                      | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    |

| Category                    | F.Y 2022-23 |                       |         |                        |         | F.Y 2021-22 |                       |         |                        |         |
|-----------------------------|-------------|-----------------------|---------|------------------------|---------|-------------|-----------------------|---------|------------------------|---------|
|                             | Total (A)   | Equal to Minimum wage |         | More than Minimum Wage |         | Total (D)   | Equal to Minimum wage |         | More than Minimum Wage |         |
|                             |             | No. (B)               | % (B/A) | No. (C)                | % (C/A) |             | No. (E)               | % (E/D) | No. (F)                | % (F/D) |
| <b>Workers</b>              |             |                       |         |                        |         |             |                       |         |                        |         |
| <b>Permanent</b>            |             |                       |         |                        |         |             |                       |         |                        |         |
| Male                        | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    |
| Female                      | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    | N.A.        | N.A.                  | N.A.    | N.A.                   | N.A.    |
| <b>Other than Permanent</b> |             |                       |         |                        |         |             |                       |         |                        |         |
| Male                        | 1212        | 1212                  | 100%    | 0                      | 0       | 1232        | 1232                  | 100%    | 0                      | 0       |
| Female                      | 668         | 668                   | 100%    | 0                      | 0       | 669         | 669                   | 100%    | 0                      | 0       |

*Note: In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**3. Details of remuneration/salary/wages, in the following format:**

|                                  | Male   |   | Female |   |
|----------------------------------|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD)*        | 8      | 2,21,34,658   | 1      | N.A.  |
| Key Managerial Personnel (KMP)*  | 5      | 2,05,56,001   | 1      | 58,21,900   |
| Employees other than BoD and KMP | 590    | 3,63,832  | 30     | 4,78,820  |
| Workers#                         | 1212   | N.A.  | 668    | N.A.  |

*\*Note: Median Remuneration is on Annual Basis and the number is as on 31st March, 2023. Further, remuneration of Executive Directors has only been considered for the Median Calculation. Managing Director, Two Deputy Managing Directors and One Whole-time Director of the Company being Key Managerial Personnel also are considered under both the heads i.e. Board of Directors (BoD) and Key Managerial Personnel(KMP).*

*#In MTPL, there is no Permanent worker category as all our workers are through third party contractors and have fixed terms.*

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

-Yes, Respective HR heads of unit and at HO are responsible for addressing human rights and concerns raised by the employees or workers. They play a crucial role in ensuring that human rights are respected in the workplace and that employees' or workers concerns are addressed. They are responsible for maintaining a safe and healthy work environment, promoting diversity and inclusion, and ensuring that employees are treated fairly and with dignity and respect.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

-All grievances are addressed as and when received by the respective Unit Head/Business Head/HOD through Plant HR in coordination with Head HR. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint. Whenever required, disciplinary actions are initiated.

**6. Number of Complaints on the following made by employees and workers:**

|                                  | F.Y 2022-23           |                                       |         | F.Y 2021-22           |                                       |         |
|----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                  | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                | 0                     | 0                                     | None    | 0                     | 0                                     | None    |
| Discrimination at workplace      | 0                     | 0                                     | None    | 0                     | 0                                     | None    |
| Child Labour                     | 0                     | 0                                     | None    | 0                     | 0                                     | None    |
| Forced Labour/Involuntary Labour | 0                     | 0                                     | None    | 0                     | 0                                     | None    |

|                                   | F.Y 2022-23           |                                       |         | F.Y 2021-22           |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Wages                             | 0                     | 0                                     | None    | 0                     | 0                                     | None    |
| Other human rights related issues | 0                     | 0                                     | None    | 0                     | 0                                     | None    |

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases:**

- Any incident reported is handled as confidential information. Person(s) mentioned in the report and alleged as having violated the relevant principles or rules shall not be informed of the report unless and until it shall be necessary for the purpose of the investigation. Appropriate disciplinary action will be initiated against any person who retaliates, directly or indirectly, against any person for reporting an actual or suspected violation of any organisation policy, rule or regulation or assisting in any investigation of any such violation or suspected violation.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

-Yes. MTPL understands the importance of promoting and protecting human rights throughout its value chain. We have extended our Supplier Code of Conduct to our value chain partners. Also, we include human rights in our business agreements wherever required. By doing so, we are setting clear expectations for our partners for upholding human rights standards.

**9. Assessments for the year:**

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child labour                | 100%  |
| Forced/involuntary labour   | 100%  |
| Sexual harassment           | 100%  |
| Discrimination at workplace | 100%  |
| Wages                       | 100%  |
| Others – please specify     | NIL   |

\* Internal assessment was carried out by the Company.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

-Not Applicable. At Mold-Tek there is no employment of Child Labour. There is POSH committee and a grievance redressal mechanism which is accessible to all employees and workers. Regular internal audit being conducted to ensure wages are in line with the statutory norms.

**Leadership Indicators:**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

-No process was introduced or modified as no observations was reported.

**2. Details of the scope and coverage of any Human rights due-diligence conducted**

-At MTPL the scope for Human rights due diligence conducted internally by the HR Dept at the HO and at all units covered Occupational Health and Safety, Non- discrimination, freedom of association and collective bargaining, child labour, forced or compulsory labour and community engagement. As an equal opportunity employer, we do not discriminate on the basis of race, colour, religion, sex, national origin, gender identity, gender expression, sexual orientation or disability status. The Company is in the advanced stages of assessment of all its facilities to ensure that the infrastructure therein is enabling for all its employees.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

- As on the 31<sup>st</sup> day of March, 2023, the company does not have any differently abled employee and worker but the Company is in process of making all the required premises accessible for differently abled employees & workers.

**4. Details on assessment of value chain partners:**

|                                  | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---|
| Sexual Harassment                | 100%  |
| Discrimination at workplace      | 100%  |
| Child Labour                     | 100%  |
| Forced Labour/Involuntary Labour | 100%  |
| Wages                            | 100%  |

- As a standard practice, initiatives are taken to acquaint and ensure adherence to the various policies of the Company like Policy on Human Rights, Code of Conduct for Suppliers and Service Providers, ESG Policy, Environment, Health and Safety Policy, Code of Conduct for Employees and Business Ethics, Code(s) on PIT, etc. among others, which inculcates within them the essence of the NGRBC Principles and Core Elements at various times during the year during engagement and interaction with value chain partners.

100% of our suppliers were evaluated in F.Y. 23 basis our Code(s) and Policies mentioned above which has several clauses on Labor Practices and Human Rights like Child Labour, Freedom of Association, Working hours, Wage and Benefits, Forced or compulsory labour, Lawful Employment, Non-Discrimination and Harassment

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

- Not Applicable. No significant risks/ concerns were identified or reported to the Company during F.Y. 2022-23

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

**Essential Indicators:**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

*(In Giga Joules)*

| Parameter  | F.Y 2022-23     | F.Y 2021-22    |
|--|-----------------|----------------|
| Total electricity consumption (A)  | 1,07,667        | 92,063         |
| Total fuel consumption (B)   | 208             | 432            |
| Energy consumption through other sources (C)- From Roof Top Solar Panels             | 1,639           | -              |
| <b>Total energy consumption (A+B+C)</b>  | <b>1,09,514</b> | <b>92,495</b>  |
| Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) | 1.50GJ/₹ lakhs  | 1.46GJ/₹ lakhs |
| Energy intensity (optional) – the relevant metric may be selected by the entity      | -               | -              |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter   | F.Y. 2022-23 | F.Y. 2021-22 |
|---|--------------|--------------|
| <b>Water withdrawal by source (in kilolitres)</b> |              |              |
| (i) Surface water                                 | 0            | 0            |
| (ii) Groundwater                                  | 4562.5       | 4562.5       |
| (iii) Third party water                           | 0            | 0            |
| (iv) Seawater / desalinated water                 | 0            | 0            |
| (v) Others  | 0            | 0            |



| Parameter  | F.Y. 2022-23       | F.Y. 2021-22       |
|--|--------------------|--------------------|
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)       | 4562.5             | 4562.5             |
| Total volume of water consumption (in kilolitres)                              | 4562.5             | 4562.5             |
| Water intensity per rupee of turnover (Water consumed / turnover)              | 0.062 Kltr/ ₹ lakh | 0.072 Kltr/ ₹ lakh |
| Water intensity (optional) – the relevant metric may be selected by the entity | -                  | -                  |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the wastewater generated at our offices and factories is treated through the sewage treatment plants (STPs) and the recycled water is used for sanitation and gardening purposes. MTPL focusses on reduction at source and reuse. Further, chillers are installed in the factories for efficient water management and reduction in consumption.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

**Industrial treated water is 100% used for Gardening purpose.**

| Parameter                           | Please specify unit | FY 2022-23 | FY 2021-22 |
|-------------------------------------|---------------------|------------|------------|
| NOx                                 | -                   | -          | -          |
| Sox                                 | -                   | -          | -          |
| Particulate matter (PM)             | -                   | -          | -          |
| Persistent organic pollutants (POP) | -                   | -          | -          |
| Volatile organic compounds (VOC)    | -                   | -          | -          |
| Hazardous air pollutants (HAP)      | -                   | -          | -          |
| Others – please specify             | -                   | -          | -          |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

Not Applicable, MTPL units are certified Green Zones by Pollution Control Board (PCB). The emission released from the processes of Injection Moulding is Zero. Further, the Company does not produce any hazardous waste and other non-hazardous liquid or solid wastes, if any, released are re-used in controlled way. MTPL 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.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

| Parameter   | Unit  | F.Y 2022-23 | F.Y 2021-22 |
|---|---|-------------|-------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent                 | 469.04      | 470.86      |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent                 | 30,439      | 26,022      |
| Total Scope 1 and Scope 2 emissions per rupee of Turnover   | Metric tonnes of CO <sub>2</sub> per rupee lakh of turnover | 0.42        | 0.42        |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity   | -   | -           | -           |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No. MTPL units are certified Green Zones by Pollution Control Board (PCB). The emission released from the processes of Injection Moulding is Zero. However, all Gensets used at the factories during power cuts or otherwise produce Green House Gases and such may be considered under Scope 1 emissions. Further, for Scope 2 electric consumption from non-renewable sources only has been considered.

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

As mentioned earlier, MTPL units are certified Green Zones by Pollution Control Board (PCB). The emission released from the processes of Injection Moulding is Zero. However, all Gensets used at the factories during power cuts or otherwise produce Green House Gases. The Company has undertaken the following to reduce its carbon footprint:

- Energy reduction/management by replacing old Hydraulic injection moulding machine with modern electric machines is in progress;
- Monitoring and analysis of energy consumption on periodic basis;
- Replacement of conventional tubes and bulbs with LED;
- Monitoring, benchmarking and selection of energy intensive equipment only;
- Minimum use of energy by optimizing processes and material movement in factories;
- ‘Machine On’ alarms and automatic switch off machines;
- Installation of water chillers for water conservation;
- The Company runs the discharged/used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized;
- Water Leakage Monitoring;
- The Company has installed solar power generating systems in its units to channel the electric energy requirements in the said units and this has resulted in an approximate carbon offsetting of 3990.3 tons/annum.
- Tree Plantation at Offices and Factories;

**8. Provide details related to waste management by the entity:**

| Parameter  | F.Y 2022-23 | F.Y 2021-22 |
|--|-------------|-------------|
| <b>Total Waste generated (in metric tonnes)</b>  |             |             |
| Plastic waste (A)  | 852         | 1167        |
| E-waste (B)  | -           | -           |
| Bio-medical waste (C)  | -           | -           |
| Construction and demolition waste (D)  | -           | -           |
| Battery waste (E)  | -           | -           |
| Radioactive waste (F)  | -           | -           |
| Other Hazardous waste. Please specify, if any. (G),  | -           | -           |
| Other Non-hazardous waste generated (H). Please specify, if any.   | -           | -           |
| <b>Total (A+B + C + D + E + F + G + H)</b>   | <b>852</b>  | <b>1167</b> |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |             |             |
| <b>Category of waste</b>   |             |             |
| (i) Recycled   | 852         | 1167        |
| (ii) Re-used   | -           | -           |
| (iii) Other recovery operations  | -           | -           |
| <b>Total</b>   | <b>852</b>  | <b>1167</b> |
| <b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>                              |             |             |
| <b>Category of waste</b>   |             |             |
| (i) Incineration   | -           | -           |
| (ii) Landfilling   | -           | -           |
| (iii) Other disposal operations  | -           | -           |
| <b>Total</b>   | <b>-</b>    | <b>-</b>    |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

MTPL 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. Since the Company is in B2B business our products are sold to customers who uses the same for primary and secondary packaging and hence disposition and end life responsibilities lies with our customers. Furthermore, The Company being a Producer/Importer/Brand Owner (“PIBO”) within the meaning of the Plastic Waste Management Rules, 2016 as a part of the Extended Producer’s Responsibility under the said Rules, has engaged an organization which is responsible for the Collection and Recycling of Post-Consumer Plastic Waste and adhere to the rules and also provide solutions, services including digital technology platforms and other associated products and services to the Company. We are buying post-consumer recycle material from different vendors and working with them to develop a quality material to increase the percentage of usage in our end products as per EPR guidelines. As per the policy of the Company on the completion of the lifecycle of the product, the e-waste are sold to the vendors. The vendor than collects the material and necessary e-waste certificate is being issue to the Company. MTPL units are certified Green Zones by Pollution Control Board. The wastages released from the processes of Injection Moulding is Zero. The Company does not produce any hazardous waste and other non-hazardous liquid or solid wastes released are re-used in controlled way.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details:**

| S. No.  | Location of operations/ offices | Type of Operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---------------------------------|--------------------|---|
| Not Applicable. MTPL does not have any operations / offices in / around ecologically sensitive areas. |                                 |                    |   |

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project   | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|---|----------------------|------|---|--|-------------------|
| Not Applicable. MTPL has not undertaken any projects that require an Environmental Impact Assessment (EIA). |                      |      |   |  |                   |

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances:**

- Yes, we have ensured 100% compliances with all the statutory requirements. During the reporting period (F.Y. 2022-23), no fines were levied by government or regulatory authorities.

**Leadership Indicators:**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non- renewable sources:**

*(in Giga Joules)*

| Parameter   | F.Y 2022-23  | F.Y 2021-22 |
|---|--------------|-------------|
| <b>From renewable sources</b>                               |              |             |
| Total electricity consumption (A)                           | 1,639        | -           |
| Total fuel consumption (B)                                  | -            | -           |
| Energy consumption through other sources (C)                | -            | -           |
| <b>Total energy consumed from renewable sources (A+B+C)</b> | <b>1,639</b> | <b>-</b>    |

| Parameter   | F.Y 2022-23     | F.Y 2021-22   |
|---|-----------------|---------------|
| <b>From non-renewable sources</b>                               |                 |               |
| Total electricity consumption (D)                               | 1,07,667        | 92,063        |
| Total fuel consumption (E)                                      | 208             | 432           |
| Energy consumption through other sources (F)                    | -               | -             |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b> | <b>1,07,875</b> | <b>92,495</b> |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

No

**2. Provide the following details related to water dis-charged:**

| Parameter  | F.Y 2022-23 | F.Y 2021-22 |
|--|-------------|-------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |             |             |
| (i) To Surface water   | -           | -           |
| - No treatment   | -           | -           |
| - With treatment- specify level of treatment                                 | -           | -           |
| (ii) To Groundwater  | -           | -           |
| - No treatment   | -           | -           |
| - With treatment- specify level of treatment                                 | -           | -           |
| (iii) To Seawater  | -           | -           |
| - No treatment   | -           | -           |
| - With treatment- specify level of treatment                                 | -           | -           |
| (iv) Sent to third-parties   | -           | -           |
| - No treatment   | -           | -           |
| - With treatment- specify level of treatment                                 | -           | -           |
| (v) Others   | -           | -           |
| - No treatment   | -           | -           |
| - With treatment- specify level of treatment                                 | -           | -           |
| <b>Total water discharged (in kilolitres)</b>                                | <b>-</b>    | <b>-</b>    |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

Not Applicable. Responsible use of water supports the Company's actions towards sustainable growth. The Company runs the discharged/used water in its offices and units through STPs to re-use it again for watering the plants and trees in its premises and make sure water consumption is minimized. Further, chillers are also installed to reduce water consumption. Further, rain water is discharged without treatment.

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable, since None of our operations/offices are located in/around ecologically sensitive areas.

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Yes, MTPL have always strived to improve the resource efficiency. 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 and offices.

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. –**

-Yes, to sustain the business operations, minimise the impact during and after disaster event and faster recovery of the operations and services, MTPL has put in place an effective documented framework and a process for managing critical activities and their dependencies during occurrence of a disaster event or a very high impact risk event. For all Manufacturing Units, Toolroom Centre, Head Offices, Depots/ Regional Distribution Centres and Regional Offices respectively have a designated framework in place for such an event. We have emergency preparedness plans in place for each site to address any external and internal disasters. These plans have a clear focus on minimising exposure with hazardous situations and cover various scenarios with clear assignments of responsibilities.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

-The Company has not carried out any environmental assessment Impacts of its business partner however as a standard practice, initiatives are taken to acquaint and ensure adherence to the various policies of the Company like Policy on Human Rights, Code of Conduct for Suppliers and Service Providers, ESG Policy, Environment, Health and Safety Policy, Code of Conduct for Employees and Business Ethics, Code(s) on PIT, etc. among others, which inculcates within them the essence of the NGRBC Principles and Core Elements at various times during the year during engagement and interaction with value chain partners.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

-N.A.

**PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent:**

**Essential Indicators:**

**1. a. Number of affiliations with trade and industry chambers/ associations.**

-MTPL is much aware of its responsibilities towards influencing public and regulatory policy and thus engages with public and regulatory bodies in a responsible manner. It participates in the same on a need basis. MTPL is a member of 4 trade associations as mentioned in point b.

**b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

| Sr. No. | Name of the trade and industry chambers/ associations   | Reach of trade and industry chambers/ associations (State/ National) |
|---------|---|--|
| 1.      | The Associated Chambers of Commerce & Industry of India | National   |
| 2.      | Andhra Chamber of Commerce                              | State  |
| 3.      | The Plastics Export Promotion Council                   | National   |
| 4.      | The All India Plastics Manufacturers Association        | National   |

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities:**

| Name of authority   | Brief of the case | Corrective action taken |
|---|-------------------|-------------------------|
| No case related to anti-competitive conduct by the entity is reported in F.Y. 2022-23 |                   |                         |

**Leadership Indicators:**

**1. Details of public policy positions advocated by the entity:**

| Public Policy Advocated           | Method resorted for such advocacy                     | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half-yearly/Quarterly/ Others – please specify) | Web Link, if available |
|-----------------------------------|---|--|---|------------------------|
| Extended Producers Responsibility | Through All India Plastics Manufacturers Association. | -  | -   | -                      |



- The Company does not have a separate policy on “policy advocacy”. For advocacy on policies related to the Plastic Packaging Industry, the Company works through industry associations such as The All India Plastics Manufacturers Association, The Plastics Export Promotion Council, etc. There are specified officials in the Company who are authorised for communicating with industrial bodies and managing government affairs in accordance with internal policy of the Company. Also, 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 promote inclusive growth and equitable development:**

**Essential Indicators:**

- 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

-Not Applicable.

- 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

-Not Applicable

- 3. Describe the mechanisms to receive and redress grievances of the community:**

- The Board of Directors of the Company had adopted the Whistle Blower Policy. A mechanism has been established for all stakeholders including Directors, employees, vendors and suppliers to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct(s) and Ethics. It also provides for adequate safeguards against the victimisation of employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>. Further, where ever our plants are located in village areas, the nearby communities highlight the grievances to the Panchayats and Government authorities who in turn help us to address the grievances of the communities. The highlighted issues are then taken up by our plant team as projects in that area.

- 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

|   | F.Y 2022-23 | F.Y 2021-22 |
|---|-------------|-------------|
| Directly sourced from MSMEs/ small producers                        | 0.11%       | 0.62%       |
| Sourced directly from within the district and neighboring districts | 24.97%      | 27.14%      |

**Leadership Indicators:**

- 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable.

- 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

-Please refer “Annexure – C” to Directors’ Report i.e. Annual Report on CSR Activities.

- 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

-Currently, there is no preferential procurement policy in place. However, company does not discriminate against any groups for sourcing we use a variety of variables like quality, service, technical competence and price to decide the vendors.

- (b) From which marginalized /vulnerable groups do you procure?**

-Not Applicable.

- (c) What percentage of total procurement (by value) does it constitute?**

-Not Applicable.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

-Not Applicable.

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

-Not Applicable.

**6. Details of beneficiaries of CSR Projects:**

Please refer “*Annexure – C*” to Directors’ Report i.e. Annual Report on CSR Activities.

**PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner**

**Essential Indicators:**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company is in B2B business and hence provides its products to other businesses. MTPL ensures to keep the clients informed throughout the entire process of complaint resolution and focus on resolving complaints at the earliest by understanding the core issue and providing solutions, which includes calling the customer, meeting with the customer and providing the final resolution. The Company also maintains multiple points of communication with the customer, that is through SMS/Email/WhatsApp, to keep the customer informed of all actions taken on the complaint.

Customers will send the complaints by mail to Marketing department and Marketing department will send the complaint to QC department and will ask for RCA & CAPA. QC department will analyse the complaint and will give RCA & CAPA Report to the client within stipulated time.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

|   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | N.A.                              |
| Safe and responsible usage                                  | N.A.                              |
| Recycling and/or safe disposal                              | N.A.                              |

-MTPL is in B2B business and provide rigid plastic packaging solutions to other businesses, who use our containers for their products and the details and labelling are as per the instructions of the clients and contains information about their product for which the container is being used.

**3. Number of consumer complaints in respect of the following:**

|                                | F.Y 2022-23              |                                   | Remarks | F.Y 2021-22              |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Advertising                    | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Cyber-security                 | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Delivery of essential Services | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Restrictive Trade Practices    | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Unfair Trade Practices         | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |
| Other                          | Nil                      | Nil                               | Nil     | Nil                      | Nil                               | Nil     |

-The Company has not received any consumer complaints with respect to data privacy, advertising, cyber security, restrictive trade practices and unfair trade practices during the financial year.

**4. Details of instances of product recalls on account of safety issues: Not Applicable**

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | Nil    | Nil                |
| Forced recalls    | Nil    | Nil                |

- There have been no instances of product recall (voluntary or forced) on account of safety issues during the financial year 2022-23.

**4. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

-The Company do have a security policy. The same has been uploaded on the intranet of the Company.

**5. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

-No such event has been reported for the F.Y 2022-23 and hence not applicable.

**Leadership Indicators:**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

-The platforms used for the information are Website, Annual Reports, Social Media Platforms, Media Publications, Analyst Reports, Press Releases etc.

Information relating to all the products and services provided by the Company are available on the Company's website at <https://www.moldtekpackaging.com/>

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.**

- Since the Company is in B2B business our products are sold to customers being other businesses who uses the same for primary and secondary packaging of their products. Business Continuity Plan, Risk Management Policy, Mitigation Plan and Review Mechanism in place to take care of exigencies in supplies or services to the customer. Further, product specification sheet forms part of the Agreement/Contract of Supply with all details including test controls.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

-Same as mentioned against point 2.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

-As we are manufacturing Product Packaging items, we print the product details given in the form of ARTWORK on the packaging along with Statutory information for our clients. MTPL is in B2B business and provide rigid plastic packaging solutions to other businesses, who use our containers for their products and the details and labelling are as per the instructions of the clients and contains information about their product for which the container is being used.

**5. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches along with impact**

No instances of data breach were reported or observed during F.Y 2022-23.

**b. Percentage of data breaches involving personally identifiable information of customers**

No instances of data breach were reported or observed during F.Y 2022-23.

## **REPORT ON CORPORATE GOVERNANCE**

The Directors present the Corporate Governance Report of the Company for the financial year 2022-23. 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:**

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understandable manner and by being fair to all stakeholders, by ensuring that the Company’s activities are managed by a professionally competent and independent Board of Directors.

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 on March 31, 2023, the Board of Directors (“Board”) comprised of 9 Directors, of which Five (5) were Non-Executive Directors and Four (4) were Executive Directors. The Company has an Executive Chairman and Five (5) Independent Directors as on 31<sup>st</sup> March, 2023 and Independent Directors comprised more than half of the total strength of the Board. Further, Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director of the Company retired on account of expiry of his term on the 13<sup>th</sup> May, 2023, and though post such retirement of Dr. Venkata Appa Rao Kotagiri, 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, still to ensure better corporate governance and have more independent members in the Board, Mr. Ponnuswamy Ramnath (DIN: 03625336) as per the recommendation of the Nomination and Remuneration Committee and after considering his knowledge, acumen, expertise and experience was appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation on 9<sup>th</sup> August, 2023 to hold office for his first term of five consecutive years w.e.f. 17<sup>th</sup> August, 2023 to 16<sup>th</sup> August, 2028, subject to approval and regularization by members of the Company in the ensuing Annual General Meeting as an Independent Director. Thus, as on the date of approval of this Report on Corporate Governance the Board of Directors (“Board”) comprised of 9 (nine) Directors, of which Five (5) are Independent Non-Executive Directors and Four (4) are Executive Directors.

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 2022-23 i.e., on 21<sup>st</sup> April, 2022, 9<sup>th</sup> May, 2022, 27<sup>th</sup> July, 2022, 2<sup>nd</sup> September, 2022, 7<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023. 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 2022-23 |          | Whether attended last AGM held on 30 <sup>th</sup> September, 2022 | No. of directorships in other companies <sup>#</sup> | 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  | -   | 1      | Mold-Tek Technologies Limited- Director. (Promoter)                      |
| Mr. P. Venkateswara Rao (Deputy Managing Director)  | Executive Director (Promoter)           | 6   | 6        | Yes  | 1  | -   | 1      | Mold-Tek Technologies Limited- Director. (Promoter)                      |
| Mrs. J. Mytraeyi <sup>s</sup>                       | Non-Executive Director (Promoter Group) | 6   | 6        | 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   | 5        | Yes  | 3  | -   | -      | Mold-Tek Technologies Limited-Independent Non-Executive Director         |



## Mold-Tek Packaging Limited

| Name of the Director                    | Category                                      | Number of Board Meetings entitled to attend and actually attended during the year 2022-23 |          | Whether attended last AGM held on 30 <sup>th</sup> September, 2022 | No. of directorships in other companies <sup>#</sup> | No. of Chairmanships/Memberships in other Committees of other Company(ies)* |        | Directorships in other Listed Company(ies)                              |
|---|---|---|----------|--|--|---|--------|---|
|   |   | Entitled  | Attended |  |  | Chairman  | Member |   |
| Mr. T. Dhanraj Tirumala Narasimha       | Independent Non-Executive Director            | 6   | 4        | Yes  | 2  | 1   | -      | Mold-Tek Technologies Limited-Independent Non-Executive Director        |
| Mrs. Madhuri Venkata Ramani Viswanadham | Independent Non-Executive Woman Director      | 6   | 6        | Yes  | 1  | -   | 1      | Mold-Tek Technologies Limited- Independent Non-Executive Woman Director |
| Mr. Ponnuswamy Ramnath &                | Additional Independent Non-Executive Director | N.A.  | N.A.     | N.A.   | -  | -   | -      | -   |

\* 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.

\$ Mrs. J. Mytraeyi left for her heavenly abode on the 9<sup>th</sup> day of March, 2023.

@ Dr. Venkata Appa Rao Kotagiri retired on account of Completion of tenure on 13<sup>th</sup> day of May, 2023.

& Mr. Ponnuswamy Ramnath is appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation to hold office w.e.f. 17<sup>th</sup> August, 2023.

### 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 was the 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.

(Note: Mrs. J. Mytraeyi, Non-Executive Director of the Company left for her heavenly abode on 09<sup>th</sup> March, 2023)

### 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) Equity Shares held by Directors of the Company:**

The number of Equity shares held by the Directors of the Company as on 31<sup>st</sup> March, 2023 is as below:

**Shareholding of the Directors of the Company as on 31<sup>st</sup> March, 2023.**

| Name  | No. of Equity shares of F.V. ₹5 Each | % of total shares of the Company |
|---|--------------------------------------|----------------------------------|
| Mr. J. Lakshmana Rao, Chairman & Managing Director                                  | 31,23,201                            | 9.42                             |
| Mr. A. Subramanyam, Deputy Managing Director  | 18,85,198                            | 5.68                             |
| Mr. P. Venkateswara Rao, Deputy Managing Director                                   | 1,86,396                             | 0.56                             |
| Mrs. J. Mytraeyi, Non-Executive Director\$  | 0                                    | 0.00                             |
| Mr. Srinivas Madireddy, Whole-time Director   | 4,69,743                             | 1.42                             |
| Dr. T. Venkateswara Rao, Independent Non-Executive Director                         | 21,000                               | 0.06                             |
| Mr. Eswara Rao Immaneni, Independent Non-Executive Director                         | 7,848                                | 0.00                             |
| Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director@                  | 238                                  | 0.00                             |
| Mr. T Dhanraj Tirumala Narasimha, Independent Non-Executive Director                | -                                    | -                                |
| Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director   | -                                    | -                                |
| Mr. Ponnuswamy Ramnath, Additional Director (Category: Non-Executive, Independent)# | -                                    | -                                |

*\$ Mrs. J. Mytraeyi left for her heavenly abode on the 9<sup>th</sup> day of March, 2023.*

*@ Dr. Venkata Appa Rao Kotagiri retired on account of Completion of tenure on 13<sup>th</sup> day of May, 2023.*

*# Mr. Ponnuswamy Ramnath is appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation to hold office w.e.f. 17<sup>th</sup> August, 2023.*

**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 BOD, KMP & SMP, Code(s) on PIT, Policy on Materiality of and Dealing with Related Party Transactions, Policy on Materiality of Events, Risk Management Policy, Environment, Health and Safety Policy, ESG Policy of MTPL, Code of Conduct for Suppliers and Service Providers, Whistle Blower Policy, Policy on Human Rights, 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 programmes are available at the Company's website: <https://www.moldteckpackaging.com/investors.html#tab-5>

**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 in its line of business:

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 moulds and in-house tool room for designing and development of moulds 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 and Finance.   |
| 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 and Finance.   |
| 11.     | Mr. Ponnuswamy Ramnath#                 | Sales and Marketing, Business Development, Strategy & Operations.  |

*\$ Mrs. J. Mytraeyi left for her heavenly abode on the 9<sup>th</sup> day of March, 2023.*

*@ Dr. Venkata Appa Rao Kotagiri retired on account of Completion of tenure on 13<sup>th</sup> day of May, 2023.*

*# Mr. Ponnuswamy Ramnath is appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation to hold office w.e.f. 17<sup>th</sup> August, 2023.*

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. Modified opinion(s) 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 or preferential issue or qualified institutions placement 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 whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 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 2022-2023). 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.

Five meetings of the Audit Committee were held during the financial year 2022-23. The dates on which the said meetings were held are 9<sup>th</sup> May, 2022, 27<sup>th</sup> July, 2022, 2<sup>nd</sup> September, 2022, 7<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023.

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 25<sup>th</sup> Annual General Meeting of the Company held on September 30, 2022 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

The Board of Directors of the Company in their meeting held on the 7<sup>th</sup> day of November, 2022, for operational efficiency and to ensure compliance with the requirements of the Companies Act, 2013, and SEBI (LODR), Regulations, 2015, as amended, has re-constituted various committees of the Board including the Audit Committee. Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director was inducted as the new member of the Committee in place of Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director.

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 2022-23 |
|---|-------------|--|
| Mr. Eswara Rao Immaneni, Independent Non-Executive Director   | Chairman    | 5  |
| Dr. T. Venkateswara Rao, Independent Non-Executive Director   | Member      | 5  |
| Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director<br>(upto 07.11.2022)                | Member      | 4  |
| Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director (w.e.f. 07.11.2022) | Member      | 1  |

## 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. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- iii. Formulation of criteria for evaluation of performance of independent directors and the Board;
- iv. Devising a policy on diversity of the Board;
- v. 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;
- vi. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vii. Recommend to the board, all remuneration, in whatever form, payable to senior management;

- viii. Reviewing succession plans of Board members, key managerial personnel and senior management employees;
- ix. 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. 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 2022-23, the Committee met twice viz. on 27<sup>th</sup> July, 2022 and 2<sup>nd</sup> September, 2022.

The Board of Directors of the Company in their meeting held on the 7<sup>th</sup> day of November, 2022, for operational efficiency and to ensure compliance with the requirements of the Companies Act, 2013, and SEBI (LODR), Regulations, 2015, as amended, re-constituted various committees of the Board including the Nomination and Remuneration Committee. Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive Director, was inducted as the new member of the Committee in place of Dr. T. Venkateswara Rao, Independent Non-Executive Director. Further, the Board in its meeting held on the 3<sup>rd</sup> day of May, 2023, re-inducted Dr. T. Venkateswara Rao in the Committee and made him the Chairman in place of Dr. Venkata Appa Rao Kotagiri since his term as an Independent Non-Executive Director was scheduled to end on the 13<sup>th</sup> of May, 2023.

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

| Name & Category  | Chairman/<br>Member | No of meetings<br>attended during the<br>year 2022-23 |
|--|---------------------|---|
| Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director<br>(upto 03.05.2023)   | Chairman            | 2   |
| Dr. T. Venkateswara Rao, Independent Non-Executive Director (upto<br>07.11.2022 as member and then w.e.f 03.05.2023 as Chairman) | Chairman/Member     | 2   |
| Mr. Eswara Rao Immaneni, Independent Non-Executive Director  | Member              | 2   |
| Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive<br>Director (w.e.f. 07.11.2022)                                     | Member              | N.A.  |

**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 be 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 Section 178(2) and 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014, Nomination and Remuneration Policy ("NRC Policy") of the Company, inter alia, the Board/ Nomination and Remuneration Committee (NRC) 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/ NRC (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. 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 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.

Two meetings of the Stakeholders' Relationship Committee were held during the financial year 2022-23 viz. 9<sup>th</sup> May, 2022 and 27<sup>th</sup> July, 2022.

**Brief Terms of reference:**

The role of the committee shall inter-alia include the following:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Board of Directors of the Company in their meeting held on the 7<sup>th</sup> day of November, 2022, for operational efficiency and to ensure compliance with the requirements of the Companies Act, 2013, and SEBI (LODR), Regulations, 2015, as amended, has re-constituted various committees of the Board including the Stakeholders' Relationship Committee. Mr. Venkateswara Rao Pattabhi and Mr. Srinivas Madireddy, Executive Directors, were inducted as new members of the Committee in place of Dr. Venkata Appa Rao Kotagiri and Mr. Eswara Rao Immaneni, Independent Non-Executive Directors.

The composition and particulars of attendance of the meeting of the Committee is as below:

| <b>Name of the Director</b>  | <b>Chairman/<br/>Member</b> | <b>No. of meetings attended<br/>during the year 2022-23</b> |
|--|-----------------------------|---|
| Dr. T. Venkateswara Rao, Independent Non-Executive Director                            | Chairman                    | 2   |
| Mr. Eswara Rao Immaneni, Independent Non-Executive Director<br>(upto 07.11.2022)       | Member                      | 2   |
| Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director<br>(upto 07.11.2022) | Member                      | 2   |
| Mr. Venkateswara Rao Pattabhi, Executive Director (w.e.f. 07.11.2022)                  | Member                      | N.A.  |
| Mr. Srinivas Madireddy, Executive Director (w.e.f. 07.11.2022)                         | Member                      | N.A.  |

The Stakeholders Relationship Committee specifically looks into various aspects of interest of shareholders and other security holders, if any. 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/Letter of Confirmations.

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 25th Annual General Meeting of the Company held on 30th September, 2022.

|   |  |
|---|--|
| 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 ( <i>upto 04.07.2022</i> ).<br>Mr. Subhojeet Bhattacharjee, Company Secretary & Compliance Officer ( <i>w.e.f. 27.07.2022</i> ). |
| Number of shareholders' complaints received           | Thirty Four (34)   |
| Number not solved to the satisfaction of shareholders | Nil  |
| Number of pending complaints                          | Nil  |

Thirty-Four (34) complaints were received during the year 2022-23 and Zero complaints were pending as on 31st March, 2023.

#### 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 formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks); information, cyber security risks or any other risk as may be determined by the Committee;
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks;
  - (c) Business continuity plan.
- ii. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- iii. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

##### ***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 Meetings were held on 9<sup>th</sup> May, 2022, 02<sup>nd</sup> September, 2022 and 06<sup>th</sup> February, 2023.

***Attendance at the Risk Management Committee Meeting:***

| <b>Name of the Director</b>   | <b>Chairman/Member</b> | <b>No. of meetings attended during the year 2022-23</b> |
|---|------------------------|---|
| Mr. J Lakshmana Rao, Chairman & Managing Director                     | Chairman               | 3   |
| Mr. A Subramanyum, Deputy Managing Director                           | Member                 | 3   |
| Mr. T. Dhanraj Tirumala Narasimha, Independent Non-Executive Director | Member                 | 3   |

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 also 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.moldteckpackaging.com/investors.html#tab-5>

**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, 2023.

The Board of Directors of the Company in their meeting held on the 7<sup>th</sup> day of November, 2022, for operational efficiency and to ensure compliance with the requirements of the Companies Act, 2013, and SEBI (LODR), Regulations, 2015, as amended, has re-constituted various committees of the Board including the Corporate Social Responsibility Committee. Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director was inducted as the new member of the Committee in place of Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director.

The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Companies Act, 2013 and is as follows.

| <b>Name &amp; category</b>   | <b>Chairman/Member</b> |
|--|------------------------|
| 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 ( <i>upto 07.11.2022</i> )                   | Member                 |
| Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director ( <i>w.e.f. 07.11.2022</i> ) | Member                 |

***Corporate Social Responsibility Committee meetings:***

During the Financial Year, Corporate Social Responsibility Committee Meetings were held on 27<sup>th</sup> July, 2022 and 6<sup>th</sup> February, 2023.

**Attendance at the Corporate Social Responsibility Committee Meeting:**

| Name of the Director  | Chairman/Member | No. of meetings attended during the year 2022-23 |
|---|-----------------|--|
| 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 (upto 07.11.2022)                   | Member          | 1  |
| Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director (w.e.f. 07.11.2022) | Member          | 1  |

**vi) MEETINGS OF INDEPENDENT DIRECTORS:**

A separate meeting of the Independent Directors of the Company was held on 6<sup>th</sup> February, 2023 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 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.

**vii) SENIOR MANAGEMENT:** The senior management of the Company comprising of the KMP and other senior officials plays a crucial role in the day-to-day functioning and compliances of the Company. Further, the senior management have affirmed compliance with the applicable Code of Conduct(s) of the Company and there are no material, financial and commercial transactions where they have personal interest, that may have a potential conflict of interest with the Company.

**D. REMUNERATION OF DIRECTORS:**

There were no pecuniary transactions or relationships with any Non-Executive Director of the Company except the payment of sitting fee for attending various meetings of the Board and Committees and payment of dividend on account of shareholding in the Company, if any, during the year. The criteria for making payment to Non-Executive Directors is available on the website of the Company at <https://www.moldteckpackaging.com/investors.html#tab-5>

**Details of the remuneration to Executive and Non-Executive Directors for the year ended on 31<sup>st</sup> March, 2023 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) | 182.73 | -                            | 54.40                                  | Remuneration approved for a period of three years | -             | -      | -            | 237.13 |
| Mr. A. Subramanyam (Deputy Managing Director)       | 208.24 | 19.56                        | 54.40                                  | Remuneration approved for a period of three years | -             | 0.96   | -            | 283.16 |
| Mr. P. Venkateswara Rao (Deputy Managing Director)  | 132.37 | 18.07                        | 54.40                                  | Remuneration approved for a period of three years | -             | 0.72   | -            | 205.56 |

| Name  | Salary | Perquisites & other benefits | Performance bonus/ commission/ Pension | Service Contracts                                 | Notice Period | Others | Sitting fees | Total  |
|---|--------|------------------------------|--|---|---------------|--------|--------------|--------|
| Mrs. J. Mytraeyi, Non-Executive Director\$  | -      | -                            | -                                      | -   | -             | -      | 1.20         | 1.20   |
| Mr. Srinivas Madireddy, Whole-time Director                                       | 90.19  | 9.91                         | -                                      | Remuneration approved for a period of three years | -             | 0.36   | -            | 100.46 |
| Dr. T. Venkateswara Rao, Independent Non-Executive Director                       | -      | -                            | -                                      | -   | -             | -      | 1.40         | 1.40   |
| Mr. Eswara Rao Immaneni, Independent Non-Executive Director                       | -      | -                            | -                                      | -   | -             | -      | 1.40         | 1.40   |
| Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director@                | -      | -                            | -                                      | -   | -             | -      | 1.10         | 1.10   |
| Mr. T. Dhanraj Tirumala Narasimha, Independent Non- Executive Director            | -      | -                            | -                                      | -   | -             | -      | 0.90         | 0.90   |
| Mrs. Madhuri Venkata Ramani Viswanadham, Independent Non-Executive Woman Director | -      | -                            | -                                      | -   | -             | -      | 1.40         | 1.40   |
| Mr. Ponnuswamy Ramnath#   | N.A.   | N.A.                         | N.A.                                   | N.A.  | N.A.          | N.A.   | N.A.         | N.A.   |

\$ Mrs. J. Mytraeyi left for her heavenly abode on the 9<sup>th</sup> day of March, 2023.

@ Dr. Venkata Appa Rao Kotagiri retired on account of Completion of tenure on 13<sup>th</sup> day of May, 2023.

# Mr. Ponnuswamy Ramnath is appointed as an Additional Director (Category: Non-Executive, Independent) of the Company by the Board vide a resolution passed by circulation to hold office w.e.f. 17<sup>th</sup> August, 2023.

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 ₹ 320.90 lakhs per annum pursuant to approval of the Members accorded at the 24<sup>th</sup> Annual General Meeting of Mold-Tek Packaging Limited held on 30<sup>th</sup> September, 2021 and 37<sup>th</sup> Annual General Meeting of Mold-Tek Technologies Limited held on 30<sup>th</sup> 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       |
|---------------|---|----------------------------------|------------|
| 2019-20 (AGM) | 8-2-293/82/A/700, Ground Floor, Road No.: 36, Jubilee Hills, Hyderabad-500033, Telangana- through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”). | 30 <sup>th</sup> September, 2020 | 11:00 a.m. |
| 2020-21 (AGM) | 8-2-293/82/A/700, Ground Floor, Road No.: 36, Jubilee Hills, Hyderabad-500033, Telangana- through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”). | 30 <sup>th</sup> September, 2021 | 11:00 a.m. |
| 2021-22 (AGM) | 8-2-293/82/A/700, Ground Floor, Road No.: 36, Jubilee Hills, Hyderabad-500033, Telangana- through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”). | 30 <sup>th</sup> September, 2022 | 11:00 a.m. |

***Whether Any Special Resolutions Passed in The Previous Three Annual General Meetings:***

The Company has passed two, five and nil special resolutions as per the agenda given in the notices calling the 25<sup>th</sup>, 24<sup>th</sup>, and 23<sup>rd</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2022, 30<sup>th</sup> September, 2021 and 30<sup>th</sup> September, 2020 respectively.

***Postal Ballot:***

During the financial year ended on 31<sup>st</sup> March, 2023, 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 26<sup>th</sup> Annual General Meeting of the Company require passing a resolution through Postal Ballot.

**F. MEANS OF COMMUNICATION:**

(i) Publication of results in newspapers

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the company are generally published in Business Standard or Financial Express, at national level in English language as well as Nava Telangana at regional level in Telugu language circulating in the state of Telangana.

(ii) Website and News Release

The quarterly, half-yearly & nine months unaudited financial results and annual audited results of the company are available on the website of the company i.e. <https://www.moldteckpackaging.com/investors.html>

Your company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI (LODR) Regulations, 2015 and other applicable SEBI Regulations.

(iii) The Company is maintaining a functional website and has disclosed all the information stipulated under Regulation 46 and other applicable regulations of the SEBI (LODR) Regulations, 2015. The same can be accessed at the website of the Company; viz. <https://www.moldteckpackaging.com/index.html>

(iv) Channels of Communication

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the ‘Listing Centre’): all periodical compliance filings like shareholding pattern, corporate governance report, among others are also filed electronically.

(v) E-voting

Pursuant to the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, company is providing e-voting facility to its shareholders, in respect of all shareholders’ resolutions, to be passed at the General Meetings as also for postal ballot.

(vi) 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@moldteckpackaging.com](mailto:ir@moldteckpackaging.com).

(vii) 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.moldteckpackaging.com/investors.html>

**G. GENERAL SHAREHOLDER INFORMATION:**

***Annual General Meeting - Date, Time and Venue:***

| <b><i>26<sup>th</sup> Annual General Meeting</i></b> |  |
|--|--|
| Date and time  | Tuesday, 26 <sup>th</sup> September, 2023 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 26 <sup>th</sup> Annual General Meeting. |

**Financial Year (2022-23):**

The financial year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March. For the Financial Year ending on 31<sup>st</sup> March, 2024, 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: | 30 <sup>th</sup> June, 2023                  |
|   | On or before 14 <sup>th</sup> August, 2023   |
|   | 30 <sup>th</sup> September, 2023             |
|   | On or before 14 <sup>th</sup> November, 2023 |
|   | 31 <sup>st</sup> December, 2023              |
|   | On or before 14 <sup>th</sup> February, 2024 |
| Audited results for the year ending:      | 31 <sup>st</sup> March, 2024                 |
|   | On or before 30 <sup>th</sup> May, 2024      |

|  |  |
|--|--|
| <b>Book closure date:</b>  | Wednesday, 20 <sup>th</sup> September, 2023 to Tuesday, 26 <sup>th</sup> September, 2023   |
| <b>Registered office:</b>  | 8-2-293/82/A/700, Road No.36, Jubilee Hills, Hyderabad - 500 034, Telangana.   |
| <b>Name and address of the stock exchanges on which equity shares of the Company are listed:</b> | (i) <b>BSE Limited (BSE)</b><br>Phiroze Jeejeebhoy Towers, Dalal Street, Fort,<br>Mumbai - 400 001<br><br>(ii) <b>National Stock Exchange of India Limited (NSE)</b><br>Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East),<br>Mumbai - 400 051 |
| <b>Listing fees:</b>   | The Listing fee has been paid to BSE & NSE for the financial year 2023-24.   |
| <b>Dividend Payment Date:</b>  | Fifth day onwards from the date of declaration, subject to approval of the members.  |
| <b>Stock/Script code:</b>  | BSE: 533080; NSE: MOLDTKPAC  |
| <b>ISIN:</b>   | INE893J01029   |
| <b>CIN:</b>  | 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 |
| <b>2022</b> April   | 833.30   | 726.80  | 1,45,139                            |
| May                 | 787.45   | 648.05  | 4,84,410                            |
| June                | 774.95   | 676.00  | 1,12,084                            |
| July                | 864.00   | 725.00  | 2,69,387                            |
| August              | 1,057.85 | 800.95  | 2,97,770                            |
| September           | 1,028.25 | 858.55  | 3,74,650                            |
| October             | 949.95   | 811.00  | 1,98,565                            |
| November            | 961.55   | 832.15  | 99,468                              |
| December            | 972.85   | 861.90  | 82,317                              |
| <b>2023</b> January | 1,050.00 | 942.10  | 1,01,251                            |
| February            | 1,123.05 | 901.05  | 1,30,294                            |
| March               | 971.00   | 882.80  | 54,896                              |



The monthly high and low prices and volume/no. of equity shares traded on National Stock Exchange of India Limited (NSE).

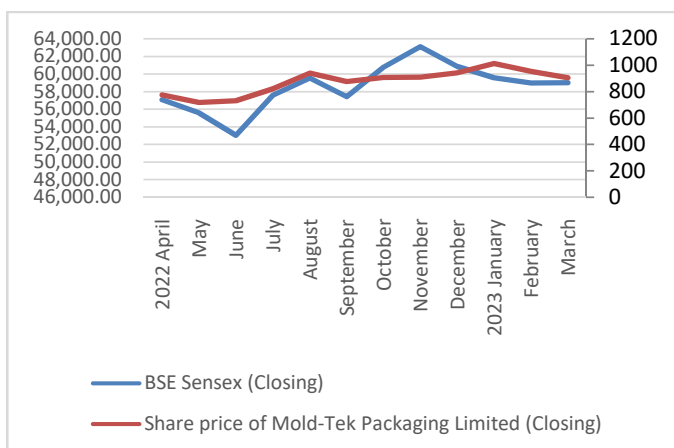
| Month | NSE       |          |                                     |           |           |
|-------|-----------|----------|-------------------------------------|-----------|-----------|
|       | High (₹)  | Low (₹)  | Volume/ No. of Equity Shares Traded |           |           |
| 2022  | April     | 834.00   | 715.35                              | 9,00,886  |           |
|       | May       | 787.00   | 648.15                              | 14,88,772 |           |
|       | June      | 762.95   | 675.00                              | 10,05,587 |           |
|       | July      | 864.00   | 725.00                              | 21,71,218 |           |
|       | August    | 1,058.00 | 798.10                              | 31,51,526 |           |
|       | September | 1,029.00 | 858.50                              | 21,85,561 |           |
|       | October   | 950.00   | 811.00                              | 10,85,626 |           |
|       | November  | 943.20   | 834.35                              | 9,98,297  |           |
|       | December  | 979.15   | 868.05                              | 8,92,188  |           |
|       | 2023      | January  | 1,049.00                            | 941.95    | 12,69,718 |
|       |           | February | 1,110.00                            | 902.00    | 14,38,145 |
|       |           | March    | 975.10                              | 884.00    | 7,45,537  |

**Performance in comparison to BSE Sensex:**

| Month | BSE Sensex (Closing) (₹) | Share price of Mold-Tek Packaging Limited (Closing) (₹) |           |          |
|-------|--------------------------|---|-----------|----------|
| 2022  | April                    | 57,060.87   | 775.15    |          |
|       | May                      | 55,566.41   | 716.90    |          |
|       | June                     | 53,018.94   | 730.75    |          |
|       | July                     | 57,570.25   | 821.80    |          |
|       | August                   | 59,537.07   | 939.85    |          |
|       | September                | 57,426.92   | 875.00    |          |
|       | October                  | 60,746.59   | 906.50    |          |
|       | November                 | 63,099.65   | 909.35    |          |
|       | December                 | 60,840.74   | 942.10    |          |
|       | 2023                     | January   | 59,549.90 | 1,013.05 |
|       |                          | February  | 58,962.12 | 952.70   |
|       |                          | March   | 58,991.52 | 903.75   |

**Graphical Representation:**

Performance in comparison to BSE Sensex:

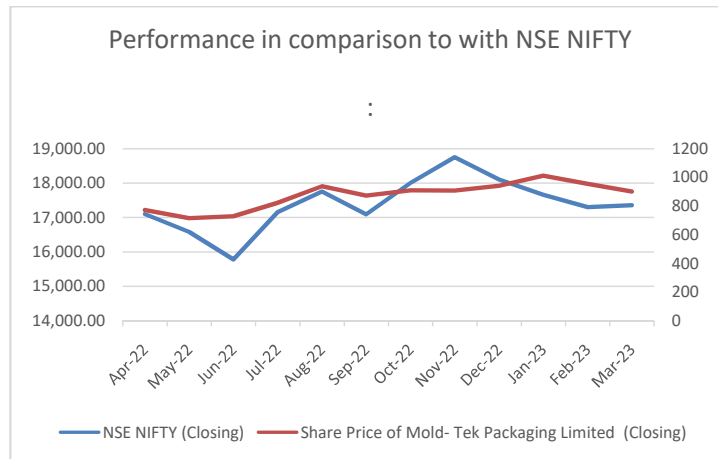


**Performance in comparison to NSE Nifty 50:**

| Month |           | NSE Nifty 50 (Closing) (₹) | Share price of Mold-Tek Packaging Limited (Closing) (₹) |          |
|-------|-----------|----------------------------|---|----------|
| 2022  | April     | 17,102.55                  | 772.75  |          |
|       | May       | 16,584.55                  | 716.50  |          |
|       | June      | 15,780.25                  | 730.65  |          |
|       | July      | 17,158.25                  | 823.05  |          |
|       | August    | 17,759.30                  | 939.55  |          |
|       | September | 17,094.35                  | 874.50  |          |
|       | October   | 18,012.20                  | 910.00  |          |
|       | November  | 18,758.35                  | 909.90  |          |
|       | December  | 18,105.30                  | 941.95  |          |
|       | 2023      | January                    | 17,662.15   | 1,013.00 |
|       |           | February                   | 17,303.95   | 955.70   |
|       |           | March                      | 17,359.75   | 902.95   |

**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](mailto: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 Letter of Confirmation(s) are approved by Stakeholders Relationship Committee /Board and are noted at subsequent Meeting.

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.

SEBI vide the circular dated March 16, 2023, has mandated furnishing of PAN, email address, mobile number, bank account details and nomination by holders of physical securities; any service request and complaint shall be entertained only upon registration of the PAN, Contact Details, Bank details and Nomination; to ensure that your PAN is linked to Aadhaar by the date as specified by the Central Board of Direct Taxes to avoid freezing of your folio. For the details of the required forms and documents, please refer to the Frequently Asked Question (FAQ) provided on the link [https://www.moldteckpackaging.com/pdf/SEBI%20FAQs%20on%20ISR-RTA%20\(27.03.2023\).pdf](https://www.moldteckpackaging.com/pdf/SEBI%20FAQs%20on%20ISR-RTA%20(27.03.2023).pdf). The aforesaid ISR and other relevant forms can be downloaded by following the link provided below: <https://www.moldteckpackaging.com/investors.html#tab-5>. You are thus required to furnish the details to our Registrars & Transfer Agents (RTA) M/s. XL Softech Systems Ltd., immediately, by sending the duly signed documents.

***Freezing of Folios without PAN, KYC details and Nomination:***

Folios wherein any one of the said details are not available on or after October 01, 2023, shall be frozen and you will not be eligible to lodge grievance or avail service request from the RTA.

Further effective April 01, 2024, you will not be eligible for receiving dividend in physical mode.

After December 31, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.

You are requested to forward the duly filled in documents along with the related proofs as mentioned in the respective forms to the address of our RTA.

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, 2023:***

| Category                                      | No. of Equity shares of F.V. of ₹5 Each held | Percentage of shareholding % |
|---|--|------------------------------|
| Promoters and Promoter Group                  | 1,11,01,397                                  | 33.47                        |
| Mutual Funds                                  | 56,47,736                                    | 17.03                        |
| Alternate Investment Funds                    | 4,30,049                                     | 1.30                         |
| Insurance Companies                           | 3,60,866                                     | 1.09                         |
| Foreign Portfolio Investors                   | 56,09,306                                    | 16.91                        |
| Banks/ Financial Institutions                 | 11,520                                       | 0.03                         |
| Investor Education and Protection Fund (IEPF) | 2,56,642                                     | 0.78                         |
| Private Bodies Corporate                      | 3,52,763                                     | 1.06                         |
| Trusts  | 2,270  | 0.01                         |
| Indian public                                 | 84,08,194                                    | 25.35                        |
| NRI   | 7,65,586                                     | 2.31                         |
| Clearing members                              | 2,325  | 0.01                         |
| HUF   | 2,16,115                                     | 0.65                         |
| <b>TOTAL</b>                                  | <b>3,31,64,769</b>                           | <b>100</b>                   |

***Distribution of Shareholders as on 31<sup>st</sup> March, 2023:***

**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   | 70,581              | 95.94              | 1,69,57,120         | 10.23      |
| 5,001                                      | -   | 10,000  | 1,626               | 2.21               | 57,93,430           | 3.49       |
| 10,001                                     | -   | 20,000  | 732                 | 0.99               | 51,72,450           | 3.12       |
| 20,001                                     | -   | 30,000  | 224                 | 0.30               | 27,69,995           | 1.67       |
| 30,001                                     | -   | 40,000  | 92                  | 0.13               | 16,28,770           | 0.98       |
| 40,001                                     | -   | 50,000  | 64                  | 0.09               | 14,56,610           | 0.88       |
| 50,001                                     | -   | 100,000 | 99                  | 0.13               | 34,28,495           | 2.07       |
| 100,001                                    | and | above   | 151                 | 0.21               | 12,86,16,975        | 77.56      |
| <b>TOTAL</b>                               |     |         | <b>73,569</b>       | <b>100.00</b>      | <b>16,58,23,845</b> | <b>100</b> |

***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).

- Equity Share of F.V of ₹5 Per Share:*** As on 31st March, 2023, 3,30,56,584 no. of equity shares of Face Value of ₹5 each, aggregating to ₹16,52,82,920, of the paid-up share capital are held in dematerialized form with NSDL and CDSL & the rest 1,08,185 equity shares, aggregating to ₹5,40,925, are in physical form..

***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.

**H. OTHER DISCLOSURES:**

- 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, 2023, 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 Board in its meeting held on the 27<sup>th</sup> day of January, 2022, as per the recommendation of the Audit Committee has last reviewed and updated the policy. The policy is available on website of the Company at <https://www.moldteckpackaging.com/investors.html#tab-5>

**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.moldteckpackaging.com/investors.html#tab-5>. During the financial year under review, no Complaint has been received.

**d. *Details of compliance with mandatory requirements and adoption of non-mandatory requirements:***

*Mandatory*

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015.

*Non-Mandatory*

Audit qualification: The Company is in the regime of unmodified audit opinion.

Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.

**e. *Web link where policy for determining 'material' subsidiaries is disclosed:***

The Company does not have any subsidiary company in terms of Section 2(87) of the Companies Act, 2013, read with underlying rules as on 31<sup>st</sup> March, 2023.

The Board of Directors has adopted the policy and procedures with regard to determination of material subsidiary(ies), if any. 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), if any in future, 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.moldteckpackaging.com/investors.html#tab-5>.

**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 previous financial year 2021-22 the Company had 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 14<sup>th</sup> December, 2021 to 17<sup>th</sup> December, 2021 and the Company had received overwhelming response for its QIP issue. The funds who had invested in the QIP included 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.



## Mold-Tek Packaging Limited

Further, as on 30<sup>th</sup> September, 2022, the entire funds raised by the Company through Qualified Institutional Placement has been utilized for purpose(s) for which the fund was raised and the same was informed to the stock exchange(s) where the equity shares of the Company are listed.

*The Details of Utilization is as tabled below:*

| <b>Particulars</b>  | <b>Amount<br/>(₹ in crores)</b> |
|---|---------------------------------|
| Amount Raised by QIP  | 103.6                           |
| Issue Related Expenses  | 2.5                             |
| Amount raised net of issue expenses   | 101.10                          |
| Funds utilized for  | 68.10                           |
| i. Ongoing and future capital expenditure requirements of our Company;<br>ii. Working capital requirements;<br>iii. Debt repayment;<br>iv. General corporate purpose as per the placement document of QIP Till the quarter and year ended on <b>31<sup>st</sup> March, 2022.</b><br><b>There was no Deviation/Variation from the applicable objects.</b>        |                                 |
| Amount yet to be utilized out of the fund raised through QIP as on 31 <sup>st</sup> March, 2022 due to the on-going nature of the projects  | 33.00                           |
| Funds utilized for  | 33.00                           |
| i. Ongoing and future capital expenditure requirements of our Company;<br>ii. Working capital requirements;<br>iii. Debt repayment;<br>iv. General corporate purpose as per the placement document of QIP.<br><b>Till the quarter and year ended on 30<sup>th</sup> September, 2022</b><br><b>There was no Deviation/Variation from the applicable objects.</b> |                                 |
| Amount yet to be utilized out of the fund raised through QIP  | Nil                             |

Also, the entire funds raised by the Company through Rights Issue, including the amount received up to the 1st quarter ended on 30<sup>th</sup> June, 2022 has been utilized for the objects stated in the Letter of Offer for Rights Issue of the Company, dated 17th October, 2020.

**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 during the Financial Year ended 31<sup>st</sup> March, 2023:**

| <b>Sr. No.</b> | <b>Payments to the Statutory Auditors (excluding taxes)</b>  | <b>Fee Paid (₹ in lakhs)</b> |
|----------------|--|------------------------------|
| 1.             | Total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. | 13.85                        |

**j. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights.

The Company has formulated the Policy on Policy on Prevention of Sexual Harassment of Women at Workplace in accordance with the provisions of the The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment.

**The composition of the internal committee of Mold-Tek Packaging Limited as on 31<sup>st</sup> March, 2023, is as under:**

| Name  | Chairman/MembeWr  |
|---|-------------------|
| Mrs. A. Seshu Kumari- Chief Financial Officer                         | Presiding Officer |
| Mrs. J. Navya Mythri- Assistant Financial Controller                  | Member            |
| Mr. Subhojeet Bhattacharjee- Company Secretary and Compliance Officer | Member            |
| Mrs. Thota Aparna   | 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 of “Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount”:**

Not Applicable, During the Financial Year 2022-23 the Company has not given any Loans and Advances in the nature of loans to firms/companies in which directors are interested.

**n. Website:**

The Company is maintaining a functional website viz: <https://www.moldteckpackaging.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:

| PARTICULARS  | Number of shareholders | Number of equity shares |
|--|------------------------|-------------------------|
| 1) Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 <sup>st</sup> April, 2022           | 204                    | 50,736                  |
| 2) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;                     | 1                      | 144                     |
| 3) Number of shareholders to whom shares were transferred from suspense account during the year;   | 1                      | 144                     |
| 4) Transferred to Investor Education and Protection fund Authority;  | 33                     | 9,738                   |
| 5) Aggregate number of shareholders and the outstanding shares lying in the suspense account as on 31 <sup>st</sup> March, 2023. (1-3-4) | 170                    | 40,854                  |

- Note:**
- The voting rights on the shares outstanding in the suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claim the shares.
  - All the shares referred above are in dematerialized format. No shares are held in physical mode.

Further, in Compliance with SEBI Circular Nos.: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, the Company has opened a Demat Account titled "Mold-Tek Packaging Limited - Suspense Escrow Demat Account" for crediting the securities in cases where the Investor/Securities Holder/Claimant fails to submit the demat request to the Depository Participant within the period of 120 days from the date of issuance of Letter of Confirmation and hold such shares on behalf of such Investor/Securities Holder/Claimant and to credit the same on fulfillment of required compliances from time to time.

**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 ₹(4,97,692+4,16,762)= ₹9,14,454 was transferred to IEPF, being the interim and final dividends for the financial year 2014-15 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 3,886 number of equity shares on 5th April, 2023, by executing a Corporate Action to the Demat account of IEPF Authority.

**r. Disclosure of Certain types of Agreements Binding on Listed Entity:**

Not Applicable, during the Financial Year under consideration and till the time of approval of this Report by the Board in its meeting, there are no reported Agreements which are entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity.

s. **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. Further, the said policy was reviewed and amended by the Board to give effect to / bring the policy in same line with the changes brought in by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023. The said policy is available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

- **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 has approved and adopted Code(s) on Prohibition of Insider Trading viz: (i) Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives and (ii) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information 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, pre-clearance of trades above certain thresholds, trading restrictions on the designated employees and connected persons when in possession of unpublished price sensitive information at the time of trading window closure, 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 Board of Directors of the Company continuously monitors and amends the respective Codes at regular intervals to incorporate and bring the Codes in line with amendments brought in by the regulator(s). The Code(s) were last updated/modified/amended by the Board in its meeting held on 3<sup>rd</sup> May, 2023.

The said Code(s) on PIT are available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

- **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. Further, the Board in its meeting held on the 12<sup>th</sup> day of April, 2023, has reviewed and updated the Policy. The said Policy is available on the website of the Company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

- **Code of conduct for the Board of Directors, Key Managerial Personnel & Senior Management**

The Company has its Code of Conduct for the Board of Directors, Key Managerial Personnel & Senior Management 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.moldteckpackaging.com/investors.html#tab-5>

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<sup>st</sup> 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 had adopted a new Dividend Distribution Policy and such was effective from 26<sup>th</sup> May, 2021 in terms of 43A of the SEBI (Listing Obligations and Disclosure Requirements), 2015. Further, the Board of Directors of the Company, in its meeting held on 6<sup>th</sup> February, 2023, reviewed and amended the said policy. The policy is available on the website of the company at: <https://www.moldteckpackaging.com/investors.html#tab-5>

**For and on behalf of the Board of Directors**

Place: Hyderabad  
Date : 29<sup>th</sup> August, 2023

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





## 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 affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management for the financial year ended March 31, 2023.

Sd/-

**J. Lakshmana Rao**

Chairman & Managing Director

DIN: 00649702

Place: Hyderabad

Date: 3<sup>rd</sup> May, 2023

### COMPLIANCE CERTIFICATE FROM MANAGING DIRECTOR/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:
  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: 3<sup>rd</sup> May, 2023

**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members,  
**Mold-Tek Packaging Limited**  
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 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period from 01<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023. 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, 2023.

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:F006687E000833579

Place : Hyderabad  
Date : 21<sup>st</sup> August, 2023



## 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**  
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 bearing **CIN: L21022TG1997PLC026542** and having its registered office at 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](http://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 ended on 31<sup>st</sup> March, 2023 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.      | Venkateswara Rao Talupunuri        | 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                     | 13/05/2023        |
| 7.      | Mytraeyi Janumahanti               | 01770112 | 06/12/2021                     | 09/03/2023        |
| 8.      | Eswara Rao Immaneni                | 08132183 | 14/05/2018                     | -                 |
| 9.      | Togaru Dhanrajtiramala 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. My responsibility is to express an opinion based on my 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:F006687E000833645

Place: Hyderabad  
Date : 21<sup>st</sup> August, 2023

## INDEPENDENT AUDITORS' REPORT

### To the Members of Mold-Tek Packaging Limited

#### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of **Mold-Tek Packaging Limited** (“the Company”), which comprise the Balance sheet as at 31 March, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and 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 financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2023, 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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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.      | <p><b>Revenue Recognition</b></p> <p>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.</p> <p>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.</p> <p>Refer Note 2 to the financial statements – Significant Accounting Policies.</p> | <p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of tests of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of Company’s revenue recognition in line with Ind AS 115 – Revenue from Contracts with Customers.</li> <li>• Evaluating the design and implementation of Company’s controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at the year end.</li> <li>• 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.</li> </ul> |

| Sr. No. | Key Audit Matter   | Auditor's Response  |
|---------|--|---|
| 2.      | <p><b>Appropriateness of capitalisation of costs as per Ind AS 16 Property, Plant and Equipment</b></p> <p>During the year, the Company capitalised ₹64.04 crores as Property, plant and equipment in respect of its plant located at Sulthanpur, Hyderabad.</p> <p>Given the significance of the capital expenditure, there is a risk that elements of costs that are ineligible for capitalization in accordance with the recognition criteria provided in Ind AS 16 - Property, Plant and Equipment are capitalized.</p> <p>Refer Note 2 to the financial statements – Significant Accounting Policies.</p> | <p><b>Principal Audit Procedures</b></p> <p>We have performed the following procedures in relation to testing of capitalization of costs:</p> <ul style="list-style-type: none"> <li>• Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalization of various costs incurred in relation to Property, Plant and Equipment.</li> <li>• Performed test of details with focus on those items that we considered significant due to their amount or nature and tested a number of items capitalized during the year against underlying supporting documents to ascertain nature of costs and whether they meet the recognition criteria provided in Ind AS 16 in this regard.</li> <li>• Reviewed the other costs which are debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization.</li> </ul> |

### 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 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 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the 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 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 with reference to the financial statements 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by 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 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023 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 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 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 33 of the 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 is 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 41(B) to the 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.
  - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable to the Company only w.e.f. 1 April, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.
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: 23212187BGWOPG4587

Place: Hyderabad  
Date : 3 May, 2023

## 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 under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the financial statements of **Mold-Tek Packaging Limited** ("the Company") as of 31 March, 2023 in conjunction with our audit of the 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 with reference to the financial statements 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 with reference to the financial statements 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 with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements 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 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 with reference to the financial statements.

#### **Meaning of Internal Financial Controls with reference to the Financial Statements**

A Company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

## **Mold-Tek Packaging Limited**

detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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 with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March, 2023, 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: 23212187BGWOPG4587

Place: Hyderabad  
Date : 3 May, 2023



## 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) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
    - 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 basis of 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, 2023 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 companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.
  - (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 and investments. Further, the Company has not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties.
  - (v) According to the information and explanations given to us, the Company has not accepted deposits nor the amounts which are deemed to be 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, 2023 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 (₹ in lakhs) | Period to which the amount relates | Forum where the dispute is pending                    |
|------------------------------|--------------------|---------------------|--|------------------------------------|---|
| 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         | 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) The Company does not have any Subsidiaries, associates or Joint Ventures and hence, reporting under clause 3(ix) (e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) of the Order is not applicable.  
 (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (x) of the Order is not applicable.
- (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 in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- (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. Hence, reporting under clause 3(xx) of the Order is not applicable.
- (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 provisions 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: 23212187BGWOPG4587

Place: Hyderabad  
Date : 3 May, 2023

**BALANCE SHEET AS AT 31 MARCH, 2023**

All amounts in ₹ lakhs, unless otherwise stated

| Particulars   | Note | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|------|-------------------------|-------------------------|
| <b>I. ASSETS</b>  |      |                         |                         |
| <b>Non-current assets</b>   |      |                         |                         |
| (a) Property, plant and equipment   | 4.1  | 36,569.55               | 25,725.96               |
| (b) Capital work-in-progress  | 4.2  | 1,669.42                | 1,383.78                |
| (c) Investment property   | 4.3  | 4.84                    | 4.97                    |
| (d) Intangible assets   | 4.4  | 270.79                  | 65.31                   |
| (e) Intangible assets under development   | 4.5  | -                       | 98.12                   |
| (f) Right-of-use assets   | 4.6  | 757.77                  | 370.33                  |
| (g) Financial assets  |      |                         |                         |
| (i) Investments   | 5.1  | 5,168.00                | 1,708.55                |
| (ii) Other financial assets   | 5.2  | 481.78                  | 396.13                  |
| (h) Other non-current assets  | 6    | 719.70                  | 588.03                  |
| <b>Current assets</b>   |      |                         |                         |
| (a) Inventories   | 7    | 8,515.82                | 9,590.42                |
| (b) Financial assets  |      |                         |                         |
| (i) Trade receivables   | 8.1  | 12,337.25               | 14,301.18               |
| (ii) Cash and cash equivalents  | 8.2  | 488.17                  | 411.98                  |
| (iii) Bank balances other than (ii) above                                       | 8.3  | 153.94                  | 1,219.39                |
| (iv) Loans  | 8.4  | 72.37                   | 61.44                   |
| (v) Other financial assets  | 8.5  | 528.46                  | 315.35                  |
| (c) Current tax assets (net)  | 9    | 116.86                  | 153.60                  |
| (d) Other current assets  | 10   | 1,708.87                | 1,021.51                |
| <b>TOTAL ASSETS</b>   |      | <b>69,563.59</b>        | <b>57,416.05</b>        |
| <b>II. EQUITY AND LIABILITIES</b>   |      |                         |                         |
| <b>Equity</b>   |      |                         |                         |
| (a) Equity share capital  | 11   | 1,658.38                | 1,562.80                |
| (b) Other equity  | 12   | 54,211.03               | 44,147.80               |
| <b>Liabilities</b>  |      |                         |                         |
| <b>Non-current liabilities</b>  |      |                         |                         |
| (a) Financial liabilities   |      |                         |                         |
| (i) Borrowings  | 13   | 1,346.69                | 2,537.29                |
| (ii) Lease liabilities  | 14   | -                       | 9.49                    |
| (b) Provisions  | 15   | 372.87                  | 377.60                  |
| (c) Deferred tax liabilities (net)  | 16   | 2,095.39                | 1,473.17                |
| (d) Other non-current liabilities   | 17   | 22.16                   | 23.01                   |
| <b>Current liabilities</b>  |      |                         |                         |
| (a) Financial liabilities   |      |                         |                         |
| (i) Borrowings  | 18.1 | 3,380.80                | 1,864.23                |
| (ii) Trade payables   | 18.2 |                         |                         |
| A. Dues to micro enterprises and small enterprises                              |      | 27.82                   | 32.27                   |
| B. Dues to creditors other than micro enterprises and small enterprises         |      | 3,300.90                | 3,138.95                |
| (iii) Other financial liabilities   | 18.3 | 2,427.39                | 1,514.05                |
| (iv) Lease liabilities  | 18.4 | 9.50                    | 29.52                   |
| (b) Current tax liabilities (net)   | 19   | -                       | 54.92                   |
| (c) Other current liabilities   | 20   | 563.50                  | 536.11                  |
| (d) Provisions  | 21   | 147.16                  | 114.84                  |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <b>69,563.59</b>        | <b>57,416.05</b>        |
| <b>Summary of significant accounting policies</b>                               | 2    |                         |                         |
| <b>The accompanying notes are an integral part of the financial statements.</b> |      |                         |                         |

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 : 3 May, 2023

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**

Chairman &amp; Managing Director

DIN: 00649702

Sd/-

**A. Seshu Kumari**

Chief Financial Officer

Sd/-

**A. Subramanyam**

Deputy Managing Director

DIN: 00654046

Sd/-

**Subhojeet Bhattacharjee**

Company Secretary

M.No.A60802

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2023

All amounts in ₹ lakhs, unless otherwise stated

| Particulars   | Note     | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---|----------|------------------------------|------------------------------|
| <b>I. Income</b>  |          |                              |                              |
| Revenue from operations   | 24       | 72,992.47                    | 63,146.97                    |
| Other income  | 25       | 137.64                       | 156.23                       |
| <b>II. Total income</b>   |          | <b>73,130.11</b>             | <b>63,303.20</b>             |
| <b>III. Expenses</b>  |          |                              |                              |
| Cost of materials consumed  | 26       | 43,532.34                    | 38,481.57                    |
| Changes in inventories of finished goods and work-in-progress                   | 27       | 64.03                        | (822.71)                     |
| Employee benefits expense   | 28       | 4,360.43                     | 3,868.15                     |
| Finance costs   | 29       | 387.21                       | 932.33                       |
| Depreciation and amortization expenses  | 30       | 3,022.89                     | 2,642.29                     |
| Other expenses  | 31       | 11,490.87                    | 9,550.56                     |
| <b>Total expenses</b>   |          | <b>62,857.77</b>             | <b>54,652.19</b>             |
| <b>IV. Profit before exceptional items and tax (II - III)</b>                   |          | <b>10,272.34</b>             | <b>8,651.01</b>              |
| V. Exceptional items  |          | -                            | -                            |
| <b>VI. Profit before tax (IV - V)</b>   |          | <b>10,272.34</b>             | <b>8,651.01</b>              |
| <b>VII. Tax expense</b>   |          |                              |                              |
| (1) Current tax   |          | 2,366.87                     | 2,032.07                     |
| (2) Earlier year's taxes  |          | (372.84)                     | (0.18)                       |
| (3) Deferred tax  |          | 235.23                       | 253.59                       |
| <b>VIII. Profit for the year (VI-VII)</b>                                       |          | <b>8,043.08</b>              | <b>6,365.53</b>              |
| <b>IX. Other comprehensive income</b>   |          |                              |                              |
| Items that will not be reclassified to Profit or Loss                           |          |                              |                              |
| a) Remeasurement of defined benefit plans                                       |          | (34.86)                      | (21.35)                      |
| b) Fair value changes in equity instruments                                     |          | 3,459.45                     | 843.69                       |
| c) Income tax relating to items (a) & (b) above                                 |          | (386.99)                     | (14.73)                      |
| <b>Total other comprehensive income (net of tax)</b>                            |          | <b>3,037.60</b>              | <b>807.61</b>                |
| <b>X. Total comprehensive income for the year</b>                               |          | <b>11,080.68</b>             | <b>7,173.14</b>              |
| <b>XI. Earnings per equity share (Face Value ₹5 each)</b>                       |          |                              |                              |
| (1) Basic (in ₹)  | 36       | 24.40                        | 22.12                        |
| (2) Diluted (in ₹)  |          | 24.37                        | 21.14                        |
| <b>Summary of significant accounting policies</b>                               | <b>2</b> |                              |                              |
| <b>The accompanying notes are an integral part of the financial statements.</b> |          |                              |                              |

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 : 3 May, 2023

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/-

**Subhojeet Bhattacharjee**  
Company Secretary  
M.No.A60802



## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2023

All amounts in ₹ lakhs, unless otherwise stated

| a. Equity share capital  |  |                                       |   |                                   |                  |                   |                                       |                            |
|--|--|---------------------------------------|---|-----------------------------------|------------------|-------------------|---------------------------------------|----------------------------|
| Year ended 31 March, 2023  |  |                                       |   |                                   |                  |                   |                                       |                            |
| Balance as at 01 April, 2022   | Changes in Equity share capital due to prior period errors | Restated balance as at 01 April, 2022 | Changes in equity share capital during the current year | Balance as at 31 March, 2023      |                  |                   |                                       |                            |
| 1,562.80   | -  | -                                     | 95.58   | 1,658.38                          |                  |                   |                                       |                            |
| <b>Year ended 31 March, 2022</b>   |  |                                       |   |                                   |                  |                   |                                       |                            |
| 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 current year | Balance as at 31 March, 2022      |                  |                   |                                       |                            |
| 1,395.52   | -  | -                                     | 167.28  | 1,562.80                          |                  |                   |                                       |                            |
| <b>b. Other equity</b>   |  |                                       |   |                                   |                  |                   |                                       |                            |
| <b>Year ended 31 March, 2023</b>   |  |                                       |   |                                   |                  |                   |                                       |                            |
| Particulars  | Reserves and surplus                                       |                                       |   |                                   | Total            |                   |                                       |                            |
|  | Securities premium   | Capital reserve                       | General reserve   | Share options outstanding account |                  | Retained earnings | Money received against share warrants | Other comprehensive income |
| Balance as at 01 April, 2022   | 21,404.60  | 57.15                                 | 1,914.39  | 12.58                             | 17,498.66        | 1,888.29          | 1,372.13                              | 44,147.80                  |
| Profit for the year  | -  | -                                     | -   | -                                 | 8,043.08         | -                 | -                                     | 8,043.08                   |
| Dividends  | -  | -                                     | -   | -                                 | (2,601.02)       | -                 | -                                     | (2,601.02)                 |
| Issue of right equity shares upon conversion of share warrants           | 3,342.88   | -                                     | -   | -                                 | -                | -                 | -                                     | 3,342.88                   |
| Amounts received for conversion of share warrants to equity shares (net) | -  | -                                     | -   | -                                 | -                | (1,876.20)        | -                                     | (1,876.20)                 |
| Issue of equity shares under MTPL Employee Stock Option Scheme           | 108.55   | -                                     | -   | -                                 | -                | -                 | -                                     | 108.55                     |
| Recognition of share based payments                                      | -  | -                                     | -   | 8.34                              | -                | -                 | -                                     | 8.34                       |
| Transfer from share options outstanding account on exercise and lapse    | 9.72   | -                                     | -   | (9.72)                            | -                | -                 | -                                     | -                          |
| Other comprehensive income   | -  | -                                     | -   | -                                 | (26.09)          | -                 | 3,063.69                              | 3,037.60                   |
| <b>Balance as at 31 March, 2023</b>                                      | <b>24,865.75</b>   | <b>57.15</b>                          | <b>1,914.39</b>   | <b>11.20</b>                      | <b>22,914.63</b> | <b>12.09</b>      | <b>4,435.82</b>                       | <b>54,211.03</b>           |

(Contd...)

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2023

All amounts in ₹ lakhs, unless otherwise stated

Year ended 31 March, 2022

| Particulars  | Reserves and surplus |                 |                 |                                   |                   | Total           |                                       |                            |
|--|----------------------|-----------------|-----------------|-----------------------------------|-------------------|-----------------|---------------------------------------|----------------------------|
|  | Securities premium   | Capital reserve | General reserve | Share options outstanding account | Retained earnings |                 | Money received against share warrants | Other comprehensive income |
| <b>Balance as at 01 April, 2021</b>                                      | <b>7,820.14</b>      | <b>57.15</b>    | <b>1,914.39</b> | <b>32.08</b>                      | <b>12,282.03</b>  | <b>1,533.79</b> | <b>548.54</b>                         | <b>24,188.12</b>           |
| 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           | 3,278.85             | -               | -               | -                                 | -                 | -               | -                                     | 3,278.85                   |
| Amounts received for conversion of share warrants to equity shares (net) | -                    | -               | -               | -                                 | -                 | 354.50          | -                                     | 354.50                     |
| Issue of equity shares under Qualified Institutional Placement           | 10,290.00            | -               | -               | -                                 | -                 | -               | -                                     | 10,290.00                  |
| Issue expenses on account of rights issue                                | (4.00)               | -               | -               | -                                 | -                 | -               | -                                     | (4.00)                     |
| Issue of equity shares under MTPL Employee Stock Option Scheme           | 235.32               | -               | -               | -                                 | -                 | -               | -                                     | 235.32                     |
| Recognition of share based payments                                      | -                    | -               | -               | 16.99                             | -                 | -               | -                                     | 16.99                      |
| Transfer from share options outstanding account on exercise and lapse    | 36.49                | -               | -               | (36.49)                           | -                 | -               | -                                     | -                          |
| Other comprehensive income   | -                    | -               | -               | -                                 | (15.98)           | -               | 823.59                                | 807.61                     |
| <b>Balance as at 31 March, 2022</b>                                      | <b>21,404.60</b>     | <b>57.15</b>    | <b>1,914.39</b> | <b>12.58</b>                      | <b>17,498.66</b>  | <b>1,888.29</b> | <b>1,372.13</b>                       | <b>44,147.80</b>           |

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 : 3 May, 2023

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/-

**Subhojeet Bhattacharjee**

Company Secretary

M.No. A60802



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2023

All amounts in ₹ lakhs, unless otherwise stated

| Particulars   | 31 March, 2023     | 31 March, 2022    |
|---|--------------------|-------------------|
| <b>Cash flow from operating activities</b>  |                    |                   |
| Profit before tax   | 10,272.34          | 8,651.01          |
| <b>Adjustments for:</b>   |                    |                   |
| Depreciation and amortisation expenses  | 3,091.37           | 2,692.33          |
| (Profit)/loss on disposal of property, plant and equipment (net)                        | (10.88)            | 7.35              |
| Share based payments to employees   | 8.34               | 16.99             |
| Provision for bad and doubtful debts (net)  | 32.29              | 13.75             |
| Bad debts written off   | 5.90               | -                 |
| Creditors written back  | -                  | (47.19)           |
| Foreign exchange fluctuation gain   | (83.34)            | (2.25)            |
| Amortisation of government grants   | 1.14               | 1.69              |
| Finance costs   | 387.21             | 932.33            |
| Dividend income   | (6.35)             | (52.93)           |
| Profit on sale of investments   | -                  | (11.16)           |
| <b>Change in operating assets and liabilities</b>                                       |                    |                   |
| (Increase)/Decrease in trade receivables  | 1,925.74           | (5,300.51)        |
| (Increase)/Decrease in financial assets other than trade receivables                    | 759.63             | (1,287.61)        |
| (Increase)/Decrease in other assets   | (202.38)           | (721.06)          |
| (Increase)/Decrease in inventories  | 1,074.60           | (2,508.40)        |
| Increase/(Decrease) in trade payables   | 157.50             | (440.15)          |
| Increase/(Decrease) in other financial liabilities                                      | 906.39             | 60.81             |
| Increase/(Decrease) in provisions   | (7.27)             | 31.33             |
| Increase/(Decrease) in other liabilities  | (0.61)             | 202.67            |
| <b>Cash generated from operations</b>   | <b>18,311.62</b>   | <b>2,239.00</b>   |
| Income taxes paid   | (2,413.85)         | (1,987.31)        |
| <b>Net cash inflow/(outflow) from operating activities</b>                              | <b>15,897.77</b>   | <b>251.69</b>     |
| <b>Cash flows from investing activities</b>   |                    |                   |
| Purchase of property, plant & equipment, intangible assets & right of use assets        | (14,548.20)        | (5,002.38)        |
| (Increase)/Decrease in capital work-in-progress and intangible assets under development | (187.51)           | (309.94)          |
| (Increase)/Decrease in capital advances   | (131.67)           | (282.53)          |
| Dividend income received  | 6.35               | 52.93             |
| Proceeds from sale of investments (net)   | -                  | 11.16             |
| Proceeds from sale of property, plant & equipment                                       | 27.45              | 50.97             |
| <b>Net cash inflow/(outflow) from investing activities</b>                              | <b>(14,833.58)</b> | <b>(5,479.79)</b> |
| <b>Cash flow from financing activities</b>  |                    |                   |
| Proceeds from non current borrowings (refer note 22)                                    | -                  | 2,000.00          |
| Repayment of non current borrowings (refer note 22)                                     | (1,135.57)         | (927.63)          |
| Proceeds/(repayment) from current borrowings (refer note 22)                            | 1,457.81           | (7,492.80)        |
| Dividend paid   | (2,601.02)         | (1,132.92)        |
| Increase in securities premium  | 3,461.15           | 13,584.47         |
| Increase/(Decrease) in money received against share warrants                            | (1,876.20)         | 354.50            |
| Proceeds from issue of shares   | 95.58              | 167.28            |
| Interest paid   | (389.75)           | (946.67)          |
| <b>Net cash inflow/(outflow) from financing activities</b>                              | <b>(988.00)</b>    | <b>5,606.23</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                             | <b>76.19</b>       | <b>378.13</b>     |
| <b>Cash and cash equivalents at the beginning of the year</b>                           | <b>411.98</b>      | <b>33.85</b>      |
| <b>Cash and cash equivalents at the end of the year (Refer Note No.8.2)</b>             | <b>488.17</b>      | <b>411.98</b>     |

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 : 3 May, 2023

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/-

**Subhojeet Bhattacharjee**

Company Secretary

M.No.A60802

## 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 Bombay Stock Exchange Limited (BSE) 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.

Goods & Services Tax (GST) 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

## NOTES TO THE FINANCIAL STATEMENTS

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 twelve 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 applicable tax laws that have been enacted or



## NOTES TO THE FINANCIAL STATEMENTS

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.

## NOTES TO THE FINANCIAL STATEMENTS

**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 its 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 reflect the current best estimate.

## NOTES TO THE FINANCIAL STATEMENTS

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 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 recognized 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 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.

## NOTES TO THE FINANCIAL STATEMENTS

### 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

## NOTES TO THE FINANCIAL STATEMENTS

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.

### 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 right-of-use 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.

Right-of-use 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 right of use 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 right-of-use asset arising from the head lease.



## NOTES TO THE FINANCIAL STATEMENTS

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 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.

**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 standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements -This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors -This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 – Income Taxes-This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April, 2023. The Company has evaluated the amendment and there is no impact on 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, 2022   | Additions        | Deletions    | As at 31 March, 2023 | As at 1 April, 2022      | For the Year    | On disposals |                     |
| Freehold land                          | 1,617.65              | 645.14           | -            | 2,262.79             | -                        | -               | -            | 2,262.79            |
| Buildings                              | 6,490.14              | 2,865.45         | -            | 9,355.59             | 872.16                   | 217.06          | -            | 1,089.22            |
| Plant and equipment                    | 16,062.17             | 6,619.09         | 34.89        | 22,646.37            | 5,505.40                 | 1,609.38        | 22.38        | 7,092.40            |
| Moulds                                 | 8,147.69              | 2,111.59         | -            | 10,259.28            | 2,469.91                 | 762.35          | -            | 3,232.26            |
| Electrical installations and equipment | 1,051.84              | 616.38           | 3.88         | 1,664.34             | 373.17                   | 113.21          | 0.10         | 486.28              |
| Works equipment and instruments        | 800.33                | 545.89           | -            | 1,346.22             | 261.85                   | 95.74           | -            | 357.59              |
| Office equipment                       | 146.57                | 37.86            | -            | 184.43               | 76.21                    | 25.97           | -            | 102.18              |
| Computers and data processing units    | 155.87                | 51.56            | -            | 207.43               | 85.07                    | 32.40           | -            | 117.47              |
| Furniture and fittings                 | 638.90                | 266.01           | -            | 904.91               | 213.56                   | 62.81           | -            | 276.37              |
| Vehicles                               | 708.04                | 126.12           | 27.68        | 806.48               | 253.77                   | 90.02           | 23.52        | 320.27              |
| Leasehold improvements                 | 23.54                 | -                | -            | 23.54                | 5.68                     | 12.11           | -            | 17.79               |
| <b>Total</b>                           | <b>35,842.74</b>      | <b>13,885.09</b> | <b>66.45</b> | <b>49,661.38</b>     | <b>10,116.78</b>         | <b>3,021.05</b> | <b>46.00</b> | <b>13,091.83</b>    |
|  |                       |                  |              |                      |                          |                 |              | <b>36,569.55</b>    |

## NOTES TO THE FINANCIAL STATEMENTS

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, 2021   | Additions       | Deletions     | As at 31 March, 2022 | For the Year             | On disposals | 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             | 206.98                   | -            | 872.16               | 5,617.98            |
| Plant and equipment                    | 13,581.61             | 2,494.89        | 14.33         | 16,062.17            | 1,401.19                 | 8.00         | 5,505.40             | 10,556.77           |
| Moulds                                 | 6,898.02              | 1,334.02        | 84.35         | 8,147.69             | 675.85                   | 47.35        | 2,469.91             | 5,677.78            |
| Electrical installations and equipment | 868.46                | 199.38          | 16.00         | 1,051.84             | 101.12                   | 4.04         | 373.17               | 678.67              |
| Works equipment and instruments        | 684.75                | 117.58          | 2.00          | 800.33               | 75.95                    | 0.17         | 261.85               | 538.48              |
| Office equipment                       | 122.93                | 23.64           | -             | 146.57               | 23.01                    | -            | 76.21                | 70.36               |
| Computers and data processing units    | 115.14                | 42.48           | 1.75          | 155.87               | 24.92                    | 1.66         | 85.07                | 70.80               |
| Furniture and fittings                 | 562.66                | 76.24           | -             | 638.90               | 58.82                    | -            | 213.56               | 425.34              |
| Vehicles                               | 626.95                | 91.12           | 10.03         | 708.04               | 73.52                    | 8.92         | 253.77               | 454.27              |
| Leasehold improvements                 | -                     | 23.54           | -             | 23.54                | 5.68                     | -            | 5.68                 | 17.86               |
| <b>Total</b>                           | <b>31,054.60</b>      | <b>4,916.60</b> | <b>128.46</b> | <b>35,842.74</b>     | <b>2,647.04</b>          | <b>70.14</b> | <b>10,116.78</b>     | <b>25,725.96</b>    |

## 4.2(a) Capital work-in-progress (CWIP) as at 31 March, 2023: ₹1,669.42

Capital work-in-progress includes Land of ₹932.11, buildings of ₹69.91, plant and equipment of ₹126.32, moulds of ₹522.88 and others of ₹18.20.

## CWIP aging schedule

| Particulars                 | Amount in CWIP for a period of |             |               | Total           |
|-----------------------------|--------------------------------|-------------|---------------|-----------------|
|                             | Less than 1 Year               | 1-2 Years   | 2-3 Years     |                 |
| <b>Projects in progress</b> |                                |             |               |                 |
| Freehold land               | 932.11                         | -           | -             | 932.11          |
| Buildings                   | 69.91                          | -           | -             | 69.91           |
| Plant and equipment         | 82.39                          | 1.39        | -             | 126.32          |
| Moulds                      | 429.60                         | -           | -             | 522.88          |
| Others                      | 18.20                          | -           | -             | 18.20           |
| <b>Total</b>                | <b>1,532.21</b>                | <b>1.39</b> | <b>135.82</b> | <b>1,669.42</b> |

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 4.2(b) 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    |                 |
| <b>Projects in progress</b> |                                |              |              |                 |
| Buildings                   | 637.70                         | 6.00         | -            | 643.70          |
| Freehold land               | 1.30                           | -            | -            | 1.30            |
| Plant and equipment         | 38.51                          | 1.39         | 33.03        | 72.93           |
| Moulds                      | 399.72                         | 23.23        | 65.81        | 488.76          |
| Electrical installations    | 23.48                          | 2.95         | -            | 26.43           |
| Furniture and fittings      | 48.80                          | -            | -            | 48.80           |
| <b>Total</b>                | <b>1,149.51</b>                | <b>33.57</b> | <b>98.84</b> | <b>1,383.78</b> |

### 4.3(a) Investment property

| Particulars   | Gross carrying amount |                      |           | Accumulated depreciation |              |                   | Net carrying amount |
|---------------|-----------------------|----------------------|-----------|--------------------------|--------------|-------------------|---------------------|
|               | As at 1 April, 2022   | As at 31 March, 2023 | Deletions | As at 1 April, 2022      | For the Year | On 31 March, 2023 |                     |
| Freehold land | 4.12                  | -                    | -         | -                        | -            | -                 | 4.12                |
| Buildings     | 1.63                  | -                    | -         | 0.78                     | 0.13         | -                 | 0.72                |
| <b>Total</b>  | <b>5.75</b>           | <b>-</b>             | <b>-</b>  | <b>0.78</b>              | <b>0.13</b>  | <b>-</b>          | <b>4.84</b>         |



**NOTES TO THE FINANCIAL STATEMENTS**

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, 2021   | Additions | Deletions | As at 31 March, 2022 | As at 1 April, 2021      | For the Year | On 31 March, 2022 | 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                 |
| <b>Total</b>  | <b>5.75</b>           | <b>-</b>  | <b>-</b>  | <b>5.75</b>          | <b>0.65</b>              | <b>0.13</b>  | <b>-</b>          | <b>0.78</b>          | <b>4.97</b>          |

**4.3(c) Disclosures - Ind AS 40**

| Particulars   | 2022-23     | 2021-22     |
|---|-------------|-------------|
| Rental income from investment property                        | 3.22        | 3.22        |
| Direct operating expenses (including repairs and maintenance) | 0.75        | -           |
| <b>Income from investment property (net)</b>                  | <b>2.47</b> | <b>3.22</b> |

Fair value of the investment property as at 31 March, 2023 based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered valuers and Valuation) Rules, 2017 is ₹501.50 lakhs (P.Y. ₹405.00 lakhs).

**4.4(a) Intangible assets**

| Particulars       | Gross carrying amount |               |           | Accumulated amortisation |              |                   | Net carrying amount  |                      |
|-------------------|-----------------------|---------------|-----------|--------------------------|--------------|-------------------|----------------------|----------------------|
|                   | As at 1 April, 2022   | Additions     | Deletions | As at 31 March, 2023     | For the Year | On 31 March, 2023 | As at 31 March, 2023 | As at 31 March, 2023 |
| Computer software | 151.41                | 239.42        | -         | 390.83                   | 33.94        | -                 | 120.04               | 270.79               |
| <b>Total</b>      | <b>151.41</b>         | <b>239.42</b> | <b>-</b>  | <b>390.83</b>            | <b>33.94</b> | <b>-</b>          | <b>120.04</b>        | <b>270.79</b>        |



## 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, 2021   | As at 31 March, 2022 | Deletions | As at 1 April, 2021 | For the Year             | On disposals | As at 31 March, 2022 |                     |
| Computer software | 124.96                | 26.45                | -         | 151.41              | 21.32                    | -            | 86.10                | 65.31               |
| <b>Total</b>      | <b>124.96</b>         | <b>26.45</b>         | <b>-</b>  | <b>151.41</b>       | <b>21.32</b>             | <b>-</b>     | <b>86.10</b>         | <b>65.31</b>        |

### 4.5(a) Intangible asset under development as at 31 March, 2023: Nil

#### 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 |       |
| Intangible assets under development | -   | -         | -         | -     |

### 4.5(b) 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 |       |
| Computer software | 56.36   | 41.76     | -         | 98.12 |

### 4.6 Right-of-use assets

| Particulars                        | As at 31 March, 2023 | As at 31 March, 2022 |
|------------------------------------|----------------------|----------------------|
| Opening balance                    | 370.33               | 334.84               |
| Add: Additions during the year     | 423.69               | 59.33                |
| Less: Amortisation during the year | (36.25)              | (23.84)              |
| <b>Closing balance</b>             | <b>757.77</b>        | <b>370.33</b>        |

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

5.1. Investments

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| <b>Designated at Fair value through Other Comprehensive Income (FVOCI)</b> |                         |                         |
| <b>Investments in equity instruments (quoted - fully paid up)</b>          |                         |                         |
| Mold-Tek Technologies Limited  | 5,168.00                | 1,708.55                |
| 21,17,165 (2022-21,17,165) shares of ₹2 each                               |                         |                         |
| <b>Total</b>   | <b>5,168.00</b>         | <b>1,708.55</b>         |
| Aggregate amount of quoted investments                                     | 5,168.00                | 1,708.55                |
| Aggregate amount of unquoted investments                                   | -                       | -                       |
| Aggregate amount of impairment in value of investments                     | -                       | -                       |

5.2. Other financial assets (non-current)

| Particulars   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| <b>Earmarked balances</b>                           |                         |                         |
| Margin money deposits with banks against guarantees | 50.67                   | 28.65                   |
| Deposits with government and others                 | 431.11                  | 367.48                  |
| <b>Total</b>  | <b>481.78</b>           | <b>396.13</b>           |

6. Other non-current assets

| Particulars                       | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Unsecured, considered good</b> |                         |                         |
| Capital advances                  | 719.70                  | 588.03                  |
| <b>Total</b>                      | <b>719.70</b>           | <b>588.03</b>           |

7. Inventories

| Particulars   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| <b>(Valued at lower of cost and net realizable value)</b>               |                         |                         |
| Raw materials   | 2,650.63                | 4,575.04                |
| Work-in-progress  | 1,160.73                | 1,283.37                |
| Finished goods  | 1,734.07                | 1,675.46                |
| {including material in transit of ₹498.11 lakhs (2022 - ₹416.47 lakhs)} |                         |                         |
| Packing materials   | 112.67                  | 85.20                   |
| Stores & spares   | 230.85                  | 127.60                  |
| Consumables   | 2,626.87                | 1,843.75                |
| <b>Total</b>  | <b>8,515.82</b>         | <b>9,590.42</b>         |

8.1. Trade receivables

| Particulars                                    | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| <b>Unsecured</b>                               |                         |                         |
| Trade Receivables– considered good             | 12,409.57               | 14,341.20               |
| Less: Allowance for expected credit loss (ECL) | (72.32)                 | (40.02)                 |
| <b>Total</b>                                   | <b>12,337.25</b>        | <b>14,301.18</b>        |

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### Trade receivables ageing schedule As at 31 March, 2023

| Particulars  | Not Due         | Outstanding for following periods from due date of payment |                   |              |              |                   | Total            |
|--|-----------------|--|-------------------|--------------|--------------|-------------------|------------------|
|  |                 | Less than 6 months   | 6 months - 1 year | 1-2 years    | 2-3 years    | More than 3 years |                  |
| (i) Undisputed Trade receivables – considered good                                 | 8,460.42        | 3,819.96   | 70.25             | 7.24         | 16.33        | 3.15              | 12,377.35        |
| (ii) Undisputed Trade receivables – which have significant increase in credit risk | -               | -  | -                 | -            | -            | -                 | -                |
| (iii) Undisputed Trade receivables – credit impaired                               | -               | -  | -                 | -            | -            | -                 | -                |
| (iv) Disputed Trade receivables– considered good                                   | -               | -  | -                 | 9.22         | 8.11         | 14.89             | 32.22            |
| (v) Disputed Trade receivables – which have significant increase in credit risk    | -               | -  | -                 | -            | -            | -                 | -                |
| (vi) Disputed Trade receivables – credit impaired                                  | -               | -  | -                 | -            | -            | -                 | -                |
|  | <b>8,460.42</b> | <b>3,819.96</b>  | <b>70.25</b>      | <b>16.46</b> | <b>24.44</b> | <b>18.04</b>      | <b>12,409.57</b> |
| Expected credit loss rate  | -               | -  | 49.55%            | 74.67%       | 49.26%       | 73.06%            | -                |
| Less: Provision for expected credit loss   | -               | -  | (34.81)           | (12.29)      | (12.04)      | (13.18)           | (72.32)          |
| <b>Total</b>   | <b>8,460.42</b> | <b>3,819.96</b>  | <b>35.44</b>      | <b>4.17</b>  | <b>12.40</b> | <b>4.86</b>       | <b>12,337.25</b> |

### As at 31 March, 2022

| Particulars  | Not Due         | Outstanding for following periods from due date of payment |                   |              |              |                   | Total            |
|--|-----------------|--|-------------------|--------------|--------------|-------------------|------------------|
|  |                 | Less than 6 months   | 6 months - 1 year | 1-2 years    | 2-3 years    | More than 3 years |                  |
| (i) Undisputed Trade receivables – considered good                                 | 8,046.31        | 6,192.21   | 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                                  | -               | -  | -                 | -            | -            | -                 | -                |
|  | <b>8,046.31</b> | <b>6,192.21</b>  | <b>13.58</b>      | <b>68.20</b> | <b>15.53</b> | <b>5.37</b>       | <b>14,341.20</b> |
| Expected credit loss rate  | -               | -  | 50.00%            | 18.08%       | 100.00%      | 100.00%           | -                |
| Less: Provision for expected credit loss   | -               | -  | (6.79)            | (12.33)      | (15.53)      | (5.37)            | (40.02)          |
| <b>Total</b>   | <b>8,046.31</b> | <b>6,192.21</b>  | <b>6.79</b>       | <b>55.87</b> | <b>-</b>     | <b>-</b>          | <b>14,301.18</b> |

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**8.2. Cash and cash equivalents**

| Particulars                             | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| Balances with banks                     |                         |                         |
| - in current accounts                   | 75.67                   | 32.75                   |
| - debit balance in cash credit accounts | 404.49                  | 371.49                  |
| Cash on hand                            | 8.01                    | 7.74                    |
| <b>Total</b>                            | <b>488.17</b>           | <b>411.98</b>           |

**8.3. Bank balances other than Cash and cash equivalents above**

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| <b>Earmarked balances</b>                            |                         |                         |
| Unpaid dividend accounts                             | 90.21                   | 87.52                   |
| Amount received against conversion of share warrants | 0.02                    | 1,056.51                |
| Unspent CSR Account                                  | 63.71                   | 75.36                   |
| <b>Total</b>   | <b>153.94</b>           | <b>1,219.39</b>         |

**8.4. Loans (current)**

| Particulars                       | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|-----------------------------------|-------------------------|-------------------------|
| <b>Unsecured, considered good</b> |                         |                         |
| Employee advances                 | 72.37                   | 61.44                   |
| <b>Total</b>                      | <b>72.37</b>            | <b>61.44</b>            |

**8.5. Other financial assets (current)**

| Particulars                              | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Incentives receivable from Government:   |                         |                         |
| GST*                                     | 453.69                  | 258.78                  |
| Electricity**                            | 50.90                   | 30.86                   |
| Land and stamp duty                      | 23.87                   | 23.87                   |
| Investment sale consideration receivable | -                       | 1.84                    |
| <b>Total</b>                             | <b>528.46</b>           | <b>315.35</b>           |

\* During the year, the Company has received GST incentive from State Government of Maharashtra aggregating to ₹154.77 lakhs under “Package Scheme of Incentives 2008 & 2013”. Further, during the year, the Company has recognised an amount of ₹51.78 lakhs (P.Y ₹33.02 lakhs) as incentive receivable in accordance with the terms of scheme. The Total receivable amount as at 31 March, 2023 stands at ₹66.04 lakhs (31 March, 2022 ₹169.03 lakhs).

\* During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹297.90 lakhs (P.Y ₹89.75 lakhs) towards GST under “Industrial Development Policy 2015-20”. The Total receivable amount as at 31 March, 2023 stands at ₹387.65 lakhs (31 March, 2022 ₹89.75 lakhs).

\*\* During the year, the State Government of Andhra Pradesh has sanctioned a total incentive of ₹20.05 lakhs (P.Y ₹30.86 lakhs) towards power cost under “Industrial Development Policy 2015-20”. The Total receivable amount as at 31 March, 2023 stands at ₹50.91 lakhs (31 March, 2022 ₹30.86 lakhs).

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 9. Current tax assets (net)

| Particulars                                    | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Opening balance                                | 153.60                  | 122.50                  |
| Add: Taxes paid pertaining to previous years   | 50.00                   | 118.14                  |
| Advance tax and TDS of current year            | 2,413.85                | -                       |
| Less: Provision for income tax of current year | 2,366.87                | -                       |
| Tax refunds received                           | 133.72                  | 87.04                   |
| <b>Total</b>                                   | <b>116.86</b>           | <b>153.60</b>           |

### 10. Other current assets

| Particulars                            | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Prepaid expenses                       | 127.02                  | 104.13                  |
| Supplier advances                      | 829.33                  | 657.46                  |
| Advance given for CSR expenses         | 5.57                    | 9.77                    |
| Advance for expenses to employees      | 7.61                    | 2.12                    |
| GST input tax credit & customs deposit | 739.34                  | 248.03                  |
| <b>Total</b>                           | <b>1,708.87</b>         | <b>1,021.51</b>         |

### 11. Equity share capital

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| <b>Authorized</b>  |                         |                         |
| 4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹5 each               | 2,000.00                | 2,000.00                |
| <b>Total</b>   | <b>2,000.00</b>         | <b>2,000.00</b>         |
| <b>Issued, subscribed &amp; paid-up capital</b>                      |                         |                         |
| 3,31,64,769 (P.Y 3,12,53,121) equity shares of ₹5 each fully paid-up | 1,658.24                | 1,562.66                |
| Add: Shares forfeited 11,667 (PY - 11,667)                           | 0.14                    | 0.14                    |
| <b>Total</b>   | <b>1,658.38</b>         | <b>1,562.80</b>         |

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.



**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

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.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

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. 10,56,894 equity shares of ₹5 each are issued at a premium of ₹179 per share on 19 April, 2022 upon conversion of share warrants to Equity shares.

6,87,290 equity shares of ₹5 each are issued at a premium of ₹179 per share on 16 May, 2022 upon conversion of share warrants to Equity shares.

1,23,334 equity shares of ₹5 each are issued at a premium of ₹179 per share on 22 June, 2022 upon conversion of share warrants to Equity shares.

44,130 equity shares of ₹5 each issued at a premium of ₹268.05 per share on 9 February, 2023 by way of Employee Stock Option Scheme.

### (a) Movement in equity share capital

| Particulars                      | Number of shares   | Amount          |
|----------------------------------|--------------------|-----------------|
| <b>Balance at 01 April, 2021</b> | <b>2,83,26,951</b> | <b>1,395.52</b> |
| Movement during the year         | 29,26,170          | 167.28          |
| <b>Balance at 31 March, 2022</b> | <b>3,12,53,121</b> | <b>1,562.80</b> |
| Movement during the year         | 19,11,648          | 95.58           |
| <b>Balance at 31 March, 2023</b> | <b>3,31,64,769</b> | <b>1,658.38</b> |

### (b) Details of shareholders holding more than 5% shares in the Company

| Name of the shareholder      | As at 31 March, 2023 |           | As at 31 March, 2022 |           |
|------------------------------|----------------------|-----------|----------------------|-----------|
|                              | No. of Shares        | % holding | No. of Shares        | % holding |
| Lakshmana Rao Janumahanti    | 31,23,201            | 9.42      | 28,36,553            | 9.08      |
| Subrahmanyam Adivishnu       | 18,85,198            | 5.68      | 18,85,198            | 6.03      |
| Sudha Rani Janumahanti       | 18,28,820            | 5.51      | 16,01,218            | 5.12      |
| DSP Blackrock Small Cap Fund | 17,61,941            | 5.31      | 19,24,232            | 6.16      |

### (c) Shareholding of promoters

| Name of the promoter      | As at 31 March, 2023 |              |             | As at 31 March, 2022 |              |              |
|---------------------------|----------------------|--------------|-------------|----------------------|--------------|--------------|
|                           | No. of Shares        | % holding    | % Change    | No. of Shares        | % holding    | % Change     |
| Lakshmana Rao Janumahanti | 31,23,201            | 9.42         | 10.11       | 28,36,553            | 9.08         | 11.00        |
| Subrahmanyam Adivishnu    | 18,85,198            | 5.68         | -           | 18,85,198            | 6.03         | 15.72        |
| Venkateswara Rao Pattabhi | 1,86,396             | 0.56         | -           | 1,86,396             | 0.60         | (20.65)      |
| <b>Total</b>              | <b>51,94,795</b>     | <b>15.66</b> | <b>5.84</b> | <b>49,08,147</b>     | <b>15.71</b> | <b>11.07</b> |

### (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.

(Contd...)

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

The Company has granted 95,900 and 54,100 Options to eligible employees aggregating to 1,50,000 options on 23 December, 2020 at ₹245.75 and ₹259.40 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.

Pursuant to the shareholders approval dated 3 Feb 2016, the Company's Equity shares of ₹10 each were split into Equity shares of ₹5 each fully paid up and consequently the above options with face value of ₹10 were converted to face value of ₹5 each.

| Particulars                                       | As at 31 March |                 |
|---|----------------|-----------------|
|   | 2023           | 2022            |
| Options outstanding at the beginning of the year  | 1,12,432       | 2,22,000        |
| Add: Granted                                      | -              | -               |
| Less: Exercised                                   | 44,130         | 1,04,708        |
| Less: Forfeited/Lapsed                            | 1,140          | 4,860           |
| <b>Options outstanding at the end of the year</b> | <b>67,162</b>  | <b>1,12,432</b> |

**(e) Issue of Shares under Rights Issue:**

The Company has 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 ₹131.25 per share) in November, 2021. As on 31 March, 2023, an aggregate amount of ₹15.75 lakhs is unpaid which were forfeited on 18 February, 2022.

The Company has 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, 2023, an aggregate amount of ₹12.09 lakhs is unpaid which were forfeited.

**(f) 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, 2023 | As at 31 March, 2022 |
|--|----------------------|----------------------|
| Reserves and surplus   |                      |                      |
| Securities premium   | 24,865.75            | 21,404.60            |
| Capital reserve  | 57.15                | 57.15                |
| General reserve  | 1,914.39             | 1,914.39             |
| Share options outstanding account                                    | 11.20                | 12.58                |
| Retained earnings  | 22,914.63            | 17,498.66            |
| Money received against conversion of share warrants to equity shares | 12.09                | 1,888.29             |
| Equity Instruments through Other Comprehensive Income (OCI)          | 4,435.82             | 1,372.13             |
| <b>Total</b>   | <b>54,211.03</b>     | <b>44,147.80</b>     |

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

| <b>(i) Securities premium</b>   |                                 |                                 |
|---|---------------------------------|---------------------------------|
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 21,404.60                       | 7,820.14                        |
| Movement during the year  | 3,461.15                        | 13,584.46                       |
| <b>Closing balance</b>  | <b>24,865.75</b>                | <b>21,404.60</b>                |
| <b>(ii) Capital reserve</b>   |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 57.15                           | 57.15                           |
| Movement during the year  | -                               | -                               |
| <b>Closing balance</b>  | <b>57.15</b>                    | <b>57.15</b>                    |
| <b>(iii) General reserve</b>  |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 1,914.39                        | 1,914.39                        |
| Add: Movement during the year   | -                               | -                               |
| <b>Closing balance</b>  | <b>1,914.39</b>                 | <b>1,914.39</b>                 |
| <b>(iv) Share options outstanding account</b>                           |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 12.58                           | 32.08                           |
| Add: On account of Share-based payments to employees                    | 8.34                            | 16.99                           |
| Less: On account of exercise of employee stock options                  | (9.72)                          | (36.49)                         |
| <b>Closing balance</b>  | <b>11.20</b>                    | <b>12.58</b>                    |
| <b>(v) Retained earnings</b>  |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 17,498.66                       | 12,282.03                       |
| Add: Profit for the year  | 8,043.08                        | 6,365.53                        |
| Less: Dividends   | (2,601.02)                      | (1,132.92)                      |
| Less: Remeasurement of defined benefit plan (net of tax) (OCI)          | (26.09)                         | (15.98)                         |
| <b>Closing balance</b>  | <b>22,914.63</b>                | <b>17,498.66</b>                |
| <b>(vi) Equity Instruments through Other Comprehensive Income (OCI)</b> |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Opening balance   | 1,372.13                        | 548.54                          |
| Less: Net changes in fair value of financial instruments                | 3,063.69                        | 823.59                          |
| <b>Closing balance</b>  | <b>4,435.82</b>                 | <b>1,372.13</b>                 |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**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 provision of the Companies Act, 2013.

**(ii) Capital reserve**

Capital reserve arised on account of amalgamation, transfer of forfeited shares amount, state subsidy and others.

**(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**

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<br>31 March, 2023 | As at<br>31 March, 2022 |
|----------------------|-------------------------|-------------------------|
| <b>Secured loans</b> |                         |                         |
| Term loans           |                         |                         |
| From banks           | 1,346.69                | 2,512.29                |
| From others          | -                       | 25.00                   |
| <b>Total</b>         | <b>1,346.69</b>         | <b>2,537.29</b>         |

**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 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 has first exclusive charge on Plant & equipment and other properties at IC-Pudi (Visakhapatnam) Unit.
- # Citi Bank 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 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 has first exclusive charge on Plant & equipment and other properties of Hyderabad unit located at Annaram Village, near air force academy, Medek District.



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

- # Citi Bank 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 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 | FY 2023-24      | FY 2024-25    | FY 2025-26    | FY 2026-27    |
|----------------------------|------------------|-----------------|---------------|---------------|---------------|
| Citi Bank N.A              | 7.08%            | 222.22          | -             | -             | -             |
| Citi Bank N.A              | 9.83%            | 125.00          | 125.00        | 125.00        | 31.25         |
| Citi Bank N.A              | 9.79%            | 375.00          | 375.00        | 375.00        | 93.75         |
| Citi Bank N.A              | 8.85%            | 443.38          | 221.69        | -             | -             |
| <b>Total</b>               |                  | <b>1,165.60</b> | <b>721.69</b> | <b>500.00</b> | <b>125.00</b> |

### Repayment schedule (Vehicle loans):

| Bank                      | Rate of interest p.a | FY 2023-24   |
|---------------------------|----------------------|--------------|
| Toyota Financial services | 7.30%                | 25.00        |
| <b>Total</b>              |                      | <b>25.00</b> |

### 14. Lease liabilities (non-current)

| Particulars       | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|-------------------|-------------------------|-------------------------|
| Lease liabilities | -                       | 9.49                    |
| <b>Total</b>      | <b>-</b>                | <b>9.49</b>             |

### The undiscounted maturities of lease liabilities over the remaining lease term is as follows:

| Term                       | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|----------------------------|-------------------------|-------------------------|
| Not later than three years | 10.98                   | 43.39                   |

### 15. Provisions (non-current)

| Particulars                  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|------------------------------|-------------------------|-------------------------|
| <b>For employee benefits</b> |                         |                         |
| Leave encashment             | 114.97                  | 113.19                  |
| Gratuity                     | 257.90                  | 264.41                  |
| <b>Total</b>                 | <b>372.87</b>           | <b>377.60</b>           |

### 16. Deferred tax liabilities (net)

| Particulars                           | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---------------------------------------|-------------------------|-------------------------|
| <b>Deferred tax assets</b>            |                         |                         |
| Expenses allowable on payment basis   | (274.09)                | 80.58                   |
| <b>Deferred tax liabilities</b>       |                         |                         |
| Depreciation and amortisation         | 1,821.30                | 1,553.75                |
| <b>Deferred tax liabilities (net)</b> | <b>2,095.39</b>         | <b>1,473.17</b>         |

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**Movement in deferred tax liabilities (net)**

| Particulars                     | WDV of depreciable PPE/<br>Investment properties/<br>intangible assets | Expenses<br>allowable on<br>payment basis | Total           |
|---------------------------------|--|---|-----------------|
| <b>As at 1 April, 2022</b>      | 1,553.75   | (80.58)                                   | 1,473.17        |
| <b>(Charged)/Credited</b>       |  |   |                 |
| to statement of profit and loss | 267.55   | (32.32)                                   | 235.23          |
| to other comprehensive income   | -  | 386.99                                    | 386.99          |
| <b>As at 31 March, 2023</b>     | <b>1,821.30</b>  | <b>274.09</b>                             | <b>2,095.39</b> |

**17. Other non-current liabilities**

| Particulars   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| Deferred income - Government grant on Property, Plant and Equipment | 22.16                   | 23.01                   |
| <b>Total</b>  | <b>22.16</b>            | <b>23.01</b>            |

**18.1. Borrowings (Current)**

| Particulars  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| <b>Secured loans</b>                                       |                         |                         |
| <b>Loans repayable on demand</b>                           |                         |                         |
| Working capital loans from banks                           | 2,190.20                | 732.39                  |
| Current maturities of long-term borrowings (refer note 13) | 1,190.60                | 1,131.84                |
| <b>Total</b>   | <b>3,380.80</b>         | <b>1,864.23</b>         |

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<br>Borrowing | Limits as at 31 March, |                 | Balances as on 31 March, |               |
|------------------------------------|------------------------|------------------------|-----------------|--------------------------|---------------|
|                                    |                        | 2023                   | 2022            | 2023                     | 2022          |
| ICICI Bank Ltd                     | CC*                    | 1,500.00               | 1,500.00        | -                        | -             |
| HSBC Ltd                           | CC                     | 4,000.00               | 4,000.00        | 1,581.17                 | 730.89        |
| HSBC Ltd                           | Credit card            | 50.00                  | 50.00           | 9.86                     | -             |
| CITI Bank N.A                      | CC                     | 3,500.00               | 3,500.00        | 599.17                   | -             |
| Credit balance in current accounts |                        | -                      | -               | -                        | 1.50          |
| <b>Total</b>                       |                        | <b>9,050.00</b>        | <b>9,050.00</b> | <b>2,190.20</b>          | <b>732.39</b> |

\*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:-

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

- 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, Qutballapur 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, Qutballapur 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<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Dues to micro enterprises and small enterprises (refer note below)   | 27.82                   | 32.27                   |
| Dues to creditors other than micro enterprises and small enterprises | 3,300.90                | 3,138.95                |
| <b>Total</b>   | <b>3,328.72</b>         | <b>3,171.22</b>         |

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

| Particulars   | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| (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 and small enterprises   | 27.82                   | 32.27                   |
| 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 and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Trade payables aging schedule

As at 31 March, 2023

| Particulars              | Unbilled | Not Due  | 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                  | -        | 9.01     | 18.81  | -         | -         | -                 | 27.82    |
| ii) Others               | 366.10   | 1,795.82 | 1,078.98   | 14.36     | 31.72     | 13.92             | 3,300.90 |
| iii) Disputed Dues-MSME  | -        | -        | -  | -         | -         | -                 | -        |
| IV) Disputed Dues-Others | -        | -        | -  | -         | -         | -                 | -        |

As at 31 March, 2022

| Particulars              | Unbilled | Not Due | 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               | 322.93   | 735.03  | 2,024.10   | 43.29     | 3.05      | 10.55             | 3,138.95 |
| iii) Disputed Dues-MSME  | -        | -       | -  | -         | -         | -                 | -        |
| IV) Disputed Dues-Others | -        | -       | -  | -         | -         | -                 | -        |

18.3. Other financial liabilities (current)

| Particulars                  | As at 31 March, 2023 | As at 31 March, 2022 |
|------------------------------|----------------------|----------------------|
| Interest accrued but not due | 27.77                | 30.32                |
| Unpaid dividend              | 90.21                | 87.52                |
| Employee benefits payable    | 533.00               | 423.05               |
| CSR expenses payable         | 191.94               | 150.38               |
| Capital creditors*           | 1,535.69             | 779.90               |
| Security deposits            | 48.78                | 42.88                |
| <b>Total</b>                 | <b>2,427.39</b>      | <b>1,514.05</b>      |

\*includes ₹31.65 lakhs (P.Y. Nil) payable to Micro enterprises and Small enterprises which is not due as on 31 March, 2023.

18.4. Lease liabilities (current)

| Particulars       | As at 31 March, 2023 | As at 31 March, 2022 |
|-------------------|----------------------|----------------------|
| Lease liabilities | 9.50                 | 29.52                |
| <b>Total</b>      | <b>9.50</b>          | <b>29.52</b>         |

19. Current tax liabilities (net)

| Particulars                               | As at 31 March, 2023 | As at 31 March, 2022 |
|---|----------------------|----------------------|
| Provision for income tax                  | -                    | 2,042.23             |
| Less: Advance tax and TDS of current year | -                    | (1,987.31)           |
| <b>Total</b>                              | <b>-</b>             | <b>54.92</b>         |

During the year, the Company has a net refund on account of income tax and hence, the same is shown under Current Tax Assets (Net). Refer Note No.9.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 20. Other current liabilities

| Particulars                                       | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|---|-------------------------|-------------------------|
| Advances from customers                           | 281.40                  | 187.12                  |
| Deferred revenue grant - Sales tax deferment loan | -                       | 2.59                    |
| Statutory dues payable                            | 282.10                  | 346.40                  |
| <b>Total</b>                                      | <b>563.50</b>           | <b>536.11</b>           |

### 21. Provisions (current)

| Particulars                  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|------------------------------|-------------------------|-------------------------|
| <b>For employee benefits</b> |                         |                         |
| Leave encashment             | 101.47                  | 67.66                   |
| Gratuity                     | 45.69                   | 47.18                   |
| <b>Total</b>                 | <b>147.16</b>           | <b>114.84</b>           |

### 22. Net debt reconciliation

| Particulars                                  | As at<br>31 March, 2023 | As at<br>31 March, 2022 |
|--|-------------------------|-------------------------|
| Opening balance of borrowings                | 4,404.11                | 10,822.85               |
| Add:- Proceeds from non-current borrowings   | -                       | 2,000.00                |
| Less:- Repayment of non-current borrowings   | 1,135.57                | 927.63                  |
| Proceeds/(repayment) from current borrowings | 1,457.81                | (7,492.80)              |
| Fair value adjustment                        | 1.14                    | 1.69                    |
| <b>Closing balance of borrowings</b>         | <b>4,727.49</b>         | <b>4,404.11</b>         |

### 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, 2023 | 31 March, 2022 |
|--|----------------|----------------|
| Company's Contribution to Provident Fund | 124.69         | 111.37         |

#### (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.



NOTES TO THE 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<br>31 March, 2023    | Year ended<br>31 March, 2022    |
|---|---------------------------------|---------------------------------|
| <b>Change in defined benefit obligations:</b>                               |                                 |                                 |
| Obligation at the beginning of the year                                     | 692.64                          | 597.64                          |
| Current service cost  | 67.25                           | 55.45                           |
| Interest cost   | 50.53                           | 40.91                           |
| Remeasurement (gains)/losses  | 35.96                           | 10.16                           |
| Benefits paid   | (39.74)                         | (11.52)                         |
| <b>Obligation at the end of the year</b>                                    | <b>806.64</b>                   | <b>692.64</b>                   |
| <b>Change in plan assets:</b>   |                                 |                                 |
| Fair value of plan assets at the beginning of the year                      | 381.06                          | 284.83                          |
| Investment income   | 27.80                           | 19.50                           |
| Employer's contributions  | 136.13                          | 99.44                           |
| Benefits paid   | (43.04)                         | (11.52)                         |
| Return on plan assets, excluding amount recognised in net interest expense  | 1.10                            | (11.19)                         |
| <b>Fair value of plan assets at the end of the year</b>                     | <b>503.05</b>                   | <b>381.06</b>                   |
| <b>Expenses recognised in the statement of profit and loss consists of:</b> |                                 |                                 |
| <b>Employee benefits expense:</b>   |                                 |                                 |
| Current service costs   | 67.25                           | 55.45                           |
| Net interest expenses   | 22.73                           | 21.41                           |
|   | <b>89.98</b>                    | <b>76.86</b>                    |
| <b>Other comprehensive income:</b>  |                                 |                                 |
| Actuarial (gains)/losses  | 35.96                           | 10.16                           |
| Return on plan assets, excluding amount recognised in net interest expense  | (1.10)                          | 11.19                           |
|   | <b>34.86</b>                    | <b>21.34</b>                    |
| <b>Expenses recognised in the statement of profit and loss</b>              | <b>124.84</b>                   | <b>98.21</b>                    |
| <b>Amounts recognised in the balance sheet consists of:</b>                 |                                 |                                 |
| <b>Particulars</b>  | <b>As at<br/>31 March, 2023</b> | <b>As at<br/>31 March, 2022</b> |
| Fair value of plan assets at the end of the year                            | 503.05                          | 381.06                          |
| Present value of obligation at the end of the year                          | 806.64                          | 692.64                          |
| Recognised as   |                                 |                                 |
| Retirement benefit liability - Non-current                                  | 257.90                          | 264.40                          |
| - current   | 45.69                           | 47.18                           |

**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, 2024 are ₹45.69 lakhs.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 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, 2023       | 31 March, 2022       | Rate                       | 31 March, 2023 | 31 March, 2022 | Rate                      | 31 March, 2023 | 31 March, 2022 |
| Discount rate      | 7.50%                | 7.30%                | 1%                         | 708.07         | 606.15         | 1%                        | 925.59         | 797.48         |
| Salary growth rate | 9.00%                | 8.50%                | 1%                         | 903.73         | 781.77         | 1%                        | 720.22         | 614.59         |
| Attrition rate     | 1%/2%/3%             | 1%/2%/3%             | 0.5%/1%/1.5%               | 686.06         | 799.00         | 0.5%/1%/1.5%              | 815.19         | 699.99         |
| Mortality rate     | 100% of IALM 2012-14 | 100% of IALM 2012-14 | 10%                        | 806.55         | 692.57         | 10%                       | 806.72         | 692.72         |

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, 2023 | Year ended 31 March, 2022 |
|--|---------------------------|---------------------------|
| <b>Revenue from contracts with customers</b> |                           |                           |
| Sale of products                             | 72,583.26                 | 62,984.87                 |
| <b>Other operating revenues</b>              |                           |                           |
| Export incentives                            | -                         | 2.10                      |
| Sales tax incentives                         | 349.68                    | 122.77                    |
| Sale of scrap                                | 59.53                     | 37.23                     |
| <b>Total</b>                                 | <b>72,992.47</b>          | <b>63,146.97</b>          |

(Contd.)

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**Ind AS 115 - Revenue from contracts with customers**

(A) The Company is primarily in the business of manufacture and sales of packaging containers. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch or delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component.

(B) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

| Particulars  | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|--|------------------------------|------------------------------|
| Revenue from contract with customer as per contract price                            | 72,688.74                    | 63,213.22                    |
| Less: Discounts  | 105.48                       | 228.35                       |
| <b>Revenue from contracts with customers as per the Statement of Profit and Loss</b> | <b>72,583.26</b>             | <b>62,984.87</b>             |

(C) Disaggregation of revenue from contracts with customer:

| Particulars   | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---------------|------------------------------|------------------------------|
| India         | 72,064.56                    | 62,443.04                    |
| Outside India | 518.70                       | 541.83                       |
| <b>Total</b>  | <b>72,583.26</b>             | <b>62,984.87</b>             |

**25. Other income**

| Particulars                               | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---|------------------------------|------------------------------|
| Rental income from Investment property    | 3.22                         | 3.22                         |
| Dividend income                           | 6.35                         | 52.93                        |
| Amortisation of deferred government grant | 3.45                         | 6.79                         |
| Interest income*                          | 30.40                        | 13.40                        |
| Creditors written back (net)              | -                            | 47.19                        |
| Profit on sale of investments/PPE         | 10.88                        | 11.16                        |
| Foreign exchange fluctuation gain (net)   | 83.34                        | 21.54                        |
| <b>Total</b>                              | <b>137.64</b>                | <b>156.23</b>                |

\*Interest income includes interest on income tax refund of ₹18.36 lakhs pertaining to the year 2021-22.

**26. Cost of materials consumed**

| Particulars        | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|--------------------|------------------------------|------------------------------|
| Raw materials      | 37,234.19                    | 33,258.37                    |
| Pigments           | 1,225.14                     | 1,123.79                     |
| Handles            | 1,411.40                     | 1,138.05                     |
| Printing materials | 3,094.50                     | 2,517.70                     |
| Other consumables  | 567.11                       | 443.66                       |
| <b>Total</b>       | <b>43,532.34</b>             | <b>38,481.57</b>             |

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 27. Changes in inventories of finished goods and work-in-progress

| Particulars                | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|----------------------------|------------------------------|------------------------------|
| <b>Opening inventories</b> |                              |                              |
| Finished goods             | 1,675.46                     | 1,317.40                     |
| Work-in-progress           | 1,283.37                     | 818.72                       |
| <b>(A)</b>                 | <b>2,958.83</b>              | <b>2,136.12</b>              |
| <b>Closing inventories</b> |                              |                              |
| Finished goods             | 1,734.07                     | 1,675.46                     |
| Work-in-progress           | 1,160.73                     | 1,283.37                     |
| <b>(B)</b>                 | <b>2,894.80</b>              | <b>2,958.83</b>              |
| <b>Total (A-B)</b>         | <b>64.03</b>                 | <b>(822.71)</b>              |

### 28. Employee benefits expense

| Particulars                               | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---|------------------------------|------------------------------|
| Salaries, wages and bonus                 | 3,782.15                     | 3,348.73                     |
| Contribution to provident and other funds | 134.01                       | 120.72                       |
| Gratuity                                  | 111.58                       | 76.86                        |
| Leave encashment                          | 47.05                        | 80.57                        |
| Staff welfare expense                     | 277.30                       | 224.28                       |
| Share-based payments to employees         | 8.34                         | 16.99                        |
| <b>Total</b>                              | <b>4,360.43</b>              | <b>3,868.15</b>              |

### 29. Finance costs

| Particulars                                     | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---|------------------------------|------------------------------|
| Interest on borrowings                          | 385.17                       | 911.71                       |
| Interest on shortfall in payment of advance tax | -                            | 10.16                        |
| Other borrowing costs                           | 2.04                         | 10.46                        |
| <b>Total</b>                                    | <b>387.21</b>                | <b>932.33</b>                |

### 30. Depreciation and amortization expenses

| Particulars                                   | Year ended<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---|------------------------------|------------------------------|
| Depreciation on Property, Plant and Equipment | 3,021.05                     | 2,647.04                     |
| Depreciation on Investment property           | 0.13                         | 0.13                         |
| Amortisation of Intangible assets             | 33.94                        | 21.32                        |
| Amortisation of Right-of-use assets           | 36.25                        | 23.84                        |
| Less: Capitalized                             | (68.48)                      | (50.04)                      |
| <b>Total</b>                                  | <b>3,022.89</b>              | <b>2,642.29</b>              |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**31. Other expenses**

| <b>Particulars</b>   | <b>Year ended<br/>31 March, 2023</b> | <b>Year ended<br/>31 March, 2022</b> |
|--|--------------------------------------|--------------------------------------|
| Power and fuel   | 2,395.49                             | 1,988.37                             |
| Packing materials  | 1,123.75                             | 881.79                               |
| Repairs and maintenance  |                                      |                                      |
| Buildings  | 131.95                               | 63.39                                |
| Plant and equipment  | 509.41                               | 428.42                               |
| Moulds   | 224.53                               | 276.71                               |
| Others   | 306.86                               | 229.79                               |
| Insurance  | 120.27                               | 98.69                                |
| Rates & taxes  | 87.02                                | 100.78                               |
| Rent   | 187.79                               | 144.24                               |
| Contract labour and job work charges                                 | 3,171.07                             | 2,676.86                             |
| Travelling & conveyance  | 343.32                               | 156.07                               |
| Communication expenses   | 77.85                                | 64.42                                |
| Printing & stationery  | 41.28                                | 31.43                                |
| Professional & consultancy charges                                   | 106.86                               | 147.65                               |
| Freight outwards   | 2,287.42                             | 1,982.40                             |
| Advertisement expenses   | 2.71                                 | 2.69                                 |
| Sales Promotion expenses   | 94.61                                | 57.88                                |
| Payments to auditors (refer note 31(a) below)                        | 13.85                                | 16.93                                |
| Directors' sitting fee   | 7.40                                 | 6.20                                 |
| Provision for bad and doubtful debts                                 | 32.29                                | 13.75                                |
| Bad debts written off  | 5.90                                 | -                                    |
| Corporate social responsibility expenditure (refer note 31(b) below) | 135.59                               | 112.36                               |
| Net Loss on disposal of property, plant and equipment                | -                                    | 7.35                                 |
| Bank charges   | 8.76                                 | 7.45                                 |
| Other administrative expenses  | 74.89                                | 54.94                                |
| <b>Total</b>   | <b>11,490.87</b>                     | <b>9,550.56</b>                      |

**31(a) Payment to auditors**

| <b>Particulars</b>  | <b>Year ended<br/>31 March, 2023</b> | <b>Year ended<br/>31 March, 2022</b> |
|---|--------------------------------------|--------------------------------------|
| <b>Statutory auditors</b>                                 |                                      |                                      |
| -Statutory audit fee                                      | 10.00                                | 8.50                                 |
| -For other services (including fee for quarterly reviews) | 3.00                                 | 2.50                                 |
| -Certification charges                                    | 0.85                                 | 5.93                                 |
| <b>Total</b>  | <b>13.85</b>                         | <b>16.93</b>                         |



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 31(b) Corporate social responsibility expenditure

| Particulars   | Year ended<br>31 March, 2023  | Year ended<br>31 March, 2022 |
|---|---|------------------------------|
| Amount required to be spent as per Section 135 of the Act | 135.59  | 112.36                       |
| Amount of expenditure incurred                            | 12.18   | 41.92                        |
| Shortfall at the end of the year                          | 123.41  | 70.44                        |
| 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<br>31 March, 2023 | Year ended<br>31 March, 2022 |
|---------------------------------------|------------------------------|------------------------------|
| Profit before income tax expense      | 10,272.34                    | 8,651.01                     |
| Tax at the Indian tax rate of 25.168% | 2,585.34                     | 2,177.28                     |
| Effect of non-deductible expense      | 34.13                        | 28.28                        |
| Effect of allowances for tax purpose  | (252.60)                     | (173.49)                     |
| Effect of deferred tax                | 235.23                       | 253.59                       |
| Tax relating to prior years           | (372.84)                     | (0.18)                       |
| <b>Tax expense</b>                    | <b>2,229.26</b>              | <b>2,285.48</b>              |

### 33. Contingent liabilities

The Company has following contingent liabilities as at:

| Particulars  | 31 March, 2023 | 31 March, 2022 |
|--------------|----------------|----------------|
| Income tax   | 72.97          | 95.55          |
| VAT/CST      | 1.53           | 1.53           |
| <b>Total</b> | <b>74.50</b>   | <b>97.08</b>   |

Out of the above, ₹62.90 lakhs (2022- ₹ 95.74 lakhs) paid/adjusted against refunds under protest.

### 34. Commitments

| Particulars                   | 31 March, 2023  | 31 March, 2022 |
|-------------------------------|-----------------|----------------|
| Property, Plant and Equipment | 1,295.90        | 816.00         |
| Other commitments             | -               | -              |
| <b>Total</b>                  | <b>1,295.90</b> | <b>816.00</b>  |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**35. Related party transactions**

**Names of related parties and nature of relationships:**

| <b>Names of the related parties</b>                | <b>Nature of relationship</b>   |
|--|---|
| <b>i) Key Management Personnel (KMP):</b>          |   |
| 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 (upto 4 July,2022)  |
| Subhojeet Bhattacharjee                            | Company Secretary (w.e.f 27 July, 2022)   |
| <b>ii) Non-Whole-time Directors</b>                |   |
| J. Mytraeyi  | Director (upto 9 March, 2023)   |
| Kotagiri Venkata Appa Rao                          | Director  |
| T.Venkateswara Rao                                 | Director  |
| Immaneni Eswara Rao                                | Director  |
| Dhanraj Tirumala                                   | Director  |
| Madhuri Venkata Ramani Viswanadham                 | Director  |
| <b>iii) Relatives of key managerial personnel:</b> |   |
| 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 (upto 31 December, 2022) |
| 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   |
| K.Srinivasa Vengala Rao                            | Son of Kotagiri Venkata Appa Rao  |
| T.Vimala   | Spouse of T.Venkateswara Rao  |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

| Names of the related parties  | Nature of relationship |
|---|------------------------|
| <b>iv) Enterprises in which key managerial personnel and/or their relatives have control:</b> |                        |
| 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 |         | Key Management Personnel |         |
|----------------------------------|---|---------|---------------------------------------|---------|--------------------------|---------|
|                                  | 2022-23   | 2021-22 | 2022-23                               | 2021-22 | 2022-23                  | 2021-22 |
| <b>Purchases</b>                 |   |         |                                       |         |                          |         |
| Friends Packaging Industries     | 551.56  | 467.92  | -                                     | -       | -                        | -       |
| Capricorn Industries             | 547.85  | 460.81  | -                                     | -       | -                        | -       |
| Dynamic Metal Industries Pvt Ltd | 500.42  | 250.74  | -                                     | -       | -                        | -       |
| <b>Services received</b>         |   |         |                                       |         |                          |         |
| J.S. Sundaram & Co               | 51.60   | 56.89   | -                                     | -       | -                        | -       |
| Sri Kanaka Durga Mini Transport  | 142.30  | 102.12  | -                                     | -       | -                        | -       |
| <b>Remuneration</b>              |   |         |                                       |         |                          |         |
| J. Lakshmana Rao                 | -   | -       | -                                     | -       | 237.13                   | 204.75  |
| A. Subramanyam                   | -   | -       | -                                     | -       | 283.16                   | 240.81  |
| P. Venkateswara Rao              | -   | -       | -                                     | -       | 205.56                   | 170.79  |
| M. Srinivas                      | -   | -       | -                                     | -       | 100.46                   | 89.32   |
| A. Seshu Kumari                  | -   | -       | -                                     | -       | 58.88                    | 51.20   |
| Thakur Vishal Singh              | -   | -       | -                                     | -       | 2.31                     | 9.42    |
| Subhojeet Bhattacharjee          | -   | -       | -                                     | -       | 7.42                     | -       |
| <b>Dividend paid</b>             |   |         |                                       |         |                          |         |
| Mold-Tek Technologies Limited    | 13.25   | 4.60    | -                                     | -       | -                        | -       |
| J. Lakshmana Rao                 | -   | -       | -                                     | -       | 249.86                   | 103.03  |
| A. Subramanyam                   | -   | -       | -                                     | -       | 150.82                   | 65.53   |
| P. Venkateswara Rao              | -   | -       | -                                     | -       | 14.91                    | 5.38    |
| A. Seshu Kumari                  | -   | -       | -                                     | -       | 47.92                    | 19.91   |
| M. Srinivas                      | -   | -       | -                                     | -       | 37.58                    | 17.53   |
| J. Navya Mythri                  | -   | -       | 17.36                                 | 5.52    | -                        | -       |
| J. Rana Pratap                   | -   | -       | 16.26                                 | 6.04    | -                        | -       |
| S. Kavya                         | -   | -       | 9.89                                  | 3.96    | -                        | -       |
| J.Mytraeyi                       | -   | -       | 6.94                                  | 3.47    | -                        | -       |
| A. Durga Sundeep                 | -   | -       | 17.45                                 | 7.25    | -                        | -       |

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**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 |         | Key Management Personnel |         |
|---------------------------------------|---|---------|---------------------------------------|---------|--------------------------|---------|
|                                       | 2022-23   | 2021-22 | 2022-23                               | 2021-22 | 2022-23                  | 2021-22 |
| J. Sathya Sravya                      | -   | -       | 17.86                                 | 6.62    | -                        | -       |
| J.Sudha Rani                          | -   | -       | 148.58                                | 61.53   | -                        | -       |
| P.S.N.Vamsi Prasad                    | -   | -       | 1.82                                  | 0.80    | -                        | -       |
| J.Bhujanga Rao                        | -   | -       | 16.11                                 | 7.39    | -                        | -       |
| N. Padmavathi                         | -   | -       | 32.88                                 | 13.76   | -                        | -       |
| A.Lakshmi Mythri                      | -   | -       | 12.52                                 | 3.70    | -                        | -       |
| Jandhyala V.S.N. Krishna              | -   | -       | 2.33                                  | 0.92    | -                        | -       |
| Y.Manasa                              | -   | -       | 6.95                                  | 2.79    | -                        | -       |
| P.Sai Lakshmi                         | -   | -       | 14.56                                 | 6.38    | -                        | -       |
| P.Appa Rao                            | -   | -       | 0.06                                  | 0.02    | -                        | -       |
| M.Hyma                                | -   | -       | 2.52                                  | 1.11    | -                        | -       |
| K.Srinivasa Vengala Rao               | -   | -       | 1.78                                  | 0.74    | -                        | -       |
| T.Vimala                              | -   | -       | 1.74                                  | 0.88    | -                        | -       |
| Kotagiri Venkata Appa Rao             | -   | -       | 0.01                                  | -       | -                        | -       |
| T.Venkateswara Rao                    | -   | -       | 1.73                                  | 0.80    | -                        | -       |
| Immaneni Eswara Rao                   | -   | -       | 0.61                                  | 0.10    | -                        | -       |
| <b>Salaries</b>                       |   |         |                                       |         |                          |         |
| J. Navya Mythri                       | -   | -       | 21.97                                 | 21.95   | -                        | -       |
| J. Rana Pratap                        | -   | -       | 104.32                                | 88.03   | -                        | -       |
| S. Kavaya                             | -   | -       | 35.93                                 | 31.14   | -                        | -       |
| A. Durga Sundeep                      | -   | -       | 93.57                                 | 78.39   | -                        | -       |
| J. Sathya Sravya                      | -   | -       | 12.62                                 | 14.57   | -                        | -       |
| <b>Sitting Fee</b>                    |   |         |                                       |         |                          |         |
| J. Mytraeyi                           | -   | -       | 1.20                                  | 0.80    | -                        | -       |
| Kotagiri Venkata Appa Rao             | -   | -       | 1.10                                  | 1.00    | -                        | -       |
| T.Venkateswara Rao                    | -   | -       | 1.40                                  | 1.20    | -                        | -       |
| Immaneni Eswara Rao                   | -   | -       | 1.40                                  | 1.20    | -                        | -       |
| Dhanraj Tirumala                      | -   | -       | 0.90                                  | 0.80    | -                        | -       |
| Madhuri Venkata Ramani<br>Viswanadham | -   | -       | 1.40                                  | 1.20    | -                        | -       |
| <b>Rent</b>                           |   |         |                                       |         |                          |         |
| A. Subramanyam                        | -   | -       | -                                     | -       | 29.23                    | 26.91   |
| P. Venkateswara Rao                   | -   | -       | -                                     | -       | 29.23                    | 26.91   |
| M. Srinivas                           | -   | -       | -                                     | -       | 11.89                    | 10.57   |
| Mold-Tek Technologies Limited         | 8.00  | -       | -                                     | -       | -                        | -       |
| <b>Rent Received</b>                  |   |         |                                       |         |                          |         |
| Friends Packaging Industries          | 3.22  | 3.22    | -                                     | -       | -                        | -       |

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**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 |         | Key Management Personnel |          |
|--|---|---------|---------------------------------------|---------|--------------------------|----------|
|  | 2022-23   | 2021-22 | 2022-23                               | 2021-22 | 2022-23                  | 2021-22  |
| <b>Dividend Received</b>                                     |   |         |                                       |         |                          |          |
| Mold-Tek Technologies Limited                                | 6.35  | 52.93   |                                       |         |                          |          |
| <b>Other Transactions</b>                                    |   |         | -                                     | -       | -                        | -        |
| Mold-Tek Technologies Limited                                | 48.32   | 31.21   |                                       |         |                          |          |
| <b>Personal Guarantee given to Bank</b>                      |   |         |                                       |         |                          |          |
| J. Lakshmana Rao   | -   | -       | -                                     | -       | 5,609.00                 | 5,609.00 |
| A. Subramanyam   | -   | -       | -                                     | -       | 4,746.00                 | 4,746.00 |
| P. Venkateswara Rao  | -   | -       | -                                     | -       | 655.70                   | 655.70   |
| <b>Payment of Call Money on Equity Shares &amp; Warrants</b> |   |         |                                       |         |                          |          |
| Mold-Tek Technologies Limited                                | -   | 138.97  | -                                     | -       | -                        | -        |
| J. Lakshmana Rao   | -   | -       | -                                     | -       | 395.57                   | 385.50   |
| A. Subramanyam   | -   | -       | -                                     | -       | -                        | 352.28   |
| P. Venkateswara Rao  | -   | -       | -                                     | -       | -                        | 74.28    |
| A. Seshu Kumari  | -   | -       | -                                     | -       | -                        | 144.45   |
| M. Srinivas  | -   | -       | -                                     | -       | 38.69                    | 6.31     |
| J. Navya Mythri  | -   | -       | -                                     | 110.73  | -                        | -        |
| J. Rana Pratap   | -   | -       | 42.78                                 | 38.48   | -                        | -        |
| S. Kavya   | -   | -       | 37.53                                 | 5.57    | -                        | -        |
| A. Durga Sundeep   | -   | -       | -                                     | 52.97   | -                        | -        |
| J. Sathya Sravya   | -   | -       | 165.94                                | 4.55    | -                        | -        |
| J.Sudha Rani   | -   | -       | 363.38                                | 137.41  | -                        | -        |
| P.S.N.Vamsi Prasad   | -   | -       | -                                     | 3.85    | -                        | -        |
| J.Bhujanga Rao   | -   | -       | 33.20                                 | 5.45    | -                        | -        |
| N. Padmavathi  | -   | -       | -                                     | 95.75   | -                        | -        |
| A.Lakshmi Mythri   | -   | -       | -                                     | 91.49   | -                        | -        |
| Jandhyala V.S.N. Krishna                                     | -   | -       | 8.28                                  | 1.35    | -                        | -        |
| Y.Manasa   | -   | -       | -                                     | 24.08   | -                        | -        |
| P.Sai Lakshmi  | -   | -       | -                                     | 31.01   | -                        | -        |
| P.Appa Rao   | -   | -       | -                                     | 0.05    | -                        | -        |
| M.Hyma   | -   | -       | 4.58                                  | 0.75    | -                        | -        |
| K.Srinivasa Vengala Rao                                      | -   | -       | 12.42                                 | 2.03    | -                        | -        |
| T.Vimala   | -   | -       | -                                     | 5.01    | -                        | -        |
| T.Venkateswara Rao   | -   | -       | -                                     | 3.31    | -                        | -        |
| Immaneni Eswara Rao  | -   | -       | 0.40                                  | 0.06    | -                        | -        |

(Contd...)



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 |         | Key Management Personnel |         |
|--|---|---------|---------------------------------------|---------|--------------------------|---------|
|  | 2022-23   | 2021-22 | 2022-23                               | 2021-22 | 2022-23                  | 2021-22 |
| <b>Outstanding Payable/(Receivable) as at 31 March, 2023</b> |   |         |                                       |         |                          |         |
| <b>Trade payables</b>  |   |         |                                       |         |                          |         |
| Friends Packaging Industries                                 | 37.81   | 75.53   | -                                     | -       | -                        | -       |
| Capricon Industries  | 31.05   | 31.51   | -                                     | -       | -                        | -       |
| Dynamic Metal Industries Pvt Ltd                             | 0.26  | 11.10   | -                                     | -       | -                        | -       |
| J.S. Sundaram & Co   | 3.90  | 3.05    | -                                     | -       | -                        | -       |
| Sri Kanaka Durga Mini Transport                              | 13.49   | 12.12   | -                                     | -       | -                        | -       |
| <b>Other financial liabilities (current)</b>                 |   |         |                                       |         |                          |         |
| Mold-Tek Technologies Limited                                | 7.12  | 26.96   | -                                     | -       | -                        | -       |

**36. Earnings per share (EPS)**

| Particulars   | Year ended 31 March, 2023 | Year ended 31 March, 2022 |
|---|---------------------------|---------------------------|
| Profit after tax  | 8,043.08                  | 6,365.53                  |
| Weighted average number of equity shares in calculating Basic EPS   | 329.57                    | 287.77                    |
| Weighted average number of equity shares in calculating Diluted EPS | 330.02                    | 301.08                    |
| Face value per share (₹)  | 5.00                      | 5.00                      |
| Basic Earnings per Share (BEPS) (₹)                                 | 24.40                     | 22.12                     |
| Diluted Earnings per Share (DEPS) (₹)                               | 24.37                     | 21.14                     |

**37. 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 ₹72583.26 lakhs (P.Y ₹62984.87 lakhs).

The Company has made external sales to the following customers meeting the criteria of 10% or more of the entity revenue:

Customer 1 - ₹27850.55 lakhs (P.Y ₹26778.22 lakhs).

**38. 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:

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**(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%;<br>Year II - 25%;<br>Year III - 25% | Year I - 25%;<br>Year II - 30%;<br>Year III - 45% | Year I - 25%;<br>Year II - 30%;<br>Year III - 45% | Year I - 25%;<br>Year II - 30%;<br>Year III - 45% | Year I - 25%;<br>Year II - 30%;<br>Year III - 45% |
| Vesting plan - Category B                               | Year I - 25%;<br>Year II - 35%;<br>Year III - 40% | -   | -   | -   | -   |
| Vesting plan - Category C                               | Year I - 30%;<br>Year II - 30%;<br>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  | 245.75  | 259.40  |
| 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, 2023 |                   | As at 31 March, 2022 |                   |
|--|----------------------|-------------------|----------------------|-------------------|
|  | Number               | WAEP (₹ in lakhs) | Number               | WAEP (₹ in lakhs) |
| Outstanding at the beginning of the year   | 1,12,432             | 287.52            | 2,22,000             | 538.95            |
| Granted during the year                    | -                    | -                 | -                    | -                 |
| Exercised during the year                  | 44,130               | 110.78            | 1,04,708             | 240.53            |
| Forfeited during the year                  | 1,140                | 8.17              | 4,860                | 10.89             |
| Outstanding at the end of the year         | 67,162               | 168.57            | 1,12,432             | 287.52            |
| Options exercisable at the end of the year | -                    | -                 | -                    | -                 |

The weighted average share price at the date of exercise for options was ₹957.70 per share (31 March, 2022 ₹643.29 per share). For options outstanding at the end of the year, remaining contractual life is 9 months. (31 March, 2022 : 1 year 9 months).

**(C) Details of the liabilities arising from the Share based payments are as follows:**

| Particulars           | As at 31 March, 2023 | As at 31 March, 2022 |
|-----------------------|----------------------|----------------------|
| Total carrying amount | 11.20                | 12.58                |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**39. 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 comparison 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 2023    |                  | 31 March 2022    |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | Carrying amount  | Fair value*      | Carrying amount  | Fair value*      |
| <b>Non-current</b>  |       |                  |                  |                  |                  |
| <b>Financial Assets Measured at fair value through other comprehensive income</b> |       |                  |                  |                  |                  |
| Investments   | 1     | 5,168.00         | 5,168.00         | 1,708.55         | 1,708.55         |
| <b>Financial assets measured at amortised cost</b>                                |       |                  |                  |                  |                  |
| <b>Other financial assets</b>   | 3     | 481.78           | 481.78           | 396.13           | 396.13           |
| <b>Current</b>  |       |                  |                  |                  |                  |
| Trade receivables   | 3     | 12,337.25        | 12,337.25        | 14,301.18        | 14,301.18        |
| Cash and cash equivalents   | 3     | 488.17           | 488.17           | 411.98           | 411.98           |
| Other bank balances   | 3     | 153.94           | 153.94           | 1,219.39         | 1,219.39         |
| Loans   | 3     | 72.37            | 72.37            | 61.44            | 61.44            |
| Other financial assets  | 3     | 528.46           | 528.46           | 315.35           | 315.35           |
| <b>Total</b>  |       | <b>19,229.97</b> | <b>19,229.97</b> | <b>18,414.02</b> | <b>18,414.02</b> |
| <b>Financial liabilities</b>  |       |                  |                  |                  |                  |
| <b>Measured at amortised cost</b>   |       |                  |                  |                  |                  |
| <b>Non-current</b>  |       |                  |                  |                  |                  |
| Borrowings  | 3     |                  |                  |                  |                  |
| - Banks   |       | 1,346.69         | 1,346.69         | 2,537.29         | 2,537.29         |
| - Sales tax deferment loan  |       | -                | -                | 30.91            | 28.32            |
| Lease liabilities   |       | -                | -                | 9.49             | 9.49             |
| <b>Current</b>  |       |                  |                  |                  |                  |
| Borrowings  | 3     | 3,380.80         | 3,380.80         | 1,864.23         | 1,864.23         |
| Trade Payables  | 3     | 3,328.72         | 3,328.72         | 3,171.22         | 3,171.22         |
| Other financial liabilities   | 3     | 2,427.39         | 2,427.39         | 1,514.05         | 1,514.05         |
| Lease liabilities   | 3     | 9.50             | 9.50             | 29.52            | 29.52            |
| <b>Total</b>  |       | <b>10,493.10</b> | <b>10,493.10</b> | <b>9,156.71</b>  | <b>9,154.12</b>  |

\*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.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**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.

### 40. 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.

#### (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, 2023 and 31 March, 2022.

The analysis exclude the impact of movements in market variables on the carrying values of financial assets and liabilities.

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, 2023 and 31 March, 2022

#### (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, EURO, JPY and AUD 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, AED, EURO, JPY and AUD 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.

**NOTES TO THE 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, 2023      |                   |                   |                      |              | As at 31 March, 2022 |                   |
|  | AED                       | USD               | EURO              | JPY                  | AUD          | AED                  | USD               |
| Trade receivables                            | 1,22,234                  | 69,382            | -                 | -                    | (295)        | 1,36,309             | 37,136            |
| Trade payables                               | 18,976                    | 2,54,142          | 7,58,550          | 2,57,74,000          | -            | -                    | 8,30,095          |
| <b>Net exposure to foreign currency risk</b> | <b>1,03,258</b>           | <b>(1,84,760)</b> | <b>(7,58,550)</b> | <b>(2,57,74,000)</b> | <b>(295)</b> | <b>1,36,309</b>      | <b>(7,92,959)</b> |

| Particulars           | Increase/(decrease) in profit before tax |                | Increase/(decrease) in other components of equity |                |
|-----------------------|--|----------------|---|----------------|
|                       | 31 March, 2023                           | 31 March, 2022 | 31 March, 2023                                    | 31 March, 2022 |
| <b>Change in AED</b>  |  |                |   |                |
| 1% increase           | 0.22                                     | 0.28           | 0.16  | 0.21           |
| 1% decrease           | (0.22)                                   | (0.28)         | (0.16)  | (0.21)         |
| <b>Change in USD</b>  |  |                |   |                |
| 1% increase           | (1.46)                                   | (6.02)         | (1.09)  | (4.50)         |
| 1% decrease           | 1.46                                     | 6.02           | 1.09  | 4.50           |
| <b>Change in EURO</b> |  |                |   |                |
| 1% increase           | (6.77)                                   | -              | (5.07)  | -              |
| 1% decrease           | 6.77                                     | -              | 5.07  | -              |
| <b>Change in AUD</b>  |  |                |   |                |
| 1% increase           | (1.59)                                   | -              | (1.19)  | -              |
| 1% decrease           | 1.59                                     | -              | 1.19  | -              |
| <b>Change in JPY</b>  |  |                |   |                |
| 1% increase           | (0.01)                                   | -              | (0.01)  | -              |
| 1% decrease           | 0.01                                     | -              | 0.01  | -              |

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, AED, EURO, JPY and AUD, where the functional currency of the entity is a currency other than US dollars, AED, EURO, JPY and AUD.

**(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:

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

| Particulars                    | Increase/(decrease) in profit before tax |                | Increase/(decrease) in other components of equity |                |
|--------------------------------|--|----------------|---|----------------|
|                                | 31 March, 2023                           | 31 March, 2022 | 31 March, 2023                                    | 31 March, 2022 |
| <b>Change in interest rate</b> |  |                |   |                |
| increase by 100 basis points   | (37.42)                                  | (87.89)        | (28.00)   | (65.77)        |
| decrease by 100 basis points   | 37.42                                    | 87.89          | 28.00   | 65.77          |

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, 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 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, 2023   | 31 March, 2022   |
|---|------------------|------------------|
| Gross carrying amount                             | 12,409.57        | 14,341.20        |
| Expected credit losses (Loss allowance provision) | (72.32)          | (40.02)          |
| <b>Carrying amount of trade receivables</b>       | <b>12,337.25</b> | <b>14,301.18</b> |

#### (ii) Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit is employee advances.

| Particulars                  | 31 March, 2023                                    | 31 March, 2022                                    |
|------------------------------|---|---|
| <b>Asset group</b>           | <b>Estimated gross carrying amount at default</b> | <b>Estimated gross carrying amount at default</b> |
| <b>Gross carrying amount</b> |   |   |
| Employee advances            | 72.37   | 61.44   |
|                              | <b>72.37</b>                                      | <b>61.44</b>                                      |
| Expected credit losses       | -   | -   |
| <b>Net carrying amount</b>   |   |   |
| Employee advances            | 72.37   | 61.44   |
| <b>Total</b>                 | <b>72.37</b>                                      | <b>61.44</b>                                      |



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## (iii) Reconciliation of loss allowance provision on Trade receivables

| Particulars                                  | 2022-23      | 2021-22      |
|--|--------------|--------------|
| loss allowance at the beginning of the year  | 40.02        | 47.10        |
| Changes in loss allowance during the year    | 32.30        | (7.08)       |
| <b>Loss allowance at the end of the year</b> | <b>72.32</b> | <b>40.02</b> |

## (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, 2023 | 31 March, 2022 |
| Expiring within one year (bank overdraft and other facilities) | 6,819.66       | 8,269.11       |

## (ii) Maturities of Financial liabilities

**Contractual maturities of financial liabilities as at:**

| Particulars                 | 31 March, 2023      |                     | 31 March, 2022      |                     |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
|                             | Less than 12 months | More than 12 months | Less than 12 months | More than 12 months |
| Borrowings                  | 3,380.80            | 1,346.69            | 1,864.23            | 2,537.29            |
| Lease liabilities           | 9.50                | -                   | 29.52               | 9.50                |
| Trade Payables              | 3,268.72            | 60.00               | 3,114.33            | 56.89               |
| Other Financial Liabilities | 2,193.51            | 233.88              | 1,296.58            | 217.47              |
| <b>Total</b>                | <b>8,852.53</b>     | <b>1,640.57</b>     | <b>6,304.66</b>     | <b>2,821.15</b>     |

(iii) Management expects finance costs for the year ending 31 March, 2024 to be ₹460.80 lakhs (P.Y ₹508.04 lakhs).

## 41. 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.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

| Particulars                             | 31 March, 2023   | 31 March, 2022   |
|---|------------------|------------------|
| <b>Borrowings</b>                       |                  |                  |
| Current                                 | 3,380.80         | 1,864.23         |
| Non current                             | 1,346.69         | 2,537.29         |
| Sales tax deferment loan                | -                | 2.59             |
| <b>Total Debt</b>                       | <b>4,727.49</b>  | <b>4,404.11</b>  |
| <b>Equity</b>                           |                  |                  |
| Equity share capital                    | 1,658.38         | 1,562.80         |
| Other equity                            | 54,211.03        | 44,147.80        |
| <b>Total Equity</b>                     | <b>55,869.41</b> | <b>45,710.60</b> |
| <b>Gearing ratio in % (Debt/Equity)</b> | <b>8.46%</b>     | <b>9.63%</b>     |

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, 2023 and 31 March, 2022.

### B. Dividends

| Particulars   | 31 March, 2023 | 31 March, 2022 |
|---|----------------|----------------|
| <b>Dividends recognised</b>   |                |                |
| Final dividend for the year ended 31 March, 2021 of ₹4 per fully paid share   | -              | 1,132.92       |
| <b>Dividends not recognised</b>   |                |                |
| Interim dividend for the year ended 31 March, 2023 of ₹4 (31 March 2022 of ₹6) per fully paid share   | 1,326.59       | 1,938.60       |
| For the year ended the directors have recommended the payment of final dividend of ₹2 (31 March, 2022 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 | 663.30         | 662.41         |

## 42. Additional regulatory information

### a. Ratios

| Ratio                                 | Numerator/Denominator                                     | 31 March, 2023 | 31 March, 2022 | Variance % |
|---------------------------------------|---|----------------|----------------|------------|
| (a) Current Ratio                     | Current Assets/Current Liabilities                        | 2.43           | 3.72           | -34.70%    |
| (b) Debt-Equity Ratio                 | Total Debt/Total equity                                   | 0.08           | 0.10           | -12.18%    |
| (c) Debt Service Coverage Ratio       | Earnings available for debt service/Debt Service          | 7.54           | 5.37           | 40.55%     |
| (d) Return on Equity Ratio (in %)     | Net Income/Average Shareholder's Equity                   | 15.84          | 17.86          | -11.32%    |
| (e) Inventory turnover Ratio          | Sales/Average Inventory                                   | 8.02           | 7.56           | 6.11%      |
| (f) Trade Receivables Turnover Ratio  | Total Sales/Average Trade receivables                     | 6.42           | 6.37           | 0.86%      |
| (g) Trade Payables Turnover Ratio     | Total Purchases/Average Trade Payables                    | 18.25          | 17.10          | 6.75%      |
| (h) Net Capital Turnover Ratio        | Net Sales/Working Capital                                 | 5.16           | 3.18           | 62.15%     |
| (i) Net Profit Ratio (in %)           | Net Profit/Net Sales                                      | 11.08          | 10.11          | 9.64%      |
| (j) Return on Capital Employed (in %) | EBIT/Capital Employed                                     | 17.00          | 18.58          | -8.47%     |
| (k) Return on Investment (in %)       | Income from investments/Time weighted average investments | 2.01           | 16.73          | -88.00%    |

**NOTES TO THE FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

- (1) **Current Ratio** Decreased due to increased in debt on account of increase in current liabilities which primarily comprises of borrowings. There has been an increase in working capital loans availed during the period.
  - (2) **Debt Service Coverage Ratio** increased due to lower finance cost and principal repayments of loans during the year.
  - (3) **Net Capital Turnover Ratio** increased primarily due to decrease in inventory & trade receivables and increase of current liabilities
  - (4) **Return on Investment** decreased due to receipt of 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.
- 43. 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..
- 44.** The financial statements were approved by the Board of Directors on 3 May, 2023.
- 45.** Previous year figures have been recasted/restated wherever necessary.

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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 : 3 May, 2023

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/-  
**Subhojeet Bhattacharjee**  
Company Secretary  
M.No.A60802



## UNIT - 10

Commencement of operations at the company's new unit at Sultanpur, Telangana.



## UNIT - 1, 8 & 9 at Sanga Reddy, Mysuru & Vizag.





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