September 3, 2022

The Manager - Listing Department, National Stock Exchange of India Limited, Exchange Plaza, NSE Building, Bandra Kurla Complex, Bandra East, Mumbai- 400 051 **SYMBOL : POLYPLEX**	The General Manager - Listing Department, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 **BSE Scrip Code : 524051**

Dear Sir(s),

Ref: Regulation 34 of SEBI (LODR) Regulations, 2015

Sub: Furnishing of Notice of 37th Annual General Meeting and Annual Report for the Financial Year 2021-22.

Please find enclosed herewith a copy of the following:

a) A notice convening the 37th Annual General Meeting of the Company to be held on **Monday, September 26, 2022 at 11.00 am. through Video Conferencing / Other Audio Visual Means; and**

b) Annual Report of the Company for the Financial Year 2021-22.

Above mentioned documents have been sent on email to the members of the Company.

We are also arranging to upload aforesaid Notice and Annual Report on the website of the Company i.e. www.polyplex.com

This is for your information.

Thanking you,

Yours faithfully,
For Polyplex Corporation Limited

ASHOK KUMAR GURNANI

Digitally signed by ASHOK KUMAR GURNANI
DN: c=IN, o=Personal, title=6422, pseudonym=283ec505316f0acf1f471f070dcb22f94d9f333be992749ee5388428ef40f112, postalCode=110096, st=Delhi, serialNumber=07b62f57e55c482cc9933cae7e7e8e23f5a320bd86aca32f4b8ed38607153292, cn=ASHOK KUMAR GURNANI
Date: 2022.09.03 16:02:11 +05'30'

Ashok Kumar Gurnani
Company Secretary

Email : akgurnani@polyplex.com

Encl: as above

Notice

NOTICE is hereby given that the Thirty-seventh Annual General Meeting of the Members of Polyplex Corporation Limited will be held on Monday, September 26, 2022 at 11 a.m. (IST) to transact the following business through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility:

ORDINARY BUSINESS

1. To receive, consider and adopt: (a) Standalone Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Auditors' and Directors' thereon; and (b) Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Report of Auditors' thereon and if thought fit to pass, with or without modification(s), the following resolution(s) as **Ordinary Resolution(s):**

   a) "RESOLVED THAT the Standalone Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Reports of the Auditors' and Directors' thereon, be and are hereby received, considered and adopted."

   b) "RESOLVED FURTHER THAT the Consolidated Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 together with the Report of Auditors' thereon, be and are hereby received, considered and adopted."

2. To declare Final dividend for the Financial Year 2021-22 and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT a Final dividend at the rate of ₹ 21/- (Rupees Twenty One) per Equity Share of the face value of ₹ 10/- (Rupees Ten), as recommended by the Board of Directors of the Company, be and is hereby declared for the Financial Year ended March 31, 2022."

3. To appoint a Director in place of Mr. Sanjiv Chadha (DIN : 00356187) who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Sanjiv Chadha (DIN : 00356187), who retires by rotation at this meeting and being eligible having offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

4. To appoint Auditors and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, M/s. S S Kothari Mehta & Co., Chartered Accountants, New Delhi (Firm Registration No. 000756N) be and are hereby re-appointed as Auditors of the Company for a term of five years to hold office from the conclusion of Thirty-seventh Annual General Meeting until the conclusion of Forty–second Annual General Meeting of the Company, at such remuneration as may be determined by the Board of Directors of the Company based on the recommendations of the Audit Committee, in addition to applicable taxes and reimbursement of all out of pocket expenses in connection with the audit of accounts of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration of ₹ 3,67,500/- excluding applicable taxes and reimbursement of actual out of pocket expenses, payable to M/s. Sanjay Gupta & Associates, Cost Accountants, (Firm Registration No. 000212), Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year 2022-23, be and is hereby approved and ratified."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations), consent of the Members be and is hereby accorded for entering into and / or continuing to enter into transactions by and between Polyplex (Thailand) Public Company Limited, a direct subsidiary and Polyplex USA LLC, a step down subsidiary, for Sale /Purchase of Plastic Films, Chips, Raw Material, stores & spares, other services, capital equipment and reimbursement of expenses upto an aggregate value of ₹ 1,000 Crore (US Dollars 126 Million approximately) for the financial year April 1, 2022 to March 31, 2023.

   RESOLVED FURTHER THAT the Audit Committee of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient, and also to settle any issue, question, difficulty or doubt that may arise in this regard."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations), consent of the Members be and is hereby accorded for entering into and / or continuing to enter into transactions by and between Polyplex (Thailand) Public Company Limited, a direct subsidiary and Polyplex USA LLC, a step down subsidiary, for Sale /Purchase of Plastic Films, Chips, Raw Material, stores & spares, other services, capital equipment and reimbursement of expenses upto an aggregate value of ₹ 1,000 Crore (US Dollars 126 Million approximately) for the financial year April 1, 2023 to March 31, 2024.

RESOLVED FURTHER THAT the Audit Committee of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, proper or expedient, and also to settle any issue, question, difficulty or doubt that may arise in this regard."

By Order of the Board of Directors
For Polyplex Corporation Limited

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS-2210

Date : August 12, 2022
Place : Noida

Regd. Office: Lohia Head Road,
Khatima - 262308,
Distt. Udham Singh Nagar,
Uttarakhand

NOTES:

1. In view of the Ministry of Corporate Affairs (MCA) Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021 and Circular No. 21/2021 dated December 14, 2021 and Circular No. 02/2022 dated May 5, 2022 in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" (collectively referred to as "MCA Circulars") read with SEBI Circulars vides Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022 in relation to relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Circulars") due to CoVID-19 pandemic, Companies are permitted to hold their AGM through Video Conferencing (VC) / Other Audio Visual Mode (OAVM) without the physical presence of the Members at a common venue. The deemed venue for the 37th AGM shall be the Registered Office of the Company.

2. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA/SEBI circulars the Annual General Meeting of the company being conducted through VC/ OAVM hereinafter called as "e-AGM".

3. **e-AGM:** Company has appointed KFin Technologies Limited, Registrars and Transfer Agents, to provide Video Conferencing (VC) / Other Audio Visual Mode (OVAM) facility for the Annual General Meeting and attendant enablers for conducting of the e-AGM.

4. Pursuant to the provisions of the aforesaid MCA and SEBI Circulars:

   (a) Members can attend the meeting through login credentials provided to them to attend the e-AGM through VC/OAVM. Physical attendance of the Members at the meeting venue is not required;

   (b) Facility of appointment of proxy(ies) to attend and cast vote on behalf of the member is not available;

   (c) Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting;

   (d) Notice of e-AGM and Financial Statements (including Boards' report, Auditors' report or other documents required to be attached therewith) for the financial year 2021-22 are being sent only through email to all Members (i.e. based on Benpos report on cut-off date) and to all other persons so entitled on their registered email id with the company. Annual Report containing Notice, Financial Statements and other documents are also available on the websites of BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com), where the Company's shares are listed and the same is also available on the website of the Company (www.polyplex.com);

   (e) The Company is providing two way teleconferencing facility for the ease of participation of the members; and

   (f) Recorded transcript of the meeting shall be uploaded on the website of the Company and the same shall also be maintained in safe custody of the Company.

5. The Members may join the e-AGM 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
6. Atleast 1,000 members will be able to join on a First-cum-first-served basis to the e-AGM.
7. 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 and Stakeholders Relationship Committee, Auditors etc. may be allowed to attend the meeting without restriction on account of first-come-first principle.
8. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ('the Act').
9. Explanatory Statement pursuant to Section 102 of the Act, relating to the Special Business under Item No. 5 and 6 to be transacted at this e-AGM, is annexed.
10. The Register of Members and Share Transfer Books of the Company will remain close from September 24, 2022 to September 26, 2022 (both days inclusive).
11. All documents referred to in the accompanying Notice and the Explanatory Statement and other statutory registers will be available for inspection during the e-AGM. Members may access the same by writing to the Company at its email id investorrelations@polyplex.com.
12. The dividend declared at the meeting will be made payable on or after September 26, 2022 to those Members, whose names are on the Register of Members as Beneficial Owners as at the end of business on September 23, 2022 as per the lists to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form and to Members in the Register of Members of the Company after giving effect to valid share transfers/ transmission/transposition in physical form lodged with the Company on or before September 23, 2022.
13. Pursuant to the changes made in Income Tax Act, 1961 (IT Act) by the Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS")/ withholding tax from dividend paid to the Members at rates prescribed in the IT Act. To enable the Company to comply with the TDS requirements, Members are requested to complete and / or update their Residential Status, Income Tax PAN, Category as per the IT Act with their Depository Participants and in case shares are held in physical form send their self-attested/ notorized documents to the Company at B-37, Sector-1, NOIDA, Uttar Pradesh-201301 or its Registrars and Transfer Agents namely KFin Technologies Limited.

I. FOR RESIDENT SHAREHOLDERS:

For resident shareholders, generally, the tax will be deducted at source under Section 194 of the IT Act @ 10% on the amount of dividend, provided a valid Permanent Account Number ('PAN') is provided by the shareholder. If PAN is not submitted or in case of invalid PAN, tax would be deducted at a higher rate of 20% as per Section 206AA of the IT Act.

a. Resident individual shareholders: No tax shall be deducted on the dividend payable to resident individuals, if

i. Total dividend to be distributed or paid or likely to be distributed or paid by the Company to the shareholder during the Financial Year 2022-23 does not exceed ₹ 5,000/-;

ii. The shareholder provides a written declaration in prescribed Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), subject to all eligibility conditions being met. As per Section 206AA of the IT Act, the declaration would not be valid if it does not contain PAN of the person making the declaration. If the recipient makes a declaration without his / her PAN, TDS would be deducted @ 20% as per Section 206AA of the IT Act.

Click here to download- Form 15G

Click here to download- Form 15H

b. Resident Shareholders other than individuals: In case of a certain class of resident shareholders other than individuals who are covered under provisions of Section 194 or Section 196 or Section 197A of the IT Act, no tax shall be deducted at source ('NIL rate'), provided sufficient documentary evidence thereof, along with exemption notification, if any, as per the relevant provisions of the IT Act, to the satisfaction of the Company, is submitted. This illustratively includes following:

i. Insurance Companies: a declaration that it has a full beneficial interest with respect to the shares owned by it along with a self-attested copy of PAN card.

ii. Mutual Funds: Self-declaration that they are specified and covered under Section 10 (23D) of the IT Act along with a self-attested copy of PAN card and SEBI registration certificate.

iii. Alternative Investment Fund (AIF): AIF established/incorporated in India - Self-declaration that its income is exempt under Section 10 (23FBA) of the IT Act and they are governed by SEBI Regulations as Category I or

Category II AIF along with a self-attested copy of the PAN card and registration certificate.

iv. **Corporations established by or under a Central Act:** Corporations which are under any law for the time being in force, exempt from income-tax on its income: Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the IT Act along with a self-attested copy of the PAN card and registration certificate.

v. **Other Resident Non Individual Shareholders:** Shareholders who are exempted from the provisions of TDS as per Section 194 of the IT Act and who are covered under Section 196 of the IT Act shall also not be subjected to any TDS, provided they submit an attested copy of the PAN along with the documentary evidence in relation to the same.

Application of Nil rate at the time of tax deduction / withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by such shareholders. Notwithstanding anything contained above, in case where the shareholders provide a certificate under Section 197 of the IT Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered, based on submission of self-attested copy of the same.

II. NON-RESIDENT SHAREHOLDERS OR FOREIGN COMPANIES ('Non-resident payee')

a. Tax is required to be withheld in accordance with the provisions of Section 195 of the IT Act at applicable rates in force. As per the said provision, the tax shall be withheld @ 20% plus applicable surcharge and cess on the amount of dividend payable. However, as per Section 90 of the IT Act, a non-resident payee has the option to be governed by the provisions of the Double Tax Avoidance Agreement ('DTAA') read with Multilateral Instrument ('MLI'), if applicable, between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder. For this purpose, i.e. to avail the DTAA benefits read with MLI (if applicable), the non-resident shareholder will have to provide certain documents, namely:

i. Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax authorities;

ii. Self-attested copy of Tax Residency Certificate ('TRC') obtained from the tax authorities of the country of which the shareholder is resident, valid as on date of payment;

iii. Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC; and

iv. Self-declaration by the non-resident payee containing such particulars/ confirmation as would be relevant to be governed by and/ or avail benefits, if any, under the applicable DTAA read with MLI.

Form 10F duly filed with income tax department. Physical Form 10F will not be considered in view of Notification No.03/2022 dt.16.7.2022 issued by CBDT, Ministry of Finance.

Click here to download - Self declaration

Application of beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts will depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non-resident payee. If required, the documents may further be corroborated by supporting's such as opinion from an accounting firm or a law firm which categorically confirms the eligibility of the shareholder to obtain DTAA benefits particularly pertaining to the lower rate of taxation of dividends prescribed under the specific article of the DTAA read with MLI.

b. **Dividend paid to Foreign Institutional Investors (FII) and Foreign Portfolio Investors (FPI) -** Taxes shall be withheld at 20% plus applicable surcharge and cess or DTAA rate whichever is beneficial in accordance with the provisions of Section 196D of the IT Act provided such FII/ FPI provides PAN, Self-Declaration and self-attested copy of SEBI registration certificate, in addition to the documents mentioned in para II (a) above.

c. **In case of Non-resident members who are Alternative Investment Funds -** Category III located in International Financial Services Centre, taxes shall be withheld at 10% plus applicable surcharge and cess in accordance with the provisions of Section 196D of the IT Act, subject to furnishing of a self-declaration.

d. In case the members are covered under Section 10(23FE) of the IT Act, no tax shall be deducted where the member submits copy of the notification issued by CBDT substantiating the applicability of Section 10(23FE) of the IT Act issued by the Government of India along with self-declaration that the conditions specified in Section 10(23FE) of the IT Act have been complied with.

e. **Tax resident of any notified jurisdictional area -** Where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under Section 94A(1) of the IT Act, tax will be deducted at source at the rate of 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such shareholder in accordance with Section 94A(5) of the IT Act.

Notwithstanding anything contained above, in case where a shareholder provides a certificate under Section 197 of the IT Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

III. PROVISIONS APPLICABLE FOR ALL CATEGORIES OF MEMBERS

a. Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

b. If the dividend is chargeable to tax in the hands of any other person other than the registered shareholder, then a declaration to that effect is required to be submitted in terms of Section 199 of the Act read with Rule 37BA of the Income Tax Rules. On such submission, the Company will deduct tax in the name of such person.

c. **Introduction of Section 206AB applicable to all members (resident and non-resident)**

Effective from 1st July 2021, Finance Act, 2021 has inserted Section 206AB of the IT Act as a special provision for TDS in respect of non-filers of income-tax return whereby tax has to be deducted at twice the rate specified in the relevant provision of the Act.

Section 206AB(1) of the IT Act provides that where TDS is required to be deducted under Chapter XVIIB, other than Sections 192, 192A, 194B, 194BB, 194LBC or 194N on any sum or income or amount paid or payable or credited, by a person to a specified person, the tax shall be deducted at the higher of the below rates:-

a. at twice the rate specified in the relevant provision of the Act; or

b. at twice the rate or rates in force; or

c. at the rate of 5%.

Further, sub section (2) of Section 206AB provides that where Sections 206AA and 206AB are applicable, i.e. the specified person has not submitted the PAN as well as not filed the income tax return (and the TDS/ TCS for both the years exceeds ₹ 50,000); the tax shall be deducted at the aforementioned higher rate.

The term ‘specified person’ is defined in sub-section (3) of Section 206AB who satisfies the following conditions:

a. A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the IT Act has expired; and

b. The aggregate of TDS and TCS in his case is ₹ 50,000/- or more in each of these two previous years.

c. The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

The Income Tax Department has also released a Compliance Check Functionality to determine whether a payee is a ‘specified person’ under Section 206AB of the IT Act and the Company would be relying on the report generated from the said facility for compliance with Section 206AB of the IT Act.

a. To enable the Company, to determine the appropriate TDS / withholding tax rate, the aforementioned documents are required to be uploaded with the Registrar and Share Transfer Agent viz. KFin Technologies Limited (“RTA”) at https://ris.kfintech.com/form15 not later than **September 24, 2022**. No communication on the tax determination / deduction shall be entertained thereafter.

b. In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / correct documents on time, shareholder would still have an option of claiming refund of the higher tax paid while filing income tax return.

c. TDS certificate will be sent to shareholders at registered email ID in due course.

14. Pursuant to Section 124(5) of the Act, amount of unpaid / unclaimed dividends upto Financial Year 2013-14 have been transferred to Investor Education and Protection Fund (IEPF) (established by the Government of India). In respect of these transfers no claim lies against the Company. However, dividends could be claimed from IEPF.

15. Shareholders are advised in their own interest to claim the unclaimed dividend for the Financial Year 2014-15 onward, details whereof are given hereunder failing which all unclaimed dividends shall be transferred to the IEPF within the time prescribed under the law.

Financial Year	Dividend	Dividend per share (in ₹) of the face value of ₹10/- each	Declared on/ Record Date
2014-15	25% Final	2.50	28.09.2015
2015-16	30% Final	3.00	29.09.2016
2016-17	30% Interim	3.00	14.11.2016
2016-17	40% Final	4.00	11.09.2017
2017-18	50% Interim	5.00	14.11.2017
2017-18	300% Second Interim (Special)	30.00	30.05.2018
2017-18	50% Final	5.00	29.09.2018
2018-19	100% Interim	10.00	14.11.2018
2018-19	310% Second Interim (Special)	31.00	17.05.2019
2018-19	100% Final	10.00	05.09.2019
2019-20	110% Interim	11.00	14.11.2019
2019-20	60% Final	6.00	31.08.2020
2020-21	320% Interim	32.00	14.08.2020
2020-21	150% Second Interim	15.00	09.11.2020
2020-21	1000% Third Interim (Special)	100.00	09.02.2021
2020-21	170% Final	17.00	29.09.2021
2021-22	330% Interim	33.00	14.08.2021
2021-22	150% Second Interim	15.00	14.11.2021
2021-22	350% Third Interim (Special)	35.00	14.02.2022

The Company has uploaded the details of unpaid/unclaimed dividend lying with the Company on the website of the Company www.polyplex.com and on the website of the Ministry of Corporate Affairs (MCA) along with Form IEPF-2.

16. **Transfer of Unclaimed Shares to Investor Education and Protection Fund :** Pursuant to Section 124(6) of the Act and the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the 'Rules') notified by the Ministry of Corporate Affairs (MCA), as amended, all shares in respect of which dividend has remained unpaid/unclaimed by the shareholders for seven consecutive years or more are required to be transferred to the Investor Education and Protection Fund (IEPF).

During the Financial Year 2021-22, public notice(s) in newspapers and individual notices have been published/ sent to the concerned shareholders whose shares were liable to be transferred to IEPF under the said Rules for taking appropriate action and full details of such shareholders and shares due for transfer to IEPF Authority have also been uploaded on Company's website at www.polyplex.com.

During the Financial Year 2021-22, pursuant to Section 124(6) of the Act, Company has transferred 4,948 Equity Shares to IEPF Authority.

Shareholders may note that both the unclaimed dividends and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e. an application in Web Form IEPF 5) prescribed in the Rules for Refund of shares / dividend etc. for more details shareholders may refer website of IEPF Authority http://www.iepf.gov.in.

During the Financial Year 2021-22, pursuant to the said Rules, IEPF Authority approved / transferred 400 numbers of equity shares of the Company to the claimant(s) and their dividends lying IEPF Authority. As at the end of financial year 2,69,666 numbers of equity shares were lying with IEPF Authority.

The voting rights on such unclaimed shares shall remain frozen till the rightful owner claims the shares.

Further, as required by Regulation 39(4) of the Listing Regulations, the Company has opened a demat account with a Depository Participant in the name of "Polyplex Corporation Limited - Unclaimed Suspense Account to which all the unclaimed shares have been transferred in terms of the requirements of the said Regulations. Details of aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the year end were 25 shareholders' holding 5,200 numbers of equity shares.

The voting rights on such unclaimed shares also remain frozen till the rightful owner claims these shares.

17. Members are requested to update their mobile nos and e-mail addresses, with the Company/Registrar & Transfer Agent and Beneficial Owners of shares are requested to update their mobile nos. and email addresses with their respective Depository Participants for receiving the Report and Accounts, Notices etc. in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, Government of India.

    Members holding shares in physical form are requested to notify to the Company or its Registrar and Share Transfer Agent viz. KFIN Technologies Limited, Hyderabad for change/ correction in their address, updation of their Income Tax PAN Number, Bank Account details etc. quoting their folio number in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.

    Members holding shares in dematerialized form are requested to notify to their Depository Participant, change/ correction in their address/ Bank Account particulars etc., as the Company uses the information provided by the Depositories in respect of shares held in demat form.

18. Nomination Facility: Section 72 of the Act, extends the nomination facility to individual shareholders of the Company. Therefore, shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH-13, (available on Company's website www.polyplex.com) which may be downloaded from the website of the Company. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. However, in case of shareholding in demat account, the shareholders should approach their respective Depository Participants for making nominations.

19. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also available on the website of the Company.

20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; and Transposition.

    Accordingly, Shareholders 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. For Transmission cases shareholders are requested to submit Form ISR-5 as specified vide SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.

21. Details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard – 2, in respect of Directors seeking appointment/ reappointments at the e-AGM are separately annexed hereto.

22. Remote e-Voting : Pursuant to Section 108 of the Act read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on all resolutions set forth in this Notice. The Company has fixed September 19, 2022 as "cut-off" date to record the entitlement of shareholders to cast their vote on the agenda items of the 37th Annual General Meeting (AGM). The remote e-Voting period will commence on September 23, 2022 (from 9.00 a.m. IST) and will end on September 25, 2022 (upto 5:00 p.m. IST). Members who cast their vote by remote e-voting may also attend the e-AGM but shall not be entitled to cast their vote again. Members as on aforesaid cut-off date who are unable to cast their vote electronically would be entitled to cast their vote at the e-AGM. A separate enclosure, which forms an integral part of this Notice, giving detailed procedure and instructions for remote e-voting is enclosed.

Procedure for obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories or with RTA on physical folios:

In terms of the MCA Circular and SEBI Circulars, the Company is sending the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email address registered by following the procedure given below:

1. Shareholders may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited in case shares are held in physical form.

2. Shareholders who have not registered their email address and in consequence the Annual Report, Notice of e-AGM and e-voting notice could not be serviced, may temporarily get their email address and mobile number provided with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, by clicking the link: https://karisma.kfintech.com/emailreg for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User Id and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.

3. Shareholders may also be requested to visit the website of the Company www.polyplex.com or the website of the Registrar and Transfer Agent https://evoting.karvy.com/public/Downl for downloading the Annual Report and Notice of the e-AGM.

4. Alternatively member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of e-AGM and the e-voting instructions.

Instructions for the Members for attending the e-AGM through Video Conference:

1. Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by KFin Technologies Limited. Members may access the same at https://emeetings.kfintech.com/ under shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/members login where the EVENT and the name of the company can be selected. Please note that the members who do not have the User Id and Password for e-Voting or have forgotten the User Id and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.

2. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

3. Further, Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

4. 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.

5. Shareholders who would like to express their views/raise queries on the official business during the AGM, may please log into https://emeetings.kfintech.com and click on the tab 'Post Your Queries' to post their queries/views/questions in the window provided therein by mentioning their e-mail id and mobile number. The window for posting queries/questions/views will remain open **from September 21, 2022 (9.00 am IST onwards) to September 23, 2022 (till 5.00 pm IST).**

6. Members who wish to speak at the AGM may log into https://emeetings.kfintech.com and click on the tab "Speaker Registration" by mentioning their e-mail id, mobile number and city. The speaker registration will commence at **from September 21, 2022 (9.00 am IST onwards) to September 23, 2022 (till 5.00 pm IST).**

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act)

Item No. 5

The Board of Directors of the Company (The Board) on the recommendations of the Audit Committee, have approved appointment of M/s. Sanjay Gupta & Associates, Cost Accountants, New Delhi (Firm Registration No. 000212) as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2022-23 at the remuneration provided in the said resolution.

As provided in Section 148 of the Act, read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 5 of the accompanying Notice for approval of the Members.

Item No.6 & 7

As the Members may be aware the Securities and Exchange Board (SEBI) of India have made certain amendments in provisions concerning 'Related Party Transactions' in the SEBI (LODR) Regulations, 2015 ('Listing Regulations'), which have come into effect from April 1, 2022. These amendments have *inter alia*, widened the scope of 'related party' and 'related party transactions' etc. One such amendment relates to seeking approval of the Members of the Company in respect of 'material related party transactions' inter se between two subsidiaries of the Company.

The Board of Directors of the Company, on the recommendations of the Audit Committee have approved the seeking of the approval of the members in respect of 'material related party transactions' as required by Regulation 23 of the Listing Regulations, between two such subsidiary companies viz Polyplex (Thailand) Public Company Limited (Polyplex Thailand) and Polyplex USA LLC (Polyplex USA). Polyplex Thailand is a direct subsidiary of the Company and Polyplex USA, a step down subsidiary of the Company. These two subsidiaries have between them relationship of holding company and wholly owned subsidiary company.

The proposed resolutions pertain to entering into and / or continuing to enter into transactions involving Sale /Purchase of Plastic Films, Chips, Raw Material, stores & spares, other services, capital equipment and reimbursement of expenses by and between Polyplex Thailand and Polyplex USA.

The value of such transactions between the aforesaid two companies during the current financial and subsequent financial year(s) may exceed the threshold limit of 10% of the consolidated turnover of the Company for the preceding financial year, prescribed under the aforesaid Regulations. Hence it is proposed to seek the approval of the members to entering into and / or continuing to enter into transactions upto a sum of ₹ 1,000 Crore (US Dollars 126 Million Approx.) for each of the financial years viz. 2022-23 and 2023-24.

Pricing for the products/services will be benchmarked to similar transactions with unrelated parties, in the ordinary course of business and on arm's length basis, with adjustments for commercial terms as may be necessary with a credit period not exceeding 180 days.

Additional information pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/ 2021/662 dated November 22, 2021 is provided hereunder:

Sr. No.	Particulars	Details
1	Name of the related parties	Polyplex (Thailand) Public Company Limited, Thailand ('Polyplex Thailand') a Direct Subsidiary Company; and Polyplex USA LLC, USA ('Polyplex USA') a Step-down Subsidiary Company
2	Nature of relationship	Polyplex USA is wholly owned subsidiary of Polyplex Thailand
3.	Nature and material terms of the transaction	Sale /Purchase of Plastic Films, Chips, Raw Material, stores & spares, other services, capital equipment and reimbursement of expenses Pricing for the products/services will be benchmarked to similar transactions with unrelated parties, in the ordinary course of business and on arm's length basis, with adjustments for commercial terms as may be necessary with a credit period not exceeding 180 days.
4	Tenure of the transaction	Financial Year 2022-23 and 2023-24
5	Nature of concern or interest	Company has 51% stake in Polyplex Thailand and Polyplex USA is a wholly owned subsidiary of Polyplex Thailand.
6	Value of the transactions	₹ 1,000 Crore (US Dollars 126 Million Approx.) for each of the financial years 2022-23 and 2023-24.
7	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction	15.10%
8	Justification as to why the related party transaction is in the interest of the Company	Polyplex Thailand produces a variety of Plastic/Polyester Films at its manufacturing Plant at Thailand, which have a good demand in the North America markets where Polyplex USA, a wholly owned subsidiary of Polyplex Thailand and a step-down subsidiary of the Company, has an established base for over 15 years. It becomes therefore natural for Polyplex USA to procure quality material in bulk from Polyplex Thailand for catering to its large base of customers in this market, in comparatively smaller quantities and at a shorter notice. Subject transactions are in the ordinary course of business and in the interest of the Company / its subsidiaries.
9	Details of valuation or other external party report, if such report has been relied upon	The actual pricing of products/services would depend on the prices negotiated in accordance with the normal commercial terms on arms' length basis.
10	Any other information that may be relevant	Nil

None of the Directors or Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board of directors recommends the Ordinary Resolution as set out at Item No. 6 & 7 of the accompanying Notice for approval of the members.

By Order of the Board
For Polyplex Corporation Limited

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS-2210

Date : August 12, 2022
Place : Noida

Notes on Directors seeking appointment / re-appointment pursuant to Regulation 36(3) of the Listing Regulations and additional Information required by Secretarial Standard -2 (SS-2) issued by Institute of Company Secretaries of India is as under:

Particulars/ Names	Mr. Sanjiv Chadha
Date of Birth	03-Sep-1956
Date of Appointment	17-June-2005
Qualification	B.Arch (IIT-KGP), M.S(Arch), Illinois, USA
Expertise in specific functional areas	General Management
Directorship of other companies (excluding Foreign Companies and Section 8 Companies)	Nil
Chairmanship/ Membership of Committees of other Public Companies :	
Audit Committee	Nil
Stakeholders Relationship Committee	Nil
Nomination and Remuneration Committee	Nil
Number of shares held in the company in his own name	4,000
Number of Board Meetings attended during 2021-22	3 out of 6
Remuneration drawn during Financial Year 2021-22	Sitting fees ₹ 1.50 Lakh
Directors' inter se relationship with other Directors/Key Managerial Personnel	Not related to any other Director or KMP

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

The procedure and instructions for e-voting are as follows:

A. Login method for remote e-Voting for Individual shareholders holding securities in demat mode

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, e-voting process has been enabled to all individual shareholders who hold shares in dematerialized form, by way of single login credential, through their demat accounts on the websites of Depositories/ e-voting service provider in order to increase the efficiency of the voting process.

Accordingly, the shareholders would be able to cast their vote without having to register again with the e-voting service provider (ESP). Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. **User already registered for Internet-based Demat Account Statement (IDeAS) facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. **User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1 3. **Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. 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. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFin. V. On successful selection, you will be redirected to KFin e-Voting page for casting your vote during the remote e-Voting period.

<table>
<tr><th>Type of shareholders</th><th>Login Method</th></tr>
<tr><td>Individual Shareholders holding securities in demat mode with CDSL</td><td>1. Existing user who have opted for Easi / Easiest
I. Visit URL: https://web.cdslindia.com/myeasi/home/login
or URL: www.cdslindia.com
II. Click on New System Myeasi
III. Login with your registered user id and password.
IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFin e-Voting portal.
V. Click on e-Voting service provider name to cast your vote.
2. User not registered for Easi/Easiest
I. Option to register is available at
https://web.cdslindia.com/myeasi/Registration/EasiRegistration
II. Proceed with completing the required fields.
III. Follow the steps given in point 1
3. Alternatively, by directly accessing the e-Voting website of CDSL
I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin
II. Provide your demat Account Number and PAN No.
III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
IV. After successful authentication, user will be provided links for the respective ESP, i.eKFin where the e- Voting is in progress.</td></tr>
<tr><td>Individual Shareholder login through their demat accounts / Website of Depository Participant</td><td>I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility.
II. Once logged-in, 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.
III. Click on options available against company name or e-Voting service provider – KFin and you will be redirected to e-Voting website of KFin for casting your vote during the remote e-Voting period without any further authentication.</td></tr>
</table>

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites. Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL is given below:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B. Login method for e-voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

i) Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'

ii) Enter the login credentials (i.e., user-id & password) mentioned in email forwarded through the electronic notice. Your Folio No./ DP Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID b) For CDSL :- 16 digits beneficiary ID For Members holding shares in Physical Form:- Event No. followed by Folio Number registered with the Company
Password	Your Unique password is mentioned on the email forwarded through the electronic notice.
Captcha	Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii) After entering these details appropriately, click on "LOGIN".

iv) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting through **KFIN Technologies Limited e-Voting platform**. System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v) You need to login again with the new credentials.

vi) On successful login, system will prompt to select the E-Voting Event Number (EVEN)/Event No. 6893 for Polyplex Corporation Limited.

vii) If you are holding shares in Demat form and had logged on to "https://evoting.kfintech.com" and casted your vote earlier for any company, then your exiting login id and password are to be used.

viii) On the voting page, you will see Resolution Description and against the same the option 'FOR/ AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) as on Cut-off date under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not wants to cast, select 'ABSTAIN'.

ix) 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.

x) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote or cast the vote again. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xi) Corporate/Institutional Members (corporate/Fls/Flls/ Trust/Mutual Funds/Banks, etc.) are required to send scan (PDF format) of the relevant Board Resolution etc. to the Scrutinizer through e-mail at contact@csrsm.com with a copy to evoting@kfintech.com. The file scanned image of the Board Resolution should be in the naming format "Polyplex_EVEN No".

xii) Members can cast their vote online from September 23, 2022 (from 9.00 a.m. IST) to September 25, 2022 (upto 5.00 p.m. IST). The e-voting module shall be disabled by KFIN Technologies Limited thereafter.

Notes:

a) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") for Shareholders and e-voting user manual for Shareholders available at download section of https://evoting.kfintech.com/ or contact Mr. Rajkumar Kale of

KFIN Technologies Limited, at Toll Free Number 1800 3094 001.

b) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date, being September 19, 2022

c) Any person who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of Annual General Meeting and holds shares as on the above cut-off date may obtain the User-ID and password in the manner as mentioned below:

   i) If the mobile number of the member is registered against Folio No./ DPID Client ID, the member may send SMS:

   MYEPWD<space> E-Voting Event Number +Folio no. or

   DPID Client ID to +91-9212993399

   Example for NSDL:
   MYEPWD<SPACE>IN12345612345678

   Example for CDSL:
   MYEPWD<SPACE>1402345612345678

   Example for Physical:
   MYEPWD<SPACE>XXXX1234567890

   ii) If e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.

   iii) Member may Call KFIN Technologies Limited Toll free number

   1800 3094 001

   iv) Member may send an e-mail request to evoting@kfintech.com

   v) If the member is already registered with KFIN Technologies Limited for e-voting, he can use his existing User-ID and password for casting the vote through e-voting.

d) A member can opt for only one mode of voting i.e. either through e-voting or by Insta Poll. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Insta Poll shall be treated as invalid.

e) The Board of Directors has appointed Mr. Ravi Sharma, failing him Mr. Mahesh Rastogi, failing him Ms. Suman Pandey, Partner of M/s. R S M & Co., Company Secretaries, New Delhi as Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same.

f) The Scrutinizer(s) shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers' Report of the total votes cast in favour or against, if any, not later than 48 (forty-eight) hours of conclusion of the meeting to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or any other person authorized by him in writing shall declare the results of the voting forthwith.

g) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

h) The Results declared along with the Scrutinizers' Report shall be placed on the Company's website www.polyplex.com and on the website of RTA immediately after the results are declared by the Chairman or any other person authorized by him. The Company shall, simultaneously, forward the results to the concerned stock exchanges where its equity shares are listed.

Instructions for members for e-voting (Insta Poll) during the AGM session:

a) The e-voting "Thumb sign" on the left hand corner of the video screen shall be activated once the Insta Poll is announced at the AGM.

b) Members click on the "Insta Poll" icon to reach the resolution page and follow the instructions to vote on resolutions.

c) Only those members, who will be present in the AGM through VC/OAVM and have not casted their vote through remote e-voting are eligible to vote in Insta Poll.

Resilience Inbuilt.
Sustainability Focused.

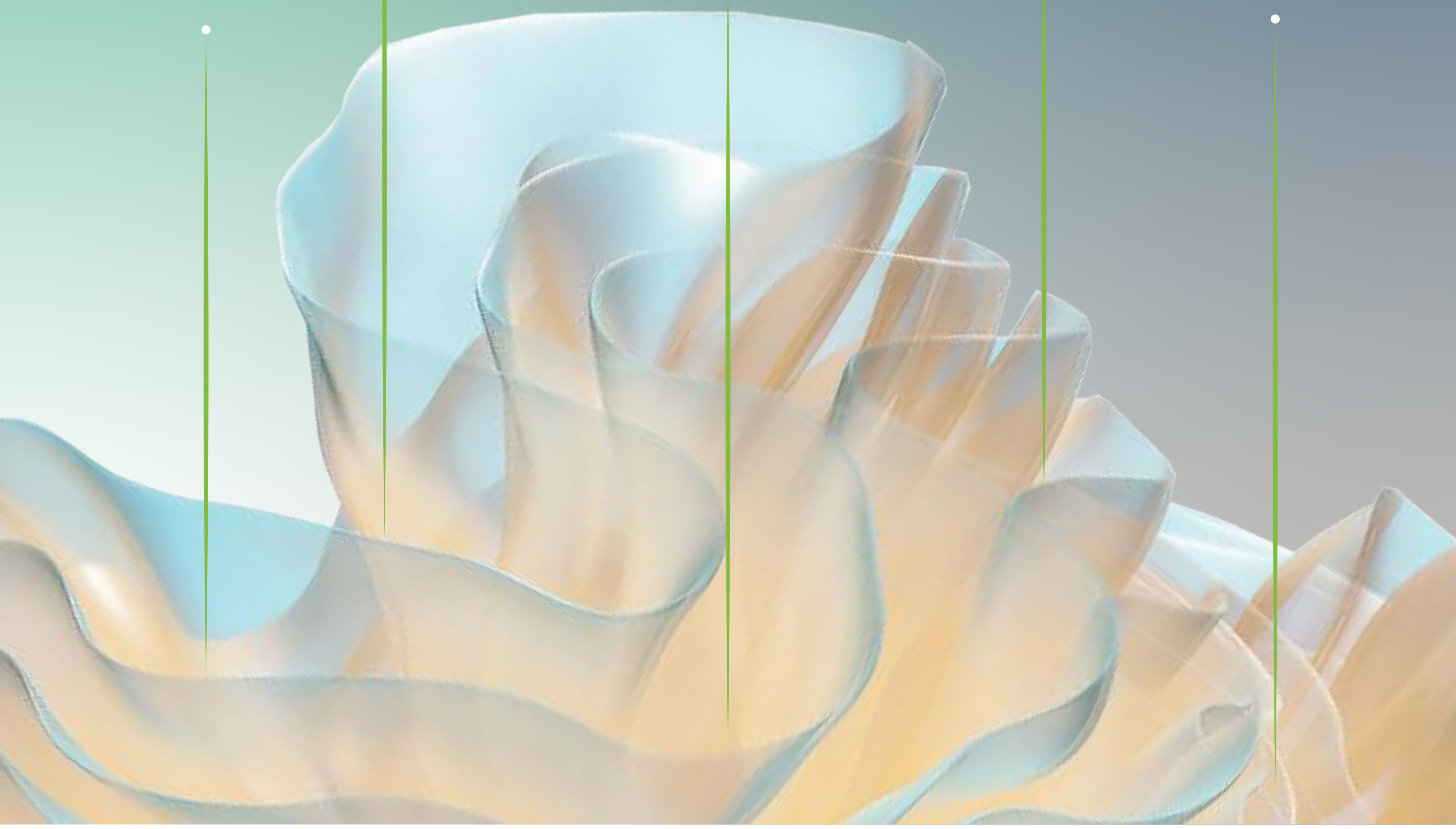
Leading
Global Player

Resilient
and Agile

Product
Diversification

Operational
Efficiency

Strong
Business Model



POLYPLEX

Annual Report 2021-22

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Highlights of FY2021-22

₹ 6,607 cr
Sales Revenue[1]
35% YoY growth

₹ 1,382 cr
Normalized EBITDA[2]
9% YoY growth

₹ 965 cr
PAT
12% YoY growth

₹ 181.19
EPS
11% YoY growth

25%
ROE[3]

27%
ROCE[4]

1 Sales Revenue: Reported sales excluding other operating revenues

2 Normalized EBITDA: EBITDA excluding impact of unrealized FX gains/(losses) on long term loans

3 ROE: PAT (Pre -Minority interest) as % to average equity incl. minorities

4 ROCE: Reported EBIT as % of Average Capital Employed; Capital Employed excludes Cash and Cash Equivalents

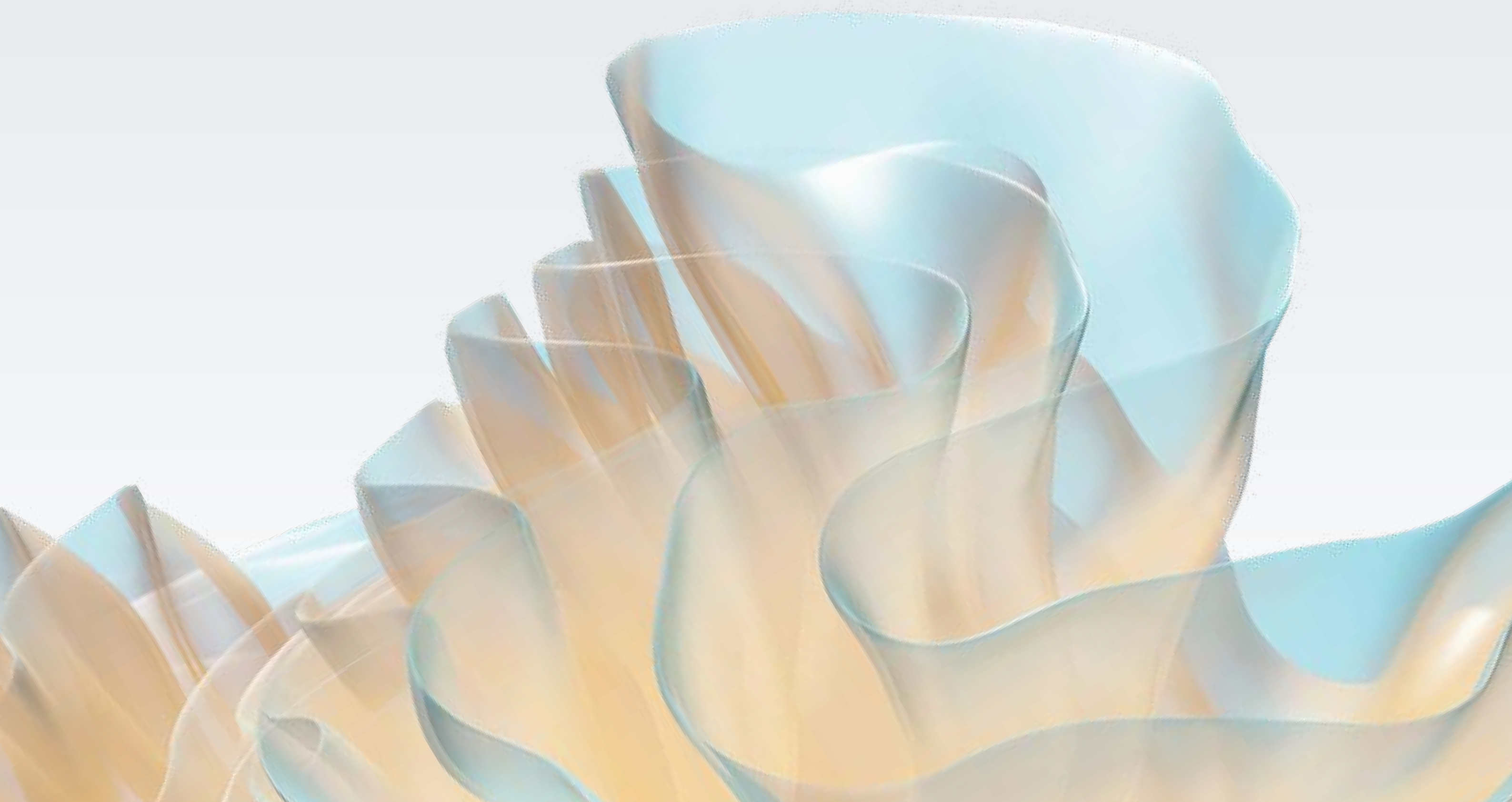
Resilience Inbuilt. Sustainability Focused.

In a challenging economic environment, fraught with supply chain disruptions and rising prices, Polyplex stood confident and achieved strong results in FY 2021-22. This success has been backed by a legacy of resilience and focus on creating sustained value.

The Company achieved nearly 100% capacity utilization, driven by operational efficiency and its continuous improvement measures including cost optimization and supply chain efficiency, among others.
In keeping with the evolving requirements of customers, Polyplex prioritized innovation to create new products across multiple applications. In addition, the Company has increased its focus on highly differentiated specialty film sales through its unique value proposition.

At Polyplex, the business model and strategy are designed to create long-term growth for all stakeholders, while contributing to the communities and protecting the planet.

The Company remains committed to environmental sustainability, employee health and safety and community development, while adhering to the highest standards of corporate governance to ensure business resilience in the future.



Polyplex at a Glance

A Leading Global Player in BOPET Films

Over the last three decades, Polyplex has established itself as one of the global leaders in plastic film. Our commitment to bring the best possible value to our customers has led us to diversify our portfolio, spanning several filmic substrates and a variety of downstream processing.

1st
Indian company to set up manufacturing facilities overseas followed by other producers

#2*
Global rank in thin BOPET film capacity, post ongoing expansion

~4,36,000 MTPA
Base film capacity, post ongoing expansion

*Excluding China

Vision

Continuously grow and create value in all businesses and establish global leadership in the plastic film business.

Mission

Creating Value for stakeholders (Investors, Customers, Employees, Community) by delivering profitable value to customers and maximizing their satisfaction.

TOGETHER WE SCORE
Seamlessness
Care
Ownership & Responsibility
Excellence

Values

Seamlessness
We leverage synergies across hierarchies, functions and locations.

Care
We value our people and are committed to their development. We take a long-term approach to all our relationships.

Ownership & Responsibility
We honor our commitments towards internal and external stakeholders.

Excellence
We stretch ourselves continuously to improve the way we work. We constantly pursue newer and better ideas, processes, products and practices.

Product Portfolio

Catering to Diverse Industries

Polyplex has been constantly growing its global customer base by creating flexible and innovative service models. The Company has incorporated various brands catering to different industries, requiring sustainable packaging solutions.

Sarafil®

Sarafil Base Films are suitable for a range of applications with their inherent properties of being clear, transparent, flexible, sealable, along with having chemical inertness, high barrier, superior mechanical properties and high heat resistance

Saracote®

The Saracote range of silicone coated films (PET/PP) are designed to provide an excellent carrier to pressure sensitive material. The typical applications are in labels, tapes, roofing shingles and peel and stick underlayment

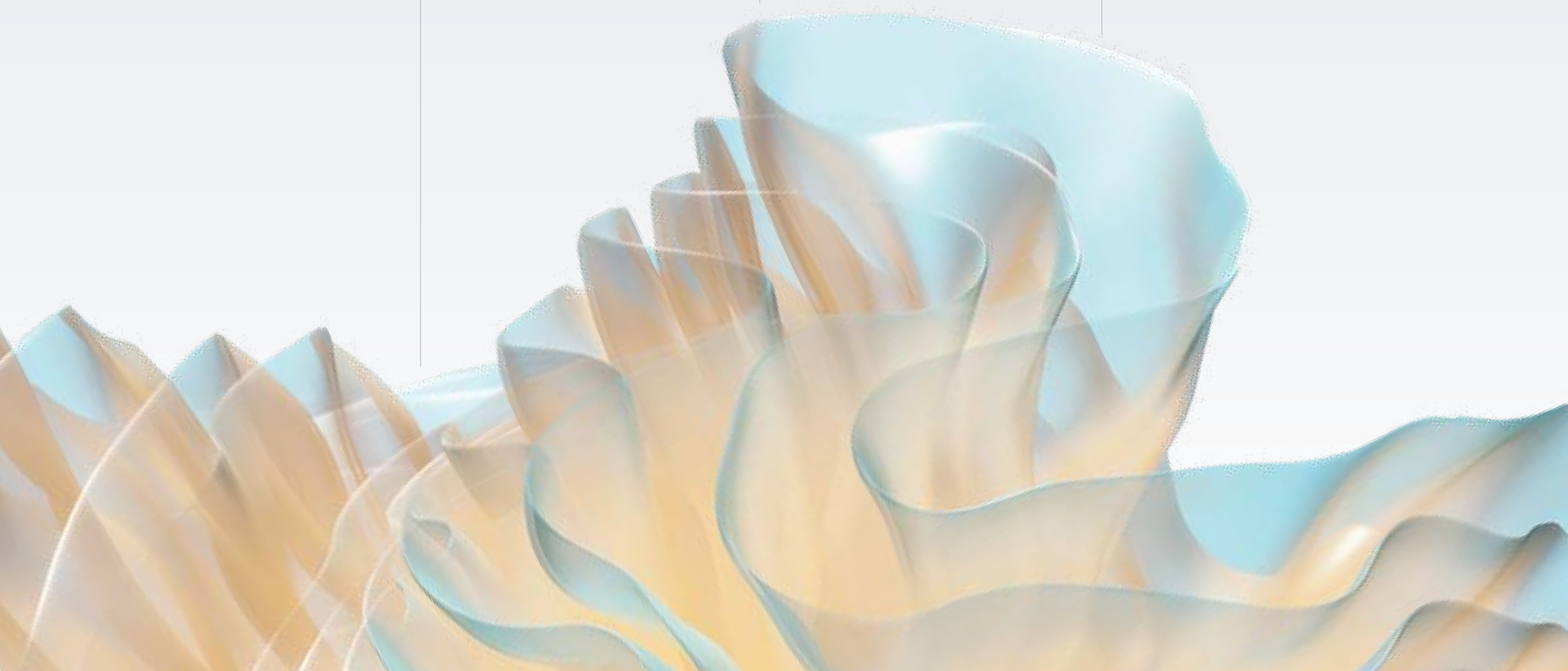
Saralam

The Saralam range of extrusion coated film products cater to a variety of end uses, such as thermal lamination products including documents, identity cards, carton lamination and wide format commercial films

Saraprint

Coloring Digitally with Innovation

Saraprint is an innovative non-tearable polyester film, designed for digital print media segment for photo album, general printing, promotional and customized digital printing, mini-offset printing and labels



Product Applications

Flexible Packaging - Food[1]

Sugar and Confectionary

Frozen Food

Snacks and Cookies

Tea and Coffee

Food Staples

Soups

Specialty

Cheese and Dairy

Cereals

Liquids

Food

Others

[1]Sarafil Thin BOPET (Primarily).

BOPP Specific

Product Portfolio

Product Applications

Flexible Packaging – Non Food[1]

Medical and Pharmaceutical

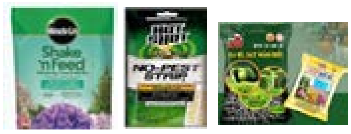
Kitchen and Home Care

Cigarettes and Tobacco

Personal Care and Hygiene

Pet Food

Garden and Outdoor



Electronics Packaging

Miscellaneous

Shrink Films

Personal Care and Hygiene

Textile Bags

Tapes

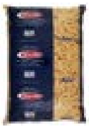
[1]Sarafil Thin BOPET, BOPP and CPP film.

BOPP Specific

CPP and Blown PP/ PE

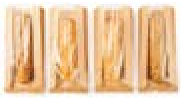
CPP

Food



Food Overwrap

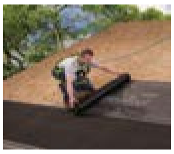
Flower Overwrap


Sealant Film

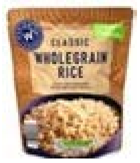

Medical


BLOWN PP

Construction Underlayment



Retort PP



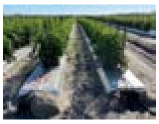
BLOWN PE

Metallized PE, Sealant, Labels and Specialty


Safety Air Bags

Container Liner

Mulch




Metal Protection


Stretch Wrap

Product Portfolio

Product Applications

Labels, Carton, Holography[1] and Paper

Labels

Carton Packaging

Direct and Transfer Metallized Paper

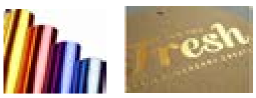
Brand Protection - Holography

[1]Sarafil Thin BOPET, BOPP

Industrial Thin Films[1]

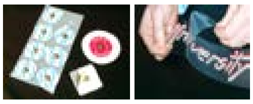
Flexible Ducting

Hot Stamping Foil

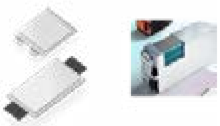


Tapes

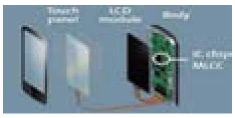
Release Liners[1,2]



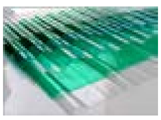
EV Battery



MLCC



Construction, FRP [1,2]



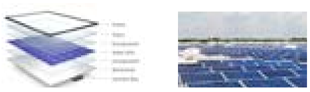
Window Films [1,2]

Electronics[1,2]

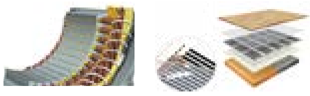
Others

Industrial Thick Films²

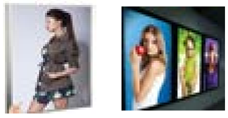
PV Solar



Electricals



Media and Decoration



Screen Protection

Face Shield

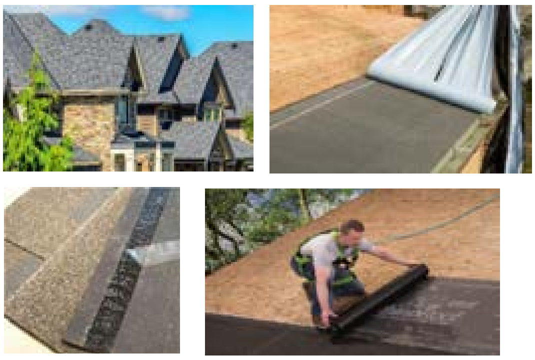
Electronic Liner

¹ Sarafil Thin BOPET; ² Sarafil Thick BOPET

Downstream

SARACOTE

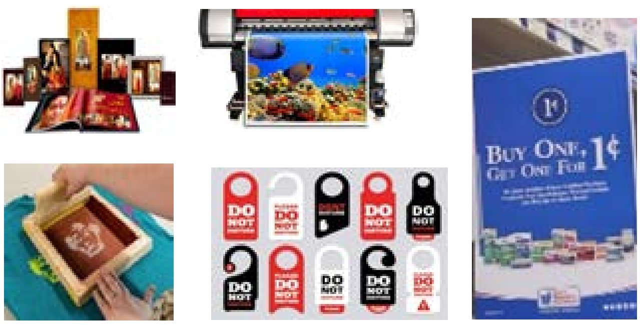
Construction



Release Liners

Saralam

Saraprint



Global Presence

Widening Geographical Reach

The Company is able to serve its customers in a timely and cost efficient manner, due to its strategically located integrated manufacturing facilities. To further broaden its global customer base, it focuses on expanding into new geographies and diversifying in existing ones.

The strength of Polyplex lies in our unique value proposition, which caters to countries across the globe through extensive sales and distribution network in key demand centres.

Polyplex is

Ranked #2

Globally (ex-China) in Thin BOPET Film Capacity[1]

[1] Including capacity under implementation

Map not to scale

Group Manufacturing Locations
Warehouses
Trading Company/Representative Office

Milestones

Decades of Excellence

Since its inception, the Company has been a forerunner in the industry, and has stayed ahead of the competition by leveraging its ability to identify and capitalize on opportunities.

1988

- Polyplex Corporation Limited was publicly listed
- We introduced the first Thin BOPET film line in Khatima, India

1996/1997

Established the first resin plant and expanded the Thin BOPET film line capacity in Khatima, India

2002

Procured the first metallizer in Khatima, India

2003

Established the first and second Thin BOPET film lines in Thailand

2004

Publicly listed Polyplex Thailand Limited (PTL)

Added resin capacity in Thailand

2005

Introduced the first Thin BOPET film line in Turkey

2006/2007

- Acquired Spectrum Marketing for warehousing and distribution of Polyplex products in the USA
- Introduced the first silicone coating line in Khatima, India
- Added resin capacity in Turkey

2008

- Introduced the first extrusion coating line in Thailand
- Expanded Thin BOPET film in Turkey

2010

- Introduced BOPP and new BOPET film line in Bazpur, India
- Procured a CPP line for Thailand facility

2012

Introduced the first silicone coating line in Thailand

2013

- Expanded manufacturing operations to North America with a plant in Decatur, USA
- Introduced 'Ecoblue', a recycling plant in Thailand
- Introduced the second extrusion coating line in Thailand

2014

Started offline coaters (OLC) in Turkey and India

2018

- Started holography operations in India
- Expanded Blown Film line in Thailand to cater to the growing demands for products

2019/2020

- TMP in Bazpur, India
- Started manufacturing operations in Indonesia
- Expanded OLC along with holography business in Khatima, India
- Expanded coating business in Thailand
- Inception of holography business in Turkey

2021

- Started a new BOPP film line in Indonesia
- Expanded Blown film line in Thailand
- Introduced a batch resin plant in Turkey
- Procured a new metallizer in India and Indonesia
- Started holography business in Thailand

2022

- Expanded recycling unit in Thailand
- Further upgraded batch resin in Thailand
- Established OLC-2 and Blown line in Turkey

2023

New PET film Line and offline coater in USA

Investment Case

A Differentiated Value Proposition

For decades, Polyplex has been winning trust of its investors by delivering consistent performance, year-after-year. The Company's well-diversified business, sustained and profitable growth, consistent innovation and focus on sustainability have been instrumental in its long-term success.

Strong Global Position

With over 34 years of experience, Polyplex has established a distinct position in the global PET film industry by consistently expanding and diversifying its product portfolio, expanding its presence, and broadening the customer base across a wide range of applications.

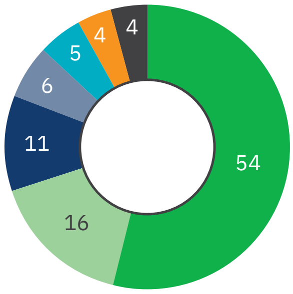
10%

Global market share (Ex-China) in thin BOPET films

Well-Diversified Business Profile

The business is diversified in terms of manufacturing capacities and revenue contribution across geographies and product applications. The differentiated product application and customer (D-PAC) approach enabled Polyplex to create a niche for itself in the thin BOPET film industry.

Product Breakdown[1] (%)



Thin PET
Downstream
BOPP
Thick PET
PET Resin*
CPP/Blown
Other

*Includes Recycled Resin
[1]FY22 Revenues

Across a Wide Range of Applications

Packaging

Food and Beverage

Labels

Beauty, Personal and Home Care

Healthcare and Pharma

Industrials

Electrical and Electronic

Building and Construction

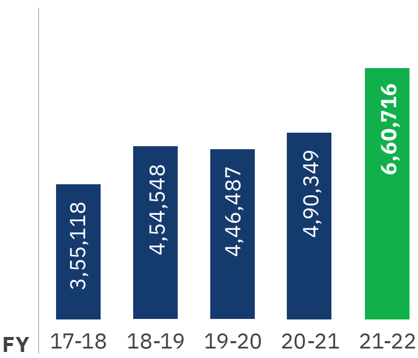
Film for Liners, PV and LiB for EV

Digital

Stable and Profitable Growth

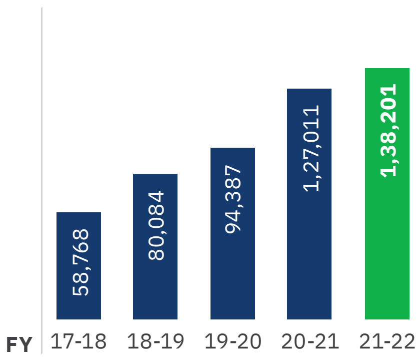
The Company's conviction and agile adaptation to the evolving economic landscape led to profitable growth and consistent cash generation, which enabled it to deliver steady returns to shareholders. As always, Polyplex is driven to maximize returns with the right strategy and effective execution.

Sales Revenue[1] (₹ in Lakh)



35% YoY growth | 17% (5-year CAGR)

Normalized EBITDA[2] (₹ in Lakh)



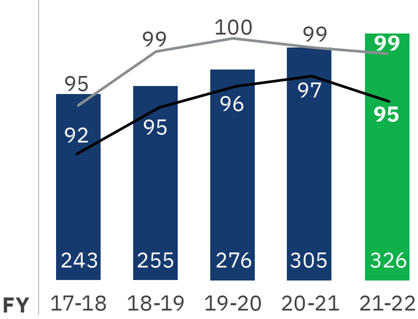
9% YoY growth | 24% (5-year CAGR)

[1] Sales Revenue: Reported sales excluding other operating revenues
[2] Normalized EBITDA: EBITDA excluding impact of unrealized FX gains/(lossess) on long term loans

Superior Utilization

Over the years, Polyplex has been consistently achieving nearly 100% capacity utilization, outperforming the industry standards. This achievement can be attributed to the continuous improvement in productivity and operational efficiency through debottlenecking.

Capacity Utilization (in %)



Production (Base Films in KMT)
CUF % (Base Film)
CUF % (Thin PET Film)

Base Film constitutes PET (Thin + Thick) , BOPP , Blown PP/PE and CPP Films

CUF - Capacity Utilization Factor

Message from Chairman and CEO

Thriving in an Evolving Landscape

Dear Shareholders,

During the year under review, the Company demonstrated robust operational performance while also strengthening its financial position for the future.

Financial and Operational Performance

Revenue from sales and other income for the year grew by 36% to INR 67.52 billion from INR 49.77 billion in the previous year, owing to higher volume and increased sales price resulting from rising raw material costs. The "normalized" EBITDA increased by 9% to INR 13.82 billion from INR 12.70 billion. The net profit for the year stood at INR 9.65 billion against INR 8.62 billion, up by 12% YoY.

Ramping up new facilities and debottlenecking of existing assets was accomplished across all businesses. During the year, there was a significant increase in net working capital due to spike in raw material cost, impacting cash flow from operations.

Identifying and Capitalizing on Emerging Opportunities

Global demand for thin BOPET film is expected to remain strong in the future, driven by factors such as rising population, increasing disposable income, rapid growth in organized retail, and an upsurge in e-commerce. Further, there is a constant shift from rigid to flexible packaging, as well as from loose to packaged products, which drives demand for BOPET films. Aside from consumer demand, industrial applications from various traditional sectors including electrical and electronics, building and construction, as well as new applications such as Li-ion batteries for EVs, are also expected to bolster growth.

Polyplex is well-positioned to cater to this demand and drive business growth while creating long-term value for all stakeholders by leveraging its strategic levers:

- **Capacity enhancement:** Over the years, the Company has made consistent investments in expanding and integrating its manufacturing facilities across multiple locations. The successful commissioning and vertical start-up of the Indonesia BOPP film line in December 2021 is a major milestone which is expected to positively impact earnings in future, as we continue to increase production to optimum levels. Currently, a second BOPET film facility and debottlenecking of the resin plant in the US is under process and is expected to reach completion by the second half of FY 2023-24. Once these production lines are operational, Polyplex will be the most competitive producer of thin BOPET films in the US.
- **Consistent innovation:** Polyplex continues to invest in innovation and new product development to ensure sustained differentiation and to become a preferred partner/ supplier for customers.
- **Leveraging global and diversified customer base:** We have built deep-rooted relationships with key customers across the world and we will continue to strengthen these relationships by meeting changing customer needs requiring quick turnaround.
- **Driving operational excellence:** The Company has been implementing various initiatives to improve business operations and optimize cost through continuous improvement programs. We are focusing on cost efficiency through strategic asset configuration by utilizing large contemporary assets for standard products and repurposing older lines to produce specialty films efficiently. The Company also focuses on ensuring 100% capacity utilization factor across all manufacturing plants.

Embedding ESG into Business Strategy

Through a comprehensive ESG approach, we are integrating to the highest standards of ethical business practices while ensuring a sustainable environment and safeguarding the interests of various stakeholders.

We continue to work on developing sustainable products and processes through continued investments in recycling plastic waste. 'Ecoblue' is a dedicated initiative of Polyplex to help brands meet their sustainability goals by recycling post-consumer and industrial wastes.

As a responsible organization, Polyplex focuses on community development through targeted initiatives in healthcare, employment, education, and culture. Across all of our locations, we have made efforts to support the fight against COVID-19, and provided financial assistance and medical equipment to NGOs, hospitals, and government relief funds. We also endeavoured to help communities by providing necessary food supplies in the vicinity of business operations.

For us, our employees are at the core of our business and progress. The Company is dedicated to providing a healthy and welcoming workplace for all employees. During COVID-19, we ensured the safety and well-being of all employees and paid out additional bonuses to boost morale. In addition, our various learning and training programs ensure the holistic development of employees as well as offer opportunities for cross-learning and growth.

Moving Ahead with Confidence

As Polyplex embarks on another exciting year, strategic measures such as capacity enhancement, portfolio optimization, consistent innovation, operational efficiency, and cost reduction, as well as a continued focus on sustainability, will allow us to enhance our global competitiveness.

Finally, we would like to thank all the shareholders and stakeholders including customers, people, and business partners for their contribution in making Polyplex a leading global thin BOPET film manufacturer. Together, with your continued accelerate support, the Company aspires to deliver sustainable growth and its growth momentum for a thriving future.

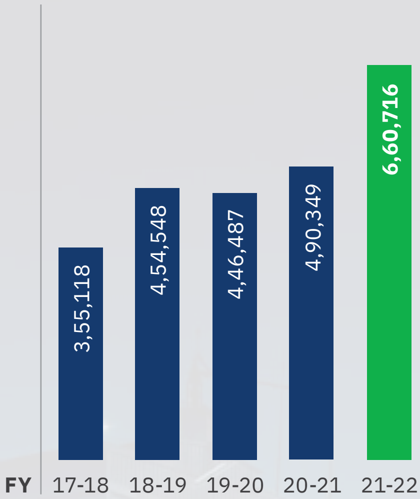
Warm regards,

Pranay Kothari	**Sanjiv Saraf**
Chief Executive Officer	Chairman

KPIs

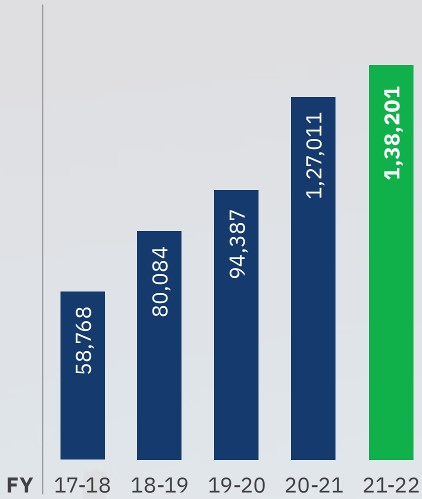
Delivering Sustainable Performance

Sales Revenue[1] (₹ in Lakh)



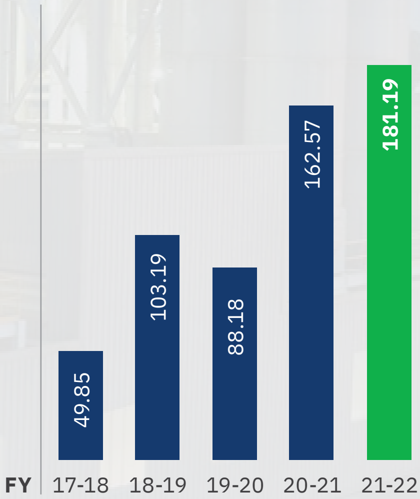
35% YoY growth | **17%** (5-year CAGR)

Normalized EBITDA[2] (₹ in Lakh)



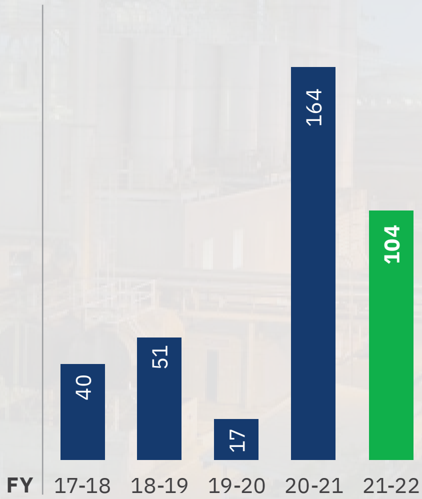
9% YoY growth | **24%** (5-year CAGR)

EPS (₹/Share)



11% YoY growth | **38%** (5-year CAGR)

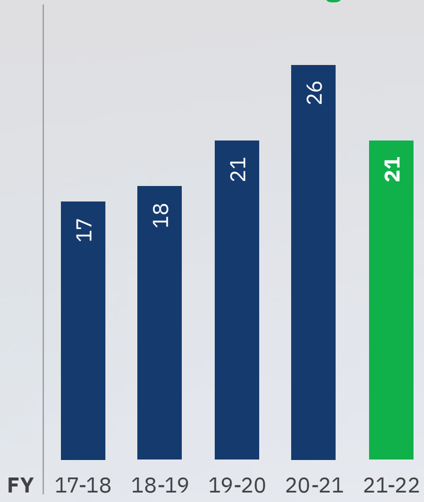
DPS (₹/Share)



-37% YoY growth | **27%** (5-year CAGR)

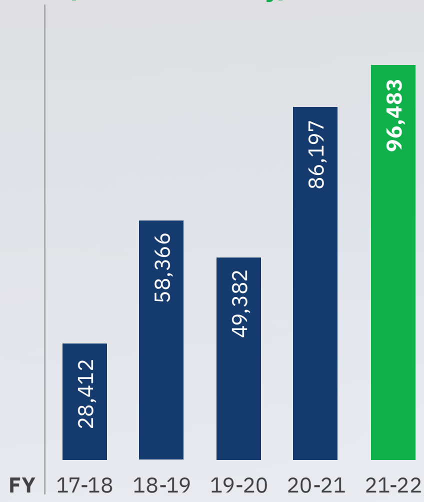
[1] Sales Revenue: Reported sales excluding other operating revenues
[2] Normalized EBITDA: EBITDA excluding impact of unrealized FX gains/(lossess) on long term loans
[3] ROE: PAT (Pre -Minority interest) as % to average equity incl. minorities
[4] ROCE: Reported EBIT as % of Average Capital Employed; Capital Employed excludes Cash and Cash Equivalents

Normalized EBITDA Margin (in %)



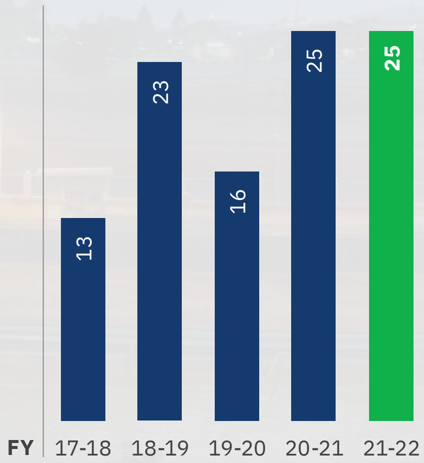
-19% YoY growth | **6%** (5-year CAGR)

PAT (Before Minority) (₹ in Lakh)



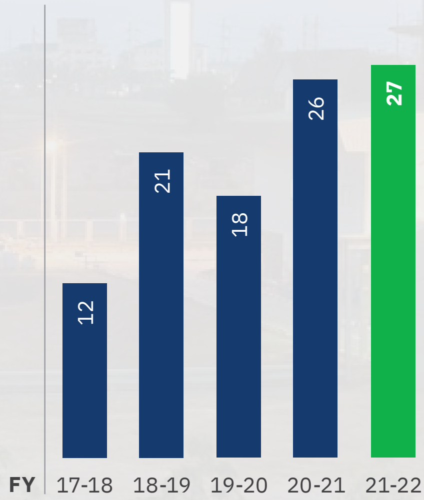
12% YoY growth | **36%** (5-year CAGR)

ROE[3] (in %)



-2% YoY growth | **18%** (5-year CAGR)

ROCE[4] (in %)



3% YoY growth | **23%** (5-year CAGR)

Business Model

Creating Lasting Value for Stakeholders

OUR RESOURCES

VALUE CREATION PROCESS

Financial Resources

The strong financials of the Company enabled it to continue investing in its strategic growth drivers to generate consistent and long-term value for stakeholders.

Net Worth

₹ 5,32,265 lakh

Net Debt

₹ (28,822) lakh

Manufacturing, Innovation and Other Assets

7 state-of-the-art manufacturing facilities

Human Resources

2,650+ employees have been instrumental in establishing the Company as a global leader in plastic film industry.

A proven management team with 20+ years at Polyplex and in-depth understanding of the business.

Intangible Assets

The Company's distinct brand portfolio, dedicated R&D ecosystem, innovative product development, R&D capability and strong work culture have lent to its market leadership.

Analyzing External Environment

Business Processes

Raw material procurement

Business Enablers

- Global integrated manufacturing capabilities
- Diversified product portfolio
- Global customer base
- Expanding sales and distribution network

Over the years, Polyplex has built its business model to generate sustainable value for its stakeholders by utilizing various resources and it strives to maximize the value it creates by prioritizing high-value work with available resource capacity.

The Company constantly tracks and analyzes the macroeconomic and industry trends to identify potential risks and opportunities

Manufacturing and distribution

Marketing and sales

Continued focus on efficiency and cost

Track record of profitable growth and cash flow generation

Focus on ESG (environmental, social and governance)

THE VALUE WE CREATE

₹ 6,75,238 lakh
Total income

₹ 96,483 lakh
Profit after Tax

₹ 181.19
Earnings per Share

₹ 104
Dividend per Share

27%*
Return on Capital Employed

326 Kmt
PET Films Production Per Annum

Plastic Film Brands

Sarafil® Saracote® Saralam Saraprint

Growing IPR Portfolio

27
Approved Patents

7
Granted Trademarks

* Excluding Cash and Cash Equivalents

Strategic Priorities and Progress

Roadmap for Accelerated Growth

With the objective of continuous progress, the Company has put in place a set of robust strategies. Polyplex has been successful in consolidating its position, and has witnessed strong returns on its investments. In the coming times, the Company's conviction will drive its journey of growth, supported by the combination of a multitude of attributes.

The Company has simultaneously focused on multiple areas to attain a leading position in the industry. It continues to flourish in the industry, backed by a well-laid strategy that focuses on improving capabilities, while adding value to more and more consumers. Polyplex's dedication will lay the foundation of its short-term, medium-term and long-term strategies.

Strategic Priorities

Integrated Manufacturing | Unique Value Proposition | Global Sales and Distribution Network | Enhancing Operational Efficiencies

Integrated Manufacturing

The Company's exceptional manufacturing capabilities have ensured an efficient supply chain, optimal costs and decreased the time taken to expand to new markets with new products. With forward integration as well as backward integration, Polyplex has captured a significant market share and enjoyed incredible returns. Resin plants at all the manufacturing locations are a unique feature of Polyplex.

The Company has aligned its operations to its sustainability goals, with a focus on in-house mechanical and chemical recycling.

Outcomes of Backward Integration

- The manufacturing locations enjoy a steady supply of quality raw materials through the year, owing to rapid action to address any external challenges
- Streamlining various costs, leading to a more reliable return on investments
- Enabling the protection of the proprietary composition, which leads to a faster and more effective production across the value chain
- Ensuring better quality and energy management through Direct Melt Casting (DMC)
- Further expanding the portfolio by creating an avenue for merchandizing

Outcomes of Forward Integration

- Leading to a wider product and application range of products
- Increased investments towards innovations and holistic development of products
- Leading to better market penetration, resulting in a diverse consumer base
- Enabling the curation of products, specifically to meet the diverse needs of consumers
- Savings across the value chain, which include freight, packing costs, wastage, fixed costs and technical developments
- Developing a platform to catalyze future growth prospects

Unique Value Proposition

By curating products to cater to customer-specific demands, Polyplex has ensured higher margins, enjoyed stable pricing and a higher entry barrier. The strides taken towards improving the portfolio have led to the inception of 'D-PAC'.

D-PAC

Differentiated Product

By focusing on achieving higher value for customers through unique features, the Company has ensured that its product is distinct.

Differentiated Customer

Ability to create better value for select customers, where there are significant entry barriers due to stringent quality focus, long qualification timelines or significant trial costs.

Differentiated Application

The products have specific applications, which are witnessing growing prominence in the market and are creating unique value proposition for the customers.

Strategic Priorities and Progress

Research and Development

To continue achieving milestones, Polyplex incorporated a robust Research and Development (R&D) ecosystem. With a dedicated and experienced team consisting of 14 experts, the Company is positioning itself as a strong player with a robust product portfolio.

The R&D department is registered with the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology (India).

With 27 registered patents and 14 applied for, Polyplex has built a strong base for its future growth.

The focus is on consistent improvement in innovations, collaborations and partnerships with several multinational customers. Establishing valuable relations with suppliers remains a priority.

Polyplex is improving its technical services and new products through R&D capabilities. The wide-ranging expertise has led to the revamping of the value chain and diversified it for the better.

The efforts to introduce sustainable products have led to collaborations with government labs and educational institutions for optimal results.

To increase the efficiency and synergy across operations, cross-learning and sharing best practices are encouraged. The Company has incorporated a benchmarking process as well, which helps in delivering quality products.

Global Sales and Distribution Network

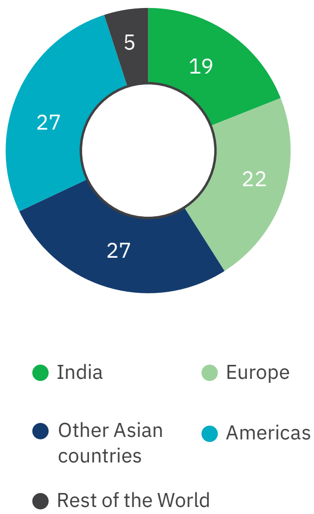
Polyplex has an unmatched Sales and Distribution network, complemented by an extensive global agent framework. With a diverse portfolio across the globe, Polyplex has established itself as a Tier I supplier to global and regional converters. The practice of sourcing locally has further strengthened its engagement with consumers, and has led to an improvement in the services across the locations where it operates.

~2,650

Customers

The Company is working towards ensuring a strong supply chain by strengthening its local produce. This approach has created flexibility and supported the implementation of necessary changes in a short period of time. Polyplex's domestic investments have decreased the dependence on the international pricings—leading to a more stabilized supply chain.

Regional Revenue Mix (%)



Enhancing Operational Efficiencies

The Company has made focused efforts on investing in initiatives that will support the improvement of margins. With a diversified approach, Polyplex has introduced a multi-dimensional and an interconnected mechanism, which will facilitate the Company's growth.

Revamping Business Processes

- Introduced process improvements in packing, minimizing waste, energy usage and inventory management, among others
- Witnessed significant benefits, owing to this transformation

Competitive Cost Structure on Delivered basis

- Invested in near-shore and on-shore manufacturing strategies
- Benefited from logistics and trade duty differentials

Optimally Utilizing Capacities

- Ensuring~100% CUF across all our manufacturing plants
- To improve capacity utilization across facilities, the Company is debottlenecking existing assets and introducing new and more efficient ones

Asset Configuration

- Refurbished production lines for producing specialty films efficiently, and continued to achieve cost efficiency through large contemporary assets

Environment

Towards Greener Value Creation

Polyplex understands the need for a greener tomorrow, and continues to work on sustainable products and processes. Due to the nature of the products, special emphasis is maintained on the recycling of post-industrial as well as post-consumer waste.

To move towards a greener tomorrow, the Company has undertaken several initiatives. As Polyplex continues its journey of growth, it will focus on further contributions to make its value creation model more sustainable.

Recycling Capabilities

Over the years, the Company has dedicated itself to improving its recycling capabilities. It has witnessed success in this direction with an increase in post-consumer and post-industrial recycling capacity. Moving forward, there will be concerted focus on maximizing potential in this area to minimize the waste produced.

New Product Development

Polyplex has been exclusively promoting the use of rPET films in different end applications to deliver desired levels of PCR content. The Company has been developing and promoting products, which enable the conversion to mono-PET structures. Replacing mixed plastics in packaging with mono PET solutions enables better recyclability, improves resource efficiency, reduces greenhouse gas emissions and leads to true circularity.

Eliminating Scrap Sales

To further increase its ability to recycle, the Company is transitioning to a process, where it can recycle and reuse film line lumps through chemical recycling.

Industry Collaboration

By collaborating with various industry associations, CPGs/ OEMs, converters and research organizations, the Company aims to develop solutions, which can further catalyze the shift towards recycling.

Ecoblue

‘Ecoblue’ was incorporated in 2013 with the purpose of providing sustainable solutions for film-based process waste, along with post-consumer plastic waste used for multiple applications.

Over the years, the focus has been directed towards developing and introducing high quality recycled materials, which can replace resin in high end applications, which include Bottles, BOPET Film and Filament Yarn. In addition, Polyplex received the FDA approval and the GRS certification for several key products.

The Company has also directed its efforts towards recycling ocean-bound plastics by partnering with Plastic Bank to set up the waste collection system in Thailand, and by processing it into high quality recycled materials.

Global Partnerships

The collaborations with Avery Dennison, UPM Raflatac and Plastic Bank have been pivotal in supporting the approach towards finding a viable solution. Polyplex intends to continue creating impact through recycling as it continues making strides in its sustainability journey.

Social – Community

Contributing to the Community

The Company is conscious of its role as a responsible corporate citizen, and strives to implement initiatives that focus on the upliftment of communities.

Towards this end, significant contributions have been made towards supporting the fight against the pandemic, building financial literacy and making quality education accessible to various members of the society.

Employment Generation

As an employer, the Company emphasizes on hiring, training and developing local talent in order to enhance the development of the community.

Polyplex strives to be recognized as an employer that drives change not only through its products but also through its actions and decisions.

Education and Culture

- Education is pivotal for the growth of communities. In order to create access to quality education, the Company has established a school at its Khatima plant since three decades.
- Further contributions have been made to the Rekhta Foundation, a non-profit organization established to promote literature and culture.
- Another endeavor adopted by the Company is towards offering the best opportunities to school children of deceased employees through various sports and educational sponsorships.

Governance

Responsible Business Practices

At Polyplex, strong governance is reinforced by the Company's commitment to the fundamental values of honesty, integrity, and ethical behavior. A range of measures are employed to ensure compliance with applicable laws and regulations on a regular basis.

Board of Directors

Sanjiv Saraf
Chairman

Pranay Kothari
Chief Executive Officer

Sanjiv Chadha
Non-Executive Director

Brij Kishore Soni
Independent Director

Jitender Balakrishnan
Independent Director

Suresh Inderchand Surana
Independent Director

Ranjit Singh
Independent Director

Pooja Haldea
Independent Director

Management Team

India Group

Sunil Kumar
Corporate Head -
HR & PCH - India[3]

Manish Gupta
Chief Financial Officer
& PCH - India**

Rajpal Yadav
Corporate Head - Projects

Ramakrishnarao Kuchipudi
Corporate Head - NPD, R&D and
Tech Services

A.K. Gurnani
Company Secretary

Ravindra K. Gupta
Plant Head - India

Saleem Ahmad
Unit Head -
BOPET & Chips, India

Amarnath J. Parida
Unit Head - BOPP, India

Rakesh Agarwal
Commercial Head - India

Overseas Locations Group

Amit Prakash
Profit Centre Head - Thailand,
Indonesia and Turkey

S.K. Jha
Operations Head - Indonesia

Ashish K. Ghosh
Sales & Marketing Head -
Thailand & Indonesia

Ramesh K. Gupta
Business Head - Saralam

Tribhuwan Joshi
Plant Head - Turkey

Pranay Jain
Managing Director
& Founder, Ecoblue

Amit Kalra
Profit Centre Head -
USA and India*

Ravi Singhal
Plant Head - USA

Bhavin R. Patel
Business Head - Saracote

Manav S. Nim
Sales & Marketing Head - USA

* Exports & Specialty Sales | ** Domestic Sales | [3] Plant Operations

Management Discussion and Analysis

I. Corporate Overview

In this document, the terms 'Company', 'Polyplex' and 'Group' refer to the consolidated operations of Polyplex Corporation Ltd.

Polyplex is a leading Biaxially Oriented Polyethylene Terephthalate Film (BOPET) film producer with a global footprint in an attractive Industry. It offers a wide range of plastic films across various substrates including BOPET (thin & thick), Biaxially Oriented Polypropylene Film (BOPP), Cast Polypropylene (CPP) and Blown Polypropylene/Polyethylene (Blown PP/PE). Its portfolio of specialty, innovative and differentiated products are used across packaging, electrical & electronic and other industrial applications. The Company has a unique value proposition of on-shoring, off-shoring and near-shoring for a global customer base, while maintaining cost leadership. Polyplex will have the second largest global capacity ex-China (post its ongoing expansion in the US) in its core business of thin polyester (BOPET) films.

Polyplex is the only global player with resin plants at all manufacturing locations. Backward integration enables it to develop resins required for specialty products, apart from enhancing cost competitiveness and ensuring supply security. Forward integration provides an ability to undertake one or more downstream processes on the base film in a cost-efficient manner leading to higher innovation, value addition and reduced volatility. The downstream businesses like metallizing, silicone coating, extrusion coating, holography, TMP/DMP and offline chemical coating have enabled the Company to offer products for a variety of applications.

The Company believes that its differentiated position in combination with its other strengths like integrated manufacturing operations, global sales & distribution network, customer access & intimacy and wide offering of specialty products shall continue to be the key enablers for outperformance and earnings stability.

BOPET film, also known as polyester film, was invented in mid 1950s. It is a flexible, clear or translucent material produced from PET polymer, a linear, thermoplastic polyester resin. BOPET film is a high-performance film with a unique combination of qualities like high tensile strength, durability, high heat resistance, excellent gas-barrier properties, dimensional stability, chemical inertness, clarity and recyclability. BOPET film is known for its versatility with a wide and growing range of applications. These diverse applications and intrinsic product characteristics lead to a constant pipeline of new product variations and applications thus reducing dependence on any one application or product.

BOPET film is available commercially in varying thicknesses, widths and properties depending upon the needs of end users. It can be produced as a single layer (mono) or can be coextruded with other co-polymers into a multilayer film with various functional properties encompassing the desired characteristics of each material.

The plastic films business is quite different from a pure play commodity business like its precursor inputs - PTA, MEG, PP/PET resins, due to a combination of several factors:

a) The product is almost always "made to order" as contrasted with "made to stock"

b) Multiplicity of SKUs (based on unique combinations of length, width, thickness, surface treatment during process as well as downstream treatments and Core ID)

c) Fragmented customer base

d) Quality and customer service also form important differentiators

e) Differing buyer behavior across markets

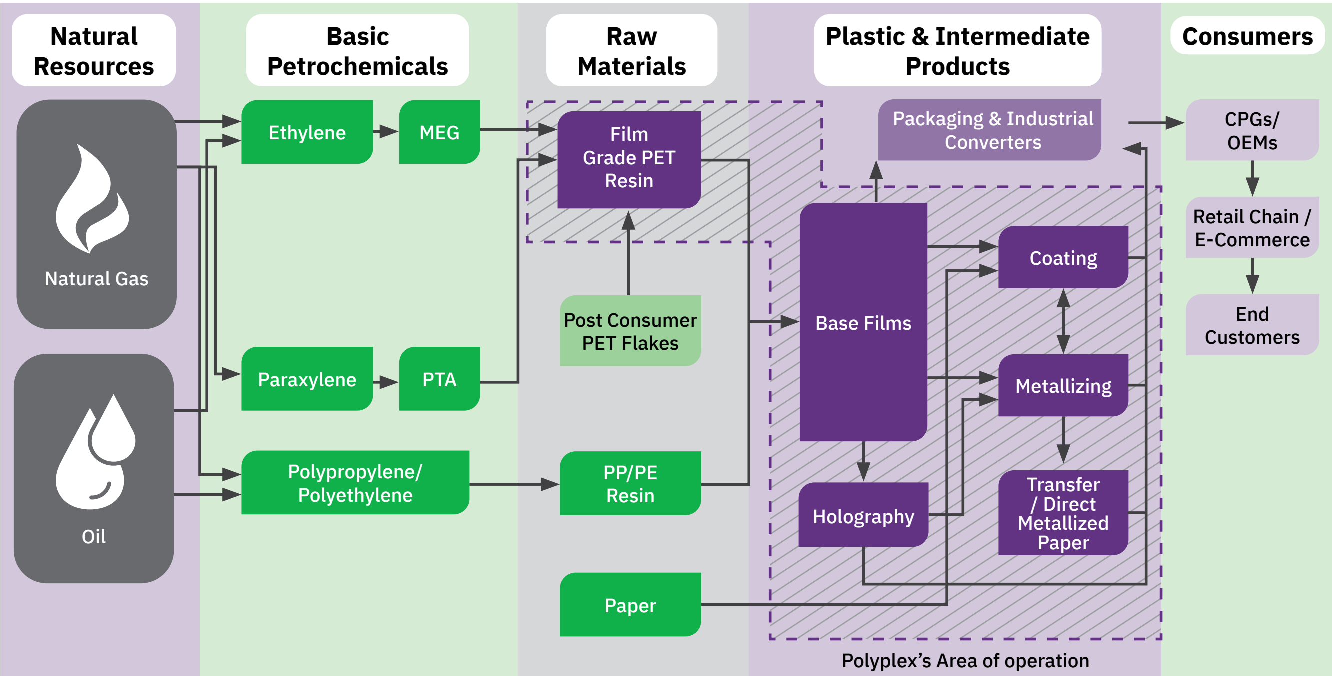
f) Pricing is influenced by a host of factors as stated above besides import parity i.e. Logistics cost differentials and varying customs duties – both normal and trade defense measures like anti-dumping, countervailing and safeguard duties.

The above factors can create significant differences in regional price levels as well as between standard products and value added / specialty products.

There is an increasing concern by all stakeholders & environmental groups on usage of plastics in general with the focus being primarily on single-use plastics. Flexible packaging is mostly multi-layered and it results in a number of sustainability benefits when compared with rigid forms of packaging. These include resource efficiency, reduced material to landfill, high product to package ratio, cost competitiveness, lower carbon footprint throughout the life cycle of packaging etc. The Company continuously strives to work on providing sustainable solutions (products and processes) as a commitment towards a sustainable environment. It has recently invested in expanding its recycling operation in Thailand which provides sustainable solutions for film-based process waste as well as post-consumer plastic waste.

BOPET film is made from Polyester resin (chips), which in turn is produced from Purified Terephthalic Acid (PTA) and Mono-Ethylene Glycol (MEG). The Company produces its own film grade PET resin.

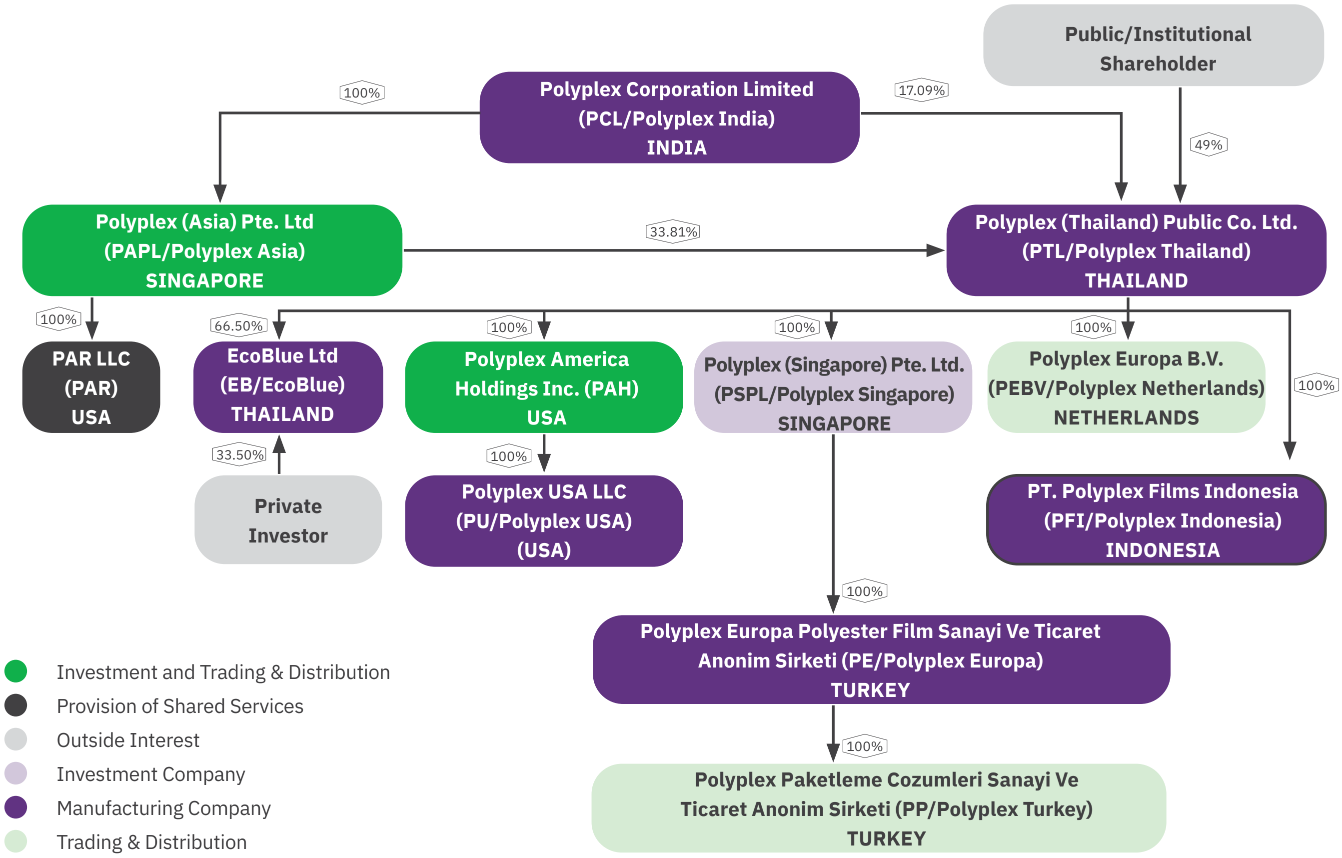
The value chain for the Company's main businesses is depicted below:

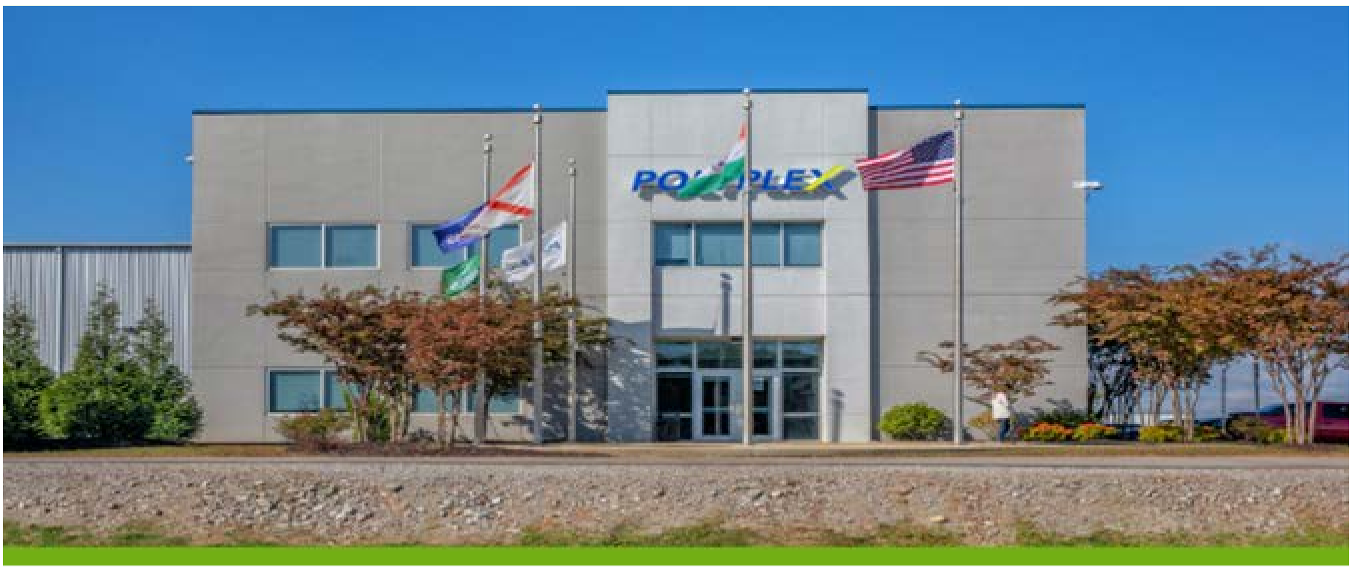


II. Global Operations

Polyplex is the first Indian producer to set up manufacturing facilities in multiple countries with market share of ~10% (ex. China) in thin BOPET Films globally. The Company has a global manufacturing footprint across 7 locations in five countries – India, Thailand, Indonesia, Turkey, and the US supplemented with an extensive sales & distribution network in key demand centers. The Company also has additional warehouses in Poland, Germany, Netherlands & Mexico and liaison offices in South Korea & Japan in order to enhance its sales capability. This ensures a reliable supply chain and helps capitalize on the increasing preference of customers to source locally. Polyplex has the ability to supply customers from its global supply network, offering a built-in resilience to any disruption.

Polyplex Group structure (as on 31st March 2022)





Global Sales Force

Polyplex has a direct presence primarily through its own sales team (many of local origin) in all the key regional markets complemented by an extensive global agent network, which helps develop strong customer relationships. Within each key market, presence in multiple locations maximizes customer coverage efforts. Relationship with most key customers is deep-rooted spanning over 15 years.

	India	Other Asis	Europe[2]	North America
Sales and Marketing Team Size	29	19	28	13
# of Location	4	9	9	6

[2]Including major distributors

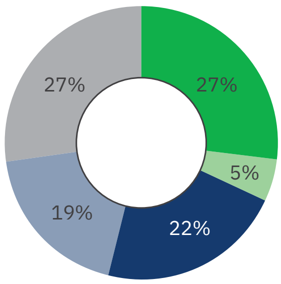
Location

Global Customer Base

The Company has a well-diversified customer base with an even distribution of sales globally across Americas, Europe, South Asia and Other Asia. The Company is a Tier I supplier to leading global and regional converters who cater to global Consumer Product Group Companies (CPGs)/ Original Equipment Manufacturers (OEMs).

Access to Global Customer Base

Geographic Business Mix (FY22 Revenue)



Integrated Manufacturing Capacities across Geographies

Location	Resin		Base Films					Value Added Films			
	PET Film Resin (MT)	Recycled Resin (MT)	PET Thin (MT)	PET Thick (MT)	BOPP (MT)	CPP (MT)	Blown PP (MT)	Metallizer (MT)	Holography (MT)	Coating (Mn Sqm)	TMP (Mn Sqm)
India	77,600	-	55,000	-	35,000	-	-	32,500	4,080	257	83
Thailand	1,06,050	43,000	42,000	28,800	-	10,000	13,645	21,700	960	985	-
Turkey	75,850	-	58,000	-	-	-	4,392	20,700	480	320	-
USA	86,000	-	81,000	-	-	-	-	9,250	-	120	-
Indonesia	90,000	-	48,000	-	60,000	-	-	18,000	-	-	-
Polyplex Group	**4,35,500**	**43,000**	**2,84,000**	**28,800**	**95,000**	**10,000**	**18,037**	**1,02,150**	**5,520**	**1,682**	**83**

Notes:

1. Capacity of all product lines is in MT per annum except Coated Films and Transfer Metallized Paper where the capacity is in Million SQM per annum.

2. Includes projects under implementation viz new BOPET Film Line, Offline Coater & Debottlenecking of Resin Plant in USA.

III. BOPET Film Industry Overview

BOPET film is an attractive, vibrant and growing $10bn industry, growing at > 2.5x of global GDP growth rates since the turn of the millennium and > 3x in the last decade. The traditional segmentation of BOPET films has been thin and thick films based on distinct applications and lack of supply side substitutability. Thick films generally refer to films with a thickness range of 50-350 micron whereas films below 50 micron are characterized as thin film. In recent years, several intermediate thickness lines (with thickness ranging between 8-150 micron) have also been installed. The BOPET film industry has seen various structural changes over the last seven decades with an inexorable move from West to the East with Asia accounting for ~80% of both demand and capacity. Film producers from Asia (mostly headquartered in India) have become major global players. There has also been a dispersion of technology with progressive orientation towards higher productivity assets for standard films.

Polyplex has traditionally operated predominately in the area of thin BOPET films, which accounts for more than three-fourths of the overall global PET film demand. Higher growth in flexible packaging relative to other applications has gradually shifted the production and usage patterns of thin BOPET films. Packaging & Industrial (including electrical) segment constitute almost 100% of the Company's thin film sales.

Thin BOPET Film market

The largest application of thin BOPET films is flexible packaging, which accounts for 75% of the total thin film used. Flexible packaging plays a key role in source reduction based on the principle of 'use less packaging material in the first place'.

Advantages of flexible packaging versus conventional alternatives are overwhelming, including:

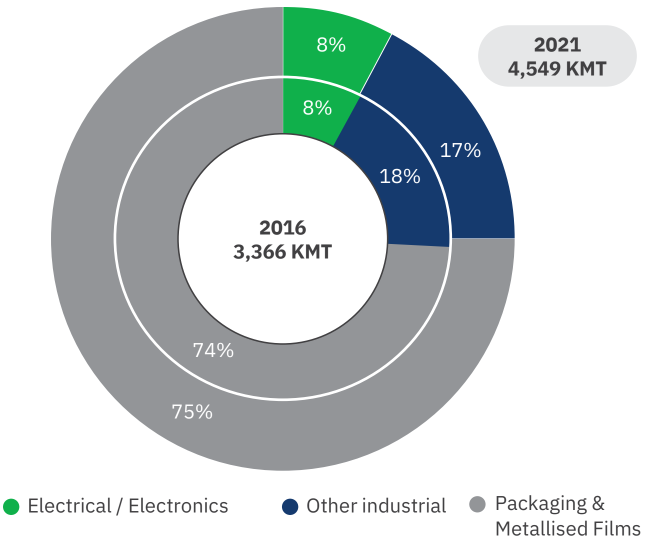
- Lowest carbon footprint
- Low resource intensity
- Consumer convenience
- Highest product to package ratio
- Cost competitiveness, ease of transportation, storage and use
- Design, structure flexibility, customization and shelf appeal
- Safety and product protection (freshness and extended shelf life)
- Prevention of food waste and contamination

This has resulted in higher-than-GDP growth in the global flexible packaging industry. BOPET film, being a higher-end preferred substrate within packaging, has grown more rapidly than other substrates, averaging around 6-7% per annum. Packaging demand is resilient as it is driven by the consumption of food products and consumer staples, usage of which are non-discretionary in nature, as is also evident in the COVID-19 pandemic. This packaging segment characteristic along with its attributes on safety, hygiene and integrity has resulted in steady demand growth, despite recurring economic turbulence.

An increase in purchasing power in developing countries has been accompanied by a rise in per capita packaging material consumption. However, when compared with mature markets, per capita packaging material consumption in developing countries is still low.

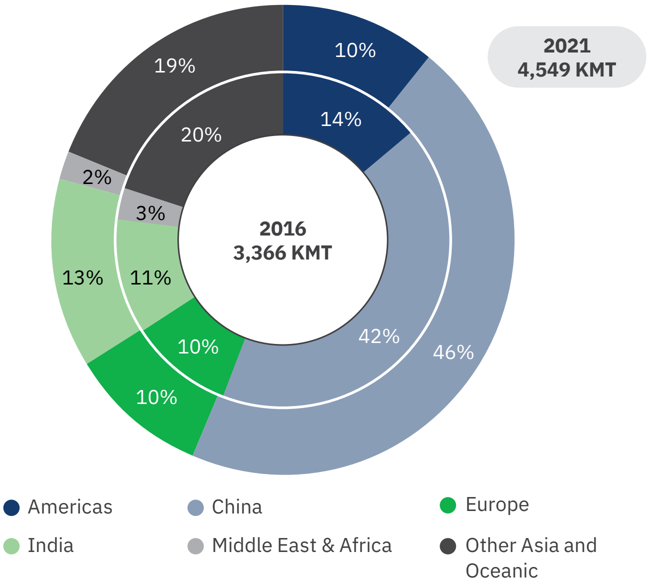
Asia is the largest market for thin BOPET films, accounting for more than three-fourths of global consumption. Faster growing Asian demand is the main driving force in the global markets. Within Asia, India and China are the largest and fastest growing consumers.

Global Thin PET Film demand by End Use



Source: Updated Company estimates

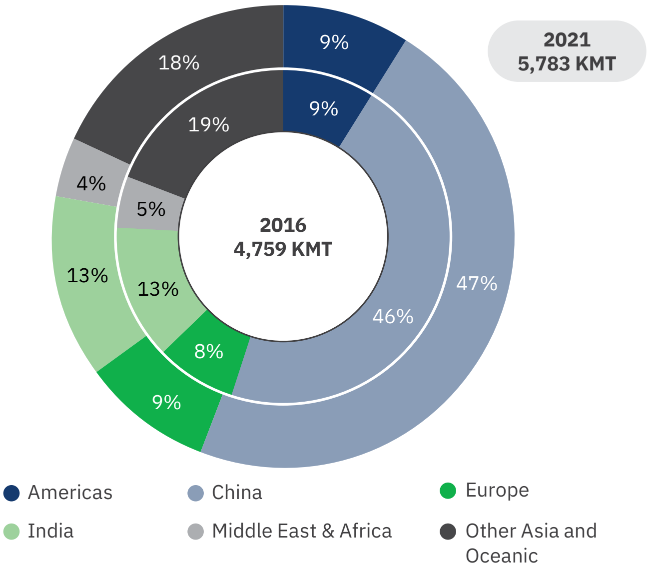
Global Thin PET Film demand by Region



A similar trend is also evident on the supply-side with most of the new capacities being installed in low-cost developing countries (mainly in China & India). Chinese players primarily cater to the domestic market with some limited presence in Southeast Asia, and have negligible presence in the US and Europe on account of factors like limited presence of front-end / post sales or technical service team, narrow product range, trade barriers, lesser ability to offer credit, language and cultural differences etc.

A large proportion of the new capacity has emphasis on productivity and cost management. This has impacted traditional large producers of PET film operating with high cost structures, who have chosen to concentrate on niche technology-oriented segments like films for optical applications, high end release liners, solar panels and specific applications within packaging and industrial segments. The high speed and productivity of the latest 10 meter+ wide lines (same as Indonesia line & new US line of Polyplex) will bring more cost competitiveness and may result in closure of some old and inefficient lines. While trade defense measures like anti-dumping and countervailing duties were invoked in the past, they were unable to address the problems of inefficient assets in developed countries producing standard films.

Global Thin PET Film capacity by Region

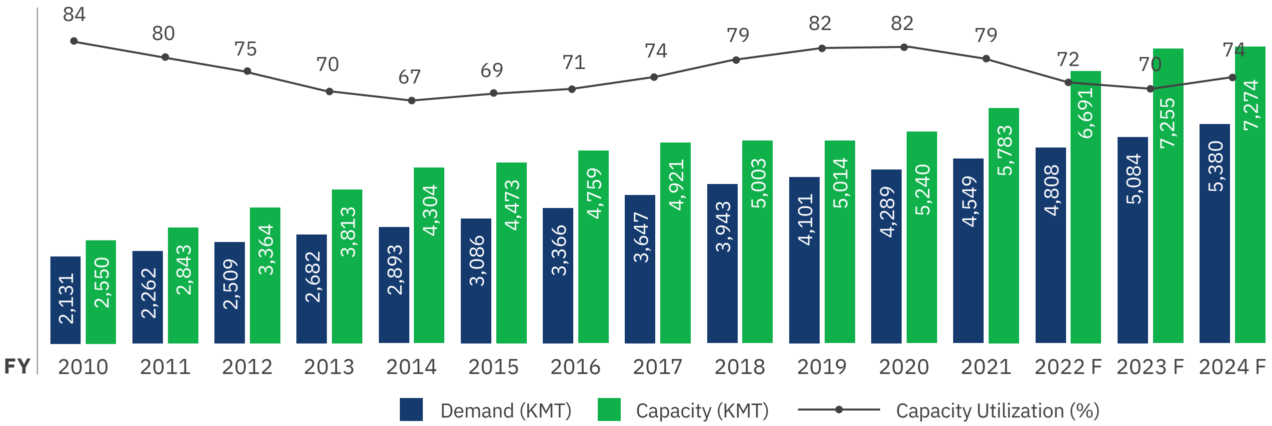


Source: Updated Company estimates

Global thin BOPET film growth is expected at about 5-6% for the next few years, with demand in India expected to continue growing at ~10%. Demand growth is expected to remain resilient on account of factors including de-globalization and preference for shorter supply chains, acceleration of move from loose to packaged sales of a range of products, importance of hygiene, higher home consumption etc. Companies with global footprint, consistent quality products, diversified product portfolio, access to international customers and stronger supply chains stand a better chance of participating in market growth and delivering margins above the industry average.

The trend in global capacity utilization (CUF) for thin PET film is as under:

Global Thin PET Film



Source: Updated Company estimates

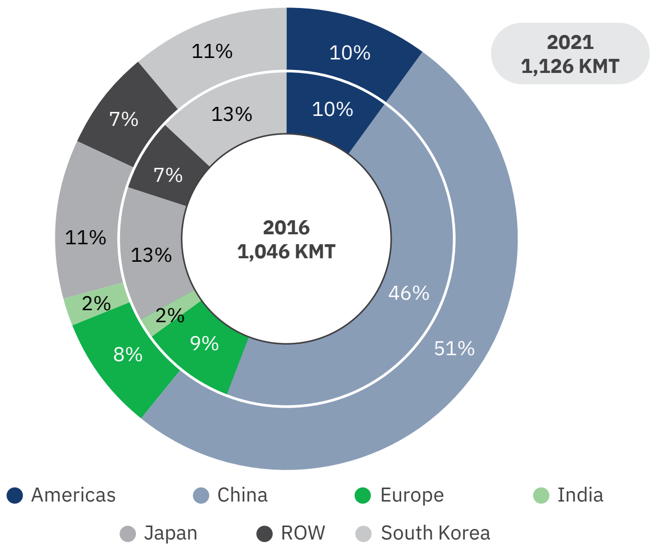
Capacities aggregating to ~1.1MMT have already commenced over the last 3 years till Dec 2021 and absorbed in the market due to strong demand. Additional ~1.2MMT of global capacity is expected to be added in Thin BOPET segment by 2024; majority of the new capacity is being installed in low-cost developing countries. Based on the latest information, several additional lines may be added (primarily in China) but most of them are expected to be in non-packaging segment with focus on optical applications, high end release liners etc. and thus not considered here.

CUF levels between 80-85% can be considered high and close to the full producible capacity for the industry as a whole based on past experience. Excluding impact of China, the CUF rates are steadier with lower variance in peaks and troughs. In practice, some producers produce lower than the nameplate capacity as the assets are older and inefficient while some produce with capacity utilization even higher than 100% using new and modern machinery and based on their expertise and experience.

Thick BOPET Film market

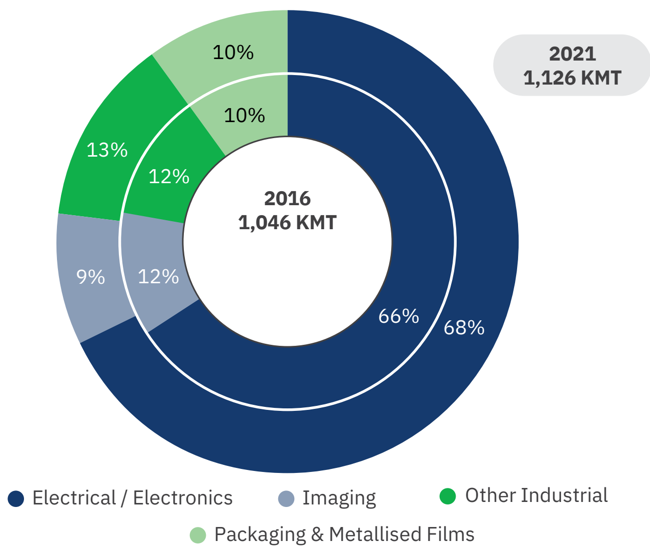
Thick BOPET films demand is expected to demonstrate a steady CAGR of 4-5% going forward. Typically, demand for electrical & electronics and other industrial applications grows steadily and provides stability to earnings. Demand in 2020, was however impacted by COVID-19 has recovered substantially in 2021 and will likely be better than pre-COVID-19 levels in 2022. The growth momentum may be affected by the monetary tightening, increase in interest rates and likely slowdown. Increase in photovoltaic (PV), flat panel display (FPD), liner for electronic applications and flexible electronics are expected to be the major contributors in driving growth of Thick BOPET Films. China has emerged as the largest market for thick BOPET films with a market share of 51%; Japan, Korea and Taiwan contribute to another 27% of global demand.

Global Thick PET Film demand by Region



Source : Updated Company estimates

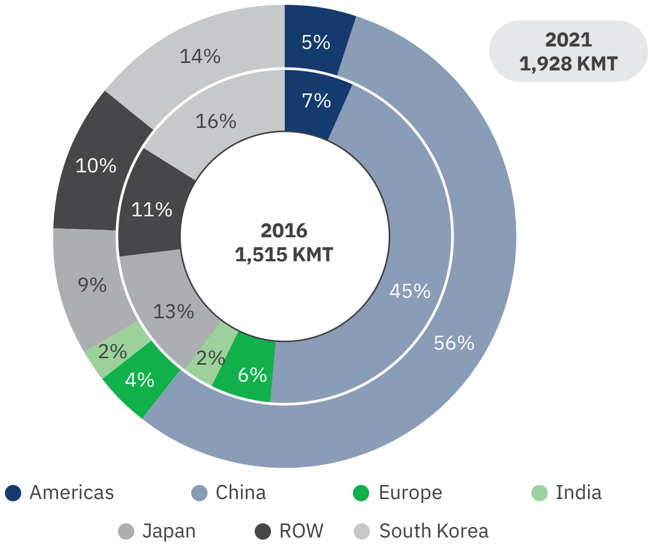
Global Thick PET Film capacity by End Use



Source: Updated Company estimates

Similar to the thin BOPET film business, the capacity addition for thick BOPET film in China has also been significant. China has become the global leader in the manufacture of PV modules and also remains a key global supplier of other electrical and electronics products. Producers in Japan, Europe and USA constitute only around 19% of world capacity in 2021.

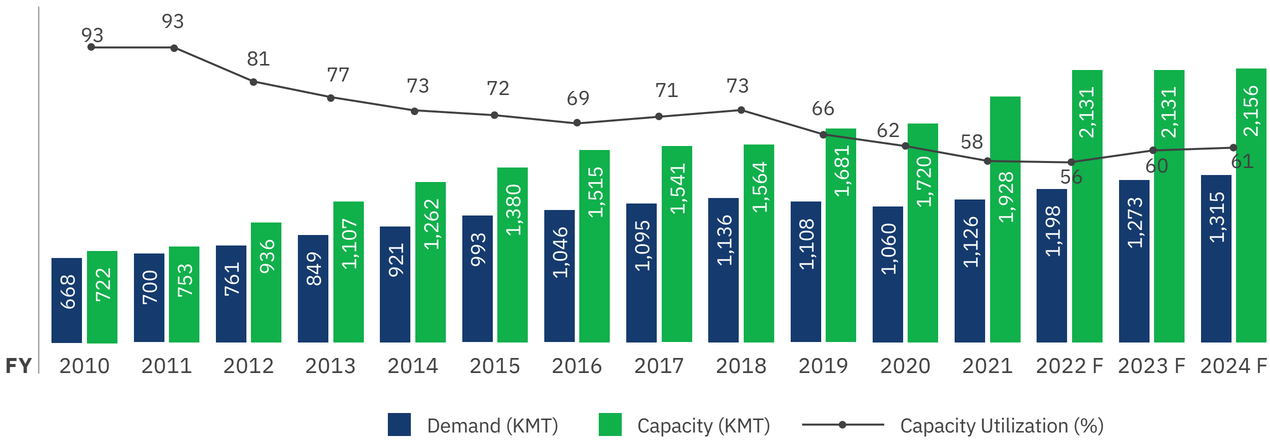
Global Thick PET Film capacity by Region



Source: Updated Company estimates

The trend in global capacity utilization (CUF) for thick PET film is as under:

Global Thick PET Film



Source: Updated Company estimates

Due to high quality standards required by optical thick film customers, manufacturers targeting this sector face higher levels of wastage due to defects, and therefore the saleable output of thick film lines is often poor relative to thin film lines. As a result, thick film lines often operate at ~ 70% utilization levels.

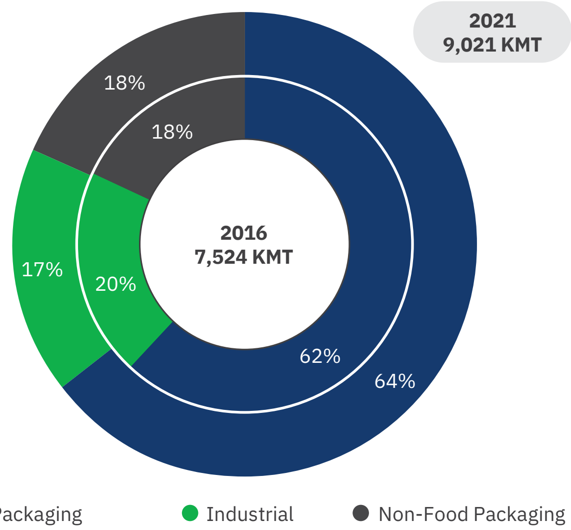
The Thick Film line in Thailand has enabled Polyplex to straddle the entire spectrum of end-uses for BOPET films by accessing the traditional industrial and electrical applications for thick films, along with significant progress in catering to several new applications including sophisticated release liners for electronics and other industrial segments. The first film line in India which was revamped in 2011 and further upgraded in 2014 to produce intermediate thicknesses/specialties, also contributes to the Company's growth/margins.

IV. BOPP Film Industry Overview

The global demand for BOPP is ~9,021 KMT and is expected to grow at ~4%. Food packaging accounted for ~64% and non-food packaging for 18% of the total BOPP demand in 2021. International trade in BOPP relative to production is much lower in comparison to BOPET, as BOPP is dispersed geographically. Regional demand-supply dynamics plays a more important role in this industry than global demand supply balance.

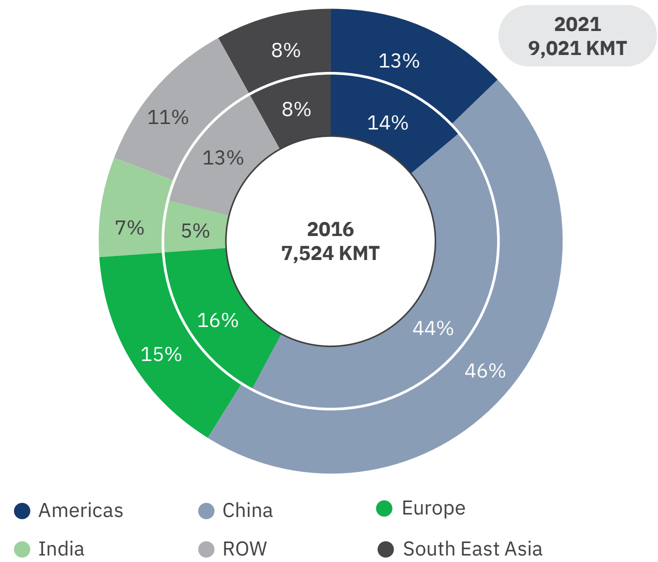
Feedstock of BOPP film is polypropylene (PP) resin which is a downstream product from crude oil and/or gas and is widely traded across the globe. BOPP may be preferred over BOPET in certain applications due to its high moisture resistance feature, sealing and other properties. Though BOPET and BOPP are sometimes considered as substitutes of each other, the two films have distinct individual features & are more often complimentary in a typical laminate structure.

Global BOPP Film demand by EndUse



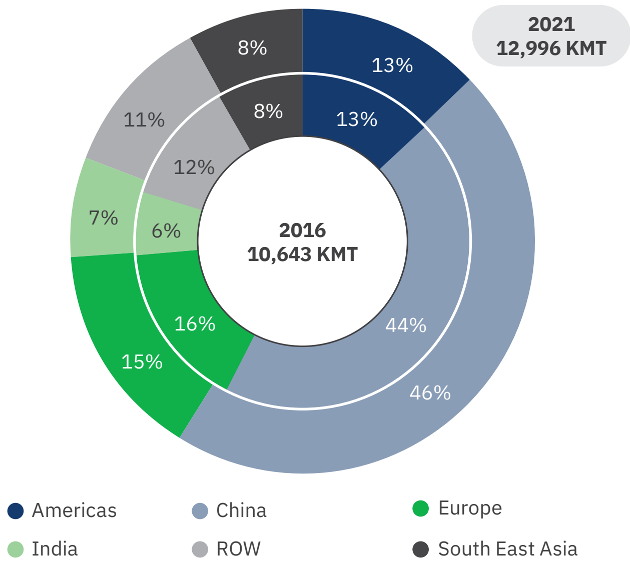
Source: Company estimates

Global BOPP Film demand by Region



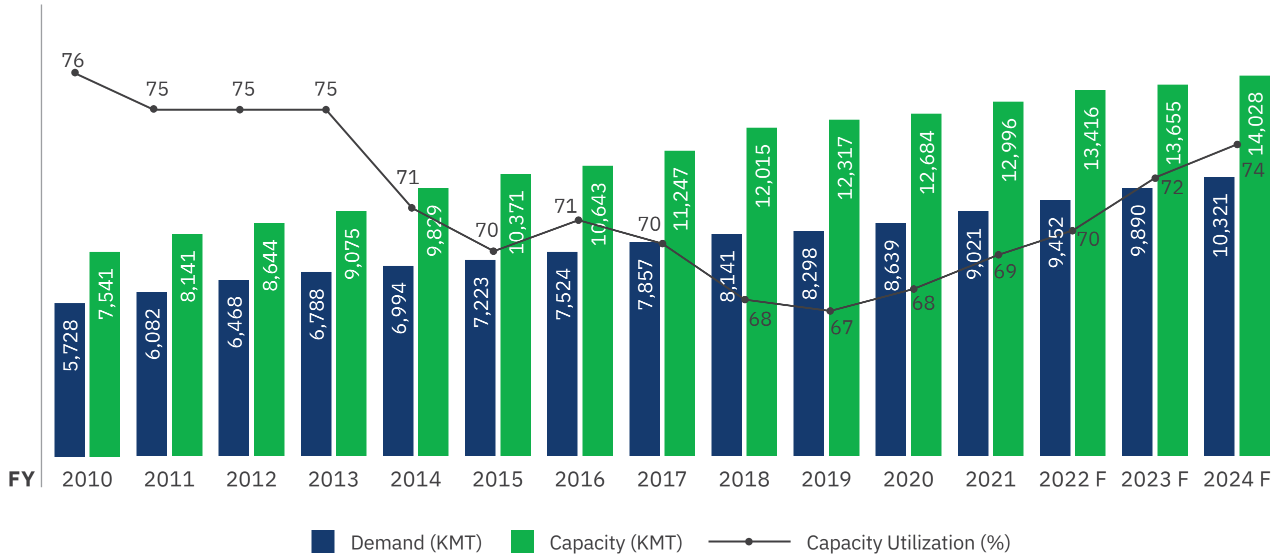
Source: Company estimates

Global BOPP Film capacity by Region



The trend for global capacity utilization for BOPP film is as under:

Global Demand Supply



Source: Company estimates

The industry does not run on 100% utilization on account of product mix and CUF between 75-80% is typically described as 'full'.

The recently commissioned BOPP line adjacent to the BOPET film line in Indonesia has helped diversify the product offering and derive cost economies. The Company is well positioned due to the highly fragmented nature of the local market consisting of several players with small and inefficient lines besides significant duty protection on imports. Growth in demand, commonality of customers with BOPET films in flexible packaging, low cost of operations due to co-location and benefits of a high productivity line besides a global sales and distribution network provides further substance to this investment.

V. CPP and Blown PP/PE Films Business

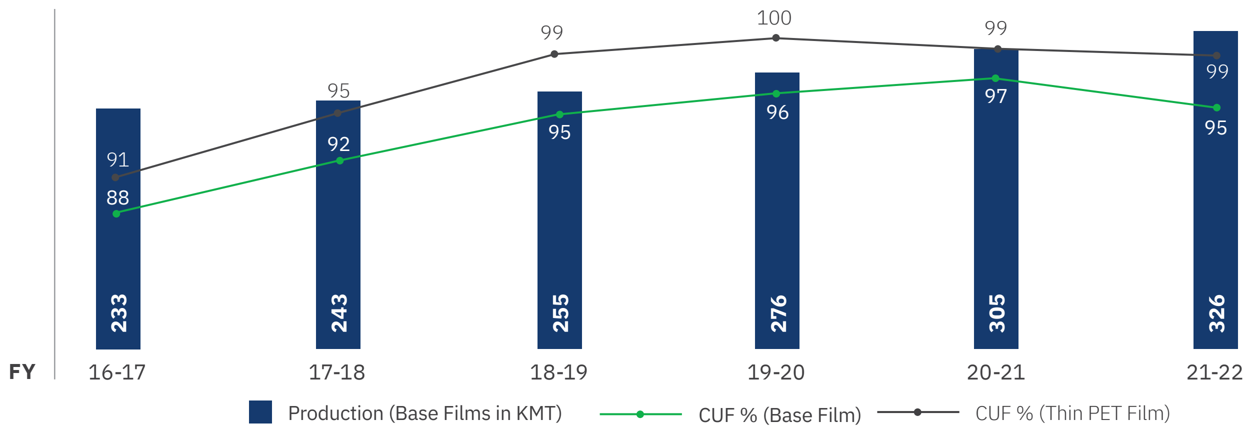
CPP films are transparent cast polypropylene films designed to offer high performance and easy converting for flexible packaging and other applications.

CPP films are produced from a combination of various grades of PP polymer resin. Various types of CPP film are available (multi-layer options) which are used to cater to several applications in general packaging. It is used as a sealant layer in conjunction with other plastic substrates for packaging of food products including snack foods like chips and biscuits, retort laminates for ready to eat food besides usage in medical segment like packaging of surgical equipments, etc. Given the relatively modest investment required for CPP lines, regional demand supply balances are more relevant.

Another variant of PP based film is Blown PP. PTL had commissioned the first Blown line in October 2013. This base film (PP) enabled better use of the silicone coating facility with a broadening of the product range (including the 'Peel & Stick' liner segment for the roofing market in North America). The second Blown line in Thailand was commissioned in June 2018 with a view to develop merchant markets and also produces Polyethylene (PE) based blown films. With continuous growth in these segments, the third Blown line was commissioned in Thailand in January 2021 which has helped the Company cater to new segments/new customers. The applications serviced include agriculture usage (mulch films), labels, separator in manufacturing of air bag safety films, preferred sealing substrates for flexible laminates (Polyplex core business segment) and many more. Moreover, Blown PE/PP films are being considered for monolayer packaging to improve recyclability of used plastic pouches. Another Blown Film line has been added in Turkey in March '22 to diversify product portfolio and market share in this high value add/ specialty film segment.

VI. Polyplex Performance

Base Film production & Capacity Utilization



Base Film constitutes PET (Thin + Thick) , BOPP , Blown PP/PE & CPP Films

CUF - Capacity Utilization Factor

Even while industry wide CUF for PET films has ranged between 71%-82% over the past 5 years, Polyplex has displayed an industry leading capacity utilization record as depicted above due to unmatched market access and higher productivity. Though CUF for thin BOPET film has been close to 100% since the last 3-4 years, the initial ramp-up factor on account of startup of new BOPP line in Indonesia has impacted the CUF of all base Films. Higher productivity is usually a function of ability to run at higher average / peak speeds, optimal downtime and better deckle (width) utilization besides other factors.

VII. Industry Outlook

Over the next few years, many new lines for BOPET film are expected to be added (mostly in China) which have not been accounted for. It is likely that most of these would be for optical and other high-end applications, though there could be some for packaging applications too. The impact may be significant in China with moderate influence in other regions, as Chinese players have typically focused only on the domestic market and select SEA markets due to variety of reasons. The Company believes that its well-distributed manufacturing operations, diversified and increasing value-added product portfolio, quality consistency, international customer base, customer relationships, efficient supply chain and a conservative Balance Sheet will allow it to grow profitably and withstand industry volatilities much better.

VIII. Indian Flexible Packaging Market

Thin BOPET Market

The industry in India comprises of 10+ players with no one having a dominant market share. Several entrants post 2010 from allied/converting business have backward integrated into BOPET films. The domestic market is competitive and volatile in nature with limited differentiation around standard films. Over the past 5 years, CUF's has been 90%+ and Polyplex outperformed with a full CUF. In India, along with the existing players, five new players are expected to add capacity which may impact CUF in the short term before it starts to recover. The industry has grown at >10% CAGR over the last decade and is expected to continue to do so in the foreseeable future. Double digit demand growth is driven by demographics, urbanization, increasing income levels & consumerism.

Demand for BOPET film in India recovered in FY 2021-22 as compared to previous year wherein there was negative impact on overall demand especially in certain industrial applications resulting from the Covid19 pandemic. With further improvement in the current financial year, it is estimated to be around 6,44,000 tons per annum. The total installed capacity for thin BOPET films in India by end of FY 2022-23 will be about 10,00,000 tons per annum with a large portion of the surplus being exported.

BOPP market

The industry in India comprises of 10+ players with two players accounting for >50% of capacity. The industry has grown at ~15% CAGR over the last decade aided by a new application in Textile bags and is expected to continue to grow. Industry CUF has been 75%+ over the past 5 years – which represents close to full utilization given the product mix. Around 20% of production is exported, primarily to Asia, North America, Europe & Africa. Some of the existing and two new players are expected to add capacity leading to reduction in CUF before recovery.

The Indian BOPP market is currently estimated at about 6,50,000 tons per annum and the capacity is expected to be about 10,00,000 tons by end of FY 2022-23. Demand is expected to grow at around 10% annually.

This supply overhang in both PET and BOPP Films due to large capacity addition is expected to continue for the next 1~2 years.

IX. Other Businesses

Silicone coating and extrusion coating businesses

The silicone coating business produces release liner, which is used for carrying adhesive labels until these are removed from the release liner and are applied to the final surface. Other applications of siliconized films include release liner for adhesive tapes, cast polymer materials, electronic applications, medical, hygiene products, roofing and other industrial uses. The Company has three offline siliconized coating lines – one in India and two in Thailand.

The extrusion coating business involves a combination of PET/BOPP/Nylon film with an extruded adhesive layer to produce thermal lamination film. Thermal lamination film is used for laminating offset/digital printed documents on one/both sides to improve durability and aesthetics of the printed documents. The principal uses comprise teaching aids, maps, certificates, posters, menu cards, ID security cards, book covers, carton board boxes, food packaging and reflective insulation. There is a shift in the global markets from offset print to digital print lamination using special films for enhancing products appearance. Carton box packing segments are also growing due to change of food eating habits of customers. Overall, thermal films are estimated to grow at a rate of 3-5%, mainly in BOPP and its specialty thermal films segments.

Offline coating business

Polyplex has successfully commercialized various specialty offline coated products for both packaging and industrial segments. These include specialties like transparent barrier films, lidding films, digital print media etc.

Digitization is rapidly growing in various application segments like photo book, labels, shrink sleeves, flexible packaging, graphics, promotional & customized digital printing, commercial printing etc. Polyplex has developed various digital print media film products to provide solutions for graphics, display, label and packaging segments.

The Company has several offline coating lines across India, Thailand & Turkey to meet market demand and broaden the product portfolio. A new offline coater is under implementation in USA to service domestic demand and increase the share of specialty sales.

Metallized paper business

Polyplex has a laminating machine which was commissioned in FY 2019-20 to facilitate Transfer Metallized Paper (TMP) business.

TMP is Metallic Paper where the metal is deposited on it by transfer from release coated metallized PET film. Metallized Paper is bio-degradable, has a brand appeal and perceived to be recyclable. Major segments for transfer metallized paper are:

1) Label face stock
2) Wet glue label
3) Gift Wrap
4) Flexible packaging

The market potential for Transfer Metallized Paper in India is approximately 10,000 tons and is growing at a CAGR of around 8 - 10%. DMP has a market size of around 3,000 tons in India.

Holography business

Holography is the process of making holograms which are usually intended for displaying three dimensional images, security text, different unique features and images. It is a physical structure embossed on plastic film that diffracts light into an image, text or patterns.

Holography is widely used in various flexible packaging applications that provide better aesthetics, protection from counterfeiting, fraud and brand protection besides hot stamping foil, security label, holography transfer paper and other packaging applications.

Holography is produced on a thin flexible plastic film (PET, BOPP, CPP or Nylon) which has been micro-embossed with patterns or even images. Patterns or an image are created by way of an embossing process which can provide a 3D effect and/or spectral (rainbow) coloring. In order to enhance holography effect & its suitability in packaging application, embossed film is metallized on the holographic side.

The market potential for Holographic Film in India is approximately 8,000 tons and is expected to grow at around 10% - 12%.

Polyplex has successfully commissioned six holography machines in India, one in Turkey and two in Thailand for flexible packaging applications, gift wrap, label face stock and Carton lamination.

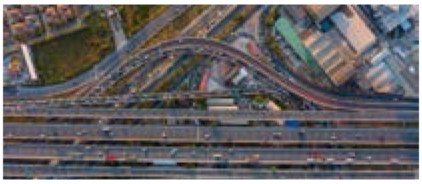
Recycling of plastic waste

The Company through its subsidiary in Thailand, Ecoblue Limited, which started operations in 2013, provides sustainable solutions for film-based process waste as well as post-consumer plastic waste for varied applications. Over the years, EcoBlue has been working with different post-consumer and industrial wastes (both PET and Polyolefin based) to develop and produce high quality recycled materials which can replace virgin resin in high end applications like Bottles, PET Film, Filament Yarn etc. The rPET, rPP and rHDPE range are FDA approved and Global Recycled Standard (GRS) certified. The Company has implemented a new state of the art recycling facility for post-consumer waste, for these applications to meet the ultimate demand of some Consumer Product Companies.

This project demonstrates the Company's commitment towards sustainability. The Company is also working with Ocean bound plastics marketplace platform and developing supply chain for ocean bound plastics. Ecoblue is now positioned amongst the leading recycling companies in the region.

X. Demand Drivers for Plastic Films


Population growth


Urbanization


Improved Quality of Life


Increased Environmental Awareness


Increased Consumerism

E-Commerce

Population growth: The demand growth for plastic film is expected to be linear and directly proportional to population growth. Rising life expectancy is expected to lead to an ageing of the population especially in high income countries that will increase demand for healthcare and pharmaceutical products.

Urbanization: Growth in the urban population is driven by overall population increase and by the upward shift in the percentage living in urban areas. Together, these two factors are projected to add 2.5 billion to the world's urban population by 2050, with almost 90 % of this growth happening in Asia and Africa.

India, China and Nigeria – together are expected to account for 35% of the growth in the world's urban population between 2018 and 2050. This translates into increased disposal incomes and an aspiration among a burgeoning middle class to adopt global brands and modern shopping habits.

Improved quality of life: With growing life expectancy and quest for quality, consumers are expected to move towards packaged product consumption. During the COVID-19 pandemic, there has been elevated demand for packaged foods due to its inherent properties of safety & hygiene thus mitigating the risk of contamination. Also, the move from unpackaged to packaged is expected to gather further momentum especially in Asia.

Increasing environmental awareness: Owing to increasing global environmental awareness, plastic films are gaining popularity owing to lower environmental impact (emitting lower greenhouse gases and lighter in weight). Flexible packaging offers a number of sustainability benefits throughout the entire cycle of the package when compared to other packaging options, especially rigids.

Increasing consumerism: Income growth has led to an increase in global consumer spends, influencing in turn the Plastic film industry. The projected growth for 2030 suggests world per capita GDP growing to around USD 14,000 from USD 10,936 in 2020. Technological developments are leading to accelerated demand in electrical, electronics and other industrial applications, along with new applications like LiB for EVs, which is expected to further increase demand.

E-Commerce: Transformation towards digitization has been growing at a rapid pace, more so due to Covid, across all age groups. As a result, there is an increasing number of people dependent on online shopping. Packaging plays an important role in case of E-commerce from aesthetics perspective as well as to ensure durability and quality of the product. In the era of social media marketing, many FMCG players are moving towards specialized, innovative and sophisticated packaging.

Retail Formats: Modern Trade has created a plethora of opportunities for the packaging sector as it increases the demand for retail ready packaging solutions which is space efficient and also helps in reducing supply chain cost. These formats lead to impulsive buying behavior through their visual merchandising strategies, efficient sales personnel, in-store sampling and promotions with discount offers.

XI. Key Differentiating Factors for Polyplex

- Onshore presence through integrated manufacturing and distribution in all major demand centers except China
- Inherent flexibility embedded in a range of upstream & downstream assets and organizational focus ensuring expeditious and economic product and application development
- An appropriate combination of integrated operations, contemporary assets, repurposed older lines, consistent improvement in productivity and cost structure securing long term cost competitiveness on a delivered basis

- Focused downstream and side-stream investments to meet customized needs of packaging and industrial markets
- Continuous investment in assets and capabilities to meet future requirements aligned to emerging trends
- Ahead of the industry in recycling initiatives and the only Company to offer mechanically and chemically recycled rPET films at scale
- A comprehensive suite of products for flexible packaging industry
- Tier 1 supplier for BOPET films to the global converters across both standard and specialty films
- Collaborative product and application development with customers
- An expanding portfolio in Thin and Thick Industrial BOPET films
- A proven management team with 20+ years at Polyplex and an in-depth understanding of the business
- A common value system across the organization, "SCORE" (Seamlessness, Care, Ownership & Responsibility and Excellence) secures the global mindset of a committed and empowered work force sensitive to all stakeholders

XII. Strategy & Positioning

Polyplex seeks to maximize long-term returns following a differentiated approach that responds proactively to business and environmental changes. As it seeks sustained and profitable growth i.e. a judicious balance between revenue enhancement and benchmark return on capital employed, Polyplex has often been an industry trend setter with respect to the strategy choices made in the past. The key elements of this strategy are as under:

Global and Integrated Manufacturing Set-up

Globally Seen by Customers as a "Local Manufacturer" - Seven state-of-the-art manufacturing facilities across the globe help focus on their respective domestic and regional markets

- Integrated manufacturing capacities across geographies enables the Company to provide a comprehensive suite of products in each manufacturing location. It also ensures supply chain efficiency, cost optimization & lower time to access and market new products and applications
- Backward integration into resin at all our film manufacturing locations is unique to Polyplex among the large global producers as others either do not have any captive resin facility or even if they do have, it may be at one location only and may not cover their entire requirement.

Diversified and Differentiated Product Portfolio

The Company has the widest product portfolio in the industry across several plastic film substrates; further enhanced due to multifarious downstream processing capabilities

- There is an increasing composition of innovative, highly customised and unique products to meet wide ranging requirements of customers
- Unique value proposition of differentiated products, applications and customers (D-PAC) has led to a healthy growth in specialty portfolio. It is a competitive advantage developed over time
- Polyplex has created a portfolio of value added and D-PAC sales to act as a twin-layer moat for preserving profitability

International Sales & Distribution Network

Polyplex offers

- Seamless and reliable supply chain through a judicious mix of onshore, nearshore manufacturing and imports
- Customer specific stocking programs – make-and-hold, consignment and local warehousing
- Direct sales presence through employees of local origin in key geographies in Asia, Europe and North America
  - Local presence in China, Japan, Korea, Malaysia, Vietnam, Philippines, Singapore besides Thailand and Indonesia
  - Physical presence of European sales team comprising of more than 8 nationalities in many countries of the EU
  - North America sales team physically located in different US cities
  - Customers in African and South American markets are catered directly or through agents/network
- Intricate knowledge of customer requirements and global trends - local language, cultural affinity and physical presence play an important role in developing strong customer relationships
- Strong and real time feedback loop established through the salesforce leading to prompt on-shore technical support
- Comprehensive product portfolio including high-value differentiated products in different lot sizes
- New product development and innovation
- Built-in resilience to any disruption - Polyplex has the ability to supply customers from its global supply network

Cost efficient operations & assets

- Investment in vertical integration (both backward and forward) complemented with versatile and high productivity assets would continue to protect cost competitiveness, drive innovation & value addition
- Continuous improvements in productivity and cost optimization to maintain global cost leadership
- In order to increase the sales of specialty film and enable economic usage of the older & less productive film lines, Polyplex has been consistently repurposing its older assets to meet the growing space and demand for D-PAC products in a cost-effective manner
- Other technological improvements like direct melt casting lines, upgrades and debottlenecking have helped Polyplex to remain cost competitive
- Efficient logistics cost due to proximity of manufacturing to customers and mostly local raw material sources have contributed towards operational efficiency

R&D capability

- Focus on innovation and collaborative application development helps the Company become a preferred supplier/ partner with several large multinational customers and ensures sustained differentiation
- A well-staffed R&D centre in India supported by satellite on-shore teams ensures multiple levels of customer engagement for product and application development
- Better technical services and new products are being facilitated by leveraging in-house R&D capabilities and experience
- Collaborative Research with Government labs and educational institutions to drive innovation and new sustainability positive products
- Systems have been created and strengthened to enhance cross-learning and sharing best practices/benchmarking across various units and businesses of the Group to enhance efficiency and synergy.
- The Company has developed many products in the last few years and for relevant markets has filed patent applications. Currently, it has 27 patents across various products/ processes/ countries and has filed application for 14 more patents. Further, the Company also has registered seven trademarks

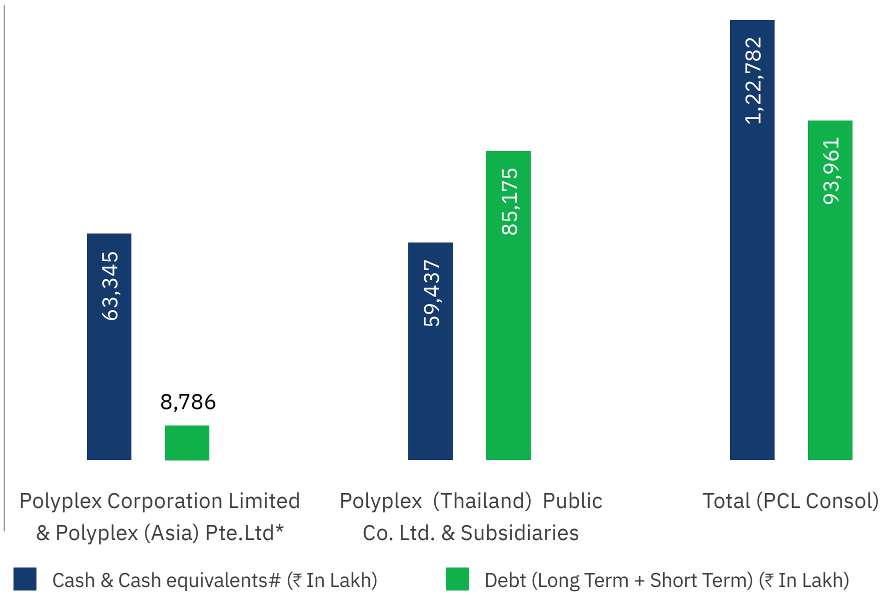
Sustainability focus

- The Company continually strives to develop sustainable products & processes and deliver more sustainable solutions for customers. There is a commitment towards sustainability with minimal environmental impact.
- Developed and optimized "chemical recycling" process for manufacturing Sarafil rPET Polyester film with Post-Consumer Recycled content upto 100%.
- Increasing presence in high potential sustainability related applications (Solar PV, Lithium-Ion Batteries, Transfer Metallized film/paper)
- Promoted use of bio-based renewable raw materials and energy sources for the manufacture of polyester films
- The Company has been following best practices relating to the environment and health & safety of its employees and the society.
- Recently added capacity to a facility in Thailand for recycling in-house and sourced plastic waste further adds impetus to the sustainability agenda. Working in close collaboration with industry associations, brand owners, converters, recyclers and research organizations on recycling of post-consumer flexible packaging waste

Strong Financial profile

- A liquid and strong Balance Sheet enhances flexibility to address growth opportunities
- Strong Cashflow generation with prudent capital structure:

Robust Balance Sheet with Net Cash Position



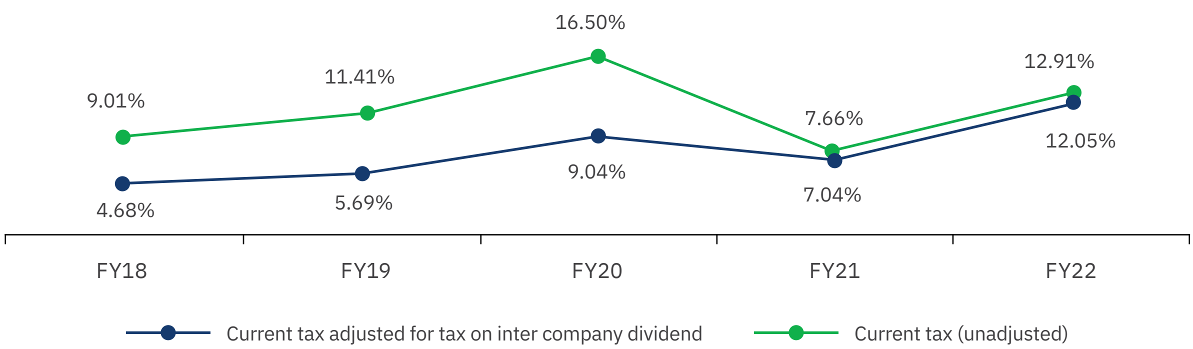
Note:

* Polyplex (Asia) Pte.Ltd (Singapore) is 100% owned by Polyplex Corporation Limited

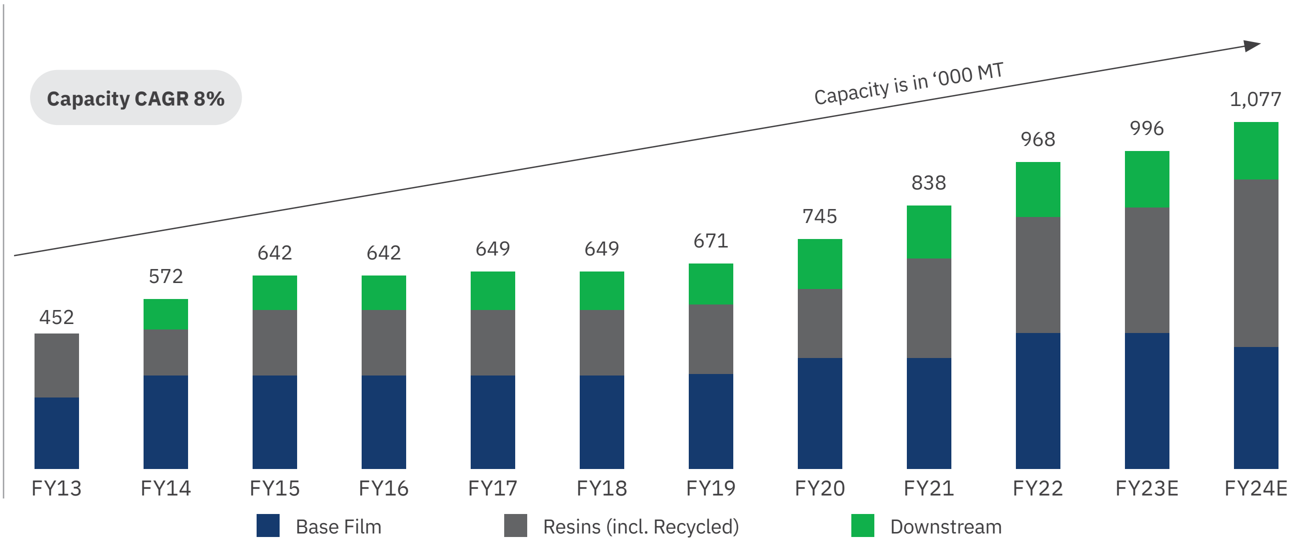
Including non current Investment in FD's and Bonds

- Favorable taxation regime as depicted below:

Effective Tax Rate



This strategy has resulted in continuous growth (CAGR of 8% in capacity addition).



Note:

i. Coater capacities and capacity for Transfer Paper Metallized has been converted into MT based on current product mix.

ii. Figures include the proposed investments (which are under implementation) - new PET film line, offline coater and debottlenecking of Resin plant in US

iii. Figures have been restated & revised, wherever necessary for previous years.

Despite the challenging environment, the Company continues to identify further growth avenues and is poised to enhance long-term shareholder value.

XIII. Business Process Excellence

To enhance our competitive advantage and differentiation, the Company has been continuously investing in Business Process Improvement and Excellence programs. A BPE (Business Process Excellence) team is continuously working to undertake several Group-Level initiatives to improve our business processes and optimizing cost through continuous improvement in the areas of freight, packing, inventory management, electrical and thermal energy consumption, indigenization of spares, waste reduction & reuse of waste material, CRM and customer complaint handling. The benefits from these BPE programs have been continuously accruing over the last several years and incremental benefits are expected in the future as well.

XIV. Projects under Implementation

Brownfield BOPET Film line & Offline Coater Project at Polyplex USA LLC, USA

The investment in a BOPET film project and in Offline Coater is under implementation in USA, co-located with its existing facilities on the available surplus land.

Project Details

1. Total Capital investment is about 121 million USD
2. BOPET Thin Film Line of 10.6 meters width & design speed of 650 meters / minute with an annual installed capacity of 50,000 TPA
3. De-bottleneck the capacity of existing PET Resin line from 58,000 TPA to 86,000 TPA
4. Investment in Offline Coater to curtail lead time and to increase the market share
5. Project start up expected by H2 of CY 2023

Funding of the Project proposed through internal accruals and Bank borrowings

Project Rationale:

1. North America has a large domestic PET Film market which is highly dependent on imports.
2. There have been no major investments made in this industry in the US over the last few years and no known upcoming capacities. Hence, there is an attractive opportunity to capture the demand growth by being an on-shore supplier and increase our market share by leveraging on Polyplex's existing marketing capabilities, customer relationships and long-term experience of servicing this market
3. Develop a competitive cost structure with an optimum combination of 2 BOPET lines along with backward integration into captive PET resin manufacture. The proposed new line being world's highest output PET film line will significantly enhance the overall cost competitiveness as compared to other domestic suppliers as well as off-shore suppliers.

Post this investment, Polyplex will be the most cost competitive producer of Thin BOPET films in the US.

Brownfield BOPP Film line Project at Polyplex Indonesia
During FY 2021-22, the BOPP film line with a capacity of 60,000 TPA was commissioned in Indonesia, helping the Company to:

- Tap the market potential in South East Asia
- Leverage long experience in the market and customers as well as diversify business risk
- Increase cost competitiveness through economies of scale

XV. Performance during the year

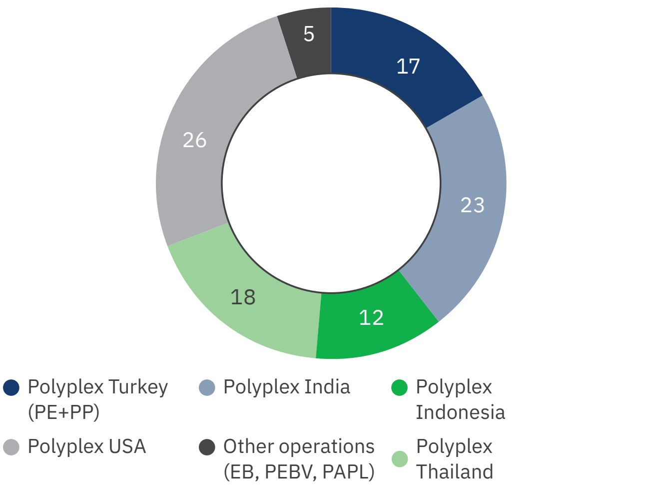
All discussion here is in the context of the consolidated performance of the Company.

Sales and Operations

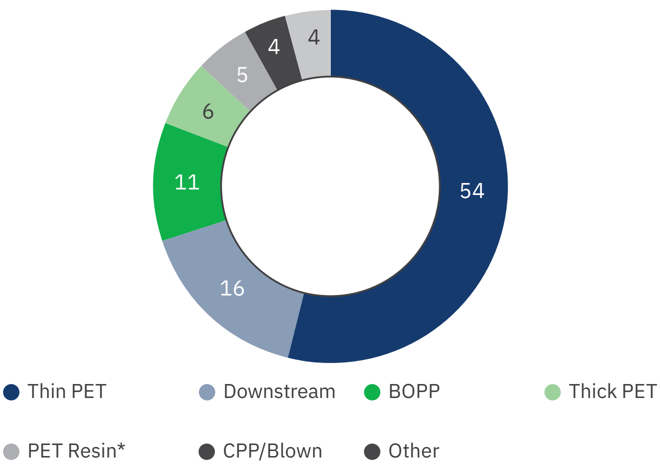
The Company has a large international presence with active sales in all major regional markets/countries (supplies to more than 75 countries) with an extensive base of about 2,650 customers and low customer concentration. The customer base is fragmented consisting of both small players and large corporates across geographies, with top 10 customers contributing towards 27% of revenues in FY 2021-22. Majority of the customers have an average offtake <10TPM and prefer local manufacturer / distributor for ease of business, even if the domestic pricing is at a premium. With a diverse product portfolio, Polyplex can cross-sell different products to the same customers.

Polyplex has established long term relationships (15-20 years on an average) with key customers globally. The Company has been able to maintain strong customer loyalty with a high rate of repeat customers over the years.

Operating company-wise breakup of sales (%)

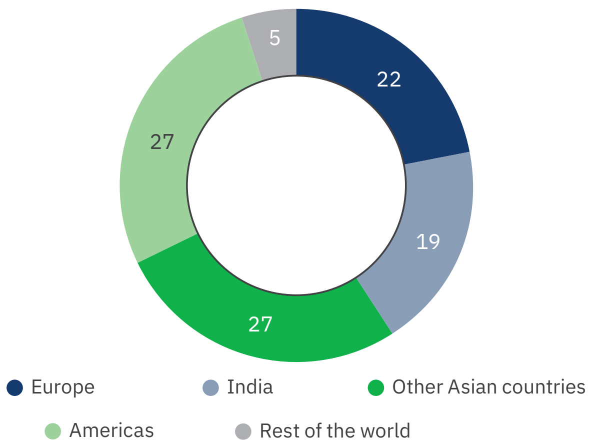


Business segment-wise breakup of sales (%)

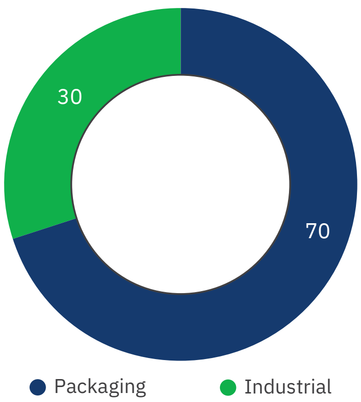


* Includes Recycled Resin

Region-wise breakup of sales (%)



Application-wise breakup of sales (%)



The breakup of the Company's revenues from various regions, operating companies, business segments and applications are given below:

Notes:

Other sales in the graph above comprise scrap sales and trading sales of third party non-manufactured products.

Financial performance

A snapshot of the Income Statement for the last two years is given below:

Particulars	2021-22			2020-21			Change (YoY)
	(₹ in Lakh)		% of Total Expenses	(₹ in Lacs)		% of Total Expenses	
Sales & Other Income	6,75,238	100%		4,97,732	100%		36%
Manufacturing Expenses	4,14,649	61%	75%	2,87,457	58%	72%	
Operating and other Expenses	1,17,000	17%	21%	82,685	17%	21%	
EBITDA	**1,43,589**	**21%**		**1,27,590**	**26%**		**13%**
Foreign exchange fluctuation loss / (gain) #	(5,388)	-1%	-1%	(579)	0%	0%	
Normalized EBITDA *	**1,38,201**	**20%**		**1,27,011**	**26%**		**9%**
Interest & Finance Charges	1,650	0%	0%	1,758	0%	0%	
Depreciation and Amortization	27,252	4%	5%	27,980	6%	7%	
Income Before Income Tax	**1,14,687**	**17%**		**97,852**	**20%**		**17%**
Exceptional Gain / (Loss)	-	0%		-	0%		
Provision for Income Tax	18,204	3%		11,655	2%		
Net Income (Before Minority Interest)	**96,483**	**14%**		**86,197**	**17%**		**12%**
Minority Interest	39,603	6%		35,016	7%		
Net Income (After Minority Interest)	**56,880**	**8%**		**51,181**	**10%**		**11%**

Unrealized portion of foreign exchange loss / (gain) on foreign curency long term loan

* Normalized EBITDA excludes impact of unrealized FX (gain)/ loss on long term loans

During the year under review, the sales and other income have increased by 36% due to increase in sales price of PET & BOPP films (due to higher raw material prices on the back of increase in crude oil price) and marginal increase in sales volume of PET film business. Further, overall sales volume of BOPP Films also increased due to new plant start-up at Indonesia during Q3 FY 2021-22.

EBITDA is higher by 13%. This was mainly on account of higher sales volume and improved value addition as compared to previous year. Normalized EBITDA increased by 9% only due to adjustment for unrealized foreign exchange fluctuation gain amounting to Rs. 5,388 lakh during the current year, in comparison to unrealized foreign exchange fluctuation gain worth Rs. 579 lakh during the previous year. This was on account of foreign exchange difference arising as a result of reinstatement of long-term foreign currency loans charged to the statement of Profit and Loss as per applicable accounting regulation.

The income tax is higher during the current year due to higher profit in the year under review. Also, in Indonesia, there were lower taxes in FY21 due to prior period losses resulting from initial startup phase and in FY22 taxes have been as per the standard income tax rate.

Sales and other income

(₹ In Lakh)

Particulars	2021-22	2020-21	Change (YoY)
Sales	6,60,716	4,90,349	35%
Other Income	14,522	7,383	97%
Total	**6,75,238**	**4,97,732**	**36%**

An increase in topline during the year under review was mainly due to increase in sales volume of BOPP & Blown Film and further supported by increase in selling prices.

Other incomes during the current year were on higher side mainly due to higher foreign exchange fluctuation gain. During current year foreign exchange fluctuation gain rose to Rs. 8,761 lakh in comparison to Rs. 253 lakh in previous year. Other income also includes export incentive received aggregated to Rs. 1,724 lakh which is higher as compared to Rs. 1,477 lakh in previous year and insurance claims received during the year of Rs. 640 lakh (Rs. 326 lakh in previous year). Other income also includes interest income which is generated through deployment of surplus cash in low-risk market instruments and fixed deposits.

Manufacturing expenses

(₹ In Lakh)

Particulars	2021-22	2020-21	Change (YoY)
Raw Materials Consumed (Incl. Stock Accretion/Decretion)	3,39,037	2,24,026	51%
Power & Fuel	34,527	29,033	19%
Packing Material Consumed	23,323	18,666	25%
Stores & Spares Consumed	12,618	11,310	12%
Repairs and Maintenance	5,143	4,424	16%
Total Manufacturing Expenses	**4,14,649**	**2,87,457**	**44%**
as a % of Sales and Other Income	61%	58%	

Raw material expenses increased by 51% in absolute terms mainly due to increase in raw material prices and increase in volumes. Further, power and fuel costs, packing cost, stores & spares cost and repair & maintenance cost have increased due to higher sales volume and start-up of new plant at Indonesia. This has resulted in overall increase of manufacturing expenses by 44% in absolute terms.

Operating and other expenses

(₹ In Lakh)

Particulars	2021-22	2020-21	Change (YoY)
Personnel Expenses	48,244	42,449	14%
Administrative Expenses	12,866	11,409	13%
Selling Expenses	54,699	27,866	96%
Other Expenses	1,191	961	24%
Total Operating and other Expenses	**1,17,000**	**82,685**	**42%**
as a % of Sales and Other Income	17%	17%	

During the year operating and other expenses in absolute term have increased by 42% reflecting the increase in sales volume, start-up of new BOPP line at Indonesia and impact of inflation. Another factor contributing to higher selling expenses was exorbitant freight rates resulting from shortage of containers leading to supply chain disruption.

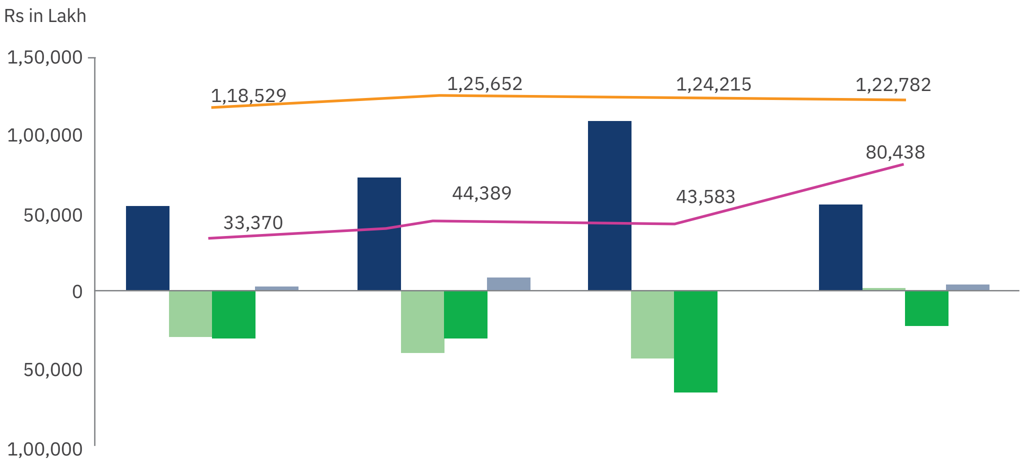
Interest and finance charges

(₹ In Lakh)

Particulars	2021-22	2020-21	Change (YoY)
Interest Expense	1,475	1,655	-11%
Bank & Other Financial Charges	175	102	71%
Total Interest and Finance Charges	**1,650**	**1,758**	**-6%**
as a % of Sales and Other Income	0.2%	0.4%	

Financial expenses are lower than the previous year due to repayment of term loan and decline in interest rate during the year under review partially offset by increase in long term borrowing for new operations at Indonesia and EcoBlue and higher working capital borrowing during the year.

Liquidity and capital resources



Particulars	FY (2018-19)	FY (2019-20)	FY (2020-21)	FY (2021-22)
Net Cash flow from operating activities	55,119	73,110	1,08,455	56,002
Net Cash flow from investing activities	(29.626)	(40,496)	(43,231)	106
Net Cash flow from financing activities	(31,153)	(29,767)	(65,885)	(23,223)
Exchange diffrence on translation of Foreign Operation	3,096	8,172	(144)	3,970
Total Cash & Cash and Equivalents	33,370	44,389	43,583	80,438
Total Cash & Bank Balance including investment	1,18,529	1,25,652	1,24,215	1,22,782

Net cash flow from operating activities
Net cash flow from investing activities
Net cash flow from financing activities
Exchange difference on translation of Foreign Operation
Total Cash & Cash and Cash Equivalents
Total Cash & Bank Balance including investment

The Company ensures access to sufficient funding at acceptable costs to meet its business needs and financial obligations at all times. The Company relies on cash from operations and short-term/long-term debt for meeting its requirements. It continues to maintain adequate liquidity for its operations with a close watch on the debt service and leveraging ratios. Cash and equivalents together with undrawn credit lines (excluding project financing) and liquid investments aggregated to around Rs. 2,05,119 lakh (including unutilized working capital limits of Rs. 82,337 lakh) as at the end of the reporting period.

Cash flows for the last four financial years

(₹ In Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash & Bank Balances	51,406	29,367
Fixed Deposit with Banks (less than 3 Months)	29,033	14,216
Cash & Cash Equivalent (A)	**80,438**	**43,583**
Fixed Deposit with Banks (3 - 12 Months)	9,578	48,895
Other Balances with Bank	621	2,702
Bank Balances other than Cash & Cash Equivalent (B)	**10,199**	**51,597**
Fixed Deposit with Banks (More than 12 Months)	4,593	255
Investment in Bonds	24,051	26,955
Liquid Investment	3,500	1,825
Other Cash & Bank Balances (C)	**32,145**	**29,035**
Total Cash & Bank Balance including investment (A + B + C)	**1,22,782**	**1,24,215**

Cash flow from operations

For the year under review, cash-flow from operating activities (before change in working capital) has increased to Rs. 1,36,765 lakh as compared to Rs. 1,24,245 lakh in previous year mainly due to expanded scale of operations. This was partially offset by significant increase in net working capital invested in business (inventories, trade receivable, and other net current assets), thus resulting in net cash-flow from operating activities (after change in working capital) to be Rs. 56,002 lakh. Significant increase in Net Working Capital (NWC) in FY22 is due to spike in RM cost, increase in volume and selling prices.

Cash flow from investing activities

Factors impacting cashflows are:

- The cash generated was used in investment in fixed assets to the tune of Rs. 40,178 lakh in FY 2021-22 (Rs. 52,922 lakh in FY 2020-21), mainly towards BOPP project in Indonesia & new PET Film line at USA as well as multiple smaller investments in various locations
- Around Rs. 37,482 lakh of fixed income securities and bank term deposits were redeemed (net of investment) during the FY 2021-22 (net redemption of investment of Rs. 3,477 lakh in FY 2020-21)
- Interest received during the year is lower at Rs. 2,669 lakh (Rs. 4,628 lakh in FY 2020-21) on account of lower interest rates during the year

Cash flow from financing activities

Factors impacting cashflows are:

- There was a net increase in total debt (short term + long term) by Rs. 26,249 lakh. This includes increase in net term debt by Rs. 12,648 lakh (net of repayment of borrowings) due to fresh borrowing for ongoing projects and balance on account of working capital borrowings
- Interest paid during the year was Rs. 1,836 lakh (Rs. 1,861 lakh in FY 2020-21).
- The Company paid dividend of Rs. 47,870 lakh in FY 2021-22 (Rs. 54,208 lakh in FY 2020-21)
- During the year Rs. 382 lakh were received from Non-controlling party towards the share subscription in a subsidiary

Exchange Difference on translation of foreign operations

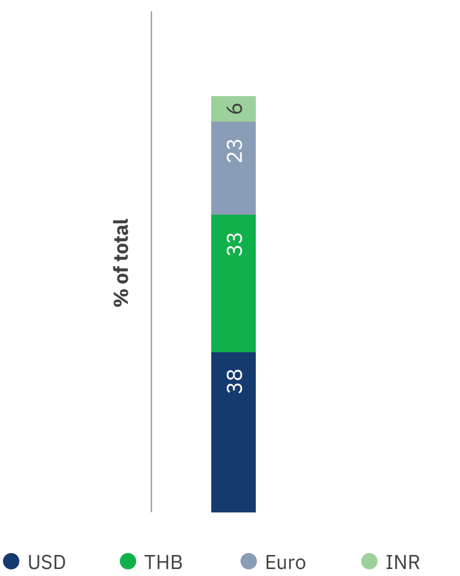
This is the exchange rate difference arising out of translation of assets & liabilities of overseas subsidiaries which are denominated in different currencies into INR on consolidation.

Debt profile

Total debt as on March 31, 2022 is Rs. 93,961 lakh (Rs. 69,069 lakh on March 31, 2021), an increase of Rs. 24,892 lakh over the previous year. This is mainly due to the increase in working capital borrowing and long-term debt for Indonesia project significantly offset by net repayments.

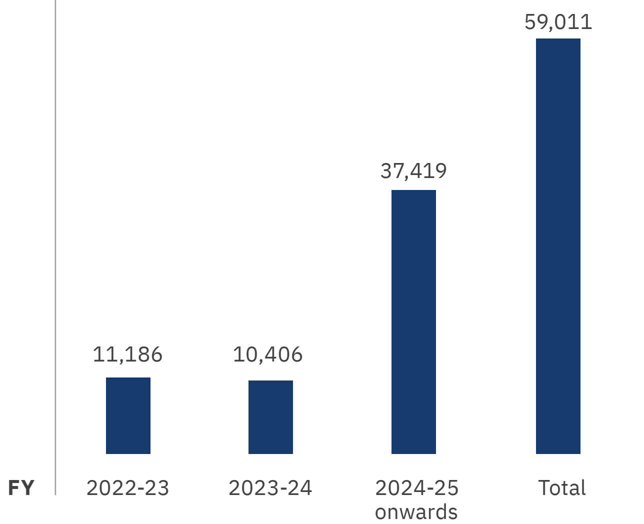
Total Debt - Currency wise

(%)



Term Loan Repayment Schedule

Rs in Lakh



XVI. Sustainability

There is concern from all stakeholders and environmental groups on the usage of plastics.

The perceptions on plastics usage at a macro level are driven by images of plastic litter in oceans, impact on marine life and prevalence of microplastics in the food chain, etc. This is exacerbated by usage of certain Single Use Plastic (SUP) items which contribute to the increasing amount of plastic waste reaching the landfills in absence of a comprehensive recycling ecosystem.

Governments are becoming an active participant in setting out the expectations and defining rules. Industry is focusing on developing economical models for collection, sorting and reuse/ recycling of post-consumer plastic waste. The urgency and sensitivity on the sustainability agenda varies significantly across regions with Europe taking the lead and limited traction in the US and South East Asia. Regulatory measures / guidance across the world have focused on reducing / eliminating the usage of certain SUPs, imposing special taxes or other measures to promote recycling and usage of recycled content, setting out Extended Producer Responsibility (EPR) obligations, etc.

To put into perspective, out of a global plastics consumption of more than 350 million tons, 35% approx. is packaging (both rigids and flexible). Of this, about 30 million tons is used in consumer flexible packaging wherein Multi-Layer Packaging (MLP) would be a significant subset. The consumption of thin BOPET film in flexible packaging / MLPs is about 3.4 million tons.

Due to its superior performance, economics as well as benefits on the sustainability front, flexible plastic packaging has been gradually replacing rigid forms of packaging over the last several decades. The myriad benefits include lower environmental impact and carbon footprint, resource efficiency in terms of high product to package ratio, lower energy usage water and transport costs and landfill requirements, better performance – barrier, retort and other features besides flexibility and versatility to cater to various needs and convenience requirements. As a result, regulators and governments across the world have not come out with any measures to restrict the usage of MLPs in packaging and MLP has not been included in any SUP ban list in recognition of its intrinsic benefits and the lack of viable alternatives in terms of environmental impact and cost. The focus is to encourage development of the recycling infrastructure and usage of recycled content infrastructure with a primary obligation on Brand owners.

The Ellen MacArthur Foundation (EMF) in collaboration with the UN Environment has come up with a New Plastics Economy Global Commitment vision document wherein one of six key pillars is that all plastic packaging is 100% reusable, recyclable, or compostable. Various national and regional plastic pacts have been constituted under plastic pacts network of EMF. Plastic pacts bring together Governments and frontrunners from across the whole value chain to accelerate the transition towards circular plastics economy. Signatories include national governments, packaging manufactures, waste management businesses, plastic manufacturers, brand owners and retailers

In light of the above, each industry participant is challenged with both threats as well as opportunities. The Company strives to partner with all stakeholders in the value chain on sustainability developments. It represents the polyester industry at various national and International Industry Associations, the details of which are as below:

Industry Associations	Objective
PETCORE - Europe	PET Sustainability & Recycling
CEFLEX -Europe	Flexible packaging circular economy
BOPET FILM - Europe	PET film
SPC - USA	Sustainable Packaging
IFCA -India	Flexible packaging and folding carton

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. Polyplex is aligning with the UN's Sustainable Development Goals (SDGs) to better understand global challenges that need to be solved. We set a goal to align our innovation portfolio to meaningfully advance the UN SDGs and create value for our customers with minimal environmental impact and providing the highest standards of health and safety to the workforce.

Global consumer product companies have come out with their sustainability pledges which with regard to plastics are centered around making their packaging recyclable, reusable or compostable usage of recycled content, reduction in usage of unnecessary plastics and drive projects around circularity besides other objectives like reduction in water / fossil fuel based energy usage, etc.

In the above context, it may be added that "recycle ready" has no relevance unless recycled and at scale. Plastic tax imposed in EU recognizes only what is recycled. Everything else is taxed. While all substrates can be theoretically recycled, economic and technical limitations of mechanical recycling including contamination from inks and adhesives lead to multicolored, low spec recycled resin with limited use.

There is an ongoing debate as to whether all mono polyolefin structures could be a solution to the need for recycling.

— MLP Laminates (mono material or multi material) can be down-cycled into low end products like pots, pans, chairs etc. besides some end-of-life applications such as usage in road construction and waste to energy (cement kiln and incineration)

— Even if mono materials are used in flexible packaging, issues will largely remain the same with only very limited incremental applications

There is no existing stream to collect, sort and recycle mono-olefin MLP laminates for flexible packaging. Existing streams are only for rigid PE/PP and single layer unprinted PE / PP films for agriculture and secondary packaging applications such as shrink wrap. Unlike Olefins where mechanical recycling leads to deterioration of properties and degraded components making it unsuitable for food grade flexible packaging and pharma applications, PET resin produced through mechanical recycling process can be used to produce BOPET films for such applications.

Given the inherent limitations of mechanical recycling, industry and governments are increasing acknowledging the necessity of chemical recycling to achieve true circularity. Further, LCA studies have established that chemical recycling has a significantly lower carbon footprint in comparison with fossil fuel-based polymer production.

In conclusion, the entire issue of Sustainability w.r.t. flexible packaging can be encapsulated as under:

Rigid vs Flexible Packaging	• The compelling benefits of flexible packaging would discourage the conversion back to rigids (glass/tin/foil/cardboard) in any material manner. • The ongoing shift from rigids to flexibles is expected to continue, particularly in the developing world
PCR Content	• BOPET films are the only option currently • There is increasing visible momentum in the last one year for usage of rPET films • This will also improve recovery rates for post-consumer PET bottles and likely initiate recycling of APET trays
Chemical Recycling	• Chemical recycling is integral to any sustainable solution for post-consumer flexible packaging waste to ensure true circularity.
Mono Structure	• Within the limitations on functionality, costs and likelihood of increased material usage, some formats may be shifted to Olefin based structure and some to PET based • However, there is no established collection, sorting and recycling streams for flexible packaging laminates • Given contaminations of inks and adhesives only down cycling is possible with limited end use
Other Considerations	• An effective collection and sorting infrastructure coupled with chemical-based recycling to recover feedstocks / monomer from MLP would provide a true "circular" solution. In such circumstances, the growth of BOPET films could be higher than envisaged currently. • Pledges by brand owners, technological developments and government actions would be an important consideration

Sustainable Products & Solutions

Polyplex has successfully adopted the 5 R's (Reduce, Reuse, Recycle, Remove and Renewable) concept while coming up with new-age packaging substrate solutions. It has taken various initiatives to recycle waste, save energy and use clean technology to reassert its environmental commitment and continually strives to manufacture sustainable products which can gain global acceptance. As an organisation, the Company continually strives to develop sustainable products and deliver more sustainable solutions to our customers. Polyplex has undertaken the following decisive initiatives in the realm of environmental conservation:

- Developed and optimized "chemical recycling" process for manufacturing Sarafil rPET Polyester film with post-consumer recyclate content of upto 100% for packaging applications. The film has been made available commercially using post-consumer PET bottle flakes as input material. The rPET resin has properties same as that of virgin PET resin and the resultant PET film is compliant with regulatory requirements including EC and US FDA compliances. Our Thai subsidiary has also got the Recycled Claim Standard (RCS) and Global Recycled Standard (GRS) certification for film.
- Developed Monomeric PET film with high sealability for use in mono and multilayer packaging and other industrial applications. These monomeric range of PET films are recyclable and conform to the definition of circularity.
- Developed various biodegradable films (PET, Blown PP/PE, CPP) which meet the requirements of anaerobic biodegradation either in accelerated and fill or high solids anaerobic conditions complying to ASTM D5511 & D5526 standards
- Introduction of transfer metallized films & paper and direct metallized paper for plastic free cartons which is 100% recyclable. Paper is considered a more environment friendly substrate being bio-degradable and recyclable solution for many packaging applications. Metallized paper offers dramatic benefits over the use of foils and metallic inks on reduction of carbon foot print and is easily recyclable along with conventional paper or board. It is qualified as mono-material, so considered as environmentally sound compared to other available substrates for these applications.
- Increasing focus on high potential sustainability related applications including Solar PV, Lithium-Ion Batteries etc.
- Thermoformable Films developed by Polyplex are safer and environment friendly solution for replacement of PVC films
- Through its R&D initiatives, Polyplex has promoted the use of bio-based renewable raw materials for the manufacture of polyester films
- Successfully developed antimony free (heavy metal free) films
- Developed high barrier metallized film for aluminum foil replacement suitable for milk, coffee segments
- Chlorine free transparent barrier PET film for see through and convenience packages.
- Dedicated recycling unit in Thailand which provides sustainable solutions (mechanical recycling) for both post-industrial film waste (difficult to recycle materials like silicone coated, printed metallized etc.) and post-consumer waste (polyester fiber waste, bottles). As well as olefinic waste. A CircuLiner program for PET filmic liner waste has also been launched with some global companies to provide desired circular recycling solutions. EcoBlue rPET film is in compliant with US FDA 21, Regulation (EU) 10/2011, EU REACH Regulation (EC) No 197/2006 Article 33 (1), RoHS Annex II of 2011/65/EU and meet the requirements of Japan Regulations (JHOSPA) and GRS
- Digital printing offers high-quality graphics without the usage of solvents unlike conventional printing techniques such as Flexo and Rotogravure. With a lot of technologies available for digital printing itself, Polyplex has been able to develop products for most segments suitable for different digital technologies such as inkjet, dry toner, liquid electro-photography, etc.
- Conversion of general packaging laminate structures from 3 layers to 2 layers, which basically contributes to both source reduction as well as CO2 footprint reduction. With this idea in mind, Company now has a high barrier PE which is successfully being used in shampoo and detergent packaging where it essentially converted a 3-layer structure to 2 layers
- Down-gauging of PET film has resulted in immediate environmental benefits through reduction of packaging weight

Sustainable Processes

- Operationalized latest technologies like Direct Melt Extrusion, Twin screw extrusion systems etc. to save power across plant locations which resulted in substantial improvements in terms of energy efficiency
- Reduced greenhouse gas generation by using husk-fired heaters at its Indian facilities.
- Switched to LED lighting across plants
- Improve production and operational efficiencies to ensure optimal consumption of resources like electricity, water and raw materials
- Shifting to solar power for cost optimization – starting from Thailand and then to other locations based on cost benefit analysis

- Limiting the impact on the environment by reducing emission levels, industrial waste and effluents coupled with measures for waste treatment and water conservation
- Improve safety and health standards by continuously improving working conditions, minimizing workplace hazards and raising awareness through involvement, participation and continuous training of the shop floor workforce
- Engaged with stakeholders to promote sustainable business practices
- Measure & monitor carbon footprint through LCA studies

The Company has been following best practices relating to the environment, health and safety and has been diligently following the guidelines that have been set out as per the following certifications:

Management System International Standards	India (Khatima)	India (Bazpur)	Thailand	Turkey	USA	Indonesia
Quality Management System	Certified since 1996	Certified since 2010	Certified since 2003	Certified since 2008	Certified since 2018	Certified since 2020
Environment Management system	Certified since 2002	Certified since 2010	Certified since 2004	Certified since 2009	Certified since 2018	Certified since 2020
Occupational health & safety management system	Certified since 2004	Certified since 2012	Certified since 2008	Certified since 2009		Certified since 2020
Food Safety Management System	Certified since 2008	Certified since 2012	Certified since 2009	Certified since 2008	Certified since 2021	Certified since 2021
Energy Management System	Certified since 2013	Certified since 2013		Certified since 2014		Certified since 2021
Greenhouse Gas Emissions			Certified since 2021			

The Company's latest Sustainability report for the year 2018-20 as per the Global Reporting Initiative (GRI) standards is available on Company's website. The objective of the Sustainability Report is to disclose its Environmental, Social and Governance (ESG) performance to the stakeholders and to set benchmarks for each sustainability indicator with improvement and intervention areas.

In recognition of its efforts, Polyplex Thailand has been awarded for the following awards:

- Esteemed title of "Green Innovation Award" at the prestigious Asia Corporate Excellence & Sustainability Awards 2021
- Prime Minister's Award for Innovation – Chemical Recycling in Thailand
- Best Public Company of 2021 – Industrial Group at Money & Banking Awards
- Thailand Greenhouse Gas Management Organization for complying with the standard requirements of GHG emissions
- Green Industry Level 3 (Green System) for systematic environment management with continuous monitoring respectively
- Ecovadis CSR Ratings Bronze Award for environment, labour & human rights, ethics and sustainable procurement

XVII. Corporate Social Responsibility

Corporate social responsibility has been an important part of the mission of the Company. The Company has been undertaking various initiatives to help communities in areas adjoining to its plants and improve the quality of life of its employees.

During the pandemic, the Company, across all its locations, has made monetary as well as contributions in kind to NGO's, Hospitals and Government relief funds. At our plant locations in Khatima & Bazpur contributions have been made to Govt. Hospitals.

The Company has been running a school at its Khatima plant for the past almost three decades. The school provides over 1,750 students with best-in-class educational facilities. Under a PPP model at Bazpur and Khatima, Polyplex has adopted two local schools and provides them with the necessary infrastructure. Polyplex also offers a slew of sports and educational sponsorships as well as full scholarships to the school-going children of deceased employees and have made contributions to various other schools/educational institutes in order to promote education and help contributing to a better society. Polyplex promotes religious harmony through its even-handed support to local religious activities and celebrations. Polyplex has also contributed to the Rekhta Foundation, which is a non-profit organisation established to promote and disseminate literature and culture. In line with the requirements of Companies Act, 2013, the Company has also constituted a CSR Committee with a keen emphasis on delivering a positive impact across social, economic and environmental parameters. A detailed report on CSR expenditure is provided in the Directors' Report section.

XVIII. Innovation

Polyplex leverages the concept of co-creation while working on various innovation and sustainability programs with its stakeholders – converters and brand owners from the value chain.

The Company owns 27 Patents spread across various products, processes and countries and additional 14 applications have been filed. Additionally, seven trademarks have been registered and a few more have been applied for.

Consumers have become highly demanding and are looking for more and more convenience features in packaging formats. "Reclosability", "Easy to tear" and "Higher shelf life" have become regular concepts in the packaging market.

Sustainability Focused Innovative Products:

- rPET range of Sarafil Polyester film suitable for direct food contact packaging applications with PCR content upto 100%
- Cold and Hot thermo-formable films for replacement of Nylon and PVC in certain flexible and pharmaceutical segments
- Monomeric range of PET films with high heat seal strength for construction of monomeric flexible packaging material which are recyclable and conforms to the definition of circularity
- Digital printing films for variable printing applications
- Specialized papers like Holographic and silver metallized paper for labels and flexible packaging
- Metalized PE Films for mono PE structures

Other innovative products and solutions for convenience, aesthetic, shelf life & high performance:

- Holographic films for specialized applications for Brand protection, Security & Tamper evidence
- Inline siliconized films for liner applications
- Specialty coated products for aesthetically pleasing packaging structures. They are targeted to impart a more natural and paper-like look for a soft and subtle appearance.
- High barrier AlOx PET film for enhanced shelf life and see-through packaging
- High barrier metallized PET film for replacement of aluminum foil in coffee, milk powder packaging
- High performance thermo-formable films for shallow draw lidding applications
- High performance blown PP films for retort applications
- Specialized back sheet films for solar panels
- Anti-fog films for face shield application
- Films for Lithium Ion Battery (LIB) in EV applications
- Specialty-coated PET/OPP thermal films
- VIF/TIF embossed PE films for agricultural applications
- CPP Films for medical applications

XIX. Human Resources

Polyplex Group employs over 2660 people across the globe including the recently added greenfield site in Indonesia. The Company closely monitors employee performance and accordingly creates career progression paths. Greater emphasis has been given to the following initiatives:

- **Management of Human Resources during Pandemic:** During the crisis, a robust health monitoring mechanism has been put in place including handling of emergency situations. Proactive communication and prevention have been the hallmark of these initiatives. All our operations continued without any disruption during these difficult times
- **Internal Growth and Development:** Expansion in multiple geographies / product categories has resulted in the team stepping into leadership roles organically
- **Retention of Key Employees:** The leadership retention scheme has been broad based to include many future leaders. Over the last few years, there is zero attrition at the leadership level. The Company strongly believes in managing operations through a stable management team
- **Localization:** There is greater emphasis on developing and promoting local leaders having potential to deliver by providing more opportunities of learning and growth. This has positively impacted the morale and participation of local employees in improvement initiatives and programs. Attrition rate at managerial level at all the units is also minimal
- **Performance Management System:** Special emphasis has been given to improve the robustness of performance feedback across the hierarchy
- **Employee Welfare and engagement:** The Company believes in having strong institutionalized employee engagement schemes/programs specially designed to meet the aspiration of local environment, culture and social practices. The attempt is to promote health of all employees holistically. Physical, mental, emotional and spiritual health of employees is monitored to

ensure higher engagement. Employee engagement and employee welfare schemes continue to play its pivotal role in improving employee bonding. Polyplex has more than 50 structured and institutionalized employee engagement/welfare schemes covering employees at all plants and head office

- **Healthy IR situation:** Overall IR situation in all the plants are healthy. Employees participate in decision making process through employee welfare committees. Polyplex has not lost a single day of production since inception due to labor strike
- **Employee Rationalization:** Employee rationalization related initiatives continued to operate at all the units. The emphasis is to use each opportunity of employee rationalization with minimal emotional distress to employees. The leadership team in our new operation in Indonesia consists of employees from all the units without any additional hiring. Business growth opportunities provided additional space for manpower rationalization. Rationalization also involves lowering the grade at which a specific job is performed, integration of functions to reduce managers/supervisors, delayering of structuring
- **Systems and Process Institutionalizations:** Polyplex believes in institutionalized mechanism of managing all the benefits related to human resources. Employees have full access to these documents in HR portal (HRIS) for their ready reference
- **Hiring of Future Leaders:** The Company continues to employ graduates from various premier institutions of the country. This initiative, over the last five years, has helped young engineers and management professionals take up middle level leadership positions. Under this program, they are given direct exposure through structured role change for faster and all-round growth. This has helped in improving the available talent pipeline and employee retention
- **Training & Skill Development:** People Development Cell set up to identify function-specific classroom / on the job training needs of the employees
- **Caring Culture:** Care is one of the four core values of Polyplex's value system. Polyplex believes in holistic development of our employees. Focus is on developing a culture to Attract, Develop and Retain Employees
- **Long serving employees:** In order to appreciate the contribution of long serving employees, following initiatives have been taken during last financial year:
  - Direct family members of employees are given opportunity of employment
  - Employees at operating level are given growth to play larger role at the plants

XX. Information Technology

During the year under review, the Company continued to implement IT enablement initiatives for improving and optimizing business processes. The new application platform "Integrate" has been successfully running in two locations. It has been extended to EcoBlue unit in Thailand during the year under review and the roll out is under progress at another unit.

In view of constrained work environment due to COVID-19 pandemic, the Company undertook additional measures and deployed additional infrastructure to facilitate work from home while extending security measures to protect information processing and collaboration outside corporate networks.

The Company is working on improvement programs in the IT Disaster Recovery and Backup infrastructure to improve DR capability and availability of IT applications and infrastructure supporting the business operations. The Company continues to invest in upgradation of older networks and infrastructure components to contemporary standards with secured infrastructure.

XXI. Internal Control Systems

The Company has a strong internal control system comprising various levels of authorization, supervision, checks and balances and procedures through documented business processes, policy guidelines and manuals. Risk and Control Matrix (RCM) has been prepared for all the key processes and business transactions. Design and operating effectiveness of control matrix is tested by Corporate Internal Audit Team every year.

The Internal audit team develops a comprehensive risk based annual audit programme which is aligned to the previous year's observations, suggestions from the operating managers and statutory auditors. The Internal Audit Plan is approved by the Audit Committee which also reviews compliance to the said plan.

The Company remains committed in ensuring an effective internal control environment that provides assurance to the Board of Directors, Audit Committee and the management that there is a structured system for:

- Ensuring statutory compliance framework and its effectiveness
- Evaluating and managing risks on the basis of pre-defined risk control matrix as per Internal Financial Control (IFC) guidelines
- Review of business plans and goals
- Safeguarding the Company's assets against unauthorized usage
- Prevention and detection of fraud and error
- Compliance of policies and delegation of authority
- Validation of IT security controls

The internal audit team conducts detailed audits to regularly monitor the efficacy of internal controls/ and compliances with Standard Operating Procedures and Manuals with an objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all transactions are authorized, recorded and reported correctly.

The internal audit reports are discussed by the Management Committee and subsequently placed before the Audit Committee of the Board of Directors along with the directions/ action plan recommended by the Management Committee.

Based on the gaps reported in the internal audit report, process owners are required to take corrective actions in their respective areas to mitigate the risk. Corporate Internal audit team ensures regular follow-up with the concerned operating managers to ensure that agreed action plan is implemented within the timelines. The company has in-built IT controls on all major business processes that ensure reliable and timely financial reporting. The Company continuously upgrades its internal control system by measures such as strengthening of IT infrastructure and use of external management assurance services.

XXII. Risk Management

Risk management is a central part of the Company's strategic management. It is the process whereby the Company addresses the risks attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of all activities. The focus of good risk management is the identification and treatment of these risks and to add maximum sustainable value to all the activities of the organization, thus optimizing operational efficiency. Effective risk management ensures continuity of the Company's operations and protection of the interests of its stakeholders.

During the year, the Company has formulated the "Risk Management Policy" in compliance with Regulation 21 and Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), which requires the Company to lay down procedures about risk assessment and risk minimization.

Objective of the Policy

- To enable visibility and oversight of Board on risk management system and material risk exposure of the Company
- To define and document the risk management methodology
- To improve decision making, planning & prioritization by comprehensive and structured understanding of risks faced by the Company

The Company's risk management program comprises of a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including any material changes to its risk profile. To achieve this, the Company has clearly defined the responsibility and authority of the Company's Risk Management Committee, to oversee and manage the risk management program, while conferring responsibility and authority on the Company's Chief Risk Officer and senior management/business managers to develop and maintain the risk management program in light of the day-to-day needs of the Company. Regular communication and review of risk management practice provides the Company with important checks and balances to ensure the efficacy of its risk management program.

Competition and business cycle risk

The industry margins in standard thin PET films hinge on Value Addition "VA" i.e. the difference between PET film prices and raw material (PTA and MEG) prices. Whenever the demand-supply balance favors the suppliers, VA usually widens and thereby encourages manufacturers to increase production by expanding capacities. On the contrary, if PET film supply exceeds market demand, prices drop, thereby narrowing the gap. This inevitably affects every producer's revenues and profits, though the impact varies considerably depending upon the product mix, market positioning and other factors.

Risk mitigation

Polyplex is well placed to counter the adverse effect of any exposure we may have to business volatility risk due to our inherent strengths:

- Capability to diversify the risk given its fragmented and well spread customer base, diversified product portfolio and applications, evenly distributed sales mix and fully integrated operations
- Downstream businesses like Saralam, Saracote, OLC, Holography, TMP etc usually help in stabilizing the overall margins as for many products, the end pricing remains largely stable
- Another key point is the significant and consistently higher material margins in Europe and North America markets as compared to Asia for the standard product, which the operations in Turkey and USA are able to leverage upon. The European and North American markets have high dependency on imports and logistics / duty differentials play a large role in the pricing differences besides premium for local players, faster deliveries, smaller delivery lots, etc. The European market has become more balanced now given new capacities added in the region
- Judicious share of raw material linked sales helps in generating stable margins

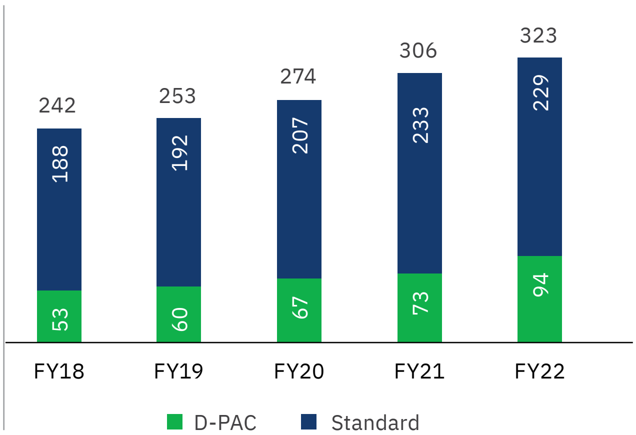
- Strengthening of D-PAC (Differentiated Product, Application and Customer) portfolio drives Polyplex's rights to win in a competitive Industry. It helps the Company de-risk earnings. Focus is on constant addition of new products to the differentiated portfolio, effectively "replacing" older and standard products

Increasing Contribution of D-PAC sales over the period:

The below graph demonstrates the superior and relatively more stable VA of Polyplex on a consistent basis, as compared with the Industry benchmark margin (China) for standard Thin BOPET films.

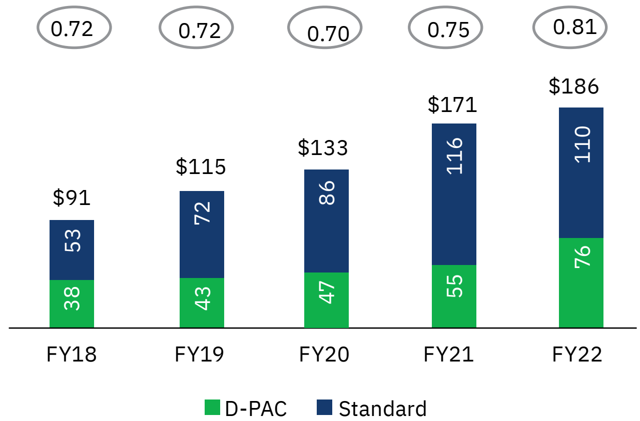
Continued Increase in D-PAC Volumes...

KMT (films)



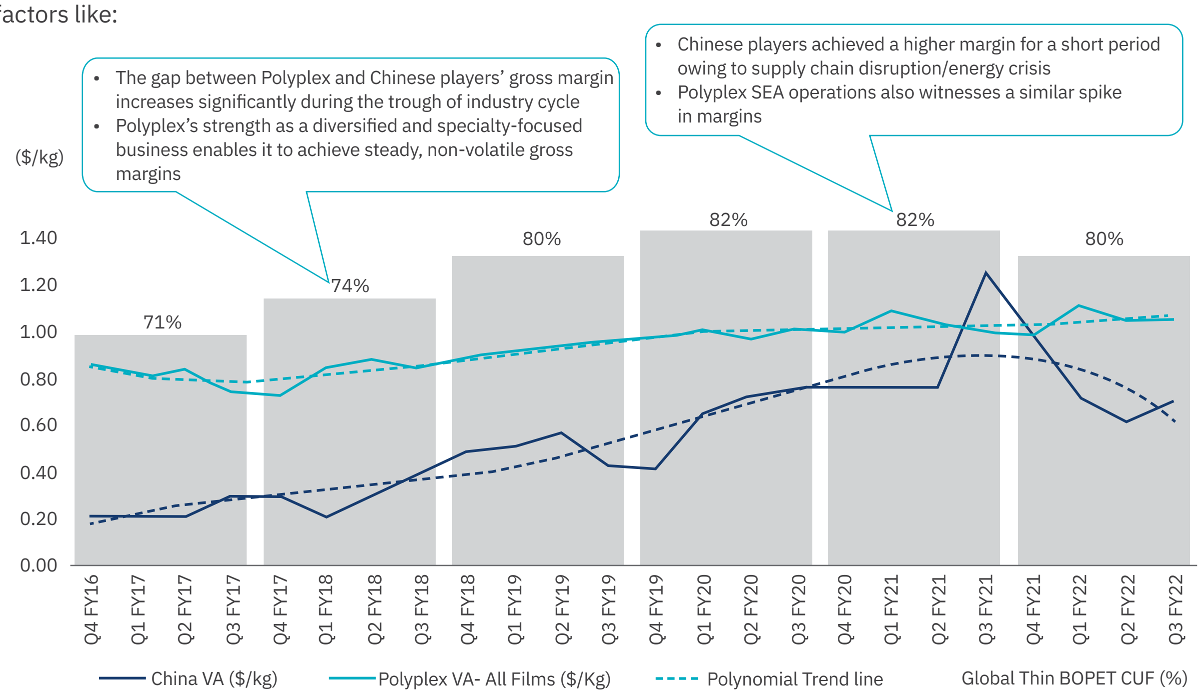
Resulting in Growth of Incremental[1] D-PAC EBITDA

Incremental EBITDA for D-PAC ($/kg)
EBITDA ($ million)



[1] The contribution from D-PAC sales to the overall EBITDA represents "incremental" margin over and above standard products net ofadditional costs (raw materials, differential productivity, wastages and conversion costs). As an illustration, if standard film price is 100, D-PAC product price is 200 and additional cost is 30, then the resulting incremental margin would be 70;

It may also be observed that the variability in VA across quarters is much more than the yearly averages due to many other factors like:



Diversification across geography, business lines, products and customers	Focus on D-PAC offerings which are less volatile to changes in raw material prices	Raw material cost advantage due to backward integration	Contractual raw material linked pricing arrangements with key customers

a) Seasonality impact (Chinese New Year holidays for Asia, July/Aug due to vacation period for European operations, Christmas / New Year for US operations etc)

b) Sharp Raw material price movements whereby selling prices for standard products take between 1-3 months to adjust

c) Start-up of new capacity can impact the regional pricing for the first couple of quarters before stabilizing

d) Additionally, sharp movement in FX rates and/or freight rates can also impact the short term VA given the existing order book and lag in pricing adjustments.

Price volatility risk

The basic raw material for production of PET film is PET resin, which in turn is produced from PTA and MEG. Being components of the petro-chemical chain, the prices of PTA & MEG are impacted by Global crude oil prices, apart from demand-supply within its own industry.

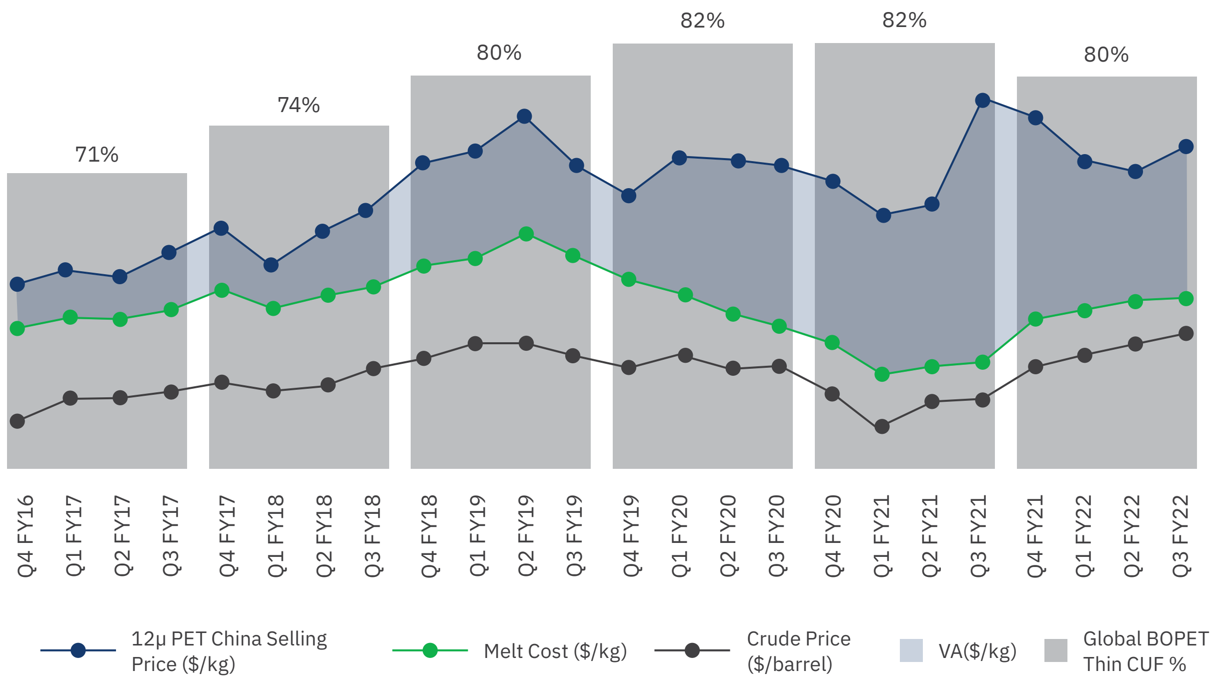
The cost of resin is the single-largest component of the total production costs. Hence, any adverse fluctuations in the cost of PET resin can impact the Company's operating margins depending upon the Company's ability to pass on cost increases to its customers. As selling prices are usually negotiated on a monthly/quarterly basis, in a balanced demand supply situation, the Company is able to adjust the selling prices following any changes in PET resin costs and other operating costs, although this happens usually with a time lag varying between one to three months depending on the region and prevailing demand supply conditions. The margins on the D-PAC products tend to be more stable and even counter-cyclical.

Risk mitigation

The following graph illustrates the influence of crude oil prices on the raw material costs and consequently the selling prices of BOPET film, and also establishes the low co-relation between Crude Oil and Industry benchmark (China) value additions.

As can be seen above, crude oil prices have an important bearing on PTA & MEG melt cost and is directly proportional.

Raw material movements tend to be 'pass through' in film prices. However, the value addition of the PET film



industry is more influenced by the industry demand-supply scenario rather than the crude or melt cost.

Further, Asia is a dominant player in PTA as well as MEG thus affecting prices of these key raw materials globally. Having raw material prices aligned to Asia is important from two reasons - 1) these affect raw material prices (including resin) for players in different regions and 2) raw material cost of Asian film producers would be linked to Asian indices. Polyplex has followed a strategy whereby the raw material sourced by different units have some sort of linkage to Asian prices to be aligned to other competitors.

The Company monitors global and local input price trends carefully and determines its procurement plans accordingly. Moreover, unpredictable price movements of raw materials affect all industry participants and thus does not put Polyplex in a materially advantageous or disadvantageous position vis-à-vis its competitors. The Company's geographical and product diversification helps in sustaining pricing / margins much better than other participants. The prices of downstream products like silicone-coating, extrusion-coating, holography and other specialty / D-PAC films are less susceptible to changes in raw material prices and thus reduce the Company's vulnerability in the face of volatile resin costs.

Trade defense risk

Trade defense measures (Anti-dumping duties, countervailing duties, safeguard measures etc.) are imposed to protect local producers against unfairly traded or subsidized imports. Anti-dumping duties are imposed on imports if the ex-factory prices of such imported products are proved to be lower than the local selling prices of similar products in the respective exporting country. Countervailing duties are tariffs levied on imported products to offset the impact of subsidies applicable for exporters in those nations. Such tariff measures increase prices of imported products, usually rendering exporters uncompetitive.

PET Film: International trade in PET film has been subject to trade defense measures for more than three decades through the imposition of anti-dumping duties and countervailing duties. The important markets adopting this measure are the EU, the US, Korea, Indonesia, Turkey and Brazil. In order to protect the domestic economy from Covid impact, Turkey had imposed additional custom duty of 40% till 31st Dec 2020 and 10% thereafter on all countries excluding those with FTA's and Custom Union.

Risk mitigation

Polyplex has an advantage in key target markets. Owing to its global manufacturing presence, it can minimize duty incidence thereby achieving most competitive delivered cost for customers.

Polyplex's Relative Advantage in Key Markets for Select BOPET Films

Importing Country	Lower Duty Countries (0%-5%)	Medium Duty Countries (5%-10%)	Higher Duty Countries (10%+)	Polyplex Advantage
Indonesia		Thailand/ 1 supplier of China	Rest of China, India	- Local producer
South Korea	Indonesia, Thailand	Pakistan	India, China, UAE	- No duty from Indonesia - Lowest duty from Thailand
Turkey	Egypt, Poland, Hungary		India, Pakistan, Bahrain, Peru, China	- Local Producer
USA	GSP (0%)- Indonesia##, Pakistan, Nigeria FTA - Bahrain, Peru, Columbia, South Korea Normal (4.2%) - Thailand, Turkey	India (Select producers)	India, China	- Onshore - GSP from Indonesia##
Brazil*	Peru, Columbia	Thailand, Indonesia, Pakistan, Turkey	India, China^, Egypt^, UAE, Bahrain	- Thailand and Indonesia with no ADD
EU	0% - Turkey, Pakistan, Egypt GSP (3%) - Indonesia, India**	China, Thailand, Columbia		- Duty free access from Turkey, GSP from Indonesia / India
Thailand	Indonesia, China	India, UAE		- Local producer - No duty from Indonesia
Japan	Indonesia, Thailand, India	China		- Multiple locations with zero duty - Incumbent supplier position

* Since ADD rate is in US$/Kg, categorization has been done considering relative duty rates

^ Currently Suspended

Currently Suspended since Jan 2021

** Suspension of GSP concessions for India covering Chapter 39 products entirely (PET, BOPP and PET Resins) effective 01st Jan 2023

The Company undertakes required steps to insulate itself against risks arising out of any such anti-dumping actions and other trade barriers imposed by importing countries. A well-diversified manufacturing presence and an end-to-end product portfolio also helps mitigate fallout from such actions. As a local producer in many countries, it is also evaluating actions for protection against unfairly traded or subsidized imports from other countries.

BOPP Film: The key markets imposing trade defense measures on imports of BOPP films are Indonesia, Thailand, Vietnam, Korea and Pakistan. Our existing operations in India for BOPP film are not subject to these trade defense measures. The brownfield expansion in Indonesia for BOPP film which was started in FY 2021-22 is subject to Anti-Dumping duties on exports to Korea & Thailand. On the other hand, the Indonesian market is protected against imports from other key exporting countries like Thailand, Malaysia, China & Vietnam.

PET Film Resin: In case of PET film resin, there are not many trade defense measures across the globe except the safeguard duties imposed by Turkey on imports from all countries which is in force for three years effective Nov 2020.

PTA: There have been AD duties on imports of PTA in India from countries like Thailand, Korea, China, Indonesia, Malaysia, Taiwan & Iran but effective Feb'20, these duties have been revoked as PTA has been designated as a critical input for textile fibers & yarn.

MEG: Effective June 2021, anti-dumping duties have been imposed on USA and Saudi Arabia origin MEG by the EU for five years. In June 2021, a new AD investigation was initiated by India on imports of MEG from Kuwait, Saudi Arabia & USA.

Cyber Risk

Cyber risk refers to the losses related to phishing attacks, malware, social engineering, data breach, cyber extortion, ransomware, business interruption resulting from cyber event etc. As Polyplex has operations in multiple countries with global customer base, there is a need to contain the impact of potential cyber-security events & losses through criminal activities. Also, with increasing dependence on digitization, the probability of cyber/crime event increases.

Risk mitigation

The Company has a comprehensive Corporate IT policy and procedures in place which are continuously updated. IT Reviews are generally done with the help of external agency. There is a shift in the focus towards proactive security monitoring from reactive monitoring. We ensure that firewalls of contemporary standards are upgraded at all external connectivity points with additional security components. Repeat communications, one-on-one user awareness sessions, global / focused password reset exercises are held regularly.

In case of Data Privacy matters, the policies and procedures have been updated in line with respective regulations. We continue to monitor regulatory changes and comply with the requirements. We also have Cyber & Crime Insurance in place to take care of any extreme losses.

Liquidity and solvency risk

Liquidity implies the ability to meet debt obligations and finance future investments. Generally, if the cost of debt is lower than the return on investments, by increasing the financial leverage, a corporate can enhance return on equity. However, since there is an obligation to make fixed interest and principal repayments, volatile cash flows could strain the liquidity of a corporate. Also, higher debts could limit the ability to finance further investments.

Risk mitigation

The Company has sufficient cash reserves significantly exceeding the level of debt. Cash and equivalents together with undrawn credit lines (excluding project financing) and liquid investments (current and non-current) aggregated to more than Rs. 205,119 lacs. Free cash flows along with large unutilized credit lines available at Polyplex's disposal are expected to be quite adequate to manage various ongoing expansions and to deal with any unforeseen contingences. Accelerating cashflow generation with low gearing showcases potential for exponential self-sustaining growth.

Exchange rate and interest rate risk

FX risks arise on account of unanticipated changes in exchange rates. As the Company deals in multiple currencies due to its operations across different locations, the Company is exposed to risks on account of currency mismatches. Interest rate risk is the risk borne by interest bearing debt and investments due to variability in interest rates. In case of financing done at floating rates, as the interest rates change, cost of borrowing also changes, thus impacting cash flows.

Risk mitigation

Since the currency markets are highly volatile, the Company minimizes such risks by adopting a consistent hedging strategy. A natural hedge is created by choosing the right currencies for taking loans. Thus, the Company fixes the currency of the liability in order to match with the currency of operational surplus. The remaining mismatched exposures are optimized by the Company by carefully identifying, measuring, monitoring and hedging the net exposures by using simple instruments like forwards with a 3 month rolling time horizon. This ensures that the maximum potential loss remains within defined limits. As there is a natural hedge available for all long-term borrowings, the Company does not cover the exchange rate risk on these liabilities. Therefore, the foreign exchange translation gain/ loss on these liabilities, as reported in the financial statements, may not have a corresponding impact on the cash flows of the Company as the payments for these loans are met via future receivables in the same currency. The forex risk is managed on a standalone basis as cash flows are not freely transferable between Group entities.

The currencies used for external borrowing by the Company are US Dollar, Euro, INR & THB. Depending on the net FX surplus on standalone basis, the currency for external borrowings is chosen. As of March 31, 2022, majority of the long term external borrowings were in Polyplex Indonesia which is in Euro & USD. Any spike in EUR & USD value against the local currency (IDR) has a negative impact on loan liabilities. But, as the impact of USD & EUR are offsetting in nature, the net MTM impact is minimal. Also, as majority of the Company's exports are denominated in EUR and USD, the impact on the Company's cash flow is minimized. Apart from this, there are related party borrowings in Thailand, Indonesia and the US which are in Euros. Hence, there is a significant impact of Euro movement in terms of foreign exchange reinstatement gain/loss as reported in the financial statements, which is partially hedged through Euro-denominated exports.

The structural currency for the business is USD, even where the invoicing is done in local currencies (EUR, THB, INR, IDR). Given USD forms the basis for raw material costs (the key cost component) as well as sales (more than 50%), cash flows are not exposed to any significant currency risk.

There are various reasons for interest rate changes like economic growth, inflation expectations and unemployment, among others. All these factors are external and uncontrollable. In order to have a more balanced loan portfolio and considering the cost benefit analysis, the Company continuously evaluates shifting some of its floating rate debt to fixed rate. Additionally, as the Company is net cash positive, the impact of recent interest rate hike across the globe is positive.

Credit risk

Credit risk refers to the risk of non-payment by debtors. This risk increases in case of unsecured or open payment terms.

Risk mitigation

The Company has a well-defined and robust internal credit management system to monitor unsecured sales. The Company also has a global credit insurance cover to secure non-payment risks of customers. During FY 2021-22, the Company had 2,650 customers (including the customers serviced by a large distributor) and 27% of the total revenues were contributed by the top-10 customers. A strong internal credit risk management framework and credit insurance policy has enabled Polyplex to manage credit risk prudently. The average credit period during FY 2021-22 stood at 61 days as compared to 50 days in FY 2020-21. In a pandemic situation, the risk of default is high and delays in payments are expected but with strong credit risk management system and strong relationship with customers, Company has been able to mitigate the risk of default and is confident of doing so in the future as well

Project implementation risk

Any delay in implementation, cost overrun, inability to stabilize production from the new investment and failure to meet the target investment objectives may significantly affect future profitability. Although the Company takes into consideration various regulatory aspects at the project feasibility stage, subsequent changes during the implementation phase may lead to project delays.

Risk mitigation

The risks are mitigated by forming a dedicated project management team, corporate management oversight, management commitment and suitable protection clauses in contractual arrangements and appropriate insurance products. The Company remains confident of successful implementation of new projects on time and within budgeted costs except for un-foreseen circumstances. There have been some minor delays in the startup of some of the smaller projects due to a variety of factors including Covid related.

The ongoing Brownfield Thin BOPET Film project at the USA subsidiary is currently the only project under implementation. Due to the ongoing inflationary pressures, there has been an increase in the project cost but on account of the strong financial profile, the Company is able to retain the cost increase with minimal impact on the project feasibility.

Geopolitical risk

Geopolitical risk is about relations between nations – at the political, economic, military, and cultural/ideological level. Risk conventionally occurs when status quos are threatened. Russia's invasion of Ukraine is the largest, most dangerous military mobilization in Europe since WWII.

Risk mitigation

Sanctions have been imposed by various countries on Russia and Belarus – including Canada, Japan, New Zealand, Taiwan, United Kingdom, United States, EU, Australia, Switzerland, Singapore and South Korea. Though the commercial import/export activities of Polyplex with Russia and Belarus is not within the scope of the prohibited transactions but Polyplex stopped all sales to Russia, Belarus & Ukraine since the start of the war. There is a marginal impact on our overall sales as most of the sales were to multinational companies who have developed alternate sourcing methodology.

The installed capacity of base films as well as downstream units is quite evenly spread out among the five manufacturing country locations of India, Thailand, Turkey, Indonesia and the US. Though some political and economic problems have been faced in Thailand and Turkey from time to time, there has not been any significant effect on business activities. The Turkey operations are well placed to sustain any impact in the short term arising from its location in a Free Trade Zone, high export orientation, domestic sales being invoiced in Euro and other mitigating steps undertaken. No adverse long-term impact is envisaged.

Supply Chain Disruption

The pandemic has resulted in increasing sea freight rates and global container and vessel shortages.

This led to risk aversion towards concentrated supply chains and trend towards de-globalization, thus, bringing out the advantages of local sourcing both for costs and supply security

Risk mitigation

Our geographically diversified manufacturing presence and business model has helped us mitigate the supply chain risks and navigate relatively smoothly through this challenge. Leveraging on our local presence in all the key demand centers, we have been able to establish ourselves as a dependable partner to all our key customers, even in this time of uncertainty. Based on a clear shift in customer preference to local supplies over imports, we have been able to demonstrate the effectiveness of our strategy of on-shoring and near-shoring manufacturing model.

RM is mostly procuring from local suppliers and there has been no major impact of the supply chain disruption.

Regulatory risk

Regulatory compliance is a key consideration for the BOPET industry. In order to ensure the safety of food that is packaged and consumed, extensive regulations have been put in place by various regulatory bodies like the USFDA, the EC, among others.

Risk mitigation

The Company stringently conforms to the relevant USFDA and EC directives for food packaging applications.

Environmental and sustainability risk (please see section on Sustainability also)

The Indian flexible packaging industry (like the global industry) is also exposed to certain environmental and sustainability related risks. The Plastic Waste Management Rules (PWMR), 2016 and Solid Waste Management Rules, 2016 define responsibilities and actions required by municipal authorities, manufacturers, producers, importers and brand owners. Amendments to these Rules made in March, 2018 have relaxed the regulations on usage of MLPs, factoring in lack of alternatives. While further amendments made in 2021 specify ban on certain SUPs these are not applicable to MLPs for flexible packaging. Real emphasis has come out on effective collection, recycling and sustainable waste management system.

The current legislative framework has clarified that every producer, importer or brand owner (PIBO) will have primary responsibility for plastic waste and will have to register themselves with concerned authorities like SPCB/ CPCB. They need to establish a system for collecting back the plastic waste generated due to their products and this plan of collection to be submitted to CPCB while applying for Consent to Establish or Operate or Renewal. It is important to note here that Polyplex is registered under the PWMR Rules as a “manufacturer” i.e. a supplier of raw material to the producer, whereas the “producer” is defined as manufacturer of carry bags or multi-layer packaging. As a manufacturer, Polyplex is also required to get registered at Pollution Control Board (UPCB) which has been done.

The Ministry of Environment & Forests (MOEF) has also come out with Guidelines for a uniform framework for EPR implementation as per which the primary responsibility for collection of post- consumer waste and creating a recycling ecosystem vests with producers, importers and brand owners. Recently, guidelines have been issued in India mandating Extended Producer Responsibility (EPR) obligations, recycling, and use of recycled content with a defined timeline.

- EPR Targets Clause 7.2 (a) of EPR guidelines for plastic packaging issued on Feb 16, 2022

“Extended Producer Responsibility target

	Year	Extended Producer Responsibility Target (as a Percentage of Q1-Category Wise)
I	2021-22	25%
II	2022-23	70%
III	2023-24	100%

The Extended Producer Responsibility target in MT category-wise, as applicable, shall be provided by Producer, as part of Action Plan on the centralized portal developed by Central Pollution Control Board.”

- Coverage of Extended Producer Responsibility: Clause 5 of EPR guidelines. “The following plastic packaging categories are covered under Extended Producer Responsibility:

  Category I - Rigid plastic packaging

  Category II - Flexible plastic packaging of single layer or multilayer (more than one layer with different types of plastic), plastic sheets or like and covers made of plastic sheet, carry bags, plastic sachet or pouches

  Category III - Multilayered plastic packaging (at least one layer of plastic and at least one layer of material other than plastic)

  Category IV - Plastic sheet or like used for packaging as well as carry bags made of compostable plastics”

  - Minimum level of recycling (excluding end of life disposal) of plastic packaging waste (% of EPR Target): Clause 7.2 (b) of EPR guidelines

Plastic Packaging Category	2024-25	2025-26	2026-27	2027-28 and Onwards
Category I	50	60	70	80
Category II	30	40	50	60
Category III	30	40	50	60
Category IV	50	60	70	80

- Mandatory use of recycled content in plastic packaging (percentage of plastic manufactured for the year): Clause 7.2 (d) of EPR guidelines

Plastic Packaging Category	2025-26	2026-27	2027-28	2028-29 and Onwards
Category I	30	40	50	60
Category II	10	10	20	20
Category III	5	5	10	10

In Jan 2022, Food Safety and Standards Authority of India (FSSAI), issued a directive permitting use of rPET for food contact applications in both flexible and rigid packaging application. These changes will accelerate the usage of PET films with rPET content in flexible packaging

In July 2022, amendments were made to the PWM Rules to granting exemption for plastics meeting certain standards of bio-degradability from obligations relating to EPR. At Global level also, there are increasing concerns on the usage of plastics in general due to low rates of recycling of post-consumer waste and lack of efficient collection and sorting systems. There is growing recognition globally, on the need to impose EPR obligations on Brand Owners to set up an effective collection, sorting and recycling infrastructure. The COVID-19 crises has resulted in a re-think on the benefits of plastics in general and may re-orient thinking on recycling strategies and solutions.

Risk mitigation

Flexible packaging is environment friendly compared to traditional rigid forms of packaging owing to its lower carbon footprint, light weight and lower requirement of landfill. The amendment to the PWMR in India has significantly diluted the threat to MLP as it provides for an exemption for material which is recyclable or provides for energy recovery or an alternative use. There is increasing recognition among policy makers and other stakeholders that the functional properties of flexible packaging are unmatched and alternative options are not suitable. Governments and Industry are focusing on developing economic models for collection, sorting and reuse/ recycling of post-consumer plastic waste. There is an increasing trend towards identifying EPR measures to fund such initiatives and more emphasis is on alternate use of multilayer packaging waste

The Industry is also working on multiple fronts to provide sustainable solutions such as:

- Higher rPET content in packaging
- Single substrate packaging solutions
- Higher Bio content or Bio sourced solutions
- Several alternative usages of plastic waste are being pursued like conversion to fuel oil, incineration, road construction etc.

COVID-19 related risk

The impact of the pandemic on the BOPET film industry stems from expected fall in disposable income worldwide due to reduction in economic activities/higher unemployment levels and lockdowns in some or other parts of the world. It was expected that it may result in a reduction in the demand in the packaging and industrial segments. These may include expensive snacks/boutique products, white goods, mobile devices, LED/LCD devices, construction industry applications and automotive segment, thereby leading to a reduction in demand for the films used in these segments.

Risk mitigation

While initially there was a fall in demand for industrial applications has been largely corrected. Additionally, the increased demand of health and personal protection/hygiene related products helped maintain overall demand levels. Plastic has proved to be much safer, affordable, long lasting and helps in disease containment during these tough times.

Consumer staples, which make up bulk of Polyplex's business, has seen stable to elevated demand. In developed economies such as Europe, US, Japan and Korea - there is some increase in demand for films going into flexible packaging, as consumers gravitate towards more home consumption. Even in developing economies like India people have become more health conscious and prefer to buy packed products rather than those which are sold loose.

Cautionary statement

This report contains forward-looking statements which may be identified by their use of words like 'plans,' 'expects,' 'will,' 'anticipates,' 'intends,' 'projects,' 'estimates' or other words of similar meaning. All statements that address expectations or projections about the future, including statements about the Company's strategy for growth, market position, expenditures and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized.

Directors' Report

Your Directors have pleasure in submitting the Thirty-Seventh Annual Report together with Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2022.

Financial Highlights and Operations

During the year under review working results of the Company were as under:

a) Standalone Working Results:

(₹ In Lakh)

Particulars	2021-22	2020-21
Total Income (Revenue from operations and other income)	2,12,714	163,754
Profit before Finance Cost, Depreciation and Amortization, Tax and Exceptional Item	60,795	55,914
Less : Finance Costs	221	287
Less : Depreciation and Amortization	5,120	5,739
Profit before Tax and Exceptional Item	55,454	49,888
Add: Exceptional Item – Gain/ (Loss)	-	-
Profit before Tax but after Exceptional Item	55,454	49,888
Less: Tax expense and prior period adjustment	6,307	4,549
Profit after Tax (PAT)	49,147	45,339
Other Comprehensive Income	(230)	(19)
Total Comprehensive Income for the period	48,917	45,320

Consolidated Working Results:

(₹ In Lakh)

Particulars	2021-22	2020-21
Total Income (Revenue from operations and other income)	6,75,238	497,732
Profit before Finance Cost, Depreciation, Amortization and Tax and Exceptional Item	1,43,589	127,590
Less : Finance Costs	1,650	1,758
Less : Depreciation and Amortization	27,252	27,980
Profit before Tax and Exceptional Item	1,14,687	97,852
Add: Exceptional Item – Gain/(Loss)	-	-
Profit before tax but after Exceptional Item	1,14,687	97,852
Less/(Add):Tax expense and prior period adjustment	18,204	11,655
Profit after Tax (PAT)	96,483	86,197
Other Comprehensive Income	348	5,219
Total Comprehensive Income	96,831	91,416
Total Comprehensive Income attributable to owner of the parent	57,713	53,677
Total Comprehensive Income attributable to Non-Controlling Interest	39,118	37,739
Earnings Per Share (of ₹ 10/- Each) (Basic & Diluted) in ₹	181.19	162.57

Year in Retrospect

During the year under review, Company earned total income of ₹ 2,12,714 Lakh as compared to ₹ 1,63,754 Lakh during the preceding year on Standalone basis, including income by way of dividend from subsidiary(ies) amounting to ₹ 31,396 Lakh (Previous Year ₹ 32,183 Lakh). Profit before Tax improved to ₹ 55,454 Lakh as compared to ₹ 49,888 Lakh during the preceding year. Profit after Tax for the year was at ₹ 49,147 Lakh as compared to ₹ 45,339 Lakh during the preceding year.

During the year under review, Company earned total income of ₹ 6,75,238 Lakh as compared to ₹ 497,732 Lakh during the preceding year on Consolidated basis. Profit before Tax improved to ₹ 1,14,687 Lakh as compared to ₹ 97,852 Lakh during the preceding year. Profit after Tax was ₹ 96,483 Lakh as compared to ₹ 86,197 Lakh during the preceding year.

Dividend

The Board of Directors (the Board) have declared and paid following Dividends during the year:

- 1st Interim dividend at the rate of ₹ 33/- per share (Record Date: August 26, 2021);
- 2nd Interim dividend at the rate of ₹ 15/- per share (Record Date: November 25, 2021); and
- 3rd Interim dividend (Special) at the rate of ₹ 35/- per share (Record Date: February 25, 2022).

Your Board have also proposed payment of Final Dividend at the rate of ₹ 21/- per share, which would be paid after its declaration by the Members at the ensuing Annual General Meeting.

Cumulatively, Company has declared / proposed total dividend of ₹ 104 /- per share for the year under review.

For the previous Financial Year 2020-21 Company had paid 1st Interim Dividend @ ₹ 32/- per share, 2nd Interim Dividend @ ₹ 15/- per share, 3rd Interim Dividend (Special) @ ₹ 100/- per share and a Final Dividend @ ₹ 17/- per share- Cumulatively total dividend of ₹ 164/- per share.

Dividend Distribution Policy

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the Listing Regulations), the Board has formulated and adopted the Dividend Distribution Policy. As per the Dividend Distribution Policy, the Board endeavours to ensure transparency in deciding the quantum of dividend and commit a dividend pay-out ratio, upto 20% of Profits After Tax (PAT) on consolidated financials of the Company. The Board while taking decision for payment/recommendation of the dividend will take guidance from this policy and would ensure to maintain a consistent approach to dividend pay-out plans. The Dividend Distribution Policy is available on the Company's website www.polyplex.com.

Transfer to Reserves

A sum of ₹ 250.00 Lakh from the Current Year's profit has been transferred to General Reserves (Previous Year - ₹ 250.00 Lakh).

Changes in the nature of business, if any

There is no change in the nature of business of your Company during the year under review.

Management Discussion and Analysis Report

As required by Regulation 34 read with Para B of Schedule V of the Listing Regulations a detailed **'Management Discussion and Analysis Report' (MDA)** is attached in a separate section forming part of the Annual Report.

More details on operations and views on the outlook for the current year are also given in the 'Management Discussion and Analysis Report'.

Subsidiary Companies

During the year Company had following subsidiaries/ step-down subsidiaries viz. Polyplex (Thailand) Public Company Limited, Thailand, EcoBlue Limited, Thailand, Polyplex (Asia) Pte. Ltd., Singapore, Polyplex (Singapore) Pte. Ltd., Singapore, Polyplex Europa Polyester Film Sanayi Ve Ticaret Anonim Sirketi, Turkey, Polyplex Paketleme Cozumleri Sanayi Ve Tickaret Anonim Sirketi, Turkey, Polyplex Europe B.V., Netherlands, PAR LLC., USA, Polyplex America Holdings Inc., USA, Polyplex USA LLC., USA and PT Polyplex Films Indonesia, Indonesia, whose performance/ results are included in the Consolidated Financial Statements.

Highlights of performance of Subsidiary Companies and their contribution to the overall performance of the Company during the period under report are discussed in MDA which forms part of the Annual Report.

As required by Section 129 of the Companies Act, 2013, ('the Act') and other applicable laws Consolidated Financial Statements of the Company and its subsidiaries are prepared in accordance with applicable Indian Accounting Standards (Ind-AS) issued by Institute of Chartered Accountants of India, form part of the Annual Report.

Statement as per provisions of Section 129(3) of the Act, containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is attached and forms part of this report.

Further, pursuant to the provisions of Section 136 of the Act and read with the Listing Regulations the financial statements of the Company, consolidated financial statements alongwith related information and separate audited financial statements in respect of subsidiaries are available on the Company's website on https://www.polyplex.com/investors.

The Company will make available the annual financial statements of the subsidiary company(ies) to any member of the company on receipt of written request.

The annual financial statements of the subsidiary company will also be kept open for inspection at the Registered Office of the Company on any working day during business hours for a period of twenty-one days before the date of the meeting.

Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are given in the respective notes to Financial Statements.

Deposits from public

The Company has not accepted any deposits from public during the Financial Year 2021-22. There were no unclaimed deposits as at March 31, 2022.

Directors' Responsibility Statement

As required under Section 134(3)(c) of the Act, in relation to the Financial Statements for the Financial Year 2021-22, the Board of Directors state that : -

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

ii) The Directors 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 as on March 31, 2022 and of the Profit of the Company for the year ended on March 31, 2022;

iii) The Directors 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) Annual accounts have been prepared on 'going concern' basis;

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

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

Directors and Key Managerial Personnel

Independent Directors and Declaration by Independent Directors

During the year following Independent Directors viz. Mr. Brij Kishore Soni, Mr. Jitender Balakrishnan, Ms. Pooja Haldea, Mr. Ranjit Singh and Dr. Suresh Inderchand Surana, served on the Board of the Company.

All the Independent Directors have given requisite declaration that they meet the criteria of independence as prescribed under the Act and the Listing Regulations.

The Board has noted and taken on record the declaration and confirmation submitted by the Independent Directors.

Non-Independent Directors and Directors Retiring by Rotation

During the year following Non-Independent Directors (including one Whole Time Director) served on the Board viz. Mr. Sanjiv Saraf, Non-Executive Chairman from Promoter category, Mr. Sanjiv Chadha, Non-Executive Director from Promoter category and Mr. Pranay Kothari, Executive Director from non-promoter category.

Members of the Company in their Annual General Meeting held on September 29, 2021, approved Re-appointment of Mr. Pranay Kothari as Whole Time Director of the Company, designated as Executive Director (Key Managerial Personnel) for a period of three years commencing from September 7, 2021 to September 6, 2024.

Mr. Sanjiv Chadha, a director liable to retire by rotation, retires at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

The Board of Directors recommend his re-appointment at the ensuing Annual General Meeting.

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, Mr. Pranay Kothari, Whole Time Director, Mr. Manish Gupta, Chief Financial Officer and Mr. Ashok Kumar Gurnani, Company Secretary are designated as Key Managerial Personnel of the Company.

Number of meetings of the Board

During the Financial Year 2021-22, six meetings of the Board were held and the gap between two consecutive meetings was not more than 120 days. Details about the attendance of Directors at these meetings are given in the Corporate Governance Report which forms part of the annual report.

A separate meeting of the Independent Directors was held on August 14, 2021, without the attendance of non-independent directors and members of management pursuant to the provisions of Code for Independent Directors prescribed in Schedule IV of the Act.

Policy on Directors Appointment and Remuneration

The Nomination and Remuneration Committee (NRC) constituted by the Board has laid down the criteria and process of identification/ appointment of Directors and payment of remuneration. These include possession of requisite qualification, experience, ethics, integrity and values, absence of conflict with present or potential business operations of the Company, balanced and maturity of judgement, willingness to devote sufficient time and energy, high level of leadership, vision and ability to articulate a clear direction for an organisation.

While selecting or recommending appointment of any Director, NRC shall have regard to the total strength of the Board prescribed under the Articles of Association and the Act, composition of the Board with respect to Executive and Non-Executive Directors and Independent and Non-Independent Directors and gender diversity.

Appointment of Independent Directors must satisfy the criteria laid down under the Act, rules made thereunder and the Listing Regulations.

Components of remuneration for Executive Directors would include normal Salary structure including perquisites as applicable to senior employees as per policies / schemes of the Company. The appointment and overall remuneration as far as possible be within the statutory ceilings and subject to requisite approvals of the Members of the Company and Central Government, if required.

Non-executive directors would be entitled to payment of sitting fee for attending a meeting of the Board or Committee thereof of such amount as may be approved by the Board of Directors keeping in view the ceiling prescribed under the Act or Rules framed there under. Further, Non-executive directors may also be paid commission up to 1% of the Net Profits of the Company subject to requisite approval of the Board and Members.

Details of Remuneration paid to Directors are available in the Corporate Governance Report which forms part of the annual report.

The policy on appointment of Directors and remuneration and other matters provided in Section 178(3) of the Act read with the applicable rules and Regulation 19 of the Listing Regulations are available on the Company's website www.polyplex.com.

Board, Committees and Directors Evaluation

The Board has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements prescribed under the Listing Regulations.

The performance of the Board and Committees was evaluated by the Board after seeking inputs from all the directors on the basis of following criteria:

a) Degree of achievement of key responsibilities

b) Structure and Composition

c) Establishment and delineation of responsibilities to Committees

d) Effectiveness of Board processes, information and functioning

e) Board culture and dynamics

f) Quality of relationship between Board and Management

g) Efficacy of communication with external stakeholders

The performance of individual directors was evaluated on following criteria:

a) Participation at Board/ Committee Meetings.

b) Knowledge and Skill.

c) Managing Relationships.

d) Personal Attributes.

Independent Directors of the Company in a separate meeting reviewed the performance of non-independent directors and the Board as a whole and as also the performance of Chairperson of the Company.

Particulars of employees and remuneration

a) A statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure which forms part of this report marked as **"Annexure A"**.

b) Ratio of the remuneration of each director to the median employee's remuneration and such other details as required under Section 197(12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forms part of this report marked as **"Annexure B"**.

Board Committees

Pursuant to the requirements under the Act and the Listing Regulations, the Board has constituted various committees of Board such as Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The details of composition and terms of reference of these committees are provided in the Corporate Governance Report.

Corporate Social Responsibility (CSR) Initiatives

Corporate Social Responsibility Report pursuant to Section 134(3) (o) of the Act and Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of this Report and is marked as **"Annexure C"**.

Composition and the role of the Corporate Social Responsibility Committee, number of meetings held and attendance of members thereof are provided in the Corporate Governance Report forms part of this Report.

Corporate Social Responsibility (CSR) Policy as approved by the Board is available on the website of the Company on https://www.polyplex.com/investors.

Corporate Governance

Corporate Governance Report forms part of this Annual Report. Compliance Certificate from M/s. RSM & Co., Practising Company Secretaries regarding compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations is annexed with this report.

Business Responsibility Report (BRR)

The Board is pleased to inform that your Company is among the top 500 companies as per the market capitalisation criteria at the BSE Limited and/or National Stock Exchange of India Limited as on March 31, 2022. Accordingly, pursuant to Securities and Exchange Board of India (herein after referred as 'SEBI') circular dated November 4, 2015 and Regulation 34(2)(f) of the Listing Regulations, present the BRR for the Financial Year ended on March 31, 2022. This BRR forms part of the Report.

Whistle Blower Policy / Vigil Mechanism

The Company has formulated Whistle Blower Policy in line with the provisions of sub-section 9 and 10 of Section 177 of the Act and Regulation 22 of the Listing Regulations. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.

A copy of the Policy is available on the website of the Company at www.polyplex.com.

Auditors

Statutory Auditors

In accordance with the provisions of the Companies Act, 2013 and Rules made thereunder M/s. S.S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No. 000756N) were appointed as Statutory Auditors of the Company for a term of five years from the conclusion of 32nd Annual General Meeting held on September 11, 2017 until the conclusion of 37th Annual General Meeting.

The first term of statutory auditors of the Company expires at the conclusion of the ensuing 37th Annual General Meeting of the Company. In terms of the provisions of the Act, an audit firm acting as statutory auditors of a company is eligible to be appointed as statutory auditors for two terms of five years each. Considering their performance and based on the recommendations of the Audit Committee, the Board of Directors of the Company propose to re-appoint the aforesaid firm as Statutory Auditors for second term of five years from the conclusion of 37th Annual General Meeting until the conclusion of 42nd Annual General Meeting of the Company.

The above proposal forms part of the Notice of the ensuing Annual General Meeting.

The Auditors' Reports on the Financial Statements of the Company for the Financial Year 2021-22 to the Members are part of Annual Report. There are no qualifications, reservations or adverse remarks or disclaimers requiring any explanation in their reports.

Internal Auditors

The Board on the recommendations of the Audit Committee have re-appointed M/s. Jain Pramod Jain & Co., Chartered Accountants as the Internal Auditors of the Company for the Financial Year 2022-23.

Cost Auditors

Your Company is required to prepare and maintain cost records for plastic films as specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, your Company has been preparing and maintaining the records as required.

In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, the Board on the recommendations of the Audit Committee have re-appointed M/s. Sanjay Gupta & Associates, Cost Accountants (Firm Registration No. 000212) as Cost Auditors to audit the Cost Records of the Company for the Financial Year 2022-23. In terms of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members. Accordingly, a resolution seeking ratification of the remuneration payable to the said Auditors has been included in the Notice convening the ensuing Annual General Meeting.

Secretarial Auditors

The Board on the recommendations of the Audit Committee have reappointed M/s. RSM & Co., Practicing Company Secretaries, (Firm Registration No. P1997DL17000) as Secretarial Auditors of the Company for the Financial Year 2021-22 pursuant to the provisions of Section 204 of the Act and Rules made thereunder read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, Secretarial Audit Report received from them is annexed herewith and marked as **Annexure D**.

Observations and other remarks in the Secretarial Audit Report are self-explanatory.

Other Statutory Information

Details relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo prescribed under Section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 are given in **Annexure E**.

Annual Return

In Compliance with the provisions of the Section 92 (3) read with Section 134(3) (a) of the Act, the Annual Return (Form No. MGT 7) of the Company is available on the Company's website on https://www.polyplex.com/investors.

Related Party Transactions

None of the transactions with any of related parties were in conflict with the Company's interest. Prescribed disclosure as required by the Ind AS -24 has been made in the notes to the Financial Statements. All related party transactions are negotiated at arms-length basis and are in the ordinary course of business. Therefore, provisions of Section 188(1) of the Act are not applicable to such transactions. Further, disclosure of related party transactions as required under Section 134 (3) (h) of the Act in Form AOC-2 is not applicable to Company for the Financial Year 2021-22.

Wherever required omnibus approval of the Audit Committee is obtained and such Related Party Transactions are reported to the Audit Committee for its review. Further, there were no material Related Party Transactions during the year, requiring approval of the members.

Policy on Related Party Transactions as approved by the Board of Directors is available on the website of the Company on https://www.polyplex.com/investors.

Risk Management

The Board of Directors of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. Composition and terms of reference of Risk Management Committee are mentioned in the Corporate Governance Report. A detailed note has been provided under the Management Discussion and Analysis, which forms part of this report

Internal Financial Control

The Company has laid down well defined and documented Internal Financial Controls. The Company has an overall framework for managing the risks in terms of the Risk Management Policy. In the opinion of Board Internal Financial Controls affecting the financial statements are adequate and are operating effectively.

Confirmation

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI).

There have been no other material changes and commitments affecting the financial position of the Company which have occurred between the March 31, 2022 and date of this Board's Report.

There have been no instances of fraud reported by the Auditors under Section 143 (12) of the Act and the Rules framed thereunder, either to the Company or to the Central Government.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals during the year impacting the going concern status and Company's operations in future.

Human Resources

Your Company is committed towards creation of opportunities for its employees that help attract, retain and develop a diverse workforce. Your Company lays due importance to conducive work culture for its employees.

To reinforce core values and belief of the Company, various policies for employees' empowerment have been framed to enrich their professional, personal and social life. In addition to above, Company has also laid down Code of Conduct for Directors and Senior Management Personnel and Whistle Blower Policy.

Company has also laid down a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and constituted Internal Complaints Committee to redress the complaints. There were no complaints received during the year (Previous Year: Nil).

Listing of Shares and Depository System

Your Company's equity shares are listed on the BSE Ltd. and the National Stock Exchange of India Ltd.

Your Company's equity shares are being traded in 'demat' form since April 30, 2001. Shareholders of the Company who are still holding shares in physical form are advised to get their physical shares dematerialized by opening an account with one of the Depository Participants.

Acknowledgement

Your Directors wish to place on record their appreciation of the wholehearted and sincere cooperation the Company has received from the various departments of Central/ State Governments, Financial Institutions, Bankers and the Auditors of the Company. Your Directors also wish to place on record their appreciation of the dedicated and sincere services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Sd/-
Sanjiv Saraf
Chairman
DIN: 00003998

Date : August 12, 2022
Place : Phuket

Annexure - A

Statement showing particulars of employees of the Company required under Section 197 of the Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Board of Directors Report for the year ended March 31, 2022.

In terms of Section 136 of the Companies Act, 2013 **Statement showing particulars of employees** is open for inspection at the Registered Office of the Company during business hours on working days upto the date of ensuing Annual General Meeting. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Annexure - B

Particulars of Remuneration

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is as follows:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Name	Ratio to Median Remuneration
Executive Director	
Mr. Pranay Kothari	107.31

Above list does not include Non-Executive Directors who were paid only sitting fee for attending the meetings of the Board/Committees. Therefore, their median of remuneration being not applicable and hence not given.

(ii) The percentage increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO), Company Secretary (CS) or Manager, if any, in the Financial Year:

Name	% Increase/ (decrease) in remuneration
Executive Director	
Mr. Pranay Kothari	14.51%
Key Managerial Personnel	
Mr. Manish Gupta (CFO)	132.97%
Mr. Ashok Kumar Gurnani (CS)	(19.20%)

Above list does not include Non-Executive Directors who were paid only sitting fee for attending the meetings of the Board/Committees at the rate of ₹ 50,000/- per meeting.

(iii) The percentage increase in the median remuneration of employees in the Financial Year:

Remuneration of median employee increased by 6.27% during the year.

(iv) The number of permanent employees on the rolls of Company:

As on March 31, 2022, total numbers of employees were 923

(v) 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:

Average increase in the remuneration of median employee was 6.27% as compared to average increase of 42.88% in the remuneration of managerial personnel.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.

Company follows formal annual performance appraisal system to review performance and remuneration of all employees as per the Remuneration Policy.

Company affirms Remuneration paid to employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Sd/-
Sanjiv Saraf
Chairman
DIN: 00003998

Date : August 12, 2022
Place : Phuket

Annexure - C

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22

1. A brief outline of the Company's CSR Policy.

The Company has framed a CSR Policy in accordance with the provisions of Section 135, Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time).

2. The Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjiv Saraf	Chairman (Non-Executive, Non-Independent Promoter Director)	3	3
2	Mr. Brij Kishore Soni	Member (Non-Executive- Independent Director)	3	3
3	Mr. Ranjit Singh	Member (Non-Executive- Independent Director)	3	3

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company, it may be accessed at the below web-link:

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLCSRPolicy.pdf

4. The 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 for the Financial Year under review.

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.

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years	Amount required to be set-off for the Financial Year, if any
1	2020 - 21	Nil	Nil
2	2021 - 22	Nil	Nil

6. Average Net Profit of the Company as per Section 135(5): ₹ 36,688 Lakh

(₹ in Lakh)

7			
	(a)	Two percent of average net profit of the company as per Section 135(5):	734
	(b)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Year:	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).	734

8. (a) CSR amount spent or unspent for the Financial Year:

(₹ in Lakh)

Total Amount Spent for the Financial Year			672.76
Amount Unspent	Total Amount transferred to Unspent CSR Account as per Section 135(6)	Amount	61.24
		Date of transfer	April 29, 2022
	Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	Name of the Fund	Not Applicable
		Amount	Nil
		Date of transfer	Not Applicable

(b) Details of CSR amount spent against ongoing projects for the Financial Year:

(₹ in Lakh)

(1)	Sl. No.		1	2	3	4
(2)	Name of the Project		Health and Medicare at Khatima and Bazpur	Preservation and promotion of language and culture	Prayogshala Project	Total
(3)	Item from the list of activities in Schedule VII to the Act		Clause (i) – (Promoting Health care)	Clause (v)- (Promoting art and culture)	Clause (ii): (Promoting education)	
(4)	Local area (Yes/No)		Yes	No	No	
(5)	Location of the project	State	Uttarakhand	New Delhi	Rajasthan	
		District	Udham Singh Nagar	East Delhi	Pilani	
(6)	Project duration		Three Years from FY 2019-20	Three Years from FY 2021-22	Two Years from FY 2021-22	
(7)	Amount allocated for the project-		185.00	626.00	25.00	
(8)	Amount spent in the current Financial Year		46.76	600.00	0.00	646.76
(9)	Amount transferred to Unspent CSR Account for the project as per Section 135(6)		10.24	26.00	25.00	61.24*
(10)	Mode of Implementation - Direct (Yes/No)		Yes	No	No	
(11)	Mode of Implementation - Through Implementing Agency	Name	Civil Government Hospitals at Khatima and Bazpur	Rekhta Foundation	BITSAA Alumni Trust, Pilani, Rajasthan	
		CSR Registration number	Not Applicable	CSR00007935	CSR00006748	

* ₹ 61.24 Lakh transferred to unspent CSR Account on April 29, 2022 for the Financial Year 2021- 22.

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(₹ in Lakh)

(1)	Sl. No.		1	2	3	4
(2)	Name of the Project		Health and Medicare at Bangaluru	Rain Water Harvesting Projects	Health and Medicare at New Delhi	Total
(3)	Item from the list of activities in schedule VII to the Act		Clause (i) Promoting Health care	Clause (iv) conservation of water	Clause (i) Promoting Health care	
(4)	Local area (Yes/ No)		No	No	No	
(5)	Location of the project	State	Karnataka	Rajasthan	NCT of Delhi	
		District	Bengaluru	Alwar	Delhi	
(6)	Amount spent for the project		15.00	5.00	6.00	26.00
(7)	Mode of implementation - Direct (Yes/No)		No	No	No	
(8)	Mode of implementation - Through implementing agency	Name	Rangadore Memorial Hospital (A unit of Sri Sringeri Sharda Peetham Charitable Trust, Karnataka)	PHD Rural Development Foundation	Sapna NGO, New Delhi	
		CSR registration number	CSR00005313	CSR00004676	CSR00000235	

(d) Amount spent on 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) : ₹ 672.76 Lakh

(g) Excess amount for set off, if any;

Sl. No.	Particular	₹ in Lakh
(i)	Two percent of average net profit of the company as per Section 135(5)	734.00
(ii)	Total amount spent for the Financial Year	672.76
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

9. (a) Details of Unspent CSR amount for the preceding three Financial Years:

(₹ in Lakh)

(1)	Sl. No.		1	2	3
(2)	Preceding Financial Year		2018-2019	2019-2020	2020-21
(3)	Amount transferred to Unspent CSR Account under Section 135 (6)		Not Applicable	Not Applicable	Not Applicable
(4)	Amount spent in the reporting Financial Year		88.42	121.56	176.62
(5)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any	Name of the Fund	Not Applicable	Not Applicable	Not Applicable
		Amount	Nil	Nil	Nil
		Date of transfer	Not Applicable	Not Applicable	Not Applicable
(6)	Amount remaining to be spent in succeeding Financial Years		Not Applicable	180.43	61.81*

* ₹ 61.81 Lakh (comprising of ₹ 3.81 Lakh pertaining to FY 2019-20 and ₹ 58.00 Lakh pertaining to FY 2020-21) transferred to unspent CSR Account on April 30, 2021.

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

(₹ in Lakh)

(1)	Sl. No.	1
(2)	Project ID.	FY 31.03.2021_1 fy
(3)	Name of the Project	Health and Medicare at Khatima and Bazpur
(4)	Financial Year in which the project was commenced	2019-2020
(5)	Project duration	Three Years
(6)	Total amount allocated for the project	185.00
(7)	Amount spent on the project in the reporting Financial Year	108.57
(8)	Cumulative amount spent at the end of reporting Financial Year	174.76
(9)	Status of the project - Completed /Ongoing	Ongoing

Note: Unspent amount of ₹ 10.24 Lakh on this project alongwith unspent amount of other projects aggregating to ₹ 61.24 Lakh transferred to unspent CSR account.

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.

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).

The Company has been able to spent the requisite amount of CSR spending during the year except ₹ 61.24 Lakh in respect of 'ongoing projects', which was due to the fact that the requisitions for spending on CSR projects were not received with the requisite action plan from the respective implementing agencies.

	Sd/-	Sd/-
	Pranay Kothari	**Sanjiv Saraf**
	Whole time Director	Chairman of CSR Committee
	DIN: 00004003	DIN: 00003998
Date: August 12, 2022	Place: Noida	Place: Phuket

Annexure - D

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

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

The Members

Polyplex Corporation Limited

(CIN: L25209UR1984PLC011596)

Registered Office: Lohia Head Road,

Khatima 262308,

Distt. Udham Singh Nagar,

Uttarakhand

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and adherence to good corporate practices by **POLYPLEX CORPORATION LIMITED** (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering Financial Year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent and in the manner and subject to reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2022, according to the provisions of :–

1. The Companies Act, 2013 ("the Act") and the Rules made thereunder as amended/modified;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
4. The 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;
5. 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; **(To the extent applicable)**
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **(Not applicable to the Company during the audit period)**;
   (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities)) Regulations, 2021; **(Not applicable to the Company during the audit period)**;
   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client to the extent of securities issued; **(Not applicable to the Company during the audit period)**;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**;
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and **(Not applicable to the company during the audit period)**
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws as applicable to the Company;

(i) The Factories Act 1948, and rules made thereunder;

(ii) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder;

(iii) The Environment Protection Act, 1986 and Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and other Rules made thereunder;

(iv) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder;

(v) Contract Labour (Regulation & Abolition) Act, 1970 and Rules made thereunder;

(vi) The Petroleum Act, 1934 and Rules made thereunder;

(vii) The Explosives Act, 1884 and Explosive Rules, 2008;

(viii) The Legal Metrology Act, 2009 and Rules made thereunder;

(ix) The Indian Boilers Act, 1923 and Rules made thereunder.

7. We have also examined compliance with the applicable clauses of Secretarial Standard with regard to meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

During the period under review/audit the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except as under: *a). Independent Director(s) of the Company has not been appointed in three out of four material unlisted foreign subsidiaries pursuant regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

8. We further report that:-

The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.;

Adequate notice was given to all Directors of the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

Majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or Committees of the Board, as the case may be.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.

9. We further report that during the audit period no event has occurred having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

This report is to be read with our letter of even date which is annexed as **"Annexure-1"** and forms an integral part of this report.

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
Peer Review 978/2020
UDIN: F004468D000775414

Date : August 12, 2022
Place : New Delhi

Annexure - 1

The Members
Polyplex Corporation Limited
(CIN: L25209UR1984PLC011596)
Registered Office: Lohia Head Road,
Khatima 262308,
Distt. Udham Singh Nagar,
Uttarakhand

Our 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. Our responsibility is to express an opinion on the Secretarial Records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial/ books of accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliances of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, rules and regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.

6. Our Secretarial Audit Report 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.

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
Peer Review 978/2020
UDIN: F004468D000775414

Date : August 12, 2022
Place : New Delhi

Annexure - E

ANNEXURE TO THE DIRECTORS' REPORT

Information under Section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of the Directors' Report.

(A) CONSERVATION OF ENERGY:

i) Steps taken or impact on conservation of energy:

a) Installed new Energy Efficient Cooling Tower in chilled water operation to increase efficiency of Chiller.

b) Started utilizing waste heat of APH-2 in Husk Heater by increasing combustion air temperature from normal through forced draft fan resulting into reduction in Husk consumption.

c) Replaced old conventional Feed pump of Steam boiler with Energy Efficient pump resulting into Energy saving.

d) AHU Flow optimized in UPS & Husk Heater Control Room to reduce load on Chiller resulting into Energy saving.

e) Power factor of incoming Grid Power from State Electricity Board increased resulting in reduction in Line losses & Chargeable demand.

f) RM Conveying blower flow rate optimized thru VFD in BOPP resulting into Energy saving.

ii) Steps taken by the company for utilizing alternate sources of energy:

- Solar energy options are being evaluated.

iii) Capital investment on energy conservation equipment:

- Khatima: ₹ 39.04 Lakh
- Bazpur: ₹ 4.75 Lakh

B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption;

a) Upgradation of PCS7 system in Line 01 (Engineering and operating station migration from PCS7 V7.1 to PCS7 V9.0 in windows 10 based IPC server) preparatory & planning work completed. This will be executed in FY 22-23 during any planned stoppage. This will improve reliability & faster service support from supplier.

b) Upgraded Edge profile controller (EPC) for Line 02 at TDO inlet from pneumatic to ultrasonic sensor control to increase machine reliability & availability.

c) Installed new metallizer of 2450 mm width from Bobst with added features to have capability of Alox & Alubond.

d) Established in-house developed Chemical Recycling technology of post consumer bottle flakes to produce films of virgin quality

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

a) R&D has continued to develop new products, applications and providing innovative solutions to our customers. 2021 -22 witnessed the biggest sustainability challenges in flexible packaging industry. The Company has added range of sustainability solutions including 30-100% Post Consumer Recycled PET (PCR PET), Bio degradable PET and BioPET (renewable), high barrier films (<0.15 OTR,WVTR) for aluminum foil and PVC replacements

b) The company has established in-house Chemical Recycling technology (glycolysis) for converting PCR bottle flakes into food grade PET films

c) Developed recycled resins rPE, rPET ,rPP through Mechanical recycling technology from post industrial and consumer films

d) The company has added range of value added products in BOPET,BOPP, Blown PP films and metallized Paper segments and successfully created the differentiation in the market

e) R&D team works hand in hand with marketing and production teams to introduce and establish new products and to ensure proper quality, cost and efficiency. Domestic vendors were developed for master batches to reduce cost in specialty products. Alternate coatings were developed for cost reduction

(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year):

NA

(iv) Expenditure incurred on Research and Development

Revenue expenditure on R&D incurred during the Year: ₹ 1,018.09 Lakh
(Previous Year: ₹594.22 Lakh).

Capital expenditure as a percentage of total turnover is Nil
(Previous Year – Nil)

Total R&D expenditure as a percentage of total turnover is 0.570 %
(Previous Year : 0.46%)

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Earned : ₹ 94,341.29 Lakh
(Previous Year : ₹ 72,590.19 Lakh)

Used : ₹ 28,916.88 Lakh
(Previous Year : ₹ 28,740.71 Lakh)

Report on Corporate Governance

Pursuant to the requirements specified in Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the details of Corporate Governance and processes including prescribed compliances by the Company are as follows:

1. Company's philosophy on Code of Governance

The quintessential elements of Corporate Governance are fairness, transparency, accountability and responsibility. At Polyplex, the emphasis is on:

a) Enhancement of Shareholder value.

b) Protection of the interest of the public shareholders.

c) Long-term financial health of the Company.

d) Providing customers with quality products and services at competitive prices.

e) Environment friendly production methods.

f) Providing for fair wage and safe working conditions for employees and inviting inputs from employees in decision-making.

g) Contribution to the socio-economic development of the local community.

2. Board of Directors

a) Composition:

The Board is well structured with an adequate blend of Executive and Non-Executive Directors. As on March 31, 2022, the Board consists of eight Directors of which one is Executive Director and seven are Non-Executive Directors including one Woman Director. More than one half of the Board of Directors are Independent.

Mr. Pranay Kothari is an Executive Director of the Company. (Non-rotational Director).

Mr. Sanjiv Saraf and Mr. Sanjiv Chadha are from Promoters' Category and are Non- Executive - Non-Independent Directors (Rotational Directors).

Mr. Jitender Balakrishnan, Mr. Brij Kishore Soni, Ms. Pooja Haldea, Dr. Suresh Inderchand Surana and Mr. Ranjit Singh are Non-Executive-Independent Directors. Independent Directors bring independent judgement in the Board's deliberations and decisions. Company has issued formal Letters of Appointment to Independent Directors and terms and conditions of appointment are disclosed on the website of the Company at www.polyplex.com.

Mr. Sanjiv Saraf, a Non-Executive Director from the Promoters' Category is the Chairman of the Company.

None of the Directors is related to any other Director of the Company.

b) Board Meetings:

During the Financial Year 2021-22, Six Board Meetings were held on May 25, 2021, August 14, 2021, November 14, 2021, January 5, 2022, February 14, 2022 and March 30, 2022 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and in line with the compliance of conditions of COVID-19 / lockdown. The maximum time gap between any two consecutive meetings was not more than 120 days.

Attendance of each director at the Board meetings, previous Annual General Meeting and number of other Boards or Board Committees in which he/she is a member or Chairperson across various Companies as on March 31, 2022 are given as follows:

Name of Director and DIN	Category of Directorship	No. of Board Meetings Attended	Attendance at the last AGM*	No. of Other Directorships**	Other Committee Memberships***		Directorship in other listed entity (Category of Directorship)
					Member	Chairman	
Non-Executive Directors							
A.1 Promoters Category							
Mr. Sanjiv Saraf DIN: 00003998	Promoter, Non-Independent	6 out of 6	Yes	4	Nil	Nil	Nil
Mr. Sanjiv Chadha DIN: 00356187	Promoter, Non-Independent	3 out of 6	Yes	Nil	Nil	Nil	Nil
A.2 Independent Directors							
Mr. Brij Kishore Soni DIN: 00183432	Independent	6 out of 6	Yes	Nil	Nil	Nil	Nil
Dr. Suresh Inderchand Surana DIN: 00009757	Independent	5 out of 6	Yes	Nil	Nil	Nil	Nil

Name of Director and DIN	Category of Directorship	No. of Board Meetings Attended	Attendance at the last AGM*	No. of Other Directorships**	Other Committee Memberships***		Directorship in other listed entity (Category of Directorship)
					Member	Chairman	
Mr. Jitender Balakrishnan DIN: 00028320	Independent	5 out of 6	Yes	6	4	1	1. India Glycols Limited (Independent, Non-Executive) 2. Sarda Energy & Minerals Limited (Independent, Non Executive)
Ms. Pooja Haldea DIN: 07123158	Independent	6 out of 6	Yes	Nil	Nil	Nil	Nil
Mr. Ranjit Singh DIN: 01651357	Independent	4 out of 6	Yes	2	3	1	1. Shaily Engineering Plastics Ltd. (Independent, Non-Executive) 2. Va Tech Wabag Limited (Independent, Non-Executive)
A. Executive Director							
Mr. Pranay Kothari DIN: 00004003	Non-Independent (Whole Time Director)	5 out of 6	Yes	3	2	Nil	Nil

* Annual General Meeting (AGM) held through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') in line with the compliance of conditions of COVID-19 / lockdown and various MCA circulars/ SEBI Circulars issued in this behalf.

** Only Indian Public Limited Companies whether listed or not are included (excluding Polyplex Corporation Limited).

*** For determining the Chairmanship/Membership of Committees only Audit Committee and Stakeholders' Relationship Committee have been considered in all public limited companies, whether listed or not (excluding Polyplex Corporation Limited) are included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 were excluded.

The necessary disclosures regarding maximum number of directorships, Independent Directorship and Committee positions have been made by the directors' and the same are reproduced hereunder:

- None of the Directors of the Company holds Directorships in more than ten public limited companies in compliance of Section 165 of Companies Act, 2013.
- None of the Directors of the Company holds Directorships in more than seven listed entities / holds Independent Directorships in more than seven listed entities in compliance of Regulation 17A (1) of the Listing Regulations.
- Whole Time Director of the Company does not hold any Independent Directorship in listed entity, in compliance of Regulation 17A (2) of the Listing Regulations.
- None of the Directors of the Company is a member in more than ten committees or acts as a chairperson of more than five committees across all listed entities in which he/she is a Directors, in compliance of Regulation 26 (1) of the Listing Regulations.

The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Name of Director	Global Business	Leadership	Governance	Financial	Sales and Marketing
Mr. Sanjiv Saraf	Yes	Yes	Yes	Yes	Yes
Mr. Sanjiv Chadha	Yes	Yes	Yes	No	Yes
Mr. Brij Kishore Soni	No	Yes	Yes	Yes	No
Dr. Suresh Inderchand Surana	Yes	Yes	Yes	Yes	Yes
Mr. Jitender Balakrishnan	Yes	Yes	Yes	Yes	Yes
Ms. Pooja Haldea	Yes	Yes	Yes	Yes	Yes
Mr. Ranjit Singh	Yes	Yes	Yes	Yes	Yes
Mr. Pranay Kothari	Yes	Yes	Yes	Yes	Yes

c) Details of shares held by the Directors in the Company are as follows:

S. No.	Name of Director	No. of shares held as on March 31, 2022
1.	Mr. Sanjiv Saraf	138
2.	Mr. Sanjiv Chadha	4,000
3.	Dr. Suresh Inderchand Surana	200

d) Information placed before the Board includes:

The Board is supplied with the necessary information as stipulated in Part A of Schedule II of the Listing Regulations, to the extent applicable.

e) Review of Compliance Report:

The periodical reports submitted by the Internal Auditors are reviewed by the concerned Heads of Departments of the Company with regard to compliance of Laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, are reviewed by Audit Committee and the Board of Directors as per Regulation 17 (3) of the Listing Regulations.

Compliance Certificate signed by the Executive Director and Chief Financial Officer is placed before the Board of Directors as specified in Part B of Schedule II of the Listing Regulations.

f) Code of Conduct:

The Board of Directors of the Company has approved a 'Code of Conduct' for all Board members and Senior Management Personnel. The Code has been circulated to all the members of the Board and Senior Management Personnel and they have affirmed the compliance of the same. A copy of the Code of Conduct is also posted on the website of the Company viz. www.polyplex.com.

A confirmation from the Executive Director/ Chief Executive Officer affirming Compliance of the Code of Conduct by the members of the Board/ Senior Management forms part of this report.

3. Audit Committee

a) Composition:

The Company has a qualified and independent Audit Committee. The Audit Committee comprises of following Non-Executive Directors viz. Mr. Brij Kishore Soni, Ms. Pooja Haldea, and Mr. Jitender Balakrishnan. All the members of Audit Committee are Independent.

Mr. Brij Kishore Soni an Independent Director is the Chairman of Audit Committee.

The Company Secretary of the Company acts as Secretary of the Audit Committee.

Statutory Auditors and Internal Auditors are generally invitees to Audit Committee meetings.

Further Executive Director, CFO, Secretarial Auditors, Cost Auditors and Concerned head of Internal Audit Department are invitees to Audit Committee meetings as and when required.

b) Meetings:

During the Financial Year 2021-22, five meetings of Audit Committee were held on May 25, 2021, August 14, 2021, November 14, 2021, February 14, 2022 and March 30, 2022 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and in line with the compliance of conditions of COVID-19 / lockdown. The maximum time gap between two consecutive meetings was not more than 120 days.

Attendance of the Members at the Audit Committee Meetings was as follows:

Name of Member	Meetings attended
Mr. Brij Kishore Soni	5 out of 5
Ms. Pooja Haldea	5 out of 5
Mr. Jitender Balakrishnan	5 out of 5

c) Powers and Role:

The Powers and Role of the Audit Committee, constituted by the Board of Directors pursuant to Companies Act, 2013 / the Listing Regulations (as amended), include the following:

i. Powers:

(a) To investigate any activity within its terms of reference;

(b) To seek information from any employee;

(c) To obtain outside legal or other professional advice; and

(d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

ii. Role :

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;

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

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

i. Matters required to be included in the Director's 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;

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

iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the Financial Statements arising out of audit findings;

v. Compliance with listing and other legal requirements relating to Financial Statements;

vi. Disclosure of any Related Party Transactions;

vii. Modified opinion(s) in the draft audit report;

(e) Reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;

(f) 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 utilized for the purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(h) Approval or any subsequent modification of transactions of the company with related parties;

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of the company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

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

(m) 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;

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

(o) 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;

(p) 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;

(q) 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;

(r) To review the functioning of the Whistle Blower mechanism;

(s) Approval of appointment of Chief Financial Officer (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

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

(u) Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;

(v) Review compliance of the Insider Trading Prohibition code and verify that the systems for internal control are adequate and operating effectively;

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

d) Review of information:

The Audit Committee mandatorily reviews the following information:

i. Management Discussion and Analysis of financial condition and results of operations;

ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the Management ;

iii. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

iv. Internal Audit Reports relating to internal control weaknesses;

v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

vi. Statement of deviations:

a.) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

b.) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the Listing Regulations.

4. Nomination and Remuneration Committee and Remuneration to Directors

a) Composition:

The Nomination and Remuneration Committee comprises of two Independent Directors and one Promoter Director, all of whom are Non-Executive Directors i.e. Mr. Jitender Balakrishnan, Mr. Brij Kishore Soni and Mr. Sanjiv Saraf. Mr. Jitender Balakrishnan, an Independent Director, is Chairman of the Nomination and Remuneration Committee.

The Company Secretary of the Company acts as Secretary of the Committee.

During the Financial Year 2021-22, two meetings of the Nomination and Remuneration Committee were held on May 25, 2021 and July 17, 2021 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and in line with the compliance of conditions of COVID-19 / lockdown.

All the Members of the Nomination and Remuneration Committee attended the meeting.

Attendance of the Members at the Nomination and Remuneration Committee Meetings was as follows:

Name of Member	Meetings attended
Mr. Jitender Balakrishnan	2 out of 2
Mr. Brij Kishore Soni	2 out of 2
Mr. Sanjiv Saraf	2 out of 2

b) Terms of reference:

The Role of the Nomination and Remuneration Committee, constituted by Board of Directors pursuant to Companies Act, 2013/ the Listing Regulations (as amended), include the following:

i. To formulate a criteria for determining qualifications, positive attributes and independence of a Director;

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. Formulate criteria for evaluation of performance of Independent Directors and the Board and 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;

iv. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in the policy;

v. To carry out evaluation of every Director's performance;

vi. To recommend to the Board the appointment and removal of Directors and Senior Management;

vii. To recommend to the Board, policy relating to remuneration of Directors, Key Managerial Personnel and Senior Management;

viii. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

ix. To devise a policy on Board diversity;

x. To recommend to the Board, all remuneration, in whatever form, payable to senior management;

xi. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;

xii. To perform such other functions as may be necessary or appropriate for the performance of its duties;

c) Details of Remuneration and other terms of appointment of Directors:

i. Executive Director

Mr. Pranay Kothari :

Following remuneration has been paid to Mr. Pranay Kothari, Executive Director for the Financial Year 2021-22:

Salary, Allowances, PF & SA	₹ 4,46,72,925
Perquisites	₹ 3,13,460
Total #	**₹ 4,49,86,385**

Includes Annual Performance Award of ₹ 178.33 Lakh for the Financial Year 2021-22, provided in books of accounts which has since been approved for payment by the Board of Directors on the recommendation of Nomination and Remuneration Committee.

Tenure of appointment of Mr. Pranay Kothari is for three years commencing from September 7, 2021 and ended on September 6, 2024. Appointment of Mr. Pranay Kothari as Whole Time Director may be terminated by either party after giving to the other, six calendar months notice in writing or salary in lieu thereof. No payment on account of severance fees has been stipulated.

No performance linked incentive has been paid to Mr. Pranay Kothari during the year.

He is not liable to retire by rotation.

ii. Non-Executive Directors

Non-Executive Directors of the Company were paid sitting fees @ ₹ 50,000/- per meeting for attending meetings of the Board or any Committee(s) thereof, in addition to the reimbursement/provision of travelling/stay/ expenses as per rules of the Company.

The details of payment of Sitting Fee to Non-Executive Directors during the year 2021-22 are given below:

S. No.	Name of Non-Executive Directors	Sitting Fees (₹)
1.	Mr. Sanjiv Saraf	0
2.	Mr. Brij Kishore Soni	10,50,000
3.	Mr. Sanjiv Chadha	1,50,000
4.	Dr. Suresh Inderch and Surana	4,50,000
5.	Mr. Jitender Balakrishnan	8,00,000

S. No.	Name of Non-Executive Directors	Sitting Fees (₹)
6.	Ms. Pooja Haldea	6,50,000
7.	Mr. Ranjit Singh	4,50,000

All Non-Executive Directors except Independent Directors are liable to retire by rotation.

Further, Non-Executive Directors of the Company are not paid any remuneration, except sitting fees above.

Mr. Sanjiv Saraf is Director and Vice-Chairman of Polyplex (Thailand) Public Company Limited. During the financial year he has not received any remuneration.

Mr. Sanjiv Saraf held the position of Director Polyplex (Asia) Pte. Limited, Singapore. During the financial year he has not received any remuneration.

The Company has so far not issued any Stock options to any of the Directors. Further, Independent Directors are not entitled to any Stock options.

5. Stakeholders' Relationship Committee

a) Composition:

The Board has constituted Stakeholders' Relationship Committee comprised of Mr. Brij Kishore Soni, Ms. Pooja Haldea, Non-Executive Independent Directors and Mr. Pranay Kothari, Executive Director. Mr. Brij Kishore Soni is the Chairman of the Committee.

Mr. Ashok Kumar Gurnani, Company Secretary is the Compliance Officer and Secretary of the Committee.

b) Role

The Role of the Stakeholders' Relationship Committee, constituted by Board of Directors pursuant to Companies Act, 2013/the Listing Regulations (as amended), include the following:

(i) Resolving the grievances of the security holders of the Company 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 Company in respect of various services being rendered by the Registrar & Share Transfer Agent

(iv) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company

c) Meetings:

This Committee meets as and when required. During the Financial Year 2021-22, One such meeting were held on March 30, 2022. The meeting was attended by all the members of the Committee.

d) Investor Grievance Redressal:

Complaints received from Investors/ shareholders are promptly attended to.

Status of complaints received, resolved and pending during the Financial Year 2021-22 is as follows:

Opening : 0 Received : 20
Resolved : 20 Pending : 0

As on March 31, 2022, no request for registration of transfer of shares/ dematerialization was pending.

e) Process of transfer/transmission of shares

All complete and valid requests for transmission of shares are given effect by the Registrar and Transfer Agent viz: KFin Technologies Limited to within the time stipulated in the Listing Regulations.

As mandated by SEBI, securities of the Company can be transferred only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

6. Corporate Social Responsibility (CSR) Committee

a) Composition:

In terms of the requirement of Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee (CSR Committee). The CSR committee comprises of one Promoter Director and two Independent Directors, all of whom are Non-Executive Directors i.e. Mr. Sanjiv Saraf, Mr. Brij Kishore Soni and Mr. Ranjit Singh. Mr. Sanjiv Saraf is the Chairman of the CSR Committee.

The Company Secretary of the Company acts as Secretary of the CSR Committee.

b) Role:

The Role of the CSR Committee, constituted by the Board pursuant to Companies Act, 2013 (as amended), include the following:

I. Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII

II. Recommend to the Board amount to be spent on various CSR activities in a year

III. Recommend to the Board pursuing of CSR activities either by Company itself or indirectly through an NGOs

IV. Monitor the CSR policy of the Company from time to time

V. To report to the Board and aid in disclosing in the Director's Report of the Board under Section 134 of the Act

c) Meeting:

During the Financial Year 2021-22, five meetings of the CSR Committee were held on May 25, 2021, August 14, 2021, November 14, 2021, February 14, 2022 and March 30, 2022 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and in line with the compliance of conditions of COVID-19 / lockdown.

Name of Member	Meetings attended
Mr. Sanjiv Saraf	5 out of 5
Mr. Ranjit Singh	5 out of 5
Mr. Brij Kishore Soni	5 out of 5

7. Finance Committee

(a) Composition:

The Board has constituted a Finance Committee comprising of following Directors viz. Mr. Sanjiv Saraf, Mr. Pranay Kothari and Mr. Brij Kishore Soni to decide, inter alia, financial matters of the Company viz. short term loans, working capital facilities, deployment of surplus funds and other incidental matters.

Mr. Sanjiv Saraf is the Chairman of the Committee.

The Company Secretary of the Company acts as Secretary of the Finance Committee.

(b) Meetings:

During the Financial Year 2021-22, one meeting of the Finance Committee was held on January 5, 2022. All the Members of Finance Commmittee are attended the meeting.

8. Risk Management Committee

(a) Composition:

The Board of Directors have in its meeting held on May 25, 2021 constituted a Risk Management Committee (RMC) in compliance with Regulation 21 of the Listing Regulations as amended.

The RMC comprises of Mr. Jitender Balakrishnan, Independent Director, Dr. Suresh Inderchand Surana, Independent Directors and Mr. Pranay Kothari, Executive Director are Members of the Committee. Mr. Jitender Balakrishnan is the Chairman of the Committee.

(b) Role :

1) To formulate a detailed risk management policy this 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

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.

The RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Details of Risk management framework have been given under the MDA section, forming part of this report.

(c) Meetings:

During the Financial Year 2021-22, three meetings of the Risk Management Committee were held on August 14, 2021, November 14, 2021 and February 14, 2022 through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and in line with the compliance of conditions of COVID-19 / lockdown.

Name of Member	Meetings attended
Mr. Sanjiv Saraf	3 out of 3
Mr. Ranjit Singh	3 out of 3
Mr. Brij Kishore Soni	3 out of 3

9. Independent Directors, their meetings and Familiarization Programme

During the Financial Year 2021-22, Five Independent Directors served on the Board i.e. Mr. Brij Kishore Soni, Mr. Jitender Balakrishnan, Dr. Suresh Inderchand Surana, Ms. Pooja Haldea and Mr. Ranjit Singh.

All requirements with respect to appointment of Independent Directors and their holding of directorships in other listed entities, as specified in Regulation 17A and Regulation 26 of the Listing Regulations are complied with.

Your directors would like to confirm that the Company has received declaration from all the Independent Directors confirming their independence.

The Board of Directors confirm that in their opinion, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

As required by provisions of the Companies Act, 2013/ the Listing Regulations, a separate meeting of the Independent Directors was held on August 14, 2021, without the presence of non-independent directors and members of the management. This meeting was chaired by Mr. Jitender Balakrishnan and attended by all the Independent Directors.

Independent Directors of the Company in their aforesaid meeting reviewed the performance of Non-Independent Directors and the Board as a whole as also performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board.

Performance evaluation of Independent Directors is done by the entire Board of Directors, excluding the director being evaluated. For evaluation of performance inter alia following criteria viz. Knowledge and Skill, Participation at Board/ Committee Meetings, Managing Relationships and Personal Attributes is followed. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time.

The familiarization programme for Independent Directors has been disclosed on website of the Company at www.polyplex.com.

10. Subsidiary Monitoring Framework

All the subsidiary companies of the Company are Board managed. As a majority shareholder, the Board reviews and monitors the performance of its subsidiary companies by way of:

a) Approving, 'in principal', their capital expenditure plans, business expansion plans, investment / disinvestment plans;

b) Reviewing their operations vis a vis budgets, cash flows and Balance Sheets;

c) Reviewing all significant/ material transactions and arrangements;

d) Minutes of Material subsidiary (ies)/ materially important decisions of other subsidiary(ies).

The audit committee also reviews the consolidated financial statements of the Company.

Based on consolidated income or consolidated net worth criteria of the listed entity and its subsidiaries in the immediately preceding accounting year as prescribed under Regulation 16(1)(c) of the Listing Regulations following are the material subsidiaries of the Company for the Financial Year 2021-2022:

i. Polyplex (Asia) Pte. Limited, Singapore (PAPL)

ii. Polyplex (Thailand) Public Company Limited, Thailand (PTL)

iii. Polyplex Europa Polyester Film Sanayi Ve Ticaret Anonim Sirketi, Turkey (PE)

iv. Polyplex USA LLC, U.S.A. (PU)

v. PT Polyplex Films Indonesia, Indonesia (PT PFI)

The Company has a policy for determining 'material subsidiaries'. This policy is posted on the website of the Company at www.polyplex.com.

In terms of the provisions of Regulation 24(1) of the Listing Regulations, appointment of at least one independent director of the Board of the listed entity shall be a director on the Board of an unlisted material subsidiary, whether incorporated in India or not, was applicable only to PAPL, PTL, PE and PU.

Mr. Ranjit Singh, an Independent Director has been nominated by Board of Directors of the Company on the Board of PTL.

11. Related Party Transactions

The Company has formulated a policy on materiality of related party transactions and also on dealings with related party transactions. This policy is posted on the website of the Company at www.polyplex.com.

All related party transactions and material modification are placed before the Audit Committee for its approval/ omnibus approval/ review in accordance with the policy on related party transactions.

During the year, the Company has, not entered into any 'Material' Related Party Transaction requiring approval of the shareholders.

12. General Meetings:

(i) The details about the Annual General Meetings and Extra Ordinary General Meeting held during last three financial years are given below:

AGM/EGM	Financial Year	Date of Meeting	Location of the Meeting	Time
36th AGM	2020-21	29.09.2021	Held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility	9.00 a.m
35th AGM	2019-20	31.08.2020	Held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility	9.15 a.m
34th AGM	2018-19	05.09.2019	Registered Office at Khatima	11.00 a.m
EGM	2018-19	30.03.2019	Registered Office at Khatima	11.00 a.m

(ii) Special Resolutions passed at the Annual General Meetings/ Extra Ordinary General Meeting held during last three financial years are given below:

Financial Year/ Date of Annual General Meeting/ Extra Ordinary General Meeting	Subject
September 29, 2021	**Annual General Meeting:** No Special Resolution was required to be passed.
August 31, 2020	**Annual General Meeting:** 1. Resolution for reappointment of Mr. Ranjit Singh (DIN: 01651357), Independent Non-Executive Director of the Company for the second term of five consecutive years w.e.f. May 12, 2021 to May 11, 2026. 2. Resolution for Payment of commission upto 1% p.a. of the Net Profit of the Company to Mr. Sanjiv Saraf for the financial year 2020-21.
September 05, 2019	**Annual General Meeting:** 1. Resolution for appointment of Dr. Suresh Inderchand Surana (DIN: 00009757) as an Additional Director of the Company with effect from July 10, 2019 and appointment as an Independent Non-Executive Director of the Company, to hold office for the second term of five consecutive years upto July 9, 2024. 2. Resolution for reappointment of Ms. Pooja Haldea (DIN : 07123158), as an Independent Non-Executive Director of the Company for second term of five consecutive years with effect from March 30, 2020 to March 29, 2025. 3. Resolution for restructuring of the remuneration payable to Mr. Pranay Kothari (DIN:00004003), Whole Time Director of the Company designated as Executive Director (Key Managerial Personnel), for the period from April 1, 2019 to September 6, 2021. 4. Resolution for Payment of Commission upto 1% p.a. of the Net Profit of the Company to Mr. Sanjiv Saraf, Non-Executive Director for the Financial Year 2019-20.
March 30, 2019	**Extra Ordinary General Meeting:** 1. Resolution for reappointment of Mr. Brij Kishore Soni (DIN:00183432), Independent Non-Executive Director of the Company for the second term of five consecutive years w.e.f. April 1,2019 to March 31, 2024. 2. Resolution for reappointment of Mr. Jitender Balakrishnan (DIN: 00028320), Independent Non-Executive Director of the Company for the second term of five consecutive years w.e.f. April 1, 2019 to March 31, 2024.

(iii) During the Financial Year 2021-22 no resolution was required to be passed by way of postal ballot.

The Company has been providing to its Members e-voting facility in respect of agenda items placed before the Annual General Meetings/Extra-Ordinary General Meeting held since the provision of the requirement.

13. Certificate from Practicing Company Secretary for disqualification of Director.

A certificate has been received from M/s RSM & Co., Practising Company Secretaries, that none of the Directors on the Board of the Company has 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.

14. Other Disclosures Pursuant to Schedule V (c) (10) of the Listing Regulations:

(a) During the year, there were no transactions of material nature with the related parties that had potential conflict with the interest of the Company at large

(b) There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years

(c) The Company has details of establishment of vigil mechanism/ whistle blower policy and the same has been posted on website of the Company at www.polyplex.com. No employee of the Company has been denied access to the Audit Committee to make any representation

(d) The Company has complied with the mandatory requirements of the Listing Regulations, except part non-compliance of Regulation 24 (1) of the Listing Regulations

(e) The Company has established a comprehensive Enterprise Risk Management (ERM) / Risk Management Policy that includes risk identification, risk assessment, risk mitigation and monitoring on a periodic basis. External and internal risk factors that could potentially affect performance of the Company vis-a-vis stated objectives are identified and reported in the business review meetings periodically. These are subsequently reported to the Board

(f) Directors' Report has a detailed section on Management Discussion and Analysis covering inter-alia a separate section on Risk Management

(g) The Company files quarterly compliance report on Corporate Governance with Stock Exchanges pursuant to Regulation 27 of the Listing Regulations and copies thereof are placed before the next Board Meeting

(h) As required by Regulation 36(3) of the Listing Regulations, particulars of directors seeking appointment/ re-appointment are given in the Notice convening the ensuing Annual General Meeting

(i) The Company has adopted discretionary requirements as specified in Para E to Schedule II to the Listing Regulations to the extent to maintenance of Non-Executive Chairperson's office, moving towards a regime of Financial Statements with unmodified opinion and reporting of Internal Auditor directly to Audit Committee

(j) The Company has complied with the Corporate Governance requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. [except part non-compliance of Regulation 24 (1) of the Listing Regulations]

15. Company's Website and its Policies with Weblinks:

Company has formulated following Policies/Codes of Conduct in terms of the requirements of Companies Act, 2013/the Listing Regulations. These Policies/Codes are available on the website of the Company and the weblinks of these Policies/Codes are mentioned against their respective names:

a) Corporate Social Responsibility (CSR) Policy:

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLCSRPolicy.pdf

b) Nomination & Remuneration Policy:

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLNRCPolicy.pdf

c) Whistle Blower Policy (Policy on vigil mechanism):

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLWhistleBlowerPolicy.pdf

d) Policy on Related Party Transactions:

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLRelatedPartyTransactionsPolicy.pdf

e) Policy for determining 'Material Subsidiaries':

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCLPOLICYFORDETERMININGMATERIALSUBSIDIARIES.pdf

f) Code of Conduct for Board Members and Senior Management:

https://www.primeinfobase.in/z_Polyplex/pdf-files/CodeofConductforBoardMembersandSeniorManagement.pdf

g) Familiarisation programme for Independent Directors:

https://www.primeinfobase.in/z_Polyplex/pdf-files/Familiarisation_Programme.pdf

h) Code of Conduct for Insider Trading/ Code of Practices & Procedures for fair Disclosure of Unpublished Price Sensitive Information:

https://www.primeinfobase.in/z_Polyplex/pdf-files/Code_of_Practices2015.pdf

i) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated persons and Insider:

https://www.primeinfobase.in/z_Polyplex/pdf-files/CODE_OF_INTERNAL_PROCEDURES_AND_CONDUCT_FOR_REGULATING.pdf

j) Policy for preservation and archival of documents:

https://www.primeinfobase.in/z_Polyplex/pdf-files/PCL_Policy_for_Preservation_of_Documents.pdf

k) Policy for Dividend Distribution:

https://www.primeinfobase.in/z_Polyplex/pdf-files/Dividend_Distributioin_Policy_25072017.pdf

l) Policy on Risk Management

https://www.primeinfobase.in/z_Polyplex/pdf- files/PCL_Policy_on_Risk_Management.pdf

16. Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries during the year 2021-22, on a consolidated basis, to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part, are as follows:

Name of Member	₹ in Lakh
Audit Fee	103.07
Tax Audit Fee	4.00
Certification & Other Fees	1.30
Out of Pocket Expenses	0.23
Total	**108.60**

17. Complaints pertaining to sexual harassment

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment are provided in the Directors' Report of this Annual Report.

18. CEO/ CFO Certification (Compliance Certificate)

As required by Regulation 17(8) of the Listing Regulations, a Compliance Certificate from Mr. Pranay Kothari, Executive Director and Mr. Manish Gupta, Chief Financial Officer was placed before the Board of Directors at their meeting held on May 25, 2022.

19. Means of Communication

a. Quarterly results/ returns and official news releases are furnished to Stock Exchanges and are also put on the Company's Website www.polyplex.com .

b. The quarterly/ half yearly/ yearly results are generally published in the Business Standard, all editions in English and Uttar Ujala, Nainital edition in Hindi, within the prescribed time limit.

c. Management Discussion and Analysis forms part of the Annual Report, which will be sent to members/ posted on the website of the Company.

20. Declaration by the Chief Executive Officer

Declaration by the Chief Executive Officer pursuant to Para D to Schedule V of the Listing Regulations regarding adherence to the Code of Conduct.

I hereby confirm that:

The Company has obtained affirmations from all the members of the Board and Senior Management that they have complied with the Code of Conduct for Directors and Senior Management for the Financial Year 2021 -2022.

Sd/-
Pranay Kothari
Executive Director
DIN:00004003

Date: August 12, 2022
Place: Noida

General Shareholders Information

I.	**Annual General Meeting**	:	September 26, 2022 at 11.00 a.m. IST
	Date, Time and Venue	:	Through Video Conferencing/other Audio Visual Means (OAVM).Deemed venue of the Meeting shall be Registered Office at : Lohia Head Road, Khatima-262308 District Udham Singh Nagar, Uttarakhand.
II.	**Financial Year**	:	April 1, 2021 to March 31, 2022
III.	**Book Closure Date**		September 24, 2022 to September 26, 2022 (Both days inclusive)
IV.	**Dividend Payment Date**	:	Within 30 days from declaration by the shareholders in the Annual General Meeting.

V. Listing on Stock Exchanges:

Equity Shares of the Company are listed on following Stock Exchanges:

BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai – 400 001

National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C/1, G Block

Bandra Kurla Complex,

Mumbai – 400 051

Listing Fees for the Financial Year 2021-22 and 2022-23 has been paid to both the Stock Exchanges.

Annual Custody charges for the Financial Year 2021-22 and 2022-23 have been paid to National Securities Depository Limited and Central Depository Services (India) Limited, within the prescribed time.

VI. Scrip Code:

The Company's equity shares have been allotted following scrip codes/ name:-

BSE Limited (BSE)	**524051**
National Stock Exchange of India Limited (NSE)	**POLYPLEX**
Reuters Code	**PLYP.BO**
ISIN	**INE633B01018**

VII. Market Price Data:

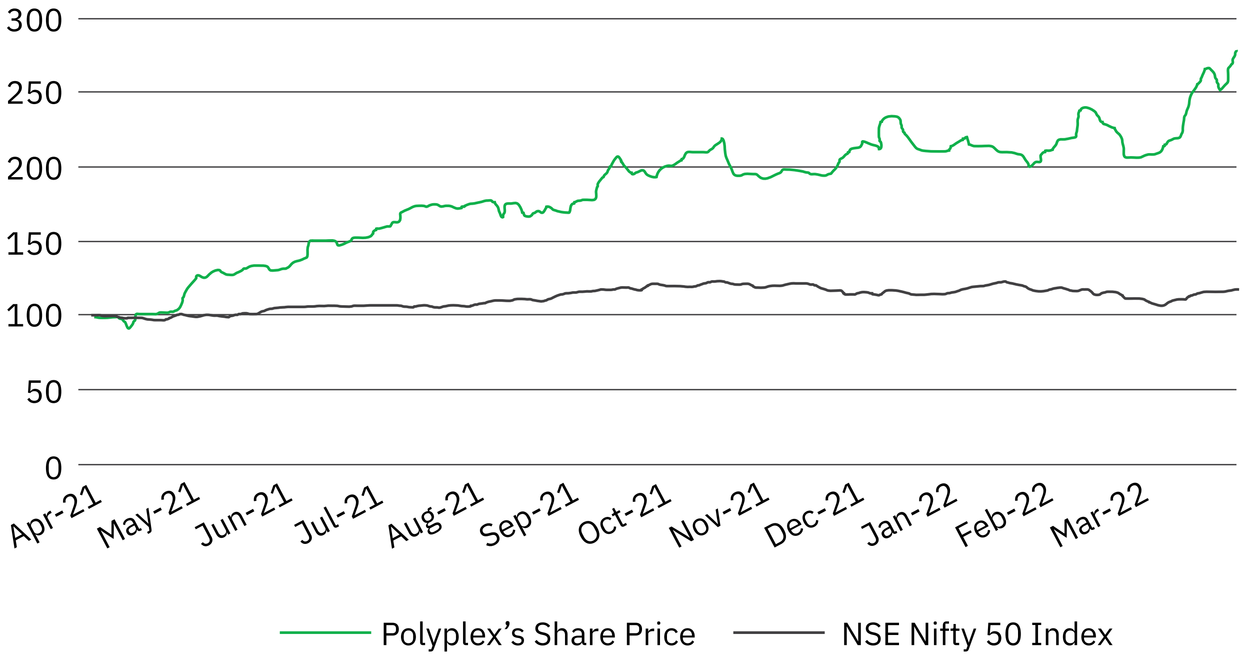
Share prices on BSE and the NSE during 2021-22 were as follows:

Months	BSE			NSE		
	High Price (₹)	Low Price (₹)	Volume (Nos.)	High Price (₹)	Low Price (₹)	Volume (Nos.)
Apr-21	979.00	783.70	1,65,663	978.60	780.10	21,72,190
May-21	1,244.05	953.40	4,04,996	1,243.70	958.40	43,53,074
Jun-21	1,427.40	1,093.70	4,99,325	1,429.00	1,092.40	58,53,131
Jul-21	1,565.10	1,374.85	3,47,730	1,565.00	1,374.05	34,34,210
Aug-21	1,595.00	1,323.75	3,63,232	1,595.00	1,325.45	40,78,674
Sep-21	1,893.20	1495.00	4,97,994	1,894.00	1,495.00	51,98,987
Oct-21	1,961.40	1,638.35	3,47,541	1,963.65	1,638.10	27,93,028
Nov-21	1,934.80	1,650.00	2,87,782	1,913.60	1,651.10	31,81,780
Dec-21	2,108.00	1,783.45	4,87,831	2,110.00	1,782.70	63,15,438
Jan-22	1,968.50	1,690.60	2,43,432	1,969.00	1,691.15	22,56,481
Feb-22	2,150.00	1,732.80	3,25,998	2,149.90	1,731.90	39,35,023
Mar-22	2,490.00	1,750.00	4,26,644	2,489.00	1,747.40	57,38,118
Total			**53,44,935**	**Total**		**4,35,72,016**

Source: www.bseindia.com and www.nseindia.com

VIII. Stock Performance of the Company in comparison to NSE Nifty 50

Polyplex's share price movement vs. NSE Nifty 50 Index (2021-22)



IX. Registrars and Share Transfer Agents (RTA):

KFin Technologies Limited

Selenium Tower B, Plot 31 & 32,

Financial District, Nanakramguda, Serilingampally Mandal,

Hyderabad - 500 032, Telangana.

Toll free number - 1- 800-309-4001

Email id - einward.ris@kfintech.com

Website: https://www.kfintech.com and / or https://ris.kfintech.com/

X. Share Transfer/Transmission System:

All complete and valid requests for transfer/transmission of shares are given effect by the Registrar and Transfer Agent viz: KFin Technologies Limited to within the time stipulated in the Listing Regulations.

XI. Distribution of Shareholding:

a). Distribution of shareholdings as on March 31, 2022:

S.No	Shareholding in Number of Shares	No. of Shareholders	% of total shareholders	Nominal Amount (in ₹)	% of Nominal Amount
1	1 - 5000	1,08,752	97.86	3,37,04,160	10.74
2	5001 - 10000	1,190	1.07	92,43,720	2.94
3	10001 - 20000	538	0.48	81,37,410	2.59
4	20001 - 30000	184	0.17	46,39,840	1.48
5	30001 - 40000	100	0.09	35,72,920	1.14
6	40001 - 50000	72	0.06	33,20,600	1.06
7	50001 - 100000	131	0.12	94,37,290	3.01
8	100001& Above	166	0.15	24,18,68,680	77.05
	Total	**1,11,133**	**100.00**	**31,39,24,620**	**100.00**

b) Categories of shareholders as on March 31, 2022

Category		Shares held (Nos.)	Percentage
1.	Promoters		
a)	Indian Promoters	22,69,262	7.23
b)	Foreign Promoters	1,37,32,272	43.74
	Sub Total	**1,60,01,534**	**50.97**
2	Non- Promoters		
a)	Mutual Funds	9,70,660	3.09
b)	Alternate Investment Funds	4,53,183	1.44
c)	Banks, Financial Institutions, and Insurance Companies	1,874	0.01
d)	Foreign Portfolio Investors (FPIs)	32,12,577	10.23
e)	Bodies Corporates & Clearing Members	11,01,258	3.51
f)	NRIs	3,69,556	1.18
g)	Directors and Relatives	4,584	0.01
h)	Unclaimed Suspense a/c & IEPF	2,74,866	0.88
i)	Trust	388	0.00
j)	Indian Public including HUF	90,01,982	28.68
	Sub-Total	**1,53,90,928**	**49.03**
	Grand Total	**3,13,92,462**	**100.00**

Note:

i) Total Foreign shareholding as at March 31, 2022 was 1,73,14,405 shares constituting 55.15%.

ii) Serial No. 2(h) above includes 5,200 equity shares in the name of 'Polyplex Corporation Limited – Unclaimed Suspense Account', pursuant to Regulation 39 (4) of the Listing Regulations /Part F of Schedule V of the Listing Regulations.

iii) Above shareholding is as per shares held in physical form and details of Beneficial Owners received from NSDL and CDSL.

XII. Dematerialization of shares and liquidity

Shares of the Company are available for dematerialization and are being traded in dematerialized form by all investors w.e.f. April 30, 2001. Shareholders of the Company are advised to avail the facility of electronic shares through dematerialization of physical scrips by opening an account with any of the recognized Depository Participants.

Status of Dematerialization as on March 31, 2022

Particulars	No of Shares	% of Total Share Capital	No. of Accounts
National Securities Depository Limited	2,70,52,687	86.18	31,675
Central Depository Services (India) Limited	41,23,822	13.14	78,724
Total Dematerialized	**3,11,76,509**	**99.32**	**1,10,399**
Physical	2,15,953	0.68	734
Grand Total	**3,13,92,462**	**100.00**	**1,11,133**

XIII. The Company has no outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, hence there is no likely impact on equity.

XIV. As required by Regulation 39(4) of the Listing Regulations the Company has opened a demat account with a Depository Participant in the name of "Polyplex Corporation Limited - Unclaimed Suspense Account" to which all the unclaimed shares have been transferred in terms of the requirements of the said Regulations. Details of shareholders/ shares dematerialized in the said account are as follows :

Particulars	Number of shareholders	Number of Shares
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the Financial Year.	25	5200
Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	Nil	Nil
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	Nil	Nil
Number of Shareholders whose shares were transferred to Unclaimed Suspense Account during the Year.	Nil	Nil
Number of Shareholders whose shares were transferred to IEPF	Nil	Nil
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	25	5200

Details of shares transferred to IEPF Authority in compliance of Section 124(6) and Rules made thereunder are as follow:

Particulars	Number of Shares
Aggregate number of Shares lying with IEPF at the beginning of the Financial Year	2,65,118
Number of Shares transferred to IEPF during the Financial Year	4,948
Number of Shares released by IEPF to the respective shareholders during the Financial Year	400
Aggregate number of Shares lying with the IEPF at the end of the Financial Year	2,69,666

Voting rights in respect of above shares remain frozen till the rightful owner claims the shares.

XV Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not applicable. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

XVI. Credit Ratings obtained by the Company during the Financial Year ended March 31, 2022:

India Ratings and Research Private Limited (Ind-Ra) has upgraded Company's Rating as follow:

a) Long-term loans for INR 562.5 million - "IND AA-/**Positive**", Affirmed; outlook revised to Positive from Stable;

b) Fund-based working capital limits for INR 2,220 million - "IND AA-/Positive/IND A1+", Affirmed; Outlook revised to **Positive** from Stable;

c) Non Fund- based working capital limits for INR 300 million - "IND AA-/Positive/IND A1+", Affirmed; Outlook revised to **Positive** from Stable.

Current year's credit ratings obtained on March 8, 2022 may be accessed through following link:

https://www.primeinfobase.in/ir_download/PPN_Corp_Announcements/POLYPLEX_08032022163625_PCL_Reg3008032022.zip

XVII. Plant Locations

The Company's Polyester Chips and Polyester / BOPP Coated Film manufacturing facility are located at :

i. Lohia Head Road, Village Amau, Khatima - 262 308, Distt. Udham Singh Nagar, Uttarakhand;

and

ii. Plot No.227 MI 228 MI, Banna Khera Road, Village Vikrampur – 262 401, Tehsil Bajpur, Distt. Udham Singh Nagar, Uttarakhand.

XVIII. Investors Correspondence:

For any assistance regarding share transfers, transmissions, issue of duplicate share certificate(s), change of address, non-receipt of dividend, issue of duplicate dividend warrants, dematerialisation of shares etc., please contact / write to: -

Secretarial Department		Secretarial Department,
Polyplex Corporation Limited	or	Polyplex Corporation Limited
Lohia Head Road,		B-37, Sector –1,
Khatima 262 308,		NOIDA - 201 301,
Distt. Udham Singh Nagar,		Gautam Budh Nagar,
Uttarakhand		Uttar Pradesh
Phone: (05943) 250136		Phone: (0120) 2443716 to 19
Fax : (05943) 250281		Fax : (0120) 2443724
Email: investorrelations@polyplex.com		

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

POLYPLEX CORPORATION LIMITED

CIN: L25209UR1984PLC011596

Lohia Head Road, Khatima - 262 308,

Distt, Udham Singh Nagar, Uttarakhand.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of POLYPLEX CORPORATION LIMITED having L25209UR1984PLC011596 and having registered office at Lohia Head Road, Khatima - 262 308, Distt, Udham Singh Nagar, Uttarakhand (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification, This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468D000775326
Peer Review No. 978/2020

Dated: August 12, 2022
Place: New Delhi

Compliance Certificate on Conditions of Corporate Governance

The Members of,

Polyplex Corporation Limited

CIN: L25209UR1984PLC011596

Registered Office: Lohia Head Road

Khatima 262308, Distt. Udham Singh Nagar,

Uttarakhand

We have examined the compliance of conditions of Corporate Governance by Polyplex Corporation Limited for the year ended March 31, 2022, as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 (“Listing Regulations”).

1. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable except Independent Director(s) of the Company have not been appointed in three out of four material unlisted foreign subsidiaries pursuant to Regulation 24(1) of Listing Regulations.
3. We 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.

For **RSM & Co.**
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468D000775381
Peer Review No. 978/2020

Date : August 12, 2022
Place : New Delhi

Business Responsibility Report

The Company is pleased to inform that it is among the top 1000 companies as per the market capitalisation criteria as on March 31, 2022. Accordingly, pursuant to Securities and Exchange Board of India (herein after referred as 'SEBI') circular dated 4 November 2015 and Regulation 34 of the SEBI 'the Listing Regulations', the Company present its third Business Responsibility Report for the financial year ended on March 31, 2022.

It may be mentioned here that the Company has also voluntarily endeavoured to publish a comprehensive Sustainability Report, based on the Global Reporting Initiative (GRI) Standards in accordance with Core framework on biennial basis. The latest published Sustainability Report is available at the link https://www.polyplex.com/pdf/Polyplex_SR-2018-20-Final-Version.pdf

In terms of sustainability, the Company has adopted the 5 R's (Reduce, Reuse, Remove, Renew and Recycle) concept in its products, processes and operations to develop new-age packaging substrate solutions. It has taken various initiatives to recycle waste, reduce water use, save energy and use clean technology to reassert its environmental commitment and continuously strives to manufacture sustainable products, which can gain global acceptance. Details of such sustainability initiatives are provided later in the report.

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	L25209UR1984PLC011596	
Name of the Company	Polyplex Corporation Limited ("the Company")	
Registered Address	Lohia Head Road, Khatima Distt. Udham Singh Nagar, Uttarakhand, India	
Website	www.polyplex.com	
E-mail ID	investorrelations@polyplex.com	
Financial Year reported	April 01, 2021 – March 31, 2022	
Sector(s) that the Company is engaged in (industrial activity code-wise)	Industrial Group	Code Description
	Group:	222 Manufacture of plastic products
	Class:	2220 Manufacture of plastic products
	Sub-class:	22201 Manufacture of semi-finished of plastic products
	As per National Industrial Classification – The Ministry of Statistics and Programme Implementation	
Three key product/services manufactured (as in Balance sheet)	The Company offers a wide range of plastic films across various substrates which are further enhanced due to multifarious downstream processing capabilities. They are used in: Flexible Packaging - key applications include food, beauty, personal and home care, medical and pharma, pet food, labels, garden & outdoor Industrial Segments - key applications include release liner, stamping foils, tapes, FRP, digital, thermal lamination, imaging and graphics, photo-voltaic and optical applications The key products manufactured by the Company during the Financial Year **2021-22** are as below: 1. Plastic films: 1.1. Base Films: 1.1.1. Biaxially Oriented Polyester (BOPET or PET) Film - PET film is a high-performance film with a unique combination of qualities like high tensile strength, durability, heat resistance, good gas-barrier properties, dimensional stability, chemical inertness, clarity and recyclability 1.1.2. Biaxially Oriented Polypropylene (BOPP) Film - BOPP films are transparent films designed to offer high performance, great appearance and easy converting for flexible packaging and other applications. BOPP films are made from Polypropylene resin procured locally or imported	

	The overseas locations of the Company also produce Cast Polypropylene (CPP) and Blown PP/PE Films CPP films are transparent films designed to offer high performance, great appearance and easy converting for flexible packaging and other applications. Blown Film Extrusion is one of the many manufacturing processes to produce plastic films. It is extensively used to produce various mono – layer and multi – layered films for packaging and industrial applications 1.2. Value added products – This segment includes the downstream businesses of the Company like metallizing, silicone coating, transfer metallized paper, direct metallized paper, holography and offline chemical coating which has enabled it to offer products for a variety of applications such as general packaging, specialty packaging, electrical applications, liners, roofing, and a whole gamut of other industrial applications 2. Polyester (PET) Resin: PET film is made from Polyester resin (chips), which in turn is produced from Purified Terephthalic Acid (PTA) and Mono Ethylene Glycol (MEG). The Company produces PET resin mostly for captive consumption
Total number of locations where business activity is undertaken by the Company: **(a) Number of International Locations** **(b) Number of National Locations**	The Company began its journey from single unit operation at Khatima, Uttarakhand and today has several manufacturing & distribution / marketing centers: Countries where Manufacturing Operations are performed – 5 (five) viz., India, Thailand, Turkey, United States of America and Indonesia Countries where Trading & Distribution Operations are performed - 4 (four) viz., Turkey, Netherlands, United States of America and Singapore Additional Countries where Warehouses are maintained - 4 (four) viz. Germany, Netherlands, Mexico and Poland Countries where Liaison Offices are maintained– 2 (two) South Korea & Japan. Countries where sales representatives are present – 6 (six) viz. China, Philippines, Vietnam, Malaysia, Poland and Italy.
Markets served by the Company – Local/State/ National/ International:	The Company offers its products to businesses across various end-use segments such as FMCG, Pharma, kitchen and home care, personal care and hygiene and industrial application sub-segments like Cable Overwrap, PV, Agriculture, Construction underlayment etc. in India and abroad. The Company serves customers located in ~75 countries across the Globe.

Section B: Financial Details of the Company

1.	Paid up capital (INR)	3,197 Lakh as on March 31, 2022
2.	Total Turnover (INR)	1,78,477 Lakh as on March 31, 2022
3.	Total Profit after taxes (INR)	49,147 Lakh as on March 31, 2022
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total spending on CSR is INR 795.81 Lakh: Current Year spending INR 734 Lakh (2 % of average net profit for the past 3 years calculated in accordance with Companies Act, 2013) after taking credit of INR 61.24 Lakh which was transferred to Polyplex Corporation Limited Unspent CSR Account- 2021-22) in respect of ongoing projects; and Remaining spending INR 61.81 Lakh related to Previous Year(s), which was transferred to Polyplex Corporation Limited Unspent CSR Account- 2020-21) in respect of ongoing projects. Further details are available in Report on CSR
5.	List of activities in which the CSR expenditures have been incurred	Please refer Annexure C of Directors' Report

Section C: Other Details:

1.	Does the Company have any Subsidiary Company/ Companies?	Yes, the Company has 11 (eleven) Subsidiaries as on March 31,2022. All the subsidiaries are located outside India. Please refer MDA for subsidiaries' details.
2.	Do the Subsidiary Company/ Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company (s)	Each subsidiary of Polyplex follows the Business Responsibility initiatives as per the applicable laws of their respective countries. However, such initiatives (mandated by law or voluntary) are also guided by the Company's Vision & Mission statements and Core Values. Polyplex, as a Group, is committed to continually work towards its BR initiatives in order to have a positive impact on society, the economy and a sustainable future. In order to make its operations sustainable, the Company ensures optimum utilization of energy and other resources, better waste management through recovery, recycle and re-use of material, reduction in emissions and effluents, reduction in water usage and enhancement of awareness amongst the employees through effective communication and training. The Company through its subsidiaries continues to make multiple and substantial investments in recycling operations to provide solutions for post- industrial as well as post-consumer plastic waste
3.	Do any other entity/ entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [<30%, 30-60%, >60%]	Several stakeholders engage with the Company in the course of its business such as suppliers, distributors, customers, government agencies, similar economic groups and other related entities. Polyplex tries to ensure that all its stakeholders also participate and contribute towards a sustainable future by extending its Code of Conduct guidelines to its vendors/Suppliers. However, their direct participation in the Business Responsibility initiatives of the Company is limited.

Section D: BR Information

1. Details of the Director/ Directors responsible for BR

(a) Details of the Director/ Directors responsible for implementation of the BR policy/policies:

Mr. Pranay Kothari, Executive Director and CEO of the Company is responsible for implementation of the BR policy/ policies.

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN Number (if applicable)	00004003
2	Name	Mr. Pranay Kothari
3	Designation	Executive Director/ Chief Executive Officer
4	Telephone number	+91 120 2443716-19
5	E-mail ID	investorrelations@polyplex.com

2. Principle-wise (as per NVGs) BR policy/policies

Reference	Principle	Heading	Description
P1	Principle 1	Ethics, Transparency, Accountability	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Principle 2	Product Lifecycle Sustainability	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Principle 3	Employees' Well Being	Business should promote wellbeing of all employees
P4	Principle 4	Stakeholder Engagement	Business should respect the interests of and be responsive towards all stakeholders especially the disadvantaged, vulnerable and marginalised

Reference	Principle	Heading	Description
P5	Principle 5	Human Rights	Business should respect and promote human rights
P6	Principle 6	Protection of The Environment	Business should respect, protect, and make efforts to restore the environment
P7	Principle 7	Responsible Principle Advocacy	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Principle 8	Support Inclusive Growth	Businesses should support inclusive growth and equitable development
P9	Principle 9	Providing Customer Value	Business should engage with and provide value to their customers and consumers in a responsible manner

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

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Refer Note 1								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Refer Note 2								
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Refer Note 3								
	Indicate the link for the policy to be viewed online?	Refer Note 4								
6.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
7.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
8.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Refer Note 5								
9.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	NA	Y	Y
		Refer Note 6								

Note 1: The Company's Policies are in consonance with the Companies Act, 2013 (the 'Act'), the Listing Regulations and other regulations/ guidelines issued by the Central Government, as applicable, from time to time including industry best practices. The policies reflect the purpose and intent of the International Standards such as OHSAS 18001, ISO 14001, ISO 50001, ISO 22000, ISO 9001 etc.

Note 2: The Board approves various policies for the Company, as applicable, under the Act, SEBI Regulations and other regulations/ guidelines issued by the Central Government, from time to time. These Policies are signed by Executive Director/CEO. Other Policies which are related to business process & operations are signed by Profit Centre Head/ HR Head.

Note 3: CEO, Profit Centre Head, HR Head, Company Secretary and Compliance Officer are responsible for the respective BR Policy/ other Policies as specified therein.

Note 4 Policies of the Company other than pertaining to or applicable to internal employees are posted on and are available on the Company's website and the ones applicable to employees/ officers of the Company are posted on internal portal and are also informed to the stakeholders by way of training, distributions in the forms of leaflets and display at the plant locations. The policies which are uploaded on the Polyplex website i.e. https://www.polyplex.com/ are as below:

S. No.	Name of the Policies
1.	Whistle Blower policy
2.	Code of Conduct for Directors & Senior Management
3.	Code of Internal Procedures & Conduct for Regulating, Monitoring & Reporting of Trading by Insiders
4.	Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information
5.	Dividend Distribution Policy
6.	Policy of Related Party Transactions
7.	Policy for Determining Material Subsidiaries
8.	Policy for Determination of Materiality
9.	Corporate Social Responsibility Policy
10.	Environment, Health & Safety Policy
11.	Prohibition of Sexual Harassment of Women Employees at Work Place
12.	Code of Business Conduct for Suppliers

The Links to most of the policies are provided in the Corporate Governance Report forming part of the Annual Report.

Note 5: Yes, any grievance or feedback related to the policies can be sent to investorrelations@polyplex.com. The Company also has a Stakeholders' Relationship Committee to resolve any grievances of the security holders.

Note 6: Policies are evaluated periodically or whenever necessary, depending upon the nature of policies by the Board of Directors/Committee of Directors/CEO/ Profit Centre Head/ HR Head, as the case may be.

2a. If answer to the question at serial number 1 against any principle, is "No", please explain why: (Tick up to 2 options)-

Sr. No.	Questions	Principle 7
1.	The company has not understood the Principles	NA
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	In relation to P7, Polyplex represents itself at various national and international industry associations such as Federation of Indian Export Organizations, A Circular Economy for Flexible Packaging-Europe, BOPET Films Europe, etc. The Company prefers to be a part of the broader policy development process and give suggestions in the responsible manner. However, it does not feel the need of a formal policy at this stage and may in future, look into adopting a policy for the same
3.	The company does not have the financial or manpower resources available for the task	NA
4.	It is planned to be done within next 6 months	
5.	It is planned to be done within next 1 year	
6.	Any other reason (please specify)	

3. Governance related to BR:

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

The BR performance of the Company is generally assessed on annual basis.

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

The first BR report for the Financial Year 2019-20 was published along with the Annual Report (available on Company website under Investor Section) and the same has been published on yearly basis in the Annual Report. Additionally, the Company has on voluntary basis published its second Sustainability Report for the Financial Year 2018-20 and the same is available at https://www.polyplex.com/pdf/Polyplex_SR-2018-20-Final-Version.pdf

The Company plans to publish a Business Responsibility and Sustainability Report (BRSR) from FY 2022-23 onwards by replacing the BR report.

Section E: Principle-wise Performance

Principle 1- Ethics, Transparency and Accountability

The Company encourages culture of high ethical standards, transparency and accountability. As a responsible growing organization, the Company does its business with high level of integrity. The Company ensures that its business transactions are in compliance with the applicable laws and regulations and has established internal control mechanism to ensure conformance to the norms of corporate governance. It follows a philosophy that shareholders value can be protected with increased transparency and strong governance policies.

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

The Company has formulated, policies covering issues such as ethics, bribery and corruption including the policy for Prevention of Sexual Harassment, Whistle Blower policy, which extend to vendors, contractors, visitors including employees and Board Members of the Company. The Company has also formulated a Code of Conduct, as mandated by SEBI, which specifies the guidelines for behavior, duties and responsibilities for its Directors and Senior Management. The Company conducts all its business activities in an honest and ethical manner and takes a zero-tolerance approach to bribery and corruption in all its business dealings and relationships. The Business Code of Conduct is also extended to all its vendors and suppliers.

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

During the year under review, there were no cases reported on the violation of the Company's Code of Conduct, Ethics, Transparency and Accountability, Prevention of Sexual Harassment and under the Whistle Blower Policy and no complaint were received from the stakeholders.

Principle 2- Sustainability of Products and Services across Life Cycle

The Company endeavors to maintain sustainability approach across the life cycle of its product i.e. usage of sustainable sources for procurement of raw material, manufacturing final products, waste management and recycle activities, transporting the products, etc.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is committed towards sustainability and aims to be a total packaging substrate solution provider for its customers while developing products with minimal environmental impact and providing the highest standards of health and safety to the workforce.

The key products, which are designed by taking into consideration environmental concerns and also consider the Company's goal to minimize its carbon footprint, are:

- **PET Films with Post-consumer recyclate content (rPET) – 30% -100% PCR**. It is a ready solution to incorporate PCR content in Flexible Packaging. Typical flexible laminate structures using PET films can incorporate 15 to 40% PCR content by using 90% PCR content rPET films
- **Bio-sourced films (Bio PET film) -** The Company manufactures Bio PET Film through use of renewable resources and Eco-Friendly PET Film without any Heavy metals to contribute to environmental sustainability
- **PET film based monomeric structures -** Replacing mixed plastics in packaging with mono PET solutions enable better recyclability, improve resource efficiency, reduction in greenhouse gas emission and lead to true circularity

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

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

- **rPET –** Savings of Greenhouse gas (GHG) emissions for 1MT of rPET film in comparison to normal PET film is as explained below:

Table 5: Emission Avoided due to rPET Film over PET film

	PET	rPET-90%	rPET-78%	rPET-70%	rPET-50%	rPET-30%
Total Emission	3.708	1.639	1.915	2.099	2.559	3.018
Emission avoided		2.069	1.793	1.609	1.149	0.690
Percentage emission saved		**55.8%**	**48.3%**	**43.4%**	**31.0%**	**18.6%**

Source : Internal Study

- Bio PET - 20% GHG reduction as compared to normal PET film
- Monomeric PET Film - Monomeric PET Film is designed for recyclable structures of final package which is recyclable and fulfill condition of circularity
- Other Initiatives - The Company's drive for continuous improvement and innovation has enabled the Company to reduce process waste and energy consumption, increase productivity and release new products, thereby achieving higher customer acceptance and satisfaction. Few of the measures taken by Polyplex to reduce the power consumption are usage of energy saving air compressors, optimization of cooling tower efficiency, optimal chiller operations, improvement in grid energy power factor, insulation on non-insulated main extruder barrel of BOPP plant, usage of non-conventional lighting fixtures, usage of low wattage LED fixtures and enhancement of the life of husk Heater bag house bag filter, etc.

  GHG emissions intensity from Polymer resin production has been reduced significantly over the past few years and so have the GHG emissions intensities for PET and metallized PET films by introducing various measures:

  - Innovative processes like direct melt technology
  - Installing high productivity lines
  - Using alternate low emission energy resources (Biomass based plants instead of fossil fuels)
  - Introduction of lower GHG products in the markets (Bio PET, rPET etc.)
  - Continuous improvements in energy optimization, waste management through reuse, recycle and reduce
  - Gradual shift towards renewable sources of power like solar. Requisite approvals have been in place in Thailand. It is under evaluation for other location too.

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

The Company works on a B2B model and hence, the usage of the products differs for each customer basis the final product getting manufactured. Despite being continuously focused on the sustainable products, the analysis to determine the reduction during usage by customer (energy, water) would be difficult for the Company to assess.

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

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

Yes, the Company encourages sustainable sourcing through localization of raw material procurement, reuse of pallets & packaging materials, focus on bio sourced raw materials and continuous evaluation of alternative transportation arrangements. The intent is to source the Raw Material locally wherever it is available; imports are only in case of local unavailability – on an average about 93% is locally sourced. The Company strives to work with the same raw material/service providers thereby setting an exemplary model, in terms of stakeholder engagement.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company generally prefers locally available goods and services, other factors being comparable and few examples are as under:

- Procurement of wooden pallets (used for packaging) from a local vendor who is directly supported by Company by resources, training, etc.

- Procurement of rice husk for oil heating system from the local vendors, which is used for manufacturing; and
- Procurement of PVC cups from the local vendors, which is used for packing of finished products

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof.**
The Company reuses and recycles most of its in-process film waste/scrap ~95% generated during base film production. Further, the Company has developed and optimized "chemical recycling" process for manufacturing Sarafil rPET Polyester film with Post consumer Recyclate content to ensure true circularity. Further, the Company has separate recycling machines for BOPP and each line of BOPET. Continuous efforts are undertaken for reduction in hazardous waste, if any. The Company's subsidiary - EcoBlue Limited, Thailand provides sustainable solutions for post-consumer and industrial plastic waste by recycling unrecyclable materials.

Principle 3- Businesses should promote the well-being of all employees

We believe that the success of an organization is linked to its people and it is reflected in our vision, mission and values. Care is one of the four core values of Polyplex's value system.

During COVID-19 pandemic, the Company ensured sustained employment for all employees, including payout of additional bonus to recognize the efforts and boost the morale of the employees. Polyplex believes in holistic development of its employees. Many programs have been conducted across the Company for physical, emotional, intellectual and spiritual development of employees

1. **Total number of employees:** 937
2. **Total number of employees hired on temporary/ contractual/casual basis:** 508

   Number of permanent women employees: 10
3. **Number of permanent employees with disabilities:** Nil
4. **Do you have an employee association that is recognized by management?**

   At Khatima, Uttarakhand, approx. one third i.e. around 90 employees, are represented by a union. We have also formed "Joint Welfare Committees" at all locations so that the short term, medium term and long-term needs of all workers are brought to the attention of the management and resolved satisfactorily in a timely manner.
5. **What percentage of your permanent employees is members of this recognized employee association?**
   9.61%

6. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	NIL	
2.	Sexual Harassment		
3.	Discriminatory employment		

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

Sr. No.	Category	Skill up-gradation and safety training
1.	Permanent Employees	Most of the personnel are covered in Safety/ Technical & ISO related trainings at plant level. In totality, 1,536 training sessions were conducted.
2.	Permanent Women Employees	100% employees are covered
3.	Casual/ Temporary/ Contractual Employees	All employees are given training at the time of joining and are equipped with refresher training on Safety and operations front. Total 144 Safety related trainings were given to contractual employees.
4.	Employees with Disabilities	Not Applicable

Principle 4- Stakeholder's Interest

We have built a long-term relationship with all our major stakeholders and honor our commitments towards them. The result has been the ability to outperform the Industry and enhance value for stakeholders. For more than three decades, the Company has focused on the interplay of three drivers i.e. Passion, Discipline and Long-term.

1. **Has the Company mapped its internal and external stakeholders?**

   Yes, the Company has identified its internal and external stakeholders. Our internal stakeholders are our executives and employees, and our external stakeholders comprises of customers, contractors, vendors, business partners, regulatory bodies, insurers, bankers, service providers, equipment providers and local communities.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   Identification of the disadvantaged, vulnerable and marginalized stakeholders is an on-going process. However, the Company has identified the community located near to its plants at Khatima and Bazpur, Uttarakhand as relatively disadvantaged and marginalized.

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

   Under a P.P.P. (Public Private Partnership) model at Bazpur and Khatima, Polyplex has adopted two local schools, provided necessary infrastructures such as furniture and fittings. Polyplex has also undertaken a slew of sports and education sponsorships, besides full scholarships to school-going children of deceased employees.

   Further, Polyplex had set up Saraf Public School (owned by Polyplex, however administered privately), adjoining the Khatima plant facility in 1992, providing quality education to children of employees as well as those from local communities.

   Polyplex has made regular contributions to various government hospitals for development of health infrastructure and to promote healthcare (including preventive).

Principle 5- Business should respect and promote human rights

Polyplex understands that to uphold human rights is a fundamental responsibility and the same need to be protected. Polyplex has put in place various policies such as equal employment policy, whistle blower policy in order to avoid and mitigate the infringement of human right at all levels of the organization. The Company also seeks periodic feedback from its employees in a confidential manner.

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

   The Company's policy on human rights do extend to all its subsidiaries, employees, consumers, vendors and all concerned stakeholders. It takes care that their transactions/ processes do not violate any human rights. The Company has formulated & circulated a policy on Prevention of Sexual Harassment at Workplace, Whistle-blower Policy, etc. based on global standards and local applicable laws.

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

   There were no complaints of human rights violation for the year 2021-22 in any of the operations.

Principle 6- Environmental Impact

Since its commencement, Polyplex group has not faced any significant problems related to environment and inspection is carried out by various regulatory authorities in a timely manner. This has resulted in causing no negative environmental impact by company's operations and gaining global and national recognition. We have also taken many initiatives for the community as a part of our CSR activity including plantation drives in and around our factories and housing colonies, which has gained appreciation.

Some of our awards are;

- Prime Minister Industry Award for rPET
- Ecovadis CSR Ratings Bronze Award for environment, labour & human rights, ethics and sustainable procurement

Thailand operations have also been certified by;

- Thailand Greenhouse Gas Management Organization for complying with the standard requirements of GHG emissions
- Green Industry Level 3 (Green System) for systematic environment management with continuous monitoring respectively

The Company aims to continuously improve the efficiency of business operations through targeted measures & processes to reduce energy consumption, GHG emissions and follow industry best practices in water management.

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

   We ensure that the Health and Safety standards at all our units are as per the legislations and benchmarked with international standards. Our approach is reflected in our Environmental, Health and Safety (EHS) policy that emphasizes continuous improvement. All of our Indian facilities are certified with ISO 14001:2015

(Environment Management System), OHSAS 18001:2007 / ISO 45001:2018 certification on Occupational Health and Safety Management system. We have a separate EHS policy for all our operations. The policies are drafted such that they are aligned with the needs and regulations of each location. This policy is communicated to all the employees and displayed at various locations all across the plant.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes. Being a global plastic film manufacturer, we have been conscious of the manner in which environmental and social parameters will shape our company and industry. Wherever possible, Polyplex recycles and reuses the material in the production of new products. We try to minimize our environmental impact through recycling of more than 95% polyester waste generated during base film production system, recycled material grades, energy efficient machinery and efficient transportation strategy. This decreases our organizational carbon footprint. We also have a mechanism to receive complaints on environmental issues and take corrective actions accordingly.

   Six of our manufacturing plants across the globe have attained ISO 14001 environment management system certification. We believe that the environmental management system certification would help us to analyze and reduce environmental impact and standardize the process of being complaint to a range of legislative requirements. The certifications have provided us a framework which enables us to review our environmental performance and identify the sites outperforming the others so that we can implement similar initiatives across the group. Our aim is to minimize our carbon footprint by reducing the energy consumed per ton of production and reduce our consumption of virgin raw material per ton of production. GRI Report is released periodically and the same is available on www.polyplex.com

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

   Yes. The Company identifies and assess potential environmental risks in pursuance of its EHS Policy.

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

   The Company continues to work towards development and implementation of climate change mitigation projects mainly through energy saving projects across the Company such as replacing oil base heating system to rice husk heating system to reduce the greenhouse gas generation. Under the Environment Monitoring Report, various tests are being performed at plants by third party agencies and necessary reports are prepared for such quarterly/ half-yearly testing.

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

   As a step towards sustainable global economy, we have undertaken following major environment related improvement initiatives:

   i. Operationalized latest technologies to save power across plant locations which resulted in substantial improvements in terms of energy efficiency

   ii. Switch over from Furnace Oil to Rice Husk for oil heating system in India which leads to reduction in greenhouse gases

   iii. Switched to LED lighting across plants

   iv. Decrease in energy consumption through lower machine idling and implementation of Heat Recovery projects

   v. Co-generation in Turkey unit

6. **Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the Company strictly follows all the rules and regulations related to treatment of emission/ waste generated by the Company and undertakes tests on regular basis to ensure emissions are maintained within the permissible limits given by CPCB/ SPCB/ other regulatory authorities.

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

   There is no show cause notice received during the year from Uttarakhand Environment Protection and Pollution Control Board on Khatima and Bazpur plant, respectively.

Principle 7- Public Advocacy

At Polyplex, we believe to proactively promote the development of public policies and regulatory frameworks that support a fair and competitive environment. As a key contributor in the social and economic development of the communities in which we operate, we advocate policies that promote sustainability and value creation for all stakeholders. We believe that businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.**

   Yes, the Company is a member of the following associations:

   a) Federation of Indian Export Organization ('FIEO-India')

   b) Plastics Export Promotion Council of India ('PLEXCONCIL-India')

   c) Polyester Film Manufacturers Association (PFMA)

   d) Indian Flexible Packaging and Folding Carton Association ('IFCA-India')

   e) BOPET FILM Europe Association ('BOFE-Europe')

   f) PETCORE Europe

   g) A Circular Economy for Flexible Packaging ('CEFLEX-Europe')

   h) Circular Economy for Labels (CELAB)

   * Polyplex is a member of Flexible Packaging Association, Sustainable Packaging Coalition, The Association for Packaging and Processing Technologies and Reflective Insulation Manufacturers Association International through its subsidiary i.e. Polyplex America Holdings Inc.

2. **Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/ No. If yes specify the broad areas.**

   As stated above, the Company is associated with various national and international industry associations and from time to time, have represented through them for the advancement/ betterment of trade environment, promoting sustainability, recyclability etc.

Principle 8- Inclusive growth and Equitable Development

The Company realizes and cares for the safety of society, environment and quality of life of people. It places priority on activities relating to the community and society by complying with the applicable laws and regulations. Being a responsible corporate, we consider it our duty to foster inclusive growth and meet the sustainability needs of the nation through equitable development.

1. **Does the Company have specified programs/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes. As per Corporate Social Responsibility policy of Polyplex and being conscious of its corporate responsibility towards habitat and communities, the Company is closely working with local communities through comprehensive and sustained social programmes. It undertakes various programs/ initiatives/ projects and some of them are listed as under:

   - To provide equal educational opportunities to children from all sections of the society in the two local schools adopted by the Company at Bazpur and Khatima
   - Contribution to various other schools/educational institutes in order to promote education and help contributing to a better society
   - Contribution towards promoting culture and language
   - Promoting healthcare through contributions to various hospitals and also providing infrastructure facilities to local hospitals at Bazpur and Khatima
   - Contribution towards rainwater harvesting projects

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

   The Company implements its programs through its Corporate Social Responsibility team and in partnership with government and civil society organizations. You may also refer our Annual Report on Corporate Social Responsibility for the Financial Year 2021-22 enclosed as Annexure C of the Directors' Report.

   We also actively encourage our own employees to contribute towards these social initiatives.

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

   While finalizing any community development project, it is taken into consideration that the benefit is given to the ultimate beneficiaries of the society, and hence, the impact assessment is done in an informal manner.

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

   Company's direct contribution to community development projects for the Financial Year 2021-22 is enclosed as an Annexure C of the Directors' Report.

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

   The Company participates in such community development initiatives only after a detailed need assessment and strives to work together with the community. As an example, at its plant location in Khatima, the Company has been running a school for the past almost three decades with more than 1870 students, which provide equal educational opportunities to children from all sections of the society, and periodic analysis is done to monitor the quality of education, additional needs, etc.

Principle 9- Value to Customers and Consumers

The Company works with passion to find ways to continuously improve its customer service. The Company through enhanced solutions and by being focused on product innovation addresses the growing customer demands and need for cost-effectiveness from its customers. The Company works proactively and collaboratively with its customers, which comprise of some of the world's largest and most respected packaging conglomerates and leaders in several industrial end-use markets.

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

   Polyplex has a robust system for customer complaint resolution and ensures continuous monitoring & closure of the same within the specified timelines. As at the year-end, only about 8% of complaints received during the year were pending. Polyplex generally observes complaints related to quality and delivery. For quality related complaints, Polyplex has a quality policy and for delivery, Polyplex maintains a delivery tracker.

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

   The Company provides the following information on the product label:

   - Production information – Brand Name & Type of Film
   - Dimension details - Micron/Width/Length/Core Size/ Thickness/Position
   - Weight - Net Weight of Film
   - Quality status - Grade/Treatment/Joint
   - Unique identity - Batch No of roll (in the form of a bar code)
   - Order No., Buyer Order No., Part No.
   - Remarks (for any additional information)

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

   There are no complaints filed or pending against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior in the last five years.

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

   Yes, Polyplex conduct survey for customer's feedback on half-yearly basis; which is also part of ISO 9000 requirement ought to be undertaken by the Company. It measures the satisfaction level among its customers and understand their expectations in order to gauge competitiveness in the industry. The survey form is categorized into different verticals like Enquiry, Order Processing, Quality, Packing, Delivery and Complaint handling. The Marketing division of the Company takes note of customers' requirements and provides the same to the production / technical team for ensuring improved customer satisfaction. The Company believes that feedback is a continuous process and to sustain in this evolving dynamic environment, continuous improvement is necessary.

Independent Auditor's Report

To The Members of
Polyplex Corporation Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of POLYPLEX CORPORATION LIMITED ("the Company"), which comprise the Standalone Balance sheet as at March 31, 2022, and the Standalone statement of Profit and Loss (including other comprehensive income), Standalone statement of changes in equity and Standalone statement of cash flows for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition:** For the year ended March 31, 2022 the Company has recognized revenue from contracts with customers amounting to ₹ 177,051.62 Lakh. Revenue from contracts with customers is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.	**Our audit procedures included the following:** • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • On sample basis, examining supporting documents for the sales transaction occurring during the year and near the end of the accounting period including the credit notes issued after period end to verify the occurrence and accuracy of revenue, whether revenue recording was consistent with the conditions, and whether it was in compliance with the Company's Policy. • Performed analytical procedure to identify the unusual trends and also tested journal entries recognized in revenue focusing on unusual or irregular transactions. • On sample basis, examining supporting documents/approvals and calculation of discounts, claims, rebates etc.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (including Corporate Governance Report) but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management's and Board of Director's for Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, 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 standalone balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

    In our opinion and to the best of our information and according to the explanations given to us, the remuneration 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, as amended, 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 as at March 31, 2022 on its financial position in its standalone financial statements – Refer Note 45 to the standalone financial statements.

        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including long-term derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

        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 49 to the standalone financial statements:

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

(c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable

For **S S Kothari Mehta and Company**
Chartered Accountants
Firm Reg. No. 000756N

Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 22093214AJUCZD1466

Place: New Delhi
Date: May 25, 2022

"Annexure A"

To the Independent Auditors' Report

The Annexure as referred in paragraph (1) 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' Report to the members of Polyplex Corporation Limited on the standalone financial statements for the year ended March 31, 2022, we report that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

b) The Company has a regular program of physical verification of its Property, Plant and Equipment and right-of-use assets according to which the Property, Plant and Equipment and right-of-use assets have been verified by the management periodically in a phased manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment and right-of-use assets. Pursuant to the Program, a portion of the Company's Property, Plant and Equipment and right-of-use assets has been physically verified by the Management during the year and the discrepancies noticed on such physical verification were not material.

c) According to the information and explanation given to us and on the basis of examination of title deeds/ sale deed/ transfer deed/ conveyance deed/ possession letter/ allotment letter and other relevant records evidencing title/ possession provided, we report that the title deeds of the immovable properties are held in the name of the Company except for the following which are not held not in the name of the Company: (Refer Note 4 to the standalone financial statements)

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in the name of the Company
Freehold land	₹ 8.79 Lakh	Mr. R. K. Jindal	Yes, Employee of Promoter controlled company	September 17, 1996	Execution of Sale deed and registration is pending for completion of certain formalities

d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year ended March 31, 2022.

e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The inventories of the Company (except stock lying with the third parties and in transit) have been physically verified by the management at reasonable intervals. In our opinion, the procedures of physical verification of the inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) The Company has been sanctioned working capital limits in excess of Rupees Five Crore in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. As disclosed in note no. 57 to the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company.

iii. (a) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has made two investments in previous years.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, *prima facie*, not prejudicial to the interest of the Company. The Company has not provided any loan, guarantees or given any security to companies, firms, Limited Liability Partnerships or any other parties.

According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3(iii) (c), (d), (e), (f) of the Order is not applicable

iv. According to the information, explanations and representations provided by the Management and based upon audit procedure performed, we are of opinion that in respect of investments, the Company has complied with the provision of Section 185 and Section 186 of the Act. The Company has not provided/given any loan, guarantees and security as specified under Section 185 and Section 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits or deemed deposits from the public within the meaning of

Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013 in respect of its products and are of the opinion that, *prima facie*, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

vii. In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, with the appropriate authorities to the extent applicable.

According to the information and explanations given to us and on the basis of examination of the records of the Company, there are no undisputed statutory dues payable in respect of Goods and Services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Goods and Services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, as applicable, which have not been deposited on account of any dispute except those mentioned below:

Name of Statue	Nature of Dues	Period	Amount (₹ in Lakh)	Amount deposited (₹ in Lakh)	Forum where pending
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	1996-97	28.08	9.69	Hon'ble High Court, Nainital
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	1997-98	32.75	4.20	Deputy Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	1998-99	29.05	-	Deputy Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2009-10	1.34	-	Joint Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2009-10	0.98	-	Joint Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2015-16	7.82	-	Hon'ble High Court, Nainital
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2017-18	1.16	1.16	Deputy Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2016-17	5.89	0.59	Joint Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2017-18	124.05	124.05	Assessment Order Received
The Central Sales tax Act, 1944 and state Vat Act	Commercial Tax	2011-12	2.60	2.60	Sales Tax Inspector
The Central Sales tax Act, 1944 and state Vat Act	Vat	2015-16	1.32	0.13	Joint Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2015-16	6.09	2.44	Joint Commissioner (Appeal)
The Central Sales tax Act, 1944 and state Vat Act	Sales tax	2015-16	87.26	34.91	Joint Commissioner (Appeal)
The Central Excise Act, 1944	Excise Duty	2013-14	19.69	1.48	CGST Commissioner
Finance Act, 1994	Service tax	2014-15 to 2017-18 (Up to June 2017)	1.08	-	Assistant Commissioner

Name of Statue	Nature of Dues	Period	Amount (₹ in Lakh)	Amount deposited (₹ in Lakh)	Forum where pending
Finance Act, 1994	Service tax	2014-15 to 2017-18 (Up to June 2017)	10.55	-	Assistant Commissioner
Income Tax Act, 1961	Income Tax	2009-10	159.13	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2010-11	149.79	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2011-12	344.85	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2012-13	39.32	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2013-14	35.62	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2014-15	24.37	-	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	2012-13	21.65	-	Assessing Officer (CPC)
Income Tax Act, 1961	Income Tax	2016-17	60.11	-	Assessing Officer (CPC)
Income Tax Act, 1961	Income Tax	2019-20	415.91	-	Assessing Officer (CPC)

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lenders.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) On overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been utilized during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the order is not applicable to the Company.

x. (a) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the requirement to report on clause (x)(a) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, the requirement to report on clause (x)(b) of the order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company being noticed or reported during the year, nor have we been informed of such case by the management.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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 up to 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 as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued during the year and till the date of this report, for the period under audit have been considered by us, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, clause 3(xv) of the Order is not applicable.

xvi. The provision of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable on the Company. Accordingly, the requirement to report under clause 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence, the requirement to report on clause 3 (xvi)(d) of the Order is not applicable to the Company.

xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses either in the current financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in Note no. 56 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII to the Companies Act, in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) According to the information and explanation provided to us, in respect of ongoing projects the Company has transferred Corporate social responsibility (CSR) amount as at the end of the year, to a special account within a period of 30 days from the end of the financial year in compliance with the provision of Section 135 (6) of the Act.

For **S S Kothari Mehta and Company**
Chartered Accountants
Firm Reg. No. 000756N

Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 22093214AJUCZD1466

Place: New Delhi
Date: May 25, 2022

"Annexure B"

To the Independent Auditor's Report of even date on the Standalone Financial Statements of Polyplex Corporation Limited for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements'

We have audited the internal financial controls with reference to standalone financial statements of POLYPLEX CORPORATION LIMITED (the Company) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements 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 (the guidance note) issued by the Institute of Chartered Accountants of India (the 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 Companies Act, 2013 (the Act).

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit and the Standards on Auditing as issued by the ICAI, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to standalone financial statements 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 **S S Kothari Mehta and Company**
Chartered Accountants
Firm Reg. No. : 000756N

Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 22093214AJUCZD1466

Place: New Delhi
Date: May 25, 2022

Standalone Balance Sheet

As at March 31, 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-Current Assets			
a) Property, Plant and Equipment	4	30,476.17	31,747.94
b) Right to Use Assets	4	679.87	691.54
c) Capital Work-in-Progress	4	660.38	541.47
d) Investment Property	5	283.56	293.73
e) Other Intangible Assets	4A	-	-
f) Financial Assets			
i) Investments	6	4,698.71	4,698.71
ii) Other Financial Assets	7	945.42	924.13
g) Deferred Tax Assets (Net)	8	471.96	284.00
h) Other Non-Current Assets	9	98.74	1,018.65
Total Non-Current Assets		**38,314.81**	**40,200.17**
2 Current Assets			
a) Inventories	10	19,550.47	15,140.83
b) Financial Assets			
i) Investments	11	3,500.40	200.01
ii) Trade Receivables	12	19,327.01	14,128.26
iii) Cash & Cash Equivalents	13	1,659.98	1,432.41
iv) Bank Balances Other than iii above	14	657.42	2,704.32
v) Other Financial Assets	15	1,618.74	980.01
c) Current Tax Assets	16	22.26	-
d) Other Current Assets	17	6,389.92	8,123.37
Total Current Assets		**52,726.20**	**42,709.21**
TOTAL ASSETS		**91,041.01**	**82,909.38**
II EQUITY AND LIABILITIES			
1 Equity			
a) Equity Share Capital	18	3,197.11	3,197.11
b) Other Equity	19	70,003.64	52,479.88
Total Equity		**73,200.75**	**55,676.99**
Liabilities			
2 Non-current Liabilities			
a) Financial Liabilities			
i) Borrowings	20	1,423.11	4,720.72
ii) Lease Liabilities	21	19.32	19.58
b) Provisions	22	492.15	428.01
c) Other Non-Current Liabilities	23	23.00	29.67
Total Non-Current Liabilities		**1,957.58**	**5,197.98**
3 Current Liabilities			
a) Financial Liabilities			
i) Borrowings	24	7,362.43	11,406.52
ii) Lease Liabilities	25	0.29	0.29
iii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprises	26	-	-
Total Outstanding dues of Creditors other Than Micro Enterprises and Small Enterprises	26	2,809.89	2,728.51
iv) Other Financial Liabilities	27	4,231.22	6,333.69
b) Other Current Liabilities	28	1,152.06	875.26
c) Provisions	29	326.79	317.01
d) Current Tax Liabilities	30	-	373.13
Total Current Liabilities		**15,882.68**	**22,034.41**
Total Liabilities		**17,840.26**	**27,232.39**
TOTAL EQUITY AND LIABILITIES		**91,041.01**	**82,909.38**
		-	-
Accompanying Notes to Standalone Financial Statements	1 - 59		

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Standalone Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in Lakh)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Income				
I	Revenue from Operations	31	1,78,477.54	1,29,894.57
II	Other Income	32	33,697.23	33,859.32
III	**Total Income (I + II)**		**2,12,174.77**	**1,63,753.89**
IV	**Expenses**			
	Cost of Materials Consumed	33	1,13,128.43	77,639.19
	Purchases of Stock-in-trade		-	16.51
	Changes in Inventories of Finished Goods and Work-in-Progress	34	(2,627.47)	1,143.62
	Employee Benefits Expense	35	10,979.49	9,115.61
	Finance Costs	36	221.36	286.87
	Depreciation and Amortization Expense	37	5,120.20	5,739.31
	Other Expenses	38	29,899.43	19,924.40
	Total Expenses (IV)		**1,56,721.44**	**1,13,865.51**
V	**Profit / (Loss) Before Exceptional Items and Tax (III - IV)**		**55,453.33**	**49,888.38**
VI	**Exceptional Items (Gain) / Loss**		**-**	**-**
VII	**Profit / (Loss) Before Tax (V - VI)**		**55,453.33**	**49,888.38**
VIII	**Tax Expense**	39		
	a) Current Tax		6,320.00	4,735.00
	b) Deferred Tax		(110.67)	(186.04)
	c) Earlier Year Tax		97.98	-
	Total		**6,307.31**	**4,548.96**
IX	**Profit / (Loss) for the Year (VII - VIII)**		**49,146.02**	**45,339.42**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss			
	Remeasurement of defined benefit obligations		(307.09)	(25.84)
	Income tax expense on remeasurement of defined benefit obligations		77.29	6.50
	Total Other Comprehensive Income		**(229.80)**	**(19.34)**
XI	**Total Comprehensive Income for the year (IX + X)**		**48,916.22**	**45,320.08**
XII	**Earning Per Equity Share**	52		
	a) Basic (in ₹)		156.55	144.02
	b) Diluted (in ₹)		156.55	144.02
Accompanying Notes to Standalone Financial Statements		1 - 59		

As per our report of even date

For and on behalf of Board of Directors of Polyplex Corporation Limited

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Standalone Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
I A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit / (Loss) Before Tax		55,453.33		49,888.38
Adjustments For:				
Depreciation & Amortization	5,120.20		5,739.31	
Allowance for Doubtful Debts / Bad Debts Written Off	6.30		3.00	
Finance Cost	221.36		286.87	
Unrealized Exchange Difference (Gain) / Loss	(147.48)		436.08	
Net (Gain) / Loss on Sale of Property, Plant & Equipment	9.82		2.54	
Property Plant & Equipment Written off	13.90		36.98	
Amortization of upfront payment for processing fees	1.00		1.00	
Amortization of grant income	(391.83)		(602.98)	
Net Gain on Sale of Investments measured at FVTPL	(42.51)		(188.52)	
Unrealized Gain on Investments measured at FVTPL	-		17.90	
MTM (Gain) / Loss Derivative Financial Instruments measured at FVTPL	(325.10)		(24.88)	
Decrease of Inventory to Net Realisable Value (Reversal)	53.28		(43.65)	
Interest Income	(97.92)		(188.41)	
Dividend Income	(31,395.85)	(26,974.83)	(32,183.19)	(26,707.95)
Operating Profit Before Working Capital Changes		**28,478.50**		**23,180.43**
Working Capital Adjustments:				
Trade Receivables	(5,068.68)		(443.48)	
Other Financial Assets	(747.42)		(105.50)	
Other Non-Financial Assets	1,484.25		(3,215.94)	
Inventories	(4,498.19)		(770.28)	
Trade Payables	33.40		1,191.73	
Other Financial Liabilities	264.67		(9.55)	
Other Non-Financial Liabilities	968.36		260.40	
Provisions	16.03	(7,547.58)	(64.82)	(3,157.44)
Cash Generated From Operations		**20,930.92**		**20,022.99**
Taxes Paid		(6,715.39)		(4,292.66)
Cash Flow Before Exceptional Items		**14,215.53**		**15,730.33**
Exceptional Items		-		-
Net Cash From Operating Activities		**14,215.53**		**15,730.33**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(3,337.48)		(3,204.31)	
Sale of Property, Plant & Equipment	81.46		108.95	
Repayment of loan given to Related Party	-		950.00	
Bank balances not considered as cash and cash equivalents	2,046.90		(2,373.29)	
Purchase of Short-Term Investments	(1,45,742.74)		(1,89,791.80)	
Sale of Short-Term Investments	1,42,484.86		1,96,980.33	
Dividend Received	31,395.85		32,183.19	
Interest Received	124.64		204.31	
Net Cash Flow From Investing Activities		**27,053.49**		**35,057.38**

Standalone Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long-Term Borrowings	-		-	
Repayment of Long-Term Borrowings	(3,610.11)		(3,610.11)	
Net Proceeds From Short-Term Borrowings	(3,735.96)		3,048.15	
Lease Liability Paid	(0.26)		(0.27)	
Interest Paid	(221.36)		(287.35)	
Buyback of Shares (including buyback expenses)	-		(2,663.53)	
Tax on Buyback	-		(588.34)	
Dividends Paid	(33,473.76)		(45,657.28)	
Net Cash Used In Financing Activities		**(41,041.45)**		**(49,758.73)**
Net Increase in Cash And Cash Equivalents		**227.57**		**1,028.98**
Cash and Cash Equivalents at the beginning of the year		1,432.41		403.43
Cash and Cash Equivalents at the end of the year		1,659.98		1,432.41
II Cash and Cash Equivalents included in Statement of Cash Flow comprise of following (Refer Note No. 13):				
Balance with banks				
Current Accounts		1,646.23		1,423.49
Cash on hand		13.75		8.92
Total		**1,659.98**		**1,432.41**

III Reconciliation of Liabilities arising from Financing Activities

(₹ in Lakh)

Particulars	As at March 31, 2021	Cash Flows	Non-Cash Change	As at March 31, 2022
Non-Current Borrowings	8,331.83	(3,610.11)	-	4,721.72
Current Borrowings	11,406.52	(4,048.46)	4.37	7,362.43
Interest Accrued	-	(221.36)	221.36	-
Lease Liability	19.87	(0.26)	-	19.61
Dividend and Taxes Thereon	2,701.99	(33,473.76)	31,392.46	620.69

Particulars	As at March 31, 2020	Cash Flows	Non-Cash Change	As at March 31, 2021
Non-Current Borrowings	11,941.94	(3,610.11)	-	8,331.83
Current Borrowings	8,336.55	3,048.15	21.82	11,406.52
Interest Accrued	0.48	(287.35)	286.87	-
Lease Liability	20.12	(0.27)	0.02	19.87
Dividend and Taxes Thereon	328.80	(45,657.28)	48,030.47	2,701.99

Accompanying Notes to Standalone Financial Statements 1 - 59

Note: Previous Year figures are regrouped wherever necessary.

As per our report of even date

For and on behalf of Board of Directors of Polyplex Corporation Limited

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Standalone Statement of changes in Equity

For the year ended March 31, 2022

A. Equity Share Capital

Particulars	No. of Shares	₹ in Lakh
As at April 1, 2020	**3,19,84,600**	**3,256.32**
Changes in Equity Share Capital during 2020-21	(5,92,138)	(59.21)
As at March 31, 2021	**3,13,92,462**	**3,197.11**
Changes in Equity Share Capital during 2021-22	-	-
As at March 31, 2022	**3,13,92,462**	**3,197.11**

B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus					
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
As at April 1, 2020	**250.80**	**-**	**2,348.20**	**6,455.10**	**49,328.83**	**58,382.93**
Profit for the year	-	-	-	-	45,339.42	45,339.42
Other Comprehensive Income / (Loss) for the year	-	-	-	-	(19.34)	(19.34)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**45,320.08**	**45,320.08**
Transactions with Owners, recorded directly in Equity	-	-	-	-	-	-
Amount transferred to capital redemption reserve upon buyback	-	59.21	(59.21)	-	-	-
Buyback of Equity Shares	-	-	(2,288.99)	(236.52)	-	(2,525.51)
Tax Paid on Buy Back	-	-	-	(588.34)	-	(588.34)
Transaction cost relating to Buyback	-	-	-	(78.81)	-	(78.81)
Dividend payments including dividend distribution tax	-	-	-	-	(48,030.47)	(48,030.47)
Transfer to General Reserve	-	-	-	250.00	(250.00)	-
As at March 31, 2021	**250.80**	**59.21**	**-**	**5,801.43**	**46,368.44**	**52,479.88**
As at April 1, 2021	**250.80**	**59.21**	**-**	**5,801.43**	**46,368.44**	**52,479.88**
Profit for the year	-	-	-	-	49,146.02	49,146.02
Other Comprehensive Income / (Loss) for the year	-	-	-	-	(229.80)	(229.80)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**48,916.22**	**48,916.22**
Transactions with Owners, recorded directly in Equity	-	-	-	-	-	-
Amount transferred to capital redemption reserve upon buyback	-	-	-	-	-	-
Buyback of Equity Shares	-	-	-	-	-	-
Tax Paid on Buy Back	-	-	-	-	-	-
Transaction cost relating to Buyback	-	-	-	-	-	-
Dividend payments including dividend distribution tax	-	-	-	-	(31,392.46)	(31,392.46)
Transfer to General Reserve	-	-	-	250.00	(250.00)	-
As at March 31, 2022	**250.80**	**59.21**	**-**	**6,051.43**	**63,642.20**	**70,003.64**

Accompanying Notes to Standalone Financial Statements 1 - 59

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note: 1: Corporate information

Polyplex Corporation Limited ("PCL") is a public limited company incorporated and domiciled in India and its shares are publicly traded on the National Stock Exchange of India Limited ('NSE') and the BSE Limited ('BSE'), in India. The Registered Office of the Company is situated at Lohia Head Road, Khatima – 262 308 Dist. Udham Singh Nagar, Uttarakhand.

The Company is principally engaged in the manufacturing of plastic films. The Company has two manufacturing plants located in India at Khatima and Bazpur both in the State of Uttarakhand.

These Standalone Financial Statements were approved and adopted by Board of Directors of the Company in their meeting held on May 25, 2022.

Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

(i) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] as amended and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on an accrual basis under historical cost convention except for certain assets and liabilities (including derivative instruments and investment in mutual funds) that are measured at fair value at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker as defined under Ind AS 108.

(c) Revenue recognition

The Company derives revenue primarily from sale of plastic films, resins and other products.

Revenue from contracts with customers is recognized when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the Government. Accruals for discounts / incentives and returns are estimated using most likely method based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract. Payments from customers for the goods tendered are normally received within 30 days to 120 days as per terms of the sales.

The Company adjusts the transaction price for sales returns, based on the historical results, measured on the basis of the margin of the sale and consequently, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

(i) Revenue from Sale of Products:

Revenue from sale of products is recognized at the point of time when the customer obtains controls of the asset usually on delivery of goods to the customers.

(ii) Contract balances:

Contract assets: A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Company performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (r) Financial instruments – initial recognition and subsequent measurement

Contract liabilities: A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Cost to obtain a contract, the Company pays sales commission to its selling agents for contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(iii) Rental income

The Company's policy for recognition of revenue from operating leases is described in note 2(e) below.

(iv) Dividend income

Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

(v) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(vi) Export Incentives

Incentives on exports are recognized in books after due consideration of certainty of utilization/receipt of such incentives.

(d) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned or other systematic basis representative of the pattern of fulfillment of obligations associated with grants received.

The Grants are presented under the head 'other income'.

(e) Leasing

The Company's lease asset classes primarily consist of leases for land and buildings. 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: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

(i) As a lessee

At the date of commencement of the lease, 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 shorter of the lease term and useful life 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. 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.

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 these leases. Lease liabilities are remeasured 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 have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Companies (Indian Accounting Standards) Amendment Rules, 2020 provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising

Notes to the Standalone Financial Statements

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as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The amendments are applicable for annual reporting periods beginning on or after the April 1, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1, 2019. This amendment had no impact on the standalone financial statements of the Company

(ii) As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term. Respective leased assets are included in the standalone balance sheet based on their nature.

(f) Foreign currency translation

(i) Functional and presentation currency

The standalone financial statements are presented in Indian Rupee (₹), which is Company's functional and presentation currency unless stated otherwise.

All amounts have been rounded off to the nearest ₹ Lakh, unless otherwise indicated.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in statement of profit or loss in the period in which they arise except for foreign exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the standalone statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the standalone statement of profit and loss on a net basis.

(g) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(h) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs are not capitalized during extended periods in which active development of qualifying assets is suspended. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(i) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is recognized on temporary differences between the tax bases and carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit Deferred tax assets/ liabilities are generally recognized for all taxable temporary differences, the carry forward balance of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, the carry forward balance of unused tax credits and unused tax losses can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises 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 recognized 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 utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination

(j) Property, plant and equipment

The Company has applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., April 1, 2016.

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price, including import duties and non-refundable taxes, after deducting trade discounts/rebates, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their remaining useful life provided these are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment/ inspection / overhauling accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized net with in other income/other expense in Statement of Profit and Loss.

Notes to the Standalone Financial Statements

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Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the methods specified below to allocate their cost, net of their residual values, over their estimated useful lives.

- Depreciation on fixed assets at manufacturing plant at Khatima and Bazpur is provided on Written Down Value Method (WDV) based on estimated useful life of an asset which coincide with Schedule II to the Act, except for Plant and Machinery running on continuous process basis, where based on internal assessment and independent technical evaluation carried out by external valuer the management believes that the useful life of 18 years best represents the period over which management expects to use these assets. Hence the useful life for such assets is different from the useful lives as prescribed under Part C of Schedule II of the Act. Plant & Machinery pertaining to the Plastic film lines and Polyester resin plant have been considered as continuous process as per technical assessment.
- Depreciation on fixed assets at Corporate Office at Noida is provided on Straight Line Method (SLM) based on estimated useful life of an asset which coincides with Schedule II to the Act, Freehold land is not depreciated.
- The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of the assets is given below:

Asset Class	Useful life
Buildings	30-60 years
Plant and Machinery	5-30 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office Equipment	5 years
Vehicles	8-10 years

(k) Investment property

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Cost comprises purchase price after deducting trade discounts/rebates, including duties and taxes, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/ removing the item and restoring the site on which it was located under an obligation. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment property being building is depreciated using the straight-line method over their estimated useful life of 30 years.

The Company has elected to continue with the carrying value of Investment Property recognized as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

(l) Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Costs comprises purchase price, including import duties and non-refundable taxes, after deducting trade discounts/rebates, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

Assets	Estimated useful life
Computer software	2-3 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between

Notes to the Standalone Financial Statements

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the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss when the asset is derecognized.

The Company has elected to continue with the carrying value of all of its intangibles assets recognized as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

(m) Inventories

(i) Finished Goods and Work-in-Progress are valued at lower of cost and net realizable value. The cost of finished goods and work-in-progress is computed on weighted average basis and it includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress are written down if anticipated net realizable value declines below the carrying amount of the inventories and such write downs to inventories are recognized in profit or loss. When reasons for such write downs cease to exist, such write downs are reversed through profit or loss.

(ii) Inventories of raw materials & components, stores & spares and stock-in-trade are valued at lower of cost and net realizable value. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Write down of such inventories are recognized in profit or loss and when reasons for such write downs cease to exist, such write downs are reversed through profit or loss. Cost of such inventories comprises of purchase price and other directly attributable costs that have been incurred in bringing the inventories to their present location and condition. By-products used as raw material are valued at transfer price linked with net realizable value. Cost of raw materials & components, stores & spares and stock-in-trade are determined on weighted average cost method.

(n) Provisions, Contingent Liabilities and Contingent Assets

(i) Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provision is measured at the present value of cash flows estimated to settle the present obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

(ii) A contingent liability is not recognized in the standalone financial statements. However, it is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the standalone financial statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognized in the standalone financial statements. However, it is disclosed, where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the asset is no longer a contingent asset, and is recognized as an asset.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) Research and Development expenditure

Expenditure on research and development of products is included under the natural heads of expenditure in the year in which it is incurred except which relate to development activities whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes.

Such costs are capitalized if they can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and to use or sell the asset.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development the asset is tested for impairment annually.

(p) Employee Benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves and sick leaves. The liabilities for earned leaves and sick leaves are not expected to be settled wholly within operating cycle i.e., twelve 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, with actuarial valuations being carried out at the end of each annual reporting period. 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 obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as provisions in the standalone balance sheet.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- defined benefit plans towards payment of gratuity; and
- defined contribution plans towards provident fund plan & employee pension scheme, employee state insurance, superannuation scheme, national pension scheme and provident fund.

Defined Benefit Plans

Retirement benefits in the form of Gratuity are considered as defined benefit plans. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Company contributes to the gratuity fund, which is recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined Contribution Plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. The defined contributions plans are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

- **Provident Fund Plan**

  The Company makes monthly contributions at prescribed rates towards Employees' Provident Fund administered and managed by the Government of India.

- **Employee State Insurance**

  The Company makes prescribed monthly contributions towards Employees' State Insurance Scheme.

- **Superannuation Scheme**

  The Company contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policy entered into by such fund with the Life Insurance Corporation of India.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(q) Dividends

Interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors and final dividend on shares are recorded as a liability on the date of declaration by the shareholders.

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed by the end of the reporting period.

(r) Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent Measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is recognized using the effective interest rate method.
- **Fair value through other comprehensive income (FVTOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the standalone statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Trade Receivable

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement. Subsequent recoveries of amounts previously written off are credited to other Income.

Equity instruments

The Company subsequently measures all equity investments at fair value, except for equity investments in subsidiaries where the Company has the option to either measure it at cost or fair value. The Company has opted to measure equity investments in subsidiaries at cost hence investments in subsidiaries and associates are carried at cost less impairment,

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if any. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

(iii) Impairment of financial assets

In accordance with Ind AS 109 *Financial Instruments*, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortized cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions Ind AS 18 *Revenue*, the Company applies simplified approach permitted by Ind AS 109 *Financial Instruments*, which requires expected life time losses to be recognized after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

(iv) Derecognition of financial assets

A financial asset (or where applicable, a part of a financial asset) is derecognized (i.e., removed from the balance sheet) only when

- the Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients; or
- the rights to receive cash flows from the asset have expired.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(s) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

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.

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortized cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortized cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs, if any.

The Company's financial liabilities include borrowings, trade and other derivative financial instruments.

Subsequent measurement

There are two measurement categories into which the Company classifies its financial liabilities:

- **Fair value through Profit or Loss (FVTPL):** Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.
- **Amortized cost:** Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognized in profit and loss over the period of the borrowings using the effective interest rate method.

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method

(iii) Derecognition

Equity instruments

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(t) Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

(u) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the standalone 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.

(v) Fair value of financial instruments

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(w) Earnings-per-Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(x) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

(y) Cash Flow Statement

Cash flows are reported using indirect method whereby a profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated.

Note 3: Critical accounting judgments and key sources of estimation uncertainty

The preparation of standalone financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(a) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(ii) Employee benefit plans

The cost of the defined benefit plans and other long-term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Company. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes.

(iii) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(iv) Useful life and residual value of plant, property equipment, intangible assets & Investment Property

The useful life and residual value of plant, property equipment Investment Property and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset.

(v) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(vi) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making assumption and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward estimate at the end of each reporting period.

(vii) Impairment of non-financial assets

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 4: Property, Plant and Equipment

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at 01-Apr-21	Additions during the year	Sale / adjustments	As at 31-Mar-22	As at 01-Apr-21	For the year	Sale / adjustments	As at 31-Mar-22	As at 31-Mar-22
Freehold Land	1,693.09	-	-	1,693.09	-	-	-	-	1,693.09
Buildings	14,298.42	380.03	-	14,678.45	7,802.92	507.15	-	8,310.07	6,368.38
Plant & Machinery	89,749.85	3,368.15	1,268.08	91,849.92	66,974.86	4,383.72	1,166.83	70,191.75	21,658.17
Electrical Installations	2,229.16	35.06	1.00	2,263.22	2,037.04	27.03	0.95	2,063.12	200.10
Furniture & Fixtures	530.66	6.97	2.82	534.81	465.99	11.78	2.69	475.08	59.73
Office Equipments	1,523.33	141.56	50.37	1,614.52	1,083.06	153.66	47.97	1,188.75	425.77
Vehicles	307.85	-	26.93	280.92	220.55	15.02	25.58	209.99	70.93
Total - Property, Plant & Equipment	**1,10,332.36**	**3,931.77**	**1,349.20**	**1,12,914.93**	**78,584.42**	**5,098.36**	**1,244.02**	**82,438.76**	**30,476.17**
Right to Use Assets	714.90	-	-	714.90	23.36	11.67	-	35.03	679.87
Total - Right to Use	**714.90**	**-**	**-**	**714.90**	**23.36**	**11.67**	**-**	**35.03**	**679.87**
Capital Work-in-Progress	541.47	3,743.29	3,624.38	660.38	-	-	-	-	660.38
Total - Capital Work-in-Progress	**541.47**	**3,743.29**	**3,624.38**	**660.38**	**-**	**-**	**-**	**-**	**660.38**

Notes:

a) Addition to Plant & Machinery includes ₹ Nil (FY - 2020-21: ₹ 0.68 Lakh) on account of Interest on Loans.

b) During the year, there is no revaluation for any Property Plant and Equipment.

c) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

d) For Security Clause, refer Note No. 20 and 24.

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at 01-Apr-20	Additions during the year	Sale / adjustments	As at 31-Mar-21	As at 01-Apr-20	For the year	Sale / adjustments	As at 31-Mar-21	As at 31-Mar-21
Freehold Land	1,693.09	-	-	1,693.09	-	-	-	-	1,693.09
Buildings	14,254.36	44.06	-	14,298.42	7,243.10	559.82	-	7,802.92	6,495.50
Plant & Machinery	88,142.15	2,219.88	612.18	89,749.85	62,514.44	4,964.60	504.18	66,974.86	22,774.99
Electrical Installations	2,229.89	0.73	1.46	2,229.16	2,005.89	32.34	1.19	2,037.04	192.12
Furniture & Fixtures	530.33	1.64	1.31	530.66	452.19	15.05	1.25	465.99	64.67
Office Equipments	1,548.51	310.53	335.71	1,523.33	1,250.74	131.77	299.45	1,083.06	440.27
Vehicles	385.46	-	77.61	307.85	273.62	20.66	73.73	220.55	87.30
Total - Property, Plant & Equipment	**1,08,783.79**	**2,576.84**	**1,028.27**	**1,10,332.36**	**73,739.98**	**5,724.24**	**879.80**	**78,584.42**	**31,747.94**
Right to Use Assets	714.90	-	-	714.90	11.68	11.68	-	23.36	691.54
Total - Right to Use	**714.90**	**-**	**-**	**714.90**	**11.68**	**11.68**	**-**	**23.36**	**691.54**
Capital Work-in-Progress	539.81	2,412.35	2,410.69	541.47	-	-	-	-	541.47
Total - Capital Work-in-Progress	**539.81**	**2,412.35**	**2,410.69**	**541.47**	**-**	**-**	**-**	**-**	**541.47**

Notes:

a) Addition to Plant & Machinery and Building includes ₹ 0.68 Lakh (FY - 2019-20: ₹ 30 Lakh) on account of Interest on Loans.

b) During the year, there is no revaluation for any Property Plant and Equipment.

c) There are no proceedings initiated during the year or are pending against the Company as at March 31, 2021 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

d) For Security Clause, refer Note No. 20 and 24.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

e) **CWIP Ageing Schedule**

(₹ in Lakh)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022					
Projects in Progress	298.03	127.19	214.47	20.69	660.38
Projects Temporarily Suspended	-	-	-	-	-
As at March 31, 2021					
Projects in Progress	277.13	239.34	25.00	-	541.47
Projects Temporarily Suspended	-	-	-	-	-

f) **Details of the immovable properties not held in name of the Company**

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ Lakh)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
PPE	Freehold Land	8.8	Mr. Rajesh Jindal	No	March 17, 1999	Compliance required is pending

Note 4A: Other Intangible Assets

(₹ in Lakh)

Particulars	Gross Carrying Amount				Amortization				Net Carrying Amount
	As at 01-Apr-21	Additions during the year	Sale / adjustments	As at 31-Mar-22	As at 01-Apr-21	For the year	Sale / adjustments	As at 31-Mar-22	As at 31-Mar-22
Computer Software	131.84	-	-	131.84	131.84	-	-	131.84	-
Total	**131.84**	**-**	**-**	**131.84**	**131.84**	**-**	**-**	**131.84**	**-**

Notes:

a) During the year, there is no revaluation for any Intangible Assets.

(₹ in Lakh)

Particulars	Gross Carrying Amount				Amortization				Net Carrying Amount
	As at 01-Apr-20	Additions during the year	Sale / adjustments	As at 31-Mar-21	As at 01-Apr-20	For the year	Sale / adjustments	As at 31-Mar-21	As at 31-Mar-21
Computer Software	140.50	-	8.66	131.84	140.50	-	8.66	131.84	-
Total	**140.50**	**-**	**8.66**	**131.84**	**140.50**	**-**	**8.66**	**131.84**	**-**

Notes:

a) During the year, there is no revaluation for any Intangible Assets.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 5: Investment Property

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at 01-Apr-21	Additions during the year	Sale / adjustments	As at 31-Mar-22	As at 01-Apr-21	For the year	Sale / adjustments	As at 31-Mar-22	As at 31-Mar-22
Building	434.41	-	-	434.41	140.68	10.17	-	150.85	283.56
Total	**434.41**	**-**	**-**	**434.41**	**140.68**	**10.17**	**-**	**150.85**	**283.56**

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at 01-Apr-20	Additions during the year	Sale / adjustments	As at 31-Mar-21	As at 01-Apr-20	For the year	Sale / adjustments	As at 31-Mar-21	As at 31-Mar-21
Building	434.41	-	-	434.41	137.29	3.39	-	140.68	293.73
Total	**434.41**	**-**	**-**	**434.41**	**137.29**	**3.39**	**-**	**140.68**	**293.73**

Notes:

a) Investment Property consist of building located in the state of Uttar Pradesh.

b) Amount recognized in standalone statement of profit & loss.

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income	128.19	118.65
Direct operating expenses from property that generated rental income	121.35	131.23
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment property before depreciation	**6.84**	**(12.58)**
Depreciation	10.17	3.39
Profit / (loss) from investment property	**(3.33)**	**(15.97)**

c) Restrictions on realisability and contractual obligations

The Company has no restrictions on the realisability of any of its investment properties and it is under no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

d) Fair Value

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	933.80	933.80

e) Estimation of fair value

The valuation of the building situated at Noida has been carried by a registered approved valuer, conversant with and having knowledge of real estate activities in the concerned area, based on prevalent rates and other observable market inputs (Level 2 fair value).

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 6: Non-Current Investments

(₹ in Lakh)

	No. of Shares as at March 31, 2022	As at March 31, 2022	No. of Shares as at March 31, 2021	As at March 31, 2021
Investment in Subsidiary Companies				
(Equity Instruments – Quoted (At cost less impairment))				
Polyplex (Thailand) Public Company Limited (Face Value: Baht 1)	15,47,09,118	4,234.88	15,47,09,118	4,234.88
(Equity Instruments – Unquoted (At cost less impairment))				
Polyplex (Asia) Pte. Ltd.	1,00,000	463.83	1,00,000	463.83
(common stock, no par value)				
Total		**4,698.71**		**4,698.71**
Aggregate of Quoted Investments and market value thereof		87,232.33		83,196.84
Aggregate of Unquoted Investments		463.83		463.83
Aggregate amount of Impairment in value of Investments		-		-

Note 7: Other Financial Assets (Non-Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(Measured at amortized cost)		
Security Deposits	945.42	924.13
Total	**945.42**	**924.13**

Refer Note No. 41

Note 8: Deferred Tax Assets (Net)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets		
Capital Loss	128.68	139.24
Provision for Employee Benefits	206.11	187.51
Allowance for Doubtful Debts	2.14	2.14
Remeasurement of defined benefit obligations	77.29	6.50
Others	70.32	153.42
Sub-Total (a)	**484.54**	**488.81**
Deferred Tax (Liabilities) / Assets		
Property Plant & Equipment	12.58	(204.81)
Sub-Total (b)	**12.58**	**(204.81)**
Total (a) + (b)	**471.96**	**284.00**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Movement in Deferred Tax Assets and Liabilities

(₹ in Lakh)

Particulars	As at April 1, 2021	Credit / (Charge) in the Statement of Profit and Loss	Credit / (Charge) in Other Comprehensive Income	As at March 31, 2022
Deferred Tax Assets				
Capital Loss	139.24	(10.56)	-	128.68
Provision for Employee Benefits	187.51	18.60	-	206.11
Allowance for Credit Impairment	2.14	-	-	2.14
Remeasurement of defined benefit obligations	6.50	(6.50)	77.29	77.29
Others	153.42	(83.10)	-	70.32
Sub-Total (a)	**488.81**	**(81.56)**	**77.29**	**484.54**
Deferred Tax Liabilities				
Property Plant & Equipment	(204.81)	192.23	-	(12.58)
Sub-Total (a)	**(204.81)**	**192.23**	**-**	**(12.58)**
Total (a) + (b)	**284.00**	**110.67**	**77.29**	**471.96**

(₹ in Lakh)

Particulars	As at April 1, 2020	Credit / (Charge) in the Statement of Profit and Loss	Credit / (Charge) in Other Comprehensive Income	As at March 31, 2021
Deferred Tax Assets				
Capital Loss	182.40	(43.16)	-	139.24
Provision for Employee Benefits	111.16	76.35	-	187.51
Allowance for Credit Impairment	1.38	0.76	-	2.14
Remeasurement of defined benefit obligations	92.09	(92.09)	6.50	6.50
Others	161.11	(7.69)	-	153.42
Sub-Total (a)	**548.14**	**(65.83)**	**6.50**	**488.81**
Deferred Tax Liabilities				
Property Plant & Equipment	(456.69)	251.88	-	(204.81)
Sub-Total (a)	**(456.69)**	**251.88**	**-**	**(204.81)**
Total (a) + (b)	**91.45**	**186.05**	**6.50**	**284.00**

Note 9: Other Non-Current Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital Advances	98.74	1,018.65
Prepaid Expenses	-	-
Total	**98.74**	**1,018.65**

Note:

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 10: Inventories

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Raw Materials	8,532.25	7,085.91
(incl. stock in transit of ₹ 47.62 Lakh, FY - 2020-21: ₹ 42.48 Lakh)		
Work-in-Progress	2,959.83	2,066.78
Finished Goods	5,337.45	3,603.03
(incl. stock in transit of ₹ 2,272.37 Lakh, FY - 2020-21: ₹ 1,223.04 Lakh)		
Stores & Spares	2,720.94	2,385.11
Total	**19,550.47**	**15,140.83**

Notes:

(i) The cost of inventories recognized as an expense includes ₹ 53.28 Lakh (Increase in write down), FY - 2020-21: ₹ 43.65 Lakh (Reversal of write down) in respect of written downs of inventory to net realizable value.

(ii) The method of valuation of inventories has been stated in Note 2 (m).

(iii) For Security Clause, refer Note No. 24.

Note 11: Current Investments

(₹ in Lakh)

	No. of Units as at March 31, 2022	As at March 31, 2022	No. of Units as at March 31, 2021	As at March 31, 2021
Investments in Mutual Funds				
Quoted				
At Fair Value Through Profit and Loss Account				
Nippon India Overnight Fund - Direct Plan - Growth Option (ONAGG)	13,14,678	1,500.31	1,81,045.245	200.01
Axis Overnight Fund - Direct Plan - Growth Option (ONAGG)	1,77,970	2,000.09	-	-
Total		**3,500.40**		**200.01**
Aggregate of Quoted Investments and market value thereof		3,500.40		200.01
Aggregate amount of Impairment in value of Investments		**-**		**-**

Refer Note No. 41

Note 12: Trade Receivables

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables	19,327.01	14,128.26
Total	**19,327.01**	**14,128.26**

Breakup of Debtors

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables Considered Good	19,327.01	14,128.26
Trade Receivables Considered Doubtful	14.80	8.50
Less: Allowance for Credit Impairment	(14.80)	(8.50)
Total	**19,327.01**	**14,128.26**

Notes:

(i) The above receivables include, receivables from Related Parties. Refer Note No. 44.

(ii) For Security Clause, refer Note No. 24.

(iii) Refer Note No. 40 & 41.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(iv) **Trade Receivables Ageing Schedule**

(₹ in Lakh)

Particulars	Outstanding for Following Periods from Due Date of Payment						
	Not Due	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022							
Undisputed Trade Receivables							
(i) Considered Good	17,952.26	1,374.63	0.12	-	-	-	19,327.01
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	6.30	-	8.50	-	-	14.80
Disputed Trade Receivables							
(i) Considered Good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total (A)	**17,952.26**	**1,380.93**	**0.12**	**8.50**	**-**	**-**	**19,341.81**
Allowance for Doubtful Debts	-	6.30	-	8.50	-	-	14.80
Total (B)	**-**	**6.30**	**-**	**8.50**	**-**	**-**	**14.80**
Total (A) - (B)	**17,952.26**	**1,374.63**	**0.12**	**-**	**-**	**-**	**19,327.01**
As at March 31, 2021							
Undisputed Trade Receivables							
(i) Considered Good	12,915.60	1,212.10	0.04	0.52	-	-	14,128.26
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	8.50	-	-	-	-	8.50
Disputed Trade Receivables							
(i) Considered Good	-	-	-	-	-	-	-
(ii) Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-	-
Total (A)	**12,915.60**	**1,220.60**	**0.04**	**0.52**	**-**	**-**	**14,136.76**
Allowance for Doubtful Debts	-	8.50	-	-	-	-	8.50
Total (B)	**-**	**8.50**	**-**	**-**	**-**	**-**	**8.50**
Total (A) - (B)	**12,915.60**	**1,212.10**	**0.04**	**0.52**	**-**	**-**	**14,128.26**

Note 13: Cash and Cash Equivalents

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Balance with banks		
Current Accounts	1,646.23	1,423.49
Cash on hand	13.75	8.92
Total	**1,659.98**	**1,432.41**

Refer Note No. 41

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 14: Other Bank Balances

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Earmarked Balances with Banks		
Unclaimed Dividend Accounts	620.69	2,702.11
Fixed Deposits (Lien with Banks)	36.73	2.21
Total	**657.42**	**2,704.32**

Refer Note No. 41

Note 15: Other Financial Assets (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Derivative Financial Instruments	0.37	61.05
Interest Accrued on Loan and Deposits	14.92	41.64
Export Benefit Receivables	1,529.01	809.31
Security Deposits *	49.52	40.22
Rent Receivable		
From Related Party	24.92	27.79
From Others	-	-
Total	**1,618.74**	**980.01**

Refer Note No. 41

* Includes amount paid to Related Party Refer Note No. 44.

Note 16: Current Tax Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	22.26	-
(Net of Provisions of ₹ 23,937.48 Lakh, FY - 2020-21: ₹ Nil Lakh)		
Total	**22.26**	**-**

Note 17: Other Current Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Prepaid Expenses	660.25	580.05
Balance with Government Authorities	842.32	2,189.57
Advances to Suppliers and Others	4,726.68	5,239.51
Employee Advance	160.67	114.24
Total	**6,389.92**	**8,123.37**

The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 18: Share Capital

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Authorized		
3,40,00,000 (Previous Year - 3,40,00,000) Equity Shares of ₹10 each	3,400.00	3,400.00
Issued, Subscribed and Fully Paid-up		
3,13,92,462 (Previous Year - 3,13,92,462) Equity Shares of ₹10 each	3,139.25	3,139.25
Add: Forfeited shares (Amount originally paid up)	57.86	57.86
Total	**3,197.11**	**3,197.11**

Reconciliation of Number of Shares

Particulars	No. of shares	No. of shares
Shares outstanding as at the beginning of the year	3,13,92,462	3,19,84,600
Buyback during the year	-	(5,92,138)
Shares outstanding as at the end of the year	**3,13,92,462**	**3,13,92,462**

Shareholders Holding More Than 5% Shares

Particulars	No. of shares	% of Holding	No. of shares	% of Holding
	As at March 31, 2022		As at March 31, 2021	
Mahalaxmi Trading & Investment Co. Ltd.	76,22,390	24.28%	76,22,390	24.28%
Secure Investments Ltd.	55,35,744	17.63%	55,35,744	17.63%

Rights attached to the Shares

The Company has only one class of Equity Shares of par value of ₹ 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount and the remaining balance is distributed in proportion to the number of equity shares held by the Equity Shareholders.

In last five years there was no Bonus issue and / or issue of shares other than for cash considerations.

Details of Shareholding by the Promoters of the Company

Sr. No.	Promoter Name	Entity Type	As at March 31, 2022		As at March 31, 2021		% Changes in the year
			No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Mahalaxmi Trading And Investment Company Limited	Promoter Group	76,22,390	24.28%	76,22,390	24.28%	0.000%
2	Secure Investments Limited	Promoter Group	55,35,744	17.63%	55,35,744	17.63%	0.000%
3	Sanjiv Sarita Consulting Private Limited	Promoter Group	13,90,924	4.43%	13,90,924	4.43%	0.000%
4	Utkarsh Trading And Holding Limited	Promoter Group	4,11,278	1.31%	4,11,278	1.31%	0.000%
5	Bhilangana Hydro Power Limited	Promoter Group	2,08,000	0.66%	2,08,000	0.66%	0.000%
6	Ms. Sakhi Saraf	Promoter Group	5,70,000	1.82%	5,70,000	1.82%	0.000%
7	Mr. Sanjiv Chadha	Promoter Group	4,000	0.01%	4,000	0.01%	0.000%
8	Mr. Sanjiv Saraf	Promoter	138	0.00%	138	0.00%	0.000%
9	Ms. Amla Saraf	Promoter Group	2,59,000	0.83%	2,59,000	0.83%	0.000%
10	Mrs. Urmiladevi Narayandas Saraf	Promoter Group	20	0.00%	20	0.00%	0.000%
11	Mr. Narayandas Durgaprasadji Saraf	Promoter Group	20	0.00%	20	0.00%	0.000%
12	Mrs. Sarita Saraf	Promoter Group	20	0.00%	20	0.00%	0.000%

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Sr. No.	Promoter Name		As at March 31, 2021		As at March 31, 2020		% Changes in the year [1]
			No. of Shares	% of Total Shares [1]	No. of Shares	% of Total Shares [1]	
1	Mahalaxmi Trading And Investment Company Limited	Promoter Group	76,22,390	24.28%	76,22,390	23.83%	0.45%
2	Secure Investments Limited	Promoter Group	55,35,744	17.63%	55,35,744	17.31%	0.33%
3	Sanjiv Sarita Consulting Private Limited	Promoter Group	13,90,924	4.43%	13,90,924	4.35%	0.08%
4	Utkarsh Trading And Holding Limited	Promoter Group	4,11,278	1.31%	4,11,278	1.29%	0.02%
5	Bhilangana Hydro Power Limited	Promoter Group	2,08,000	0.66%	2,08,000	0.65%	0.01%
6	Ms. Sakhi Saraf [2]	Promoter Group	5,70,000	1.82%	2,45,000	0.77%	1.05%
7	Mr. Sanjiv Chadha	Promoter Group	4,000	0.01%	4,000	0.01%	0.00%
8	Mr. Sanjiv Saraf [2]	Promoter	138	0.00%	3,25,138	1.02%	-1.02%
9	Ms. Amla Saraf	Promoter Group	2,59,000	0.83%	2,59,000	0.81%	0.02%
10	Mrs. Urmiladevi Narayandas Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
11	Mr. Narayandas Durgaprasadji Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
12	Mrs. Sarita Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%

[1] % Change due to Company had brought back 5,92,138 equity shares during the year.

[2] % Change due to *inter se* transfer of 3,25,000 equity shares to Promoter Group

Note 19: Other Equity

(₹ in Lakh)

		As at March 31, 2022	As at March 31, 2021
Share Warrants Forfeited			
Balance at Beginning of the Year		250.80	250.80
Balance at End of the Year	**(a)**	**250.80**	**250.80**
Share Warrants Forfeited account shall be utilized as per provisions of Companies Act, 2013			
Securities Premium			
Balance at Beginning of the Year		-	2,348.20
Amount transferred to capital redemption reserve upon buyback		-	(59.21)
Buyback of Equity Shares		-	(2,288.99)
Balance at End of the Year	**(b)**	**-**	**-**
Securities Premium is credited when shares are issued at premium. It is utilized in accordance with the provisions of Act, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting cost etc.			
Capital Redemption Reserve			
Balance at Beginning of the Year		59.21	-
Addition during the Year		-	59.21
Balance at End of the Year	**(c)**	**59.21**	**59.21**
Capital Redemption Reserve has been created upon Buy back of shares effected during Financial Year 2020-21. Subject to the provisions of Act, it can be utilized to issue fully-paid bonus shares to the members of the Company			
General Reserve			
Balance at Beginning of the Year		5,801.43	6,455.10
Transferred from Profit and Loss		250.00	250.00
Buyback of Equity Shares		-	(236.52)
Tax Paid on Buy Back		-	(588.34)
Transaction cost relating to Buyback		-	(78.81)
Balance at End of the Year	**(d)**	**6,051.43**	**5,801.43**
General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares			

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in Lakh)

		As at March 31, 2022	As at March 31, 2021
Retained Earnings			
Balance at Beginning of the Year		46,368.44	49,328.83
Profit for the Year		49,146.02	45,339.42
Other Comprehensive Income		(229.80)	(19.34)
Dividend Paid		(31,392.46)	(48,030.47)
Transferred to General Reserve		(250.00)	(250.00)
Balance at End of the Year	**(e)**	**63,642.20**	**46,368.44**
Retained Earnings represents undistributed profit of the Company which can be distributed to its Equity Share holders in accordance with requirements of Companies Act, 2013			
Total (a + b + c + d + e)		**70,003.64**	**52,479.88**

Note:

The amount that can be distributed as dividend by the Company to its equity shareholders is determined based on financial statement of the Company and also considering requirements of the Companies Act, 2013.

Note 20: Borrowings (Non-Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Secured Term Loans From Banks		
Rupee Term Loan	4,721.72	8,331.83
Sub-Total (a)	**4,721.72**	**8,331.83**
Less: Current Portion (Refer Note No. 24)		
Rupee Term Loan	3,298.61	3,611.11
Sub-Total (b)	**3,298.61**	**3,611.11**
Total (a - b)	**1,423.11**	**4,720.72**

Loans are secured as under:

Term Loans of ₹ 4,722.22 Lakh (FY 2020-21: ₹ 8,333.33 Lakh) are secured on a *pari passu* basis by hypothecation in respect of Company's movable PPE both present and future.

Includes Prepaid Processing Fees of ₹ 0.50 Lakh, (FY 2020-21: ₹ 1.50 Lakh).

Refer Note No. 41

Loans are repayable as under:

Gross Amount (₹ in Lakh)	No. of Equal Instalments	Frequency	Period From - To
937.50	3.00	Quarterly	2022-23 - 2022-23
1,562.50	5.00	Quarterly	2022-23 - 2023-24
2,222.22	8.00	Quarterly	2022-23 - 2023-24

Long term borrowings in foreign currency, interest rates range from Euribor / Libor + spread of 100 - 300 bps. For rupee denominated long term loans taken during the year interest rate is at 7.50% to 8.50%.

Default in repayment of Principal and Interest: ₹ Nil.

Note 21: Lease Liabilities (Non-Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	19.32	19.58
Total	**19.32**	**19.58**

Refer Note No. 41

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 22: Provisions (Non-Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits - Compensated Absences	492.15	428.01
Total	**492.15**	**428.01**

Refer Note No. 43

Note 23: Other Liabilities (Non-Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Deferred Government Grants	23.00	29.67
Total	**23.00**	**29.67**

Note:

The Company has recognized grant in respect of duty paid on procurement of capital goods under EPCG scheme of Central Government which allows refund in the form of freely transferable duty credit scrips of the duty paid upon meeting of specific export obligations. The Company expects to meet its export obligations in period of two years. During the year, an amount of ₹ 379.74 Lakh (FY 2020-21: ₹ 596.31 Lakh) was released from deferred income to the statement of profit and loss on fulfilment of export obligations.

Capital and State Investment Subsidy Grants relating to property, plant and equipment relates to cash incentive received from Government for setting up industies in specified area. During the year, an amount of ₹ 6.67 Lakh (FY 2020-21: ₹ 6.67 Lakh) was released from deferred income to the statement of profit and loss.

Note 24: Borrowings (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Secured Loans		
Current Maturity of Non-Current Borrowings (Refer Note No. 20)	3,298.61	3,611.11
Working Capital Demand Loans from Banks *	3,366.07	6,421.01
Bank Cash Credit Account *	102.56	82.76
	6,767.24	**10,114.88**
Unsecured Loans		
Working Capital Demand Loans from Banks	595.19	1,291.64
	595.19	**1,291.64**
Total	**7,362.43**	**11,406.52**

* Short-Term Borrowing in the form of Working Capital Demand Loans & Cash Credit from Banks aggregating to ₹ 3,468.63 Lakh (FY 2020-21: ₹ 6,503.77 Lakh) are secured / to be secured by way of hypothecation in respect of Company's inventories, book debts and other current assets both present and future.

Short-term borrowings in foreign currency, interest rates range from Euribor / Libor + spread of 40 - 300 bps. For rupee denominated short-term loans taken during the year interest rate is at 8.00% to 11.00%.

Refer Note No. 41

Note 25: Lease Liabilities (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	0.29	0.29
Total	**0.29**	**0.29**

Refer Note No. 41

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 26: Trade Payables

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of		
Micro Enterprises and Small Enterprises (Refer Note No. 50)	-	-
Creditors other Than Micro Enterprises and Small Enterprises	2,809.89	2,728.51
Total	**2,809.89**	**2,728.51**

(i) Refer Note No. 41.

(ii) Amount payable to Related Party Refer Note No. 44.

(iii) Trade Payables ageing schedule

(₹ in Lakh)

Particulars	Outstanding for Following Periods from Due Date of Payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022						
(i) Undisputed dues – MSME	-	-	-	-	-	-
(ii) Undisputed dues – Others	2,413.03	396.83	0.03	-	-	2,809.89
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
As at March 31, 2021						
(i) Undisputed dues – MSME	-	-	-	-	-	-
(ii) Undisputed dues – Others	2,185.00	533.62	2.46	1.52	5.91	2,728.51
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-

Note 27: Other Financial Liabilities

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Security Deposits *	87.43	84.32
Unclaimed Dividend **	620.69	2,701.99
Capital Creditors	103.30	3.61
Derivative Financial Instruments	250.03	635.82
Other liabilities	3,169.77	2,907.95
Total	**4,231.22**	**6,333.69**

Refer Note No. 41 for Financial Instrument by Category.

* Including related party (Refer Note No. 44).

** On due, will be transferred to Investor Education and Protection Fund.

Note 28: Other Liabilities (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Contract Liability #	621.32	333.89
Statutory Liabilities	495.03	432.32
Deferred Government Grants	35.71	109.05
Total	**1,152.06**	**875.26**

* Includes amount received from Related Party Refer Note No. 44.

An amount of ₹ 333.89 Lakh had been recognized as income during the year that was included in the contract liability balance at beginning of the year.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 29: Provisions (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits - Compensated Absences	326.79	317.01
Total	**326.79**	**317.01**

Refer Note No. 43

Note 30: Current Tax Liabilities

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	-	373.13
(Net of Advance Tax of ₹ Nil, FY - 2020-21: ₹ 19,512.90 Lakh)		
Total	**-**	**373.13**

Note 31: Revenue From Operations

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Detail of Disaggregation of Revenue from Contract with Customers based on nature of products		
Sale of Products		
Plastic Film	1,64,432.98	1,19,779.33
Resins	10,546.08	7,640.06
Others	2,072.56	1,321.46
Sub-Total (a)	**1,77,051.62**	**1,28,740.85**
Other Operating Revenues		
Export Incentive	1,425.92	1,153.72
Sub-Total (b)	**1,425.92**	**1,153.72**
Total (a + b)	**1,78,477.54**	**1,29,894.57**
Reconciliation of revenue from contract with customer:		
Revenue from contracts with customer as per the contract price	1,82,237.41	1,33,174.68
Adjustments made to contract price on account of:		
a) Discounts and Rebates	(5,185.79)	(4,433.83)
b) Other Operating Revenue	-	-
Revenue from contracts with customer as per the Standalone Statement of Profit and Loss	**1,77,051.62**	**1,28,740.85**

Note 32: Other Income

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on Financial Assets measured at amortized cost		
From Customers	60.85	55.22
From Loans and Deposits	37.07	133.19
Dividend Income from Subsidiaries	31,395.85	32,183.19
Rental Income from Investment Property	128.19	118.65
Reversal of Allowance for Expected Credit Loss	-	-
Net Gain on Foreign Currency Transactions	743.34	222.20
Income from Government Grants	391.83	612.98
Net Gain on Sale of Investments measured at FVTPL	42.51	170.62
MTM Gain on Derivative Financial Instruments measured at FVTPL	325.10	24.89
Other Non-Operating Income	572.49	338.38
Total	**33,697.23**	**33,859.32**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 33: Cost of Materials Consumed

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw Material Consumed	1,08,900.39	74,366.56
Packing Material Consumed	4,228.04	3,272.63
Total	**1,13,128.43**	**77,639.19**

Note 34: Changes in Inventories of Finished Goods and Work-in-Progress

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Inventories		
Finished Goods	3,603.03	4,778.06
Work-in-Progress	2,066.78	2,035.37
	5,669.81	**6,813.43**
Closing Inventories		
Finished Goods	5,337.45	3,603.03
Work-in-Progress	2,959.83	2,066.78
	8,297.28	**5,669.81**
Net Changes in Inventories of Finished Goods and Work-in-Progress	**(2,627.47)**	**1,143.62**

Note 35: Employee Benefits Expense

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus *	10,006.63	7,871.07
Contribution to Provident and other Funds	239.70	627.12
Staff Welfare Expenses	733.16	617.42
Total	**10,979.49**	**9,115.61**

Refer Note No. 43

* Includes amount paid to Related Party Refer Note No. 44.

Note 36: Finance Costs

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense on Financial Liabilities measured at Amortized Cost	219.43	285.04
Other Borrowing Cost	1.93	1.83
Total	**221.36**	**286.87**

Interest on loans capitalized ₹ Nil, (FY 2020-21: ₹ 0.68 Lakh)

Note 37: Depreciation and Amortization Expense

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant & Equipment (Refer Note: 4)	5,098.36	5,724.24
Depreciation on Right to Use (Refer Note: 4)	11.67	11.68
Depreciation on Investment Property (Refer Note: 5)	10.17	3.39
Amortization of Intangible Assets (Refer Note: 4A)	-	-
Total	**5,120.20**	**5,739.31**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 38: Other Expenses

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Stores and Spares Consumed	3,633.37	2,539.51
Power and Fuel	8,995.28	7,211.58
Repairs and Maintenance		
Building	277.68	58.58
Property, Plant & Equipment	380.72	310.23
Others	15.74	23.58
Rent	187.20	161.46
Insurance	609.00	474.10
Rates & Taxes	27.64	35.06
Freight	12,086.85	5,818.42
Other Selling Expenses	264.17	210.64
Legal & Professional Expenses	725.02	529.33
Auditor's Remuneration (Refer Note No. 54 for Breakup of Auditor's Remuneration)	80.26	75.88
Travelling & Conveyance	604.36	622.31
Directors' Commission	-	-
Directors' Sitting Fee	35.50	45.50
Allowance for Expected Credit Loss	6.30	3.00
Bad Debts	-	-
Donation	75.05	30.25
Corporate Social Responsibility Expenditure (Refer Note No. 51)	734.00	648.28
Property Plant & Equipment Written off	13.90	36.98
Loss on on Sale of Property, Plant & Equipment	9.82	2.54
Miscellaneous Expenses	1,137.57	1,087.17
Total	**29,899.43**	**19,924.40**

Note 39: Tax Expense

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax expense		
Current Year	6,320.00	4,735.00
Tax of earlier years provided / written back	97.98	-
Deferred Tax Expense		
Origination & Reversal of Temporary Differences	(110.67)	(186.04)
Total	**6,307.31**	**4,548.96**

Reconciliation of effective tax rate

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit before Taxes	55,453.33	49,888.38
Tax using the Company's domestic tax rate (25.168%) (FY 2020-21: 25.168%)	13,956.49	12,555.91
Changes in taxes on account of:		
Tax of income that is exempt	(7,901.71)	(8,099.87)
Effect of expenses that are non-deductible and others	154.55	92.92
Tax of earlier years provided / written back	97.98	-
Total	**6,307.31**	**4,548.96**
Effective Tax Rate as reported in Profit & Loss Account	**11.37%**	**9.12%**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 40:

Financial Risk Management, Objectives and Policies:

A. Financial Risk Framework:

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Risk Management Committee/ Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Risk Management Committee / Audit Committee oversees how Management monitors compliance with the Company's Risk Management Policies and Procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Risk Management Committee is assisted in its oversight role by Chief Risk Officer and its team. Risk Management Committee undertakes both regular and ad hoc review of Risk Management Controls and Procedures, the results of which are reported to the Board

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 three types of risk: Currency Rate Risk, Interest Rate Risk and other Price Risks, such as Commodity Risk. The Company enters into the derivative contracts as approved by the Board to manage its exposure to interest rate risk and foreign currency risk.

i. Foreign Currency 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 has obtained foreign currency borrowings and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The foreign currency risk exposure of the Company is mainly in U.S. Dollar (USD) and Euro (EUR). The Company's exposure to foreign currency changes for all other currencies is not material.

The Company uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognizance of the natural hedge, the Company takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

Unhedged Foreign Currency Risk Exposure is presented as under:

Currency	Financial Assets			
	As at March 31, 2022		As at March 31, 2021	
	Fx	₹ in Lakh	Fx	₹ in Lakh
USD	35,05,528	2,657.09	41,45,619	3,046.81
EURO	33,30,304	2,819.10	26,54,364	2,285.12

Currency	Financial Liabilities			
	As at March 31, 2022		As at March 31, 2021	
	Fx	₹ in Lakh	Fx	₹ in Lakh
USD	14,09,836	1,068.89	25,66,712	1,886.91
EURO	17,26,023	1,461.42	72,83,180	6,270.93

The following Sensitivity Analysis demonstrates the sensitivity in the USD and EURO to the Indian Rupee with all other variables held constant.

(₹ in Lakh)

Particulars	Change in currency exchange rate	Effect on Profit Before Tax	
		FY 2021-22	FY 2020-21
USD	5%	79.41	58.00
	-5%	(79.41)	(58.00)
Euro	5%	67.88	(199.29)
	-5%	(67.88)	199.29

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

This is mainly attributable to the net exposure outstanding on foreign currency receivables and payables at the end of the reporting period. The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Derivative financial instruments

The Company uses foreign currency forward and Interest rate swap contracts to manage some of its transactions exposure.

Forward Contracts

The Company has entered into foreign currency sale and purchase forward contracts to offset the risk of currency fluctuations. These contracts are for settlement of operational receivable and payable. The Details of outstanding contracts are as follow:

Particulars	Contract Sell/Buy	Currency	As at March 31, 2022	As at March 31, 2021
			Amount (Fx)	Amount (Fx)
Forward Contracts	USD / INR	USD	59,57,845	32,50,000
Forward Contracts	EURO / INR	EUR	16,89,876	18,66,000
Forward Contracts	INR / USD	USD	10,00,000	-
Currency Cum Interest Rate Swap	INR / EURO	EURO	59,31,696	1,05,05,480

ii. Interest Rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from working capital and long-term borrowings. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

Exposure to Interest rate risk:

The Interest rate profile of the Company's interest bearing financial instruments as reported to management of Company is as follows:

(₹ in Lakh)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
As at March 31, 2022			
INR	6,080.96	2,296.24	3,784.72
USD	1,353.36	-	1,353.36
Euro	1,351.72	-	1,351.72
Total	**8,786.04**	**2,296.24**	**6,489.80**

(₹ in Lakh)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
As at March 31, 2021			
INR	8,416.09	2,270.26	6,145.83
USD	1,470.29	-	1,470.29
Euro	6,242.36	-	6,242.36
Total	**16,128.74**	**2,270.26**	**13,858.48**

Sensitivity Analysis:

An increase / decrease of 50 basis points on the reporting date would have increased / decreased the Profit before Tax as shown below. This analysis assumes that all other variants remain constant.

(₹ in Lakh)

Particulars	Increase / Decrease in Basis Points	Effect on profit before tax	
		FY 2021-22	FY 2020-21
INR Borrowings	0.5%	(11.48)	(11.35)
	-0.5%	11.48	11.35

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

iii. **Commodity price risk:**

The main raw materials which company procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly and any adverse fluctuation in the raw material cost can impact the Company's operating margins depending upon the ability of the Company to pass on the increase in costs to its customers. As selling prices are usually negotiated on a monthly / quarterly basis, in a balanced demand supply situation, the Company is able to adjust the selling prices following any changes in the raw material and other operating costs.

b) **Credit risk**

Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

For credit risk exposures, Refer Note No. 6-7, 11-15 of the financial statements.

i. **Trade Receivable:**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company has a well-defined and robust internal credit management system to monitor unsecured sales. A strong internal credit risk management policy enables the Company to manage credit risk prudently even when credit risk is high. Credit guarantee insurance is also obtained wherever required. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. Only one customer accounted for 10% or more of revenue in FY 2021-22 (FY 2020-21 – Nil).

To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. Expected Credit Loss is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. A default on financial assets is when a counter party fails to make the payment within 365 days, when they fall due. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

The Ageing of trade receivables and allowances for credit impairment are given in Note No 12.

Reconciliation of Allowance for credit impairment:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning	8.50	5.50
Impairment Loss Reversed	-	-
Additional Provision Created / Reversed	6.30	3.00
Balance at the End	**14.80**	**8.50**

Financial assets are written off when there is no reasonable expectation of recovery. Whereas the loans and receivables are written off and subsequently recoveries are made, these are recognized as an income in the financial statements

ii. **Financial assets to which loss allowances measured using 12 months Expected Credit Loss:**

For financial assets (other than trade receivables) which are not measured fair value through Profit and Loss account, expected credit losses are measured at an amount equal to the 12 month Expected Credit Loss, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime expected credit loss. The Company does not have any expected credit loss on financial assets which are measured on 12 month expected credit loss and also has not observed any significant increase in credit risk since initial recognition of the financial assets.

Cash and Cash Equivalents, Deposit with Banks:

Credit risk on cash and cash equivalents and deposit with banks is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Derivatives (Forward Contracts):

Derivatives are entered with banks, counter parties which have low credit risk, based on external credit ratings of counter parties. For other financial assets the Company monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the Company adjusts its exposures to various counter parties. Based on the assessment there is no impairment in other financial assets.

c) **Liquidity risk:**
Liquidity risk is the risk, where the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

(₹ in Lakh)

Particulars	Carrying amount	Less than 6 months	6 to 12 months	> 1 years	Total
As at March 31, 2022					
Interest bearing borrowings (including current maturities)	8,786.04	5,869.37	1,493.06	1,423.61	8,786.04
Financial derivatives	250.03	250.03	-	-	250.03
Other liabilities	4,000.80	3,981.48	-	19.32	4,000.80
Trade Payables	2,809.89	2,809.89	-	-	2,809.89
Total	**15,846.76**	**12,910.77**	**1,493.06**	**1,442.93**	**15,846.76**

(₹ in Lakh)

Particulars	Carrying amount	Less than 6 months	6 to 12 months	> 1 years	Total
As at March 31, 2021					
Interest bearing borrowings (including current maturities)	16,128.74	9,600.96	1,805.56	4,722.22	16,128.74
Financial derivatives	635.82	635.82	-	-	635.82
Other liabilities	5,717.74	5,698.16	-	19.58	5,717.74
Trade Payables	2,728.51	2,728.51	-	-	2,728.51
Total	**25,210.81**	**18,663.45**	**1,805.56**	**4,741.80**	**25,210.81**

A. Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholders value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company aims to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves. Debt includes, interest bearing loans and borrowings, trade payables and other financial liability.

The Company monitors capital using Debt-Equity Ratio, which is Debt divided by Total Equity.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

The ratios as at March 31, 2022 and March 31, 2021 are as follows:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Share Capital	3,197.11	3,197.11
Other Equity	70,003.64	52,479.88
Total Equity (A)	**73,200.75**	**55,676.99**
Non-Current Borrowings	1,423.11	4,722.22
Current Borrowings	4,063.82	7,795.41
Current Maturities of Non-Current Borrowings	3,298.61	3,611.11
Gross Debt (B)	**8,785.54**	**16,128.74**
Total Capital (A+B)	**81,986.29**	**71,805.73**
Gross Debt as Above	**8,785.54**	**16,128.74**
Less: Cash & Cash Equivalents	1,659.98	1,432.41
Net Debt (C)	**7,125.56**	**14,696.33**
Net Debt to Equity	**10%**	**26%**

Note 41: Financial Instruments: By Category

a) Financial Assets and Liabilities: By Category:

(a) Financial Asset

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets - Fair value through profit and loss		
Investments	3,500.40	200.01
Derivatives		
Forward contracts and swaps	0.37	61.05
Financial assets - Amortized cost		
Trade receivables	19,327.01	14,128.26
Cash and bank balances	2,317.40	4,136.73
Other financial assets	2,563.79	1,843.09
Investment in Subsidiary Companies	4,698.71	4,698.71
TOTAL	**32,407.68**	**25,067.85**

*Investment in Subsidiary Companies are valued at cost less impairement if any.

(b) Financial Liability

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities - Fair value through profit or loss		
Derivatives		
Forward contracts and swaps	250.03	635.82
Financial liabilities - Amortized cost		
Term Loan	4,722.22	8,333.33
Cash Credits / Working Capital Borrowing	4,063.82	7,795.41
Trade payables	2,809.89	2,728.51
Other financial liabilities	3,981.19	5,697.87
Non-current Lease Liability	19.32	19.58
Current Lease Liability	0.29	0.29
TOTAL	**15,846.76**	**25,210.81**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

b) Fair Value hierarchy:

(₹ in Lakh)

Particulars	Fair Value Hierarchy		
	Level 1	Level 2	Level 3
As at March 31, 2022			
Financial assets			
Investments	3,500.40	-	-
Derivatives - not designated as hedging instruments			
Forward contracts and swaps	-	0.37	-
Financial liabilities			
Derivatives - not designated as hedging instruments			
Forward contracts and swaps	-	250.03	-

(₹ in Lakh)

Particulars	Fair Value Hierarchy		
	Level 1	Level 2	Level 3
As at March 31, 2021			
Financial assets			
Investments	200.01	-	-
Derivatives - not designated as hedging instruments			
Forward contracts and swaps	-	61.05	-
Financial liabilities			
Derivatives - not designated as hedging instruments			
Forward contracts and swaps	-	635.82	-

The Accounting Policy for fair value has been defined in Note 2(v) financial statements.

Valuation process and technique used to determine fair value:

Particulars	Fair value hierarchy	Valuation technique	Inputs used
(A) Financial assets			
Investment			
- Investment in Bonds & Mutual Funds	Level 1	Market valuation techniques	On quoted price (unadjusted) in active market for identical assets
	Level 2	Market valuation techniques	Mark to market values determined by the Authorized Dealers Banks
Derivatives - not designated as hedging instruments			
- Forward contracts	Level 2	Market valuation techniques	Mark to market values determined by the Authorized Dealers Banks
- Currency cum Interest rate swaps	Level 2	Market valuation techniques	Prevailing / forward interest rates in market, interest rates to discount future cash flow
(B) Financial liabilities			
Derivatives - not designated as hedging instruments			
- Forward contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flow
- Currency cum Interest rate swaps	Level 2	Market valuation techniques	Prevailing / forward interest rates in market, interest rates to discount future cash flow

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

c) Fair Value of Financial Instrument measured at amortized Cost:

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Long-term variable-rate borrowings measured at amortized cost are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the Company is considered to be insignificant in valuation.

Note 42:

Segment Information

In accordance with Ind AS 108 on "Operating Segments", the Company has only one business segment i.e., plastic film.

Segment information has been provided in the Consolidated Financial Statements of the Company and therefore, no separate disclosure on segment information is given in these standalone financial statements.

Note 43:

Employee Benefits (Ind AS 19)

A. Defined Contribution Plan

Contribution to Defined Contribution Plan recognized and charged off / debited to Statement of Profit & Loss are as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	483.18	403.21
Employer's Contribution to Superannuation Fund	63.61	63.33

B. National Pension Fund

Contribution to National Pension Fund (NPS) debited to Statement of Profit & Loss amounts to ₹ 101.72 Lakh (Previous Year: ₹ 69.30 Lakh).

C. Defined Benefit Obligations (Gratuity)

The employees' Gratuity Scheme is managed by Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

D. Other Long-Term Employee benefits:

Leave Encashment: The Company has provided for its liability towards Leave encashment, based on the actuarial valuation

Sick Leave: The Company has provided for its Sick leave liability based on the actuarial valuation. The Outstanding liability as on March 31, 2022 and March 31, 2021 - ₹ 192.08 Lakh, and ₹ 191.04 Lakh respectively. The Company had recognized ₹ 1.04 Lakh as an expense during the FY 2021-22. (Previous Year: ₹ 21.42 Lakh)

The disclosures required under Ind AS 19 "Employee Benefits" notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below:

(₹ in Lakh)

Particulars	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	Funded	Non-Funded	Funded	Non-Funded
	As at March 31, 2022		As at March 31, 2021	
a) Reconciliation of Opening and Closing Balances of Defined Benefit Obligation:				
Defined Benefit Obligation at beginning of the year	2,116.87	553.97	1,927.15	448.77
Current Service Cost	192.76	94.94	162.86	81.44
Interest Cost	143.95	37.67	125.27	29.17
Remeasurement (Gains) / Loss	288.83	33.58	19.95	59.90
Benefit Paid	(199.85)	(93.30)	(118.36)	(65.31)
Defined Benefit Obligation at year end	**2,542.56**	**626.86**	**2,116.87**	**553.97**

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

(₹ in Lakh)

Particulars	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	Funded	Non-Funded	Funded	Non-Funded
	As at March 31, 2022		As at March 31, 2021	
b) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:				
Fair value of Plan Assets at beginning of the year	2,308.33	-	1,737.99	-
Expected return on Plan Assets	168.31	-	127.57	-
Remeasurement Gains / (Loss)	(18.27)	-	(5.89)	-
Employer Contribution	533.38	-	567.02	-
Benefit Paid	(199.85)	-	(118.36)	-
Fair value of Plan Assets at year end	**2,791.90**	**-**	**2,308.33**	**-**
c) Reconciliation of Fair Value of Assets and Obligations:				
Fair Value of Plan Assets as at year end	2,791.90	-	2,308.33	-
Present Value of Obligation as at year end	2,542.56	626.87	2,116.87	553.97
Net Assets / (Liability)	**249.34**	**(626.87)**	**191.46**	**(553.97)**
d) Expenses Recognized during the year:				
Current Service Cost	192.75	94.94	162.86	81.44
Interest Cost	143.95	37.67	125.27	29.17
Expected return on Plan Assets	(168.31)	NA	(127.55)	NA
Remeasurement (Gains) / Loss	-	33.58	-	59.90
Expense Recognized in Statement of Profit & Loss	**168.39**	**166.19**	**160.58**	**170.51**
e) Remeasurements recognized in Other Comprehensive Income (OCI):				
Remeasurement (Gains) / Loss for the year – Obligation	288.83	-	19.95	-
Actual return on Plan Assets less Interest on Plan Assets	18.27	-	5.89	-
Expenses Recognized in Other Comprehensive Income (OCI)	**307.10**	**-**	**25.84**	**-**
f) Senstivity analysis for Significant Assumptions:				
Increase / (Decrease) in present value of defined benefits obligation at the end of year:				
1% increase in discount rate	(167.66)	(53.17)	(134.22)	(45.87)
1% decrease in discount rate	196.63	63.08	156.80	54.29
1% increase in salary escalation rate	192.33	61.70	152.91	52.94
1% decrease in salary escalation rate	(167.37)	(53.08)	(133.64)	(45.67)
g) Expected (Undiscounted) Benefits Payment in Future:				
Within next 12 months	782.73	134.71	672.65	125.96
Between 1 to 5 years	562.21	123.22	472.92	106.72
Between 6 to 10 years	813.74	96.27	663.42	78.11
h) Investment Details:				
LIC Group Gratuity (Cash Accumulation) Policy	100%	NA	100%	NA
i) Actuarial assumption				
Mortality Table (LIC)	2006-08		2006-08	
	IALM - Ultimate		IALM - Ultimate	
Discount Rate (per annum)	6.80%	6.80%	6.50%	6.50%
Expected Return on Plan Assets (per annum)	7.00%	NA	7.00%	NA
Withdrawal Rate	1% - 3%		1% - 3%	
Rate of Escalation in Salary (per annum)	8.00%		8.00%	
Retirement Age	58		58	

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

E. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow –

A. Salary Increases – Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B. Investment Risk – If Plan is funded then the mismatch between assets and liabilities and actual return on assets being lower than the discount rate assumed at the last valuation date can impact the liability.

C. Discount rate – Reduction in discount rate in subsequent valuations can increase the plan's liability.

D. Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E. Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Note 44:

Related Party Transaction

a) Parties where control exists

Subsidiaries / Step down Subsidiaries

i) Polyplex (Asia) Pte. Limited

ii) PAR LLC USA

iii) Polyplex (Thailand) Public Company Limited

iv) Polyplex (Singapore) Pte. Limited

v) Polyplex Europa Polyester Film Sanayi Ve Ticaret A.S.

vi) Polyplex USA LLC

vii) Polyplex America Holdings Inc.

viii) EcoBlue Ltd.

ix) Polyplex Europe B. V.

x) Polyplex Paketleme Çozumleri Sanayi Ve Ticaret A.S.

xi) PT Polyplex Films Indonesia

b) Other related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

i) Mr. Sanjiv Saraf (Chairman)

ii) Mr. Pranay Kothari (Executive Director)

iii) Mr. Brij Kishore Soni (Independent Director)

iv) Mr. Jitender Balakrishnan (Independent Director)

v) Ms. Pooja Haldea (Independent Director)

vi) Mr. Ranjit Singh (Independent Director)

vii) Mr. Sanjiv Chadha (Non-Executive Director)

viii) Dr. Suresh Inderchand Surana (Independent Director)

ix) Mr. Ashok Kumar Gurnani (Company Secretary)

x) Mr. Manish Gupta (Chief Financial Officer)

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Relative(s) of Key Management Personnel

i) Ms. Ritu Kothari

ii) Ms. Amla Saraf

iii) Mrs. Urmiladevi Narayandas Saraf

iv) Mr. Narayandas Durgaprasadji Saraf

v) Mrs. Sarita Saraf

vi) Ms. Sakhi Saraf

vii) Mrs. Ruchi Suresh Surana

viii) Mr. Swatantran Singh Kothari

ix) Mrs. Deepika Gurnani

Enterprises over which Key Management Personnel, their relatives and major shareholders have control / significant influence:

i) Beehive Systems Private Limited

ii) Manupatra Information Solutions Private Limited

iii) Dalhousie Villa Private Limited

iv) Bhilangana Hydro Power Limited

v) Kotla Hydro Power Private Limited

vi) Punjab Hydro Power Private Limited

vii) Abohar Power Generation Private Limited

viii) Kanchanjunga Power Company Private Limited

ix) Utkarsh Trading and Holdings Limited

x) Suresh Surana & Associates LLP

xi) RSM Astute Consulting Private Limited

xii) Rekhta Foundation

xiii) Praxis Consulting & Information Services Private Limited

xiv) Aspire Labs Accelerator Private Limited

xv) Mahalaxmi Trading and Investment Company Limited

xvi) Secure Investments Limited

xvii) Sanjiv Sarita Consulting Private Limited

Nature of Transactions with Related Parties

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Material / Services		
Subsidiaries	72.25	0.30
Relative of KMP	29.70	29.70
Enterprises over which KMP have significant influence	80.82	52.58
	182.77	**82.58**
Services Rendered		
Enterprises over which KMP have significant influence	121.36	108.08
	121.36	**108.08**
Sale of Material		
Subsidiaries	27,885.96	10,873.73
	27,885.96	**10,873.73**
Reimbursement of Expenses		
Enterprises over which KMP have significant influence	91.86	101.16
	91.86	**101.16**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Received		
Subsidiaries	31,395.85	32,183.19
	31,395.85	**32,183.19**
Interest Received		
Enterprises over which KMP have significant influence	-	87.35
	-	**87.35**
CSR Expenditure		
Enterprises over which KMP have significant influence	600.00	495.00
	600.00	**495.00**
Key Management Personnel Compensation		
Managerial Remuneration	976.05	683.18
Directors' Sitting Fees	35.50	45.50
	1,011.55	**728.68**
Dividend Paid		
Enterprises over which KMP have significant influence	15,168.34	23,207.55
Key Management Personnel	7.49	508.71
Relative of KMP	833.46	777.94
	16,009.29	**24,494.21**

Outstanding Balances

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables on account of sale of Goods / Services		
Subsidiaries	2,283.79	1,868.15
Enterprises over which KMP have significant influence	10.91	17.03
	2,294.70	**1,885.18**
Receivables on account of expenses recovered		
Enterprises over which KMP have significant influence	14.01	10.76
	14.01	**10.76**
Security Deposits Recoverable		
Relative of KMP	20.25	20.25
Enterprises over which KMP have significant influence	5.00	5.00
	25.25	**25.25**
Security Deposits Payable		
Enterprises over which KMP have significant influence	11.26	11.26
	11.26	**11.26**
Payables		
Subsidiaries	38.03	-
Key Management Personnel	178.31	148.43
	216.34	**148.43**
Investment in Equity / Shares		
Subsidiaries	4,698.71	4,698.71
	4,698.71	**4,698.71**

c) Terms & conditions of transactions with Related Parties

The sales to and purchases from related parties, including rendering / availing of service, are made on terms equivalent to those that prevail at arm's length transactions. The outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided to or received for any related party receivable or payables. The Company has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2022 and March 31, 2021 other than that stated above.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 45:
Contingent Liabilities not provided for and other commitments, in respect of:

a) Matters under litigation:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Excise Duty, Customs Duty and Service Tax *	54.58	31.32
Sales Tax and Entry Tax **	325.80	325.80
Income Tax	1,250.85	1,105.28
Others	17.08	16.56

* Amount deposited ₹ 13.10 Lakh (March 31, 2021: ₹ 1.48 Lakh).

** Amount deposited ₹ 179.76 Lakh (March 31, 2021: ₹ 177.16 Lakh).

b) Guarantees:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Guarantees given to Banks and others	777.45	726.18

c) Import duty obligations on outstanding export commitment under Advance License amounts to ₹ 69.62 Lakh (Previous Year: ₹ 232.70 Lakh)

Note 46:
Capital Commitments
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances of ₹ 98.74 Lakh (Previous Year: ₹ 1,053.86 Lakh)) amounts to ₹ 438.89 Lakh (Previous Year: ₹ 2,122.76 Lakh).

Note 47:
Research and Development
The revenue expenditure of ₹ 1,018.09 Lakh (Previous Year: ₹ 594.22 Lakh) and capital expenditure of ₹ Nil (Previous Year: ₹ Nil) on Research & Development are charged to the respective heads of account.

Note 48:
Capital Work-in-Progress includes:
Capital work in progress includes equipment not yet installed, construction / erection material, construction / erection work in progress, machinery at site and / or in transit and other pre-operative expenses pending allocation / capitalization. Pre-operative expenses pending allocation / capitalization are:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Pre-operative expenses brought forward	-	34.94
Raw Material Consumed	3.43	-
Power & Fuel	-	-
Interest on Term Loan	-	-
Miscellaneous & Other Expenses	9.48	-
Total	**12.90**	**34.94**
Less: Scrap Sales	0.83	-
Less: Allocated and Capitalized during the year	12.08	34.94
Balance Pending Allocation Transfer to Balance Sheet	**-**	**-**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

Note 49:
Dividend
Details of dividend paid and proposed to be paid/distributed:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Paid to Equity Shareholders	26,055.74	46,111.39
Dividend Proposed to Equity Shareholders	6,592.42	5,336.72

Note 50:
The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006
The information relating to Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company:

(₹ in Lakh)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a)	i) Principal amount remaining unpaid at the end of the accounting year	-	-
	ii) Interest due on above	-	-
b)	The amount of interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed date	-	-
c)	The amount of interest accrued and remaining unpaid at the end of financial year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	-	-
e)	The amount of further interest due and payable in succeeding year, until such interest is actually paid.	-	-

Note 51:
Corporate Social Responsibility:
As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are specified in Schedule VII of the Companies Act, 2013. During the current financial year Company met its current and brought forward CSR obligations as detailed below:

a) Details of CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent during the year	734.00	454.67
Amount approved by the Board to be spent during the year	734.00	456.00
Unspent obligation in relation to Ongoing Project of Previous Year	61.81	70.00
Unspent obligation in relation to Other than Ongoing Projects of Previous Year	-	110.43
Total amount required to be spent during the year	**795.81**	**635.10**
Amount contributed / spent during the year on:		
A) On-going Projects:		
Healthcare projects (Amount spent from Unspent A/c of Previous Year)	61.81	-
Healthcare projects	46.76	66.19
Promotion of Art and Culture (Refer Note No. 44)	600.00	-
Promoting Education	-	-
Total (A)	**708.57**	**66.19**
B) Other than On-going Projects:		
Promotion of Art and Culture (Refer Note No. 44)	-	475.00
Promoting Education	-	27.64
Healthcare	15.00	6.00
Rural Development Projects	5.00	-
Others – diversified	6.00	11.64
Total (B)	**26.00**	**520.28**
Total (A + B)	**734.57**	**586.47**

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Accrual towards unspent obligation in relation to		
Ongoing Project	61.24	61.81
Other than going Ongoing Project	-	-
Total	**61.24**	**61.81**
Total	**795.81**	**648.28**
Less: Amount spent from Unspent A/c of Previous Year	61.81	-
Amont to be recognized in Statement of Profit and Loss	**734.00**	**648.28**

b) Details of Ongoing CSR Project u/s Section 135(6)

(₹ in Lakh)

Financial Year	Opening Balance (April 1)		Amount required to be spent during the year	Amount spent during the year		Closing Balance (March 31)	
	With Company	In Separate CSR Unspent A/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company *	In Separate CSR Unspent A/c
2020-21	70.00	-	58.00	66.19	-	61.81	
2021-22	61.81	-	708.00	646.76	61.81	61.24	-

* Pursuant to Companies (Corporate Social Responsibility policy) Amendment Rules, 2021, Unspent CSR amount for the FY 2021-22 has been deposited in separate bank account on April 29, 2022.

Unspent CSR amount for the FY 2020-21 was deposited in separate bank account on April 30, 2021 which has since been utilized.

c) Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects:

(₹ in Lakh)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	26.00	26.00	-

d) Reconciliation of Unspent CSR Amount:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning	61.81	-
Less: Amount spent from Unspent A/c of Previous Year	(61.81)	-
Amount Unspent during Current Year	61.24	61.81
Balance at the End	**61.24**	**61.81**

e) Reason for Unspent CSR Amount

Company has been able to spend the requisite amount of CSR obligation during the year except a sum of ₹ 61.24 Lakh pertaining to Financial Year 2021-22 in respect of 'Ongoing Projects', which has been deposited in unspent CSR Account. This was due to the fact that requisition for spending the same was not received from the Chikitsa Prabandhan Samiti, of ongoing hospital projects at Khatima and Bajpur.

Note 52:

Earnings per Share

Particulars	Unit	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit / Loss for the year	(₹ in Lakh)	49,146.02	45,339.42
Weighted average number of equity shares considered	(No.)	3,13,92,462	3,14,82,136
as Denominator for calculation of Basic EPS			
Weighted average number of equity shares considered	(No.)	3,13,92,462	3,14,82,136
as Denominator for calculation of Diluted EPS			
Basic EPS	(₹)	156.55	144.02
Diluted EPS	(₹)	156.55	144.02
Face Value per Share	(₹)	10.00	10.00

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 53:

Leases (Ind AS 116):

A. As a Lessee

a) **Right to Use:**

The Company has created following Right of Use Assets per Para C8 (b)(i) of Ind AS 116 by applying Modified Retrospective Method as prescribed in Para C5 of the standard:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	691.54	703.22
Additions during the year	-	-
Depreciation charge	11.67	11.68
Closing Balance	679.87	691.54
Cash flow for Leases	2.07	2.07

b) **Maturity analysis of lease liabilities as required by Para 58 of Ind AS-116 has been disclosed as follows:**

(₹ in Lakh)

Period	For the year ended March 31, 2022	For the year ended March 31, 2021
0-1 year	0.31	0.29
1-5 years	2.03	1.86
More than 5 years	17.27	17.72

c) The Company has elected Para 6 of Ind AS 116 for short-term leases & recognized lease expense of ₹ 187.20 Lakh (FY 2020-21: ₹ 161.46 Lakh) associated with these leases.

d) The Company has recognized Interest expenses on Lease Liabilities of ₹1.79 Lakh (FY 2020-21: ₹ 1.81 Lakh) during the year.

e) Lease contracts entered into by the Company, majorly pertain to Land taken on lease to conduct its business in the ordinary course of business.

f) The Company does not have any outstanding lease restrictions and commitment towards variable rent as per the contract. Also the Company does not have lease term extension options which are not reflected in the measurement of lease liabilities.

B. As a Lessor

a) Lease contracts entered by the Company majorly pertain for plots of building given on lease to companies for conducting their business.

b) The Company has managed risk associated with the rights in leased assets given by incorporating covenants in agreement like indemnification of occurrence of losses due to action of lessees.

c) Maturity Analysis of Lease Payments to be received:

(₹ in Lakh)

Period	As at March 31, 2022	As at March 31, 2021
0-1 year	84.88	82.59
1-5 years	-	-
More than 5 years	-	-

Note 54:

Auditor's Remuneration:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit Fee	74.73	70.53
Tax Audit Fee	4.00	4.00
Certification & Other Fees	1.30	1.30
Reimbursement of Expenses	0.23	0.05
Total	**80.26**	**75.88**

Above amount is excluding GST.

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Note 55:

Details of Investment made / Loan Given under Section 186(4) of the Companies Act, 2013:

Details of investment made are given in Note - 6 of Financial Statements.

Note 56:

Ratios

Sr. No.	Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Remarks
1	Current Ratio	Current Assets	Current Liabilities	3.32	1.94	71%	The said Ratio has improved as there are reduction of Working Capital Demand Loans from Banks in current year and increase Trade Receivable and Current Investments as at year end.
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.12	0.29	-59%	The said Ratio has improved as there are reduction of Working Capital Demand Loans from Banks in current year and repayment of outstanding loan as per repayment schedule.
3	Debt Service Coverage Ratio	Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets)	Debt service (Interest & Lease Payments + Principal Repayments)	14.23	13.19	8%	
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.76	0.77	-1%	
5	Inventory Turnover Ratio	Sales	Average inventory (Opening + Closing balance / 2)	0.10	0.11	-14%	
6	Trade Receivables Turnover Ratio	Net credit sales (gross credit sales minus sales return)	Average trade receivable (Opening + Closing balance / 2)	0.09	0.11	-14%	
7	Trade Payables Turnover Ratio	Net credit purchases (gross credit purchases minus purchase return)	Average trade payable (Opening + Closing balance / 2)	0.02	0.03	-11%	
8	Net Capital Turnover Ratio	Net Sales (total sales minus sales returns)	Working Capital (Current Assets less Current Liabilities)	4.81	6.23	-23%	
9	Net Profit Ratio	Net Profit after tax	Net Sales (total sales minus sales returns)	0.28	0.35	-21%	

Notes to the Standalone Financial Statements

for the year ended March 31, 2022

Sr. No.	Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Remarks
10	Return on Capital Employed (ROCE)	Earning before Interest and Taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.68	0.70	-3%	
11	Return on Investment (ROI)	Income from Investments	Average Investments	4.80	3.85	25%	

Note 57:

Additional Regulatory Information:

a) The Company does not have any pending creation of charge or satisfaction of charge, except below mentioned cases, which are yet to be filed or registered with Registrar of Companies beyond the statutory period:

Sr. No.	Description of the satisfaction of charge pending	Location of the Registrar	Period for satisfaction of charge pending	Reason for delay in registration
1	Particular of satisfaction of charge (two cases) held by a foreign bank, in respect of Company's certain immovable properties at Khatima and Bazpur, both in Dist. Udham Singh Nagar, are pending to be filed.	Registrar of Companies – Uttarakhand	Since September 17, 2018 and September 29, 2018	Technical difficulties in signature and filing of Form CHG-4 as the charge holder has no place of establishment in India.

b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.

e) The Company is in compliance with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

f) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g) The Company has been sanctioned working capital limit in excess of ₹ 500 Lakh, in aggregate, at points of time during the year, from bank or financial institutions on the basis of security of current assets. The quarterly returns / statements filed by the Company with the bank or financial institutions, are in agreement with the books of account of the Company of the respective quarters.

h) The Company has not been declared willful defaulter by any Bank or any other Financial Institution at any time during the financial year.

i) The Company has utilized the borrowings from banks and financial institutions for the specific purpose for which these were taken during the financial year.

Notes to the Standalone Financial Statements
for the year ended March 31, 2022

j) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year other than following:

Sr. No.	Name of Stuck off Company	CIN No.	Shares Held
1	Sarvopari Solid Investment Limited	U67120WB1992PLC055675	100 of F.V. of ₹ 10 each
2	Venlon Polyster Film Limited	U99999MH1983PTC031167	200 of F.V. of ₹ 10 each

Note 58:

Buyback of Shares:

During the previous year, The Board of Directors of the Company at its meeting held on April 9, 2020, had approved buyback of fully paid-up equity shares of face value of ₹ 10/- each of the Company at a price not exceeding ₹ 475/- per Equity Share ("Maximum Buyback Price") and for an amount not exceeding ₹ 5,481.50 Lakh ("Maximum Buyback Size") from the open market through stock exchange mechanism. The buyback commenced on April 16, 2020 and closed on October 15, 2020 and accordingly 5,92,138 number of equity shares (deploying ₹ 2,584.71 Lakh) have been bought back. The Company has extinguished all such bought back equity shares.

Note 59:

Events occurring after the Balance Sheet Date:

There are no events occurring after the Balance Sheet date for the Financial Year 2021-22 except Note No – 49 (Proposed Dividend).

Accompanying Notes to Standalone Financial Statements 1 - 59

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Independent Auditor's Report

To The Members of
Polyplex Corporation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Polyplex Corporation Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (including step down subsidiaries) (the Holding Company and its subsidiaries together referred to as "the Group"), refer Note [1 (a) (iv) to the attached Consolidated Financial Statements], comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of significant accounting and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate Financial Statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2022, of consolidated profit (including Other Comprehensive Income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the "Auditor's responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue Recognition:** For the year ended March 31, 2022 the Company has recognized revenue from contracts with customers amounting to ₹ 6,60,715.87 Lakh. Revenue from contracts with customers is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue represents a significant line item in the Statement of Profit and Loss account and also a key indicator of business performance. The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.	**Our audit procedures included the following:** • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Group. • On sample basis, examining supporting documents for the sales transaction occurring during the year and near the end of the accounting period including the credit notes issued after period end to verify the occurrence and accuracy of revenue, whether revenue recording was consistent with the conditions, and whether it was in compliance with the Group's Policy. • Performed analytical procedure to identify the unusual trends and also tested journal entries recognized in revenue focusing on unusual or irregular transactions. • On sample basis, examining supporting documents/approvals and calculation of discounts, claims, rebates etc.

Information Other than the Consolidated Financial statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report (including Corporate Governance Report) but does not include the Consolidated Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows and consolidated Statement of Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of each companies in the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.

- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of the Consolidated Financial Statements and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We did not audit the Financial Statements of nine subsidiaries/ step down subsidiaries, whose Financial Statement reflect total assets of ₹ 791,817.06 Lakh and total net assets of ₹ 507,790.42 Lakh as at March 31, 2022, total revenues of ₹ 445,624.79 Lakh, total comprehensive Income of ₹ 49,621.99 Lakh and net cash inflow ₹ 38,054.13 Lakh for the year ended on that date, as considered in the Consolidated Financial Statements, which have been audited by their respective independent auditors whose reports have been furnished to us by the Management. These subsidiaries are located outside India whose Financial Statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by the other auditors under generally accepted auditing standards accepted in their respective countries. The Holding company's management has converted these Financial Statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India.

Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of other auditors and certified converted financial statement by management.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on consideration of the report of the other auditors on Financial Statements and the other financial information of subsidiaries as referred to in Other Matters paragraph, we report, to the extent applicable, that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statement.
    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statement have been kept so far as it appears from our examination of those books and the report of the other auditor.
    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls reference to Consolidated Financial Statement of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated Financial Statements disclose the impact, of pending litigations as at March 31, 2022 on its financial position of the Group– Refer Note 49 to the Consolidated Financial Statements.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including long-term derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding 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 Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the 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 Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 53 to the Consolidated Financial Statements

a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

b) The interim dividend declared and paid by the Holding Company during the year and until the date of this report is in compliance with Section 123 of the Act

c) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable

For **S S Kothari Mehta and Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 22093214AJUDDP1840

Place: New Delhi
Date: May 25, 2022

"Annexure A"

To the Independent Auditor's Report to the Members of Polyplex Corporation Limited (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of paragraph 3(xxi) and 4 of the CARO 2020, in case of following company qualification or adverse remarks as stated by the auditors in CARO 2020, included in the Consolidated Financial Statements of the Holding company are as under:

Sr. No.	Name of the Entity	CIN	Holding Company/ Subsidiary/ Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Polyplex Corporation Limited	L25209UR1984PLC011596	Holding Company	Clause 1 (c)

"Annexure B"

To the Independent Auditor's Report of even date on the Consolidated Financial Statements of Polyplex Corporation Limited

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statement under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 (f) of 'Report on Other Legal and Regulatory Requirements'

In conjunction with our audit of the Consolidated Financial Statements of Polyplex Corporation Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to Consolidated Financial Statement of Polyplex Corporation Limited (hereinafter referred to as the "Holding Company") as of that date.

The audit of the internal financial controls with reference to Consolidated Financial Statement is applicable only to the Holding Company.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statement 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. 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 Consolidated Financial Statement 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 with reference to Consolidated Financial Statement and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statement included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statement 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 unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statement.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated 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 detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2022, based on the internal controls with reference to Consolidated Financial Statements 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 **S S Kothari Mehta and Company**
Chartered Accountants
Firm Reg. No. 000756N

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214
UDIN: 22093214AJUDDP1840

Place: New Delhi
Date: May 25, 2022

Consolidated Balance Sheet

As at March 31, 2022

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	4	3,13,504.24	2,74,442.90
(b) Right-to-use Assets	4	1,371.75	1,122.54
(c) Capital work-in-progress	5	12,596.36	32,529.88
(d) Investment Property	6	283.56	293.73
(e) Goodwill		25.21	26.96
(f) Other Intangible Assets	7	3.51	12.42
(g) Financial Assets			
(i) Investments	8	13,646.62	19,707.59
(ii) Other Financial Assets	9	5,937.03	1,576.31
(h) Deferred Tax Assets	10	2,963.23	861.99
(i) Other Non-current Assets	11	9,779.39	16,026.99
Total Non-current Assets		**3,60,110.90**	**3,46,601.31**
2 Current Assets			
(a) Inventories	12	1,30,851.43	81,428.08
(b) Financial Assets			
(i) Investments	13	13,905.24	9,072.62
(ii) Trade Receivables	14	1,10,359.31	67,041.93
(iii) Cash & Cash equivalents	15	80,438.18	43,582.89
(iv) Bank balances other than (iii) above	16	10,198.99	51,596.99
(v) Other Financial Assets	17	2,407.82	2,582.90
(c) Current Tax Assets	18	447.11	663.82
(d) Other Current Assets	19	15,847.11	15,103.34
Total Current Assets		**3,64,455.19**	**2,71,072.57**
TOTAL ASSETS		**7,24,566.09**	**6,17,673.88**
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	20	3,197.11	3,197.11
(b) Other Equity	21	3,28,443.22	3,02,122.84
Equity attributable to owners of Polyplex Corporation Limited		3,31,640.33	3,05,319.95
Non-controlling Interests		2,00,624.26	1,75,519.61
Total Equity		**5,32,264.59**	**4,80,839.56**
Liabilities			
2 Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	47,841.73	36,556.03
(ii) Lease Liability	23	415.77	313.05
(iii) Other Financial Liabilities	24	207.70	229.35
(b) Provisions	25	1,796.26	1,663.02
(c) Deferred Tax Liabilities	10	12,293.67	6,471.08
(c) Other Non-current Liabilities	26	35.76	42.74
Total Non-current Liabilities		**62,590.89**	**45,275.27**
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	27	46,119.03	32,513.01
(ii) Lease Liabilities	28	180.40	136.00
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	29	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	29	50,929.80	33,458.27
(iv) Other Financial Liabilities	30	20,743.72	19,500.72
(b) Other Current Liabilities	31	5,771.49	3,321.88
(c) Provisions	32	326.79	317.01
(d) Current Tax Liabilities (Net)	33	5,639.38	2,312.16
Total Current Liabilities		**1,29,710.61**	**91,559.05**
Total Liabilities		**1,92,301.50**	**1,36,834.32**
TOTAL EQUITY AND LIABILITIES		**7,24,566.09**	**6,17,673.88**
Accompanying notes to the Consolidated Financial Statements	1 - 62		

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Consolidated Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in Lakh)

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I	Revenue from Operations	34	6,62,439.85	4,91,826.77
II	Other Income	35	12,798.03	5,905.21
III	**Total Income (I + II)**		**6,75,237.88**	**4,97,731.98**
IV	**Expenses**			
	Cost of Materials Consumed	36	3,78,217.47	2,36,519.99
	Purchases of Stock-in-trade		20,198.57	10,467.13
	Changes in Inventories of finished goods & work-in-progress and Stock-in-trade	37	(36,055.60)	(4,295.04)
	Employee benefits expense	38	48,244.25	42,449.02
	Finance costs	39	1,650.44	1,757.62
	Depreciation and Amortization expenses	7A	27,252.06	27,980.36
	Other expenses	40	1,21,043.94	85,001.35
	Total Expenses (IV)		**5,60,551.13**	**3,99,880.43**
V	**Profit Before Exceptional Items and Tax (III - IV)**		**1,14,686.75**	**97,851.55**
VI	Exceptional Items Gain / (Loss)		-	-
VII	**Profit Before Tax (V + VI)**		**1,14,686.75**	**97,851.55**
VIII	Tax Expense:	41		
	(1) Current Tax		14,964.81	7,497.90
	(2) Deferred Tax		3,403.31	4,157.29
	(3) Earlier year Tax		(164.17)	-
	Total		18,203.95	11,655.19
IX	**Profit after Tax (VII - VIII)**		96,482.80	86,196.36
X	**Other Comprehensive Income**	42		
	(A) (i) Items that will not be Reclassified to Profit or Loss:		(206.39)	30.56
	(ii) Income Tax on relation to items that will not be Reclassified to Profit or Loss		(77.29)	(8.46)
	(B) Items that will be Reclassified to Profit or Loss:		477.29	5,180.23
	Total Other Comprehensive Income (Net of Tax) (A(i-ii)+B)		**348.19**	**5,219.25**
XI	**Total Comprehensive Income for the year (IX+X)**		**96,830.99**	**91,415.61**
XII	**Profit / (Loss) for the year attributable to:**			
	Owner of the Parent		56,879.37	51,180.71
	Non-controlling Interest		39,603.43	35,015.65
XIII	**Other Comprehensive Income for the year attributable to:**			
	Owner of the Parent		833.47	2,495.77
	Non-controlling Interest		(485.28)	2,723.48
XIV	**Total Comprehensive Income for the year attributable to:**			
	Owner of the Parent		57,712.84	53,676.48
	Non-controlling Interest		39,118.15	37,739.13
XV	**Earnings Per Equity Share**			
	Basic (in ₹)	56	181.19	162.57
	Diluted (In ₹)	56	181.19	162.57
	Accompanying notes to the Consolidated Financial Statements	1 - 62		

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Consolidated Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Profit Before Tax		1,14,686.75		97,851.55
Adjusted for:-				
Depreciation and Amortization	27,252.06		27,980.36	
Allowance for doubtful debts/ bad debts written off	26.60		23.23	
Finance Cost	1,650.44		1,757.62	
Interest Income	(1,962.02)		(3,384.20)	
Decrease of inventories to net realisable value (reversal)	156.55		(267.78)	
Amortization of grant income	(391.83)		(602.98)	
Unrealised Exchange Difference Loss / (Gain)	(4,869.13)		1,198.81	
MTM loss /(gain) on derivative financial instruments measured at FVTPL	217.11		(313.72)	
Net loss / (gain) on sale of Property, Plant & Equipment	(1.16)		36.98	
Property Plant & Equipment Written off	13.90		184.44	
Intangible Assets written off	-		8.60	
Unrealised loss / (Gain) on Investments measured at FVTPL	-		(73.81)	
Net Loss / (Gain) on Sale of Investments measured at FVTPL	(13.78)		(153.87)	
		22,078.74		**26,393.68**
Operating Profit before Working Capital Changes		**1,36,765.49**		**1,24,245.23**
Working Capital Adjustments:				
Trade Receivables	(43,700.84)		(1,051.67)	
Other Financial Assets	(333.97)		481.39	
Other Non-financial Assets	1,033.23		(4,766.91)	
Inventories	(49,579.90)		(13,379.10)	
Trade Payables	17,471.53		9,464.28	
Other Financial Liabilities	2,210.68		1,825.36	
Other Non-financial Liabilities	3,427.91		(662.33)	
Provisions	(35.42)	(69,506.78)	(104.68)	(8,193.66)
Cash Generated from Operations		**67,258.71**		**1,16,051.57**
Income Taxes Paid		(11,256.71)		(5,808.88)
Cash Flow Before Exceptional Items		**56,002.00**		**1,10,242.69**
Exceptional Items		-		-
Net Cash From Operating Activities		**56,002.00**		**1,10,242.69**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment	(40,178.10)		(52,922.87)	
Purchase of Intangible Assets	(1.32)		(2.85)	
Sale of Property, Plant & Equipment	134.65		256.51	
Repayment of Loans given to Related Party	-		950.00	
Sale / (Purchase) of non-current Investments	5,263.61		(1,023.27)	
Deposits with Bank other than Cash & Cash equivalent	37,037.28		6,127.83	
Purchase of short-term Investments	(1,45,742.74)		(1,91,961.18)	
Sale of short-term Investments	1,40,923.90		1,90,334.16	
Interest received	2,668.77		4,627.97	
Net Cash Used In Investing Activities		**106.05**		**(43,613.70)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Buyback of equity share (including expenses paid)	-		(2,663.53)	
Tax on Buyback of Equity Share	-		(588.34)	
Proceeds from Non-current Borrowings	22,767.06		2,794.57	
Repayment of Non-current Borrowings	(10,119.24)		(7,217.56)	

Consolidated Statement of Cash Flow

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
Net Proceeds/ (Repayment) from Short-Term Borrowings	13,601.65		(2,696.83)	
Principal payment of Lease Liabilities	(148.69)		(121.19)	
Interest paid	(1,836.03)		(1,860.50)	
Transaction with Non-controlling Interests	382.42		597.07	
Dividends paid to Non-controlling Interest (including tax)	(14,396.56)		(8,550.37)	
Dividends paid (including Tax)	(33,473.76)		(45,657.28)	
Net Cash used in Financing Activities		**(23,223.15)**		**(65,963.96)**
D. EXCHANGE DIFFERENCE ON TRANSLATION OF FOREIGN OPERATION		3,970.39		(1,470.92)
Net Increase in Cash and Cash Equivalents		**36,855.29**		**(805.89)**
Total Cash and Cash Equivalents at the beginning of the year		**43,582.89**		**44,388.78**
Total Cash and Cash Equivalents at the end of the year		**80,438.18**		**43,582.89**
Cash and Cash Equivalents included in Cash Flow Statement comprise of following (Refer Note No. 16):				
Balance with schedule banks		1,646.23		1,423.49
Balance with non-schedule banks		78,737.54		42,106.98
Cash on hand		54.41		52.42
Total		**80,438.18**		**43,582.89**

Reconciliation of Liabilities arising from Financing Activities

(₹ in Lakh)

Particulars	As at March 31, 2021	Cash Flows	Non Cash Change	As at March 31, 2022
Non-current Borrowings	36,556.03	12,647.82	(1,362.12)	47,841.73
Current Borrowings	32,513.01	13,601.65	4.37	46,119.03
Interest Accrued	8.19	(1,836.03)	1,842.35	14.51
Lease liability obligation	449.05	(148.69)	295.81	596.17
Buyback of Share Capital	-	-	-	-
Dividend and tax thereon	2,727.32	(33,473.76)	31,391.81	645.37

Particulars	As at March 31, 2020	Cash Flows	Non Cash Change	As at March 31, 2021
Non-current Borrowings	43,118.70	(4,422.99)	(2,139.68)	36,556.03
Current Borrowings	32,681.34	(190.15)	21.82	32,513.01
Interest Accrued	111.07	(1,860.50)	1,757.62	8.19
Lease liability obligation	313.12	(121.19)	257.12	449.05
Buyback of Share Capital	-	(3,251.87)	3,251.87	-
Dividend and tax thereon	346.49	(45,657.28)	48,038.11	2,727.32

Accompanying Notes to Consolidated Financial Statements 1 - 62

Note: Previous Year figures are regrouped wherever necessary.

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Consolidated Statement of changes in Equity

For the year ended March 31, 2022

A. Equity Share Capital

Particulars	No of Shares	₹ Lakh
As at April 1, 2020	**3,19,84,600**	**3,256.32**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at April 1, 2020	**3,19,84,600**	**3,256.32**
Changes in equity share capital during the FY 2020-21	(5,92,138)	(59.21)
As at March 31, 2021	**3,13,92,462**	**3,197.11**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at April 1, 2021	**3,13,92,462**	**3,197.11**
Changes in share capital during the FY 2021-22	-	-
As at March 31, 2022	**3,13,92,462**	**3,197.11**

B. Other Equity

(₹ in Lakh)

Particulars	Reserves and Surplus							Items of other comprehensive income		Attributable to Owners of the Company
	Share Warrants Forfeited	Capital Reserve	Securities premium reserve	Legal Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	Fair Value of Investment in Debt instrument through OCI	Foreign Currency Translation Reserve	
As at April 1, 2020	**250.80**	**58.36**	**13,886.37**	**1,802.78**	**-**	**6,455.10**	**2,16,758.94**	**(1,785.04)**	**62,242.18**	**2,99,669.49**
Changes in Accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at April 1, 2020	250.80	58.36	13,886.37	1,802.78	-	6,455.10	2,16,758.94	(1,785.04)	62,242.18	2,99,669.49
Profit for the year							51,180.71			51,180.71
Other Comprehensive Income / (Loss) for the year							10.43	2,619.00	(133.66)	2,495.77
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**51,191.14**	**2,619.00**	**(133.66)**	**53,676.48**
Transaction with owners, recorded directly in Equity:										-
Dividend payments including dividend distribution tax							(48,030.47)			(48,030.47)
Transaction with NCI										-
Dividend paid (including DDT) to NCI										-
Reserve Utilized on account of buyback of Equity Shares			(2,288.99)			(236.52)				(2,525.51)
Capital Redemption Reserve created upon buyback of Equity Shares			(59.21)		59.21					-
Tax Paid on Buyback of Equity Shares						(588.34)				(588.34)
Transaction Cost relating to Buyback of Equity Shares						(78.81)				(78.81)
Addition/(deletion) during the period			-	-			-			-
Transfer to General Reserve						250.00	(250.00)			-
As at March 31, 2021	**250.80**	**58.36**	**11,538.17**	**1,802.78**	**59.21**	**5,801.43**	**2,19,669.61**	**833.96**	**62,108.52**	**3,02,122.84**

Consolidated Statement of changes in Equity

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	Reserves and Surplus							Items of other comprehensive income		Attributable to Owners of the Company
	Share Warrants Forfeited	Capital Reserve	Securities premium reserve	Legal Reserve	Capital Redemption Reserve	General Reserve	Retained earnings	Fair Value of Investment in Debt instrument through OCI	Foreign Currency Translation Reserve	
As at April 1, 2021	**250.80**	**58.36**	**11,538.17**	**1,802.78**	**59.21**	**5,801.43**	**2,19,669.61**	**833.96**	**62,108.52**	**3,02,122.84**
Changes in Accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance at April 1, 2021	250.80	58.36	11,538.17	1,802.78	59.21	5,801.43	2,19,669.61	833.96	62,108.52	3,02,122.84
Profit for the year							56,879.37			56,879.37
Other Comprehensive Income / (Loss) for the year							(178.44)	(797.36)	1,809.27	833.47
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**56,700.93**	**(797.36)**	**1,809.27**	**57,712.84**
Transaction with owners, recorded directly in Equity:										-
Dividend payments including dividend distribution tax							(31,392.46)			(31,392.46)
Transaction with NCI										-
Dividend paid (including DDT) to NCI										-
Addition/(deletion) during the period				-						-
Transfer to General Reserve						250.00	(250.00)			-
As at March 31, 2022	**250.80**	**58.36**	**11,538.17**	**1,802.78**	**59.21**	**6,051.43**	**2,44,728.08**	**36.60**	**63,917.79**	**3,28,443.22**

Accompanying Notes to Consolidated Financial Statements 1 - 62

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 1: The Group Information:

Polyplex Corporation Limited ("PCL") is a public limited company incorporated in India and its shares are publicly traded on The National Stock Exchange of India Limited ("NSE") and the BSE Limited (Formerly Bombay Stock Exchange) ("BSE"), in India. The Registered Office of the Company is situated at Lohia Head Road, Khatima – 262 308, Dist. Udham Singh Nagar, Uttarakhand.

The Group is principally engaged in the manufacturing of plastic films and has currently manufacturing plants located in India, Thailand, Indonesia, Turkey and USA with worldwide distribution.

These Consolidated Financial Statement were approved and adopted by Board of Directors of the Company in their meeting held on May 25, 2022.

Note 2: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation of Consolidated Financial Statement:

(i) Compliance with Ind AS

The Consolidated Financial Statement have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Companies Act, 2013.

(ii) Historical cost convention

The Consolidated Financial Statement have been prepared on an accrual basis under historical cost convention except for certain assets and liabilities (including derivative instruments and investment in mutual funds) that are measured at fair values at the end of each reporting period, as explained in the respective accounting policies described in subsequent paragraphs.

(iii) Current versus Non-current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(iv) Basis of Consolidation

The Consolidated Financial Statements comprises of the financial statements of Polyplex Corporation Limited along with its subsidiaries (jointly referred to as the 'Group' herein under) as on 31.03.2022:

Subsidiaries: Subsidiaries are entities controlled by the Company. Control exists when the Company (a) has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to affect those returns through its power over the investee. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above. In assessing control, potential voting rights that currently are exercisable are taken into account. The results of subsidiaries acquired or disposed off during the year are included in the Consolidated Financial Statements from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The subsidiary companies considered in the Consolidated Financial Statements are:

Name(s) of Subsidiaries	Proportion of Ownership Interest (in %)
Polyplex (Asia) Pte. Ltd.	100.00
Polyplex (Thailand) Public Company Ltd.	51.00
Polyplex (Singapore) Pte. Ltd.	51.00
Polyplex Europa Polyester Film Sanayi Ve Ticaret Anonim Sirketi	51.00
PAR LLC	100.00
Polyplex America Holdings Inc.	51.00
Polyplex USA LLC	51.00
EcoBlue Limited	33.92
Polyplex Paketleme Cozumleri Sanayi Ve Ticaret Anonim Sirketi	51.00
Polyplex Europe BV	51.00
PT Polyplex Films Indonesia	51.00

(v) The Financial Statements of the parent company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating Intra-group balances, Intra-group transactions and unrealised profits or losses in accordance with Ind AS 110 – "Consolidated Financial Statements".

(vi) Non-controlling Interest represents the equity in a subsidiary not attributable, directly or indirectly to a Parent. Non-controlling interest in the net assets of the subsidiaries being Consolidated is identified and presented in the consolidated Balance Sheet separately from the equity attributable to the Parent's shareholders and liabilities. Profit or loss and each component of other comprehensive income are attributed to Parent and to the non-controlling

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

interest. Impact of any insignificant and immaterial Non-Controlling Interest is not considered.

(vii) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

(viii) Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The Consolidated Financial Statements are presented in Indian National Rupee ('INR'), which is the Group's functional and presentation currency. All amounts have been presented in Lakh with two decimals, unless otherwise indicated.

(ix) In the Group's financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. The resulting exchange difference arising on translations are recognized in Other Comprehensive Income (OCI) and accumulated in Other Equity, except to the extent that they are allocated to Non-controlling Interest.

(x) Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company's financial statements.

(xi) Additional information, as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as Subsidiary

Name of the Entity	Current Year							
	Net Asset (Total Assets - Total Liabilities)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount (₹ in Lakh)	As % of Consolidated Profit & Loss	Amount (₹ in Lakh)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Lakh)	As % of total Consolidated Comprehensive Income	Amount (₹ in Lakh)
Parent Company								
Polyplex Corporation Limited	22.07	73,200.74	86.40	49,146.08	(27.57)	(229.80)	84.76	48,916.28
Subsidiaries								
Foreign								
Polyplex (Asia) Pte. Limited	20.99	69,603.29	16.45	9,354.58	(78.61)	(655.22)	15.07	8,699.35
PAR LLC	0.45	1,499.71	(0.03)	(17.03)	-	-	(0.03)	(17.03)
Polyplex (Thailand) Public Company Limited	24.41	80,952.46	39.64	22,547.40	3.59	29.96	39.12	22,577.36
Polyplex (Singapore) Pte. Limited	3.07	10,194.67	0.00	1.60	-	-	0.00	1.60
Polyplex Europa Polyester Film Sanayi Ve Ticaret A.S.	87.98	2,91,746.37	54.50	30,998.80	(24.04)	(200.33)	53.37	30,798.47
Polyplex Trading (Shenzhen) Co. Limited #	-	-	-	-	-	-	-	-
Polyplex America Holdings Inc	10.89	36,098.98	(0.12)	(66.95)	-	-	(0.12)	(66.95)
Polyplex USA LLC	18.53	61,444.48	22.67	12,892.88	-	-	22.34	12,892.88
EcoBlue Limited	1.94	6,444.42	1.81	1,028.64	-	-	1.78	1,028.64
Polyplex Europe B.V.	0.25	840.99	0.12	70.06	-	-	0.12	70.06
Polyplex Paketleme Çozumleri Sanayi VE Ticaret Anonim Sirketi	0.19	622.30	0.65	369.40	-	-	0.64	369.40
PT Polyplex Films Indonesia	13.84	45,886.21	26.72	15,197.69	(0.91)	(7.62)	26.32	15,190.07
TOTAL	**204.62**	**6,78,534.62**	**248.81**	**1,41,523.16**	**(127.54)**	**(1,063.02)**	**243.38**	**1,40,460.14**
Adjustment for:								
Minority Interest in Subsidiaries	(60.50)	(2,00,624.26)	(69.63)	(39,603.43)	58.22	485.28	(67.78)	(39,118.15)
Total Eliminations arising out of consolidation	(44.12)	(1,46,295.24)	(79.19)	(45,040.36)	169.32	1,411.21	(75.60)	(43,629.15)
TOTAL	**100.00**	**3,31,615.12**	**100.00**	**56,879.37**	**100.00**	**833.47**	**100.00**	**57,712.84**

Liquidated under voluntary Windup during the previous year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Name of the Entity	Previous Year							
	Net Assets (Total Assets - Total Liabilities)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount (₹ in Lakh)	As % of Consolidated Profit & Loss	Amount (₹ in Lakh)	As % of Consolidated Other Comprehensive Income	Amount (₹ in Lakh)	As % of total Consolidated Comprehensive Income	Amount (₹ in Lakh)
Parent Company								
Polyplex Corporation Limited	18.24	55,676.99	88.59	45,339.42	(0.77)	(19.34)	84.43	45,320.08
Subsidiaries								
Foreign								
Polyplex (Asia) Pte. Limited	27.48	83,882.00	20.75	10,620.49	102.71	2,563.29	24.56	13,183.79
PAR LLC	0.48	1,462.41	(0.00)	(0.87)	-	-	(0.00)	(0.87)
Polyplex (Thailand) Public Company Limited	29.44	89,880.08	30.86	15,796.39	-	-	29.43	15,796.39
Polyplex (Singapore) Pte. Limited	3.45	10,535.73	(0.02)	(9.51)	-	-	(0.02)	(9.51)
Polyplex Europa Polyester Film Sanayi Ve Ticaret A.S.	86.56	2,64,267.60	65.70	33,623.63	7.03	175.41	62.97	33,799.05
Polyplex Trading (Shenzhen) Co. Limited	0.01	41.07	(0.03)	(16.59)	-	-	(0.03)	(16.59)
Polyplex America Holdings Inc	11.42	34,864.22	3.03	1,550.51	-	-	2.89	1,550.51
Polyplex USA LLC	15.35	46,850.87	15.41	7,885.54	-	-	14.69	7,885.54
EcoBlue Limited	1.42	4,326.83	0.34	176.14	-	-	0.33	176.14
Polyplex Europe B.V.	0.26	779.43	0.11	57.48	-	-	0.11	57.48
Polyplex Paketleme Çozumleri Sanayi VE Ticaret Anonim Sirketi	0.23	695.56	0.48	245.11	-	-	0.46	245.11
PT Polyplex Films Indonesia	9.72	29,683.32	25.04	12,817.22	(0.31)	(7.84)	23.86	12,809.39
TOTAL	**204.05**	**6,22,946.11**	**250.26**	**1,28,084.97**	**108.65**	**2,711.54**	**243.68**	**1,30,796.51**
Adjustment for:								
Minority Interest in Subsidiaries	(57.49)	(1,75,519.61)	(68.42)	(35,015.65)	(109.12)	(2,723.48)	(70.31)	(37,739.13)
Total Eliminations arising out of consolidation	(46.56)	(1,42,133.51)	(81.84)	(41,888.61)	100.48	2,507.71	(73.37)	(39,380.90)
TOTAL	**100.00**	**3,05,292.99**	**100.00**	**51,180.71**	**100.00**	**2,495.77**	**100.00**	**53,676.48**

Significant accounting policies:

(b) Revenue recognition

Revenue recognition

The Group derives revenue primarily from sale of plastic films, resins and other products.

Revenue from contracts with customers is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated using most likely method based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract. Payments from customers for the goods rendered are normally received within 30 days to 150 days as per terms of the sales.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

The Group adjusts the transaction price for sales returns, based on the historical results, measured on the basis of the margin of the sale and consequently, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

(i) Revenue from Sale of Products :

Revenue from sale of products is recognized at the point of time when the customer obtains controls of the asset usually on delivery of goods to the customers.

Contract balances:

Contract assets: A contract asset is the right to consideration in exchange for goods transferred to the customer. If the Group performs by transferring goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) financial instruments – initial recognition and subsequent measurement

Contract liabilities: A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Cost to obtain a contract: the Group pays sales commission to its selling agents for contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in advertisement and sales promotion expense under other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

(ii) Rental income

The Group's policy for recognition of revenue from operating leases is described in note 2(d) below.

(iii) Dividend income

Dividend income from investments is recognized when the Group's right to receive payment has been established provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

(iv) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Export Incentive

Incentives on exports are recognized in books after due consideration of certainty of utilisation/ receipt of such incentives

(c) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned or other systematic basis representative of the pattern of fulfilment of obligations associated with grants received.

The Grants are presented under the head other Income.

(d) Leasing

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset; (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) the Group has the right to direct the use of the asset.

(i) As a Lessee

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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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 shorter of the lease term and useful life 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. 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.

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 these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Companies (Indian Accounting Standards) Amendment Rules, 2020 provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The amendments are applicable for annual reporting periods beginning on or after the April 1, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1, 2019. This amendment had no impact on the Consolidated Financial Statement of the Company

(ii) As a Lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term. Respective leased assets are included in the consolidated balance sheet based on their nature.

(e) Foreign currency translation

(i) Functional and presentation currency

The Consolidated Financial Statements are presented in Indian Rupees (₹), which is Group's functional and presentation currency unless stated otherwise.

All amounts have been rounded off to the nearest ₹ in Lakh, unless otherwise indicated

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in statement of profit or loss in the period in which they arise except for foreign exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis.

(f) Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately

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identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

(g) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Borrowing costs are not capitalized during extended periods in which active development of qualifying assets is suspended. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

(h) Income tax

Income taxes: Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss, or where they arise from the initial accounting for business combination.

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions. Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Such deferred tax assets and liabilities are computed separately for each taxable entity and for each taxable jurisdiction. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilized.

Deferred tax: Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets paid in accordance with the tax laws, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

(i) Property, plant and equipment

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The Group has applied Ind AS 16 with retrospective effect for all of its Property, Plant and equipment as on the transition date i.e. April 1,, 2016

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises purchase price, including import duties and non-refundable taxes, after deducting trade discounts/rebates, borrowing costs, any costs that is directly attributable to the bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and costs of dismantling/removing the item and restoring the site on which it was located under an obligation. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if significant in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their remaining

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useful life provided these are of significant amounts commensurate with the size of the Group and scale of its operations. The carrying amount of any equipment/ inspection/ overhauling accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized net with in other income/other expense in Statement of profit and loss.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are available for their intended use. Depreciation is calculated using the methods specified below to allocate their cost, net of their residual values, over their estimated useful lives.

i. **Polyplex Corporation Limited (Standalone):**

Depreciation on fixed assets at manufacturing plant at Khatima and Bazpur both in Uttarakhand is provided on Written Down Value Method (WDV) as per life prescribed in Schedule II to the Companies Act, 2013 except for Plant and Machinery running on continuous process basis, where based on internal assessment and independent technical evaluation carried out by external valuer the management believes that the useful life of 18 years best represents the period over which management expects to use these assets. Hence the useful life for such assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Plant & Machinery pertaining to the Plastic film lines and Polyester resin plant has been considered as continuous process as per technical assessment.

Depreciation on fixed assets at Corporate Office at Noida, Utter Pradesh is provided on Straight Line Method (SLM) at the life prescribed in Schedule II to the Companies Act, 2013. Freehold land is not depreciated.

The estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful life of the assets have been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. and are as under:

Asset Class	Useful life
Buildings	30-60 years
Plant and Machinery	5-30 years
Electrical Installations	10 years
Furniture and fixtures	10 years
Office Equipment	5 years
Vehicles	8-10 years

ii. **Polyplex (Thailand) Public Company Ltd. (Including Subsidiaries):**

Land is stated at cost. Buildings and Equipments are stated at cost less accumulated depreciation and allowance for loss on impairment assets (if any).

Depreciation of buildings and building improvements, machinery and equipment is calculated by reference to their costs on the straight -line basis. Depreciation of other equipment is calculated on the sum of the year digits basis.

The estimated useful lives of plant and equipment are as follows

Asset Class	Useful life
Buildings	3, 20-50 years
Machinery & equipment	3-20 years
Furniture, fixtures & office equipment	3-10 years
Motor Vehicles	5-8 years

Depreciation is included in determining income. No depreciation is provided on land, machinery in transit, and assets under installation and construction.

iii. **Polyplex (Asia) Pte. Ltd.:**

Depreciation on computer begins when the assets are available for use and is calculated on the straight line basis over its estimated useful life of 4 years.

iv. **PAR LLC:**

Depreciation on Condominium and Furniture & Fixture is provided for under the straight-line methods at rates sufficient to amortize the related costs over the estimated useful lives of the respective assets, which range from 5-30 Years.

(j) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is

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probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment property being building is depreciated using the straight-line method over their estimated useful life of 30 years.

The Group has elected to continue with the carrying value of Investment Property recognized as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

(k) Intangible assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Costs comprises purchase price, including import duties and non-refundable taxes, after deducting trade discounts/rebates, borrowing costs and any directly attributable cost of preparing the asset for its intended use. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Estimated useful lives of the intangible assets are as follows:

i) Polyplex Corporation Limited (Standalone)

Assets	Estimated useful life
Computer software	2-3 years

ii) Polyplex (Thailand) Public Company Ltd. (Including Subsidiaries):

Assets	Estimated useful life
Computer software	3-15 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss when the asset is derecognized.

The Group has elected to continue with the carrying value of all of its intangibles assets recognized as on April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

(l) Inventories

(i) Finished goods and work-in-progress are valued at lower of cost and net realisable value. The cost of finished goods and work-in-progress is computed on weighted average basis and it includes raw material costs, direct cost of conversion and proportionate allocation of indirect costs incurred in bringing the inventories to their present location and condition. Finished goods and work-in-progress are written down if anticipated net realisable value declines below the carrying amount of the inventories and such write downs to inventories are recognized in profit or loss. When reasons for such write downs ceases to exist, such write downs are reversed through profit or loss.

(ii) Inventories of raw materials & components, stores & spares and stock-in-trade are valued at lower of cost and net realisable value. Raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Write down of such inventories are recognized in profit or loss and when reasons for such write downs ceases to exist, such write downs are reversed through profit or loss. Cost of such inventories comprises of purchase price and other directly attributable costs that have been incurred in bringing the inventories to their present location and condition. By-products used as raw material are valued at transfer price linked with net realisable value. Cost of raw materials & components, stores & spares and stock-in-trade are determined on weighted average cost method.

(m) Provisions, contingent liabilities and contingent assets

(i) Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the effect of the time value of money is material, provision is measured at the present value of cash flows estimated to settle the present obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an

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asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

(ii) A contingent liability is not recognized in the Consolidated Financial Statements, however, is disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote. If it becomes probable that an outflow of future economic benefits will be required for an item dealt with as a contingent liability, a provision is recognized in the Consolidated Financial Statements of the period (except in the extremely rare circumstances where no reliable estimate can be made).

(iii) A contingent asset is not recognized in the Consolidated Financial Statements, however, is disclosed, where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the asset is no longer a contingent asset, and is recognized as an asset.

(iv) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(n) Research and Development expenditure

Expenditure on research and development of products is included under the natural heads of expenditure in the year in which it is incurred except which relate to development activities whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes.

Such costs are capitalized if they can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and to use or sell the asset.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

(o) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within operating cycle i.e. twelve 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 undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the consolidated balance sheet.

(ii) Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves and sick leaves. The liabilities for earned leaves and sick leaves are not expected to be settled wholly within operating cycle i.e. twelve 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, with actuarial valuations being carried out at the end of each annual reporting period. 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 obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as provisions in the consolidated balance sheet.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- defined benefit plans towards payment of gratuity/severance payments; and
- defined contribution plans towards provident fund plan & employee pension scheme, employee state insurance, superannuation scheme, national pension scheme and provident fund.

Defined benefit plans:

Retirement benefits in the form of gratuity/severance payments are considered as defined benefit plans. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Group provides for its gratuity liability/severance payments based on actuarial valuation of the gratuity/severance payments liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The Group contributes to the gratuity fund, which is recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet.

When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To

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calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Defined contribution plans:

Defined contribution plans are retirement benefit plans under which the Group pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Group has no further payment obligations once the contributions have been paid. The defined contributions plans are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(p) Dividends

Interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors and final dividend on shares are recorded as a liability on the date of declaration by the shareholders.

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed by the end of the reporting period.

(q) Financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Measurement

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Subsequent Measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is recognized using the effective interest rate method.
- Fair Value Through Other Comprehensive Income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

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- Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the consolidated statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Trade Receivable

A Receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. For some trade receivables the Group may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement. Subsequent recoveries of amounts previously written off are credited to other Income.

(iii) Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortized cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions IND-AS 115 Revenue, the Group applies simplified approach permitted by IND-AS 109 Financial Instruments, which requires expected life time losses to be recognized after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

(iv) Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset) is derecognized (i.e. removed from the balance sheet) only when

- the Group has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients; or
- the rights to receive cash flows from the asset have expired.

Where the Group has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer.

The difference between the carrying amount allocated to the part that is no longer recognized

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and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

(v) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

(r) Financial liabilities and equity instruments

(i) Classification

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortized cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortized cost at the end of subsequent accounting periods.

(ii) Measurement

Equity instruments

Equity instruments issued by the Group are recognized at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value, net of directly attributable transaction costs, if any.

The Group's financial liabilities include borrowings, trade and other derivative financial instruments.

Subsequent measurement

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Group classifies its financial liabilities:

- Fair Value Through Profit or Loss (FVTPL): Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.
- Amortized cost: Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Borrowings are subsequently measured at amortized cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognized in profit and loss over the period of the borrowings using the effective interest rate method.

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(iii) Derecognition

Equity instruments

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

(iv) Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

(s) Derivatives

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated 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 realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(u) Fair value of financial instruments

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(v) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(w) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, which are subject to an insignificant risk of changes in value.

(x) Cash Flow Statement

Cash flows are reported using indirect method whereby a profit before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Group are segregated.

(y) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker as defined under IndAS 108. Refer notes to the financial statements for segment information presented.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 3: Critical accounting judgments and key sources of estimation uncertainty

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. When the fair values of these assets and liabilities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques by engaging third party qualified external valuers or internal valuation team to perform the valuation. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(ii) Employee benefit plans

The cost of the defined benefit plans and other long-term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Group. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes.

(iii) Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgments around estimating the ultimate outcome of such past events and measurement of the obligation amount.

(iv) Useful life and residual value of plant, property equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset.

(v) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements

(vi) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making assumption and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward estimate at the end of each reporting period.

(vii) Impairment of non-financial assets

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 4: Property, Plant and Equipment

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at April 1, 2021	Additions during the year	Sale / Adjustments *	As at March 31, 2022	As at April 1, 2021	For the year	Sale / Adjustments	As at March 31, 2022	As at March 31, 2022
Freehold Land	17,265.17	1,408.48	(114.07)	18,787.72	-	-	-	-	18,787.72
Buildings	1,03,313.97	13,911.90	(827.83)	1,18,053.70	33,589.25	4,243.87	(189.78)	38,022.90	80,030.80
Plant & Machinery	4,10,538.33	47,157.57	2,255.49	4,55,440.41	2,28,639.70	21,219.27	2,858.66	2,47,000.31	2,08,440.10
Electrical Installations	2,229.16	35.06	1.00	2,263.22	2,037.04	27.03	0.95	2,063.12	200.10
Furniture & Fixtures	2,476.89	1,349.15	1,270.26	2,555.78	1,675.98	100.36	(40.95)	1,817.29	738.49
Office Equipment	8,659.91	1,037.86	(1,103.73)	10,801.50	4,915.18	1,319.91	90.75	6,144.34	4,657.16
Vehicles	1,834.12	67.50	95.71	1,805.91	1,017.50	207.74	69.20	1,156.04	649.87
Total - Property Plant Equipment	**5,46,317.55**	**64,967.52**	**1,576.83**	**6,09,708.24**	**2,71,874.65**	**27,118.18**	**2,788.83**	**2,96,204.00**	**3,13,504.24**
Right-to-use	1,309.69	404.49	1.34	1,712.84	187.15	113.29	(40.65)	341.09	1,371.75
Total - Right-to-use	**1,309.69**	**404.49**	**1.34**	**1,712.84**	**187.15**	**113.29**	**(40.65)**	**341.09**	**1,371.75**
Grand Total	**5,47,627.24**	**65,372.01**	**1,578.17**	**6,11,421.08**	**2,72,061.80**	**27,231.47**	**2,748.18**	**2,96,545.09**	**3,14,875.99**

Notes:

1. Addition to plant & machinery and building include ₹ 191.92 Lakh (FY 2020-21: ₹ 0.68 Lakh) on account of interest on loan.
2. During the year, there is no revaluation for any Property Plant and Equipment.
3. There are no proceedings initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
4. Refer Note 22 and 27 for security clause.

* Sale/Adjustment includes adjustment of foreign exchange fluctuation loss of ₹ 101.72 Lakh (Previous Year gain of ₹ 6677.71 Lakh).

(₹ in Lakh)

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at April 1, 2020	Additions during the year	Sale / Adjustments *	As at March 31, 2021	As at April 1, 2020	For the year	Sale / Adjustments	As at March 31, 2021	As at March 31, 2021
Freehold Land	15,670.67	1,177.84	(416.66)	17,265.17	-	-	-	-	17,265.17
Buildings	1,00,827.43	1,255.97	(1,230.57)	1,03,313.97	29,291.59	4,165.19	(132.47)	33,589.25	69,724.72
Plant & Machinery	3,95,520.20	11,746.75	(3,271.38)	4,10,538.33	2,06,304.71	22,326.26	(8.73)	2,28,639.70	1,81,898.63
Electrical Installations	2,229.89	0.73	1.46	2,229.16	2,005.89	32.34	1.19	2,037.04	192.12
Furniture & Fixtures	2,485.38	1,827.66	1,836.15	2,476.89	1,726.75	91.10	141.87	1,675.98	800.91
Office Equipment	7,141.42	310.53	(1,207.96)	8,659.91	4,351.43	1,071.89	508.14	4,915.18	3,744.73
Vehicles	1,890.91	120.63	177.42	1,834.12	1,027.05	187.97	197.52	1,017.50	816.62
Total - Property Plant Equipment	**5,25,765.90**	**16,440.11**	**(4,111.54)**	**5,46,317.55**	**2,44,707.42**	**27,874.75**	**707.52**	**2,71,874.65**	**2,74,442.90**
Right-to-use Assets	1,071.74	454.30	216.35	1,309.69	76.28	90.75	(20.12)	187.15	1,122.54
Total - Right-to-use	**1,071.74**	**454.30**	**216.35**	**1,309.69**	**76.28**	**90.75**	**(20.12)**	**187.15**	**1,122.54**
Grand Total	**5,26,837.64**	**16,894.41**	**(3,895.19)**	**5,47,627.24**	**2,44,783.70**	**27,965.50**	**687.40**	**2,72,061.80**	**2,75,565.44**

Notes:

1. Addition to plant & machinery and building include ₹ 0.68 Lakh (FY 2019-20: ₹ 591.14 Lakh) on account of interest on loan.
2. During the year, there is no revaluation for any Property Plant and Equipment.
3. There are no proceedings initiated during the year or are pending against the Company as at March 31, 2021 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
4. Refer Note 22 and 27 for security clause.

* Sale/Adjustment includes adjustment of foreign exchange fluctuation gain of ₹ 6,677.71 Lakh (Previous Year gain of ₹ 25,048.70 Lakh).

Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

Note 5: Capital Work-in-Progress

(₹ in Lakh)

Particulars	As at April 1, 2021	Additions	Amount transferred from CWIP / Adjustment*	As at March 31, 2022
Capital Work-in-Progress	32,529.88	22,311.95	42,245.47	12,596.36
Total	**32,529.88**	**22,311.95**	**42,245.47**	**12,596.36**

Note:

* Amount transfered from CWIP /Adjustment includes adjustment of foreign exchange translation gain of ₹ 1,879.48 Lakh (Previous Year loss of ₹ 924.10 Lakh).

(₹ in Lakh)

Particulars	As at April 1, 2020	Additions	Amount transferred from CWIP / Adjustment*	As at March 31, 2021
Capital Work-in-Progress	2,978.91	37,045.53	7,494.56	32,529.88
Total	**2,978.91**	**37,045.53**	**7,494.56**	**32,529.88**

Note:

* Amount transferred from CWIP /Adjustment includes adjustment of foreign exchange translation loss of ₹ 924.10 Lakh (Previous Year gain of ₹ 237.18 Lakh).

Capital Work-in-Progress ageing Schedule:

(₹ in Lakh)

Particular	Less then 1 year	1-2 Year	2-3 Year	More than 3 year	Total
As at March 31, 2022					
Project in progress	10,374.14	1,916.69	284.84	20.69	12,596.36
Project temporarilly supended	-	-	-	-	-
As at March 31, 2021					
Project in progress	30,132.74	2,372.14	25.00	-	32,529.88
Project temporarilly supended	-	-	-	-	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 6: Investment Property

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at April 1, 2021	Additions during the year	Sale / adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Sale / adjustments	As at March 31, 2022	As at March 31, 2022
Building	434.41	-	-	434.41	140.68	10.17	-	150.85	283.56
Total	**434.41**	**-**	**-**	**434.41**	**140.68**	**10.17**	**-**	**150.85**	**283.56**

Particulars	Gross Carrying Amount				Depreciation				Net Carrying Amount
	As at April 1, 2020	Additions during the year	Sale / adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Sale / adjustments	As at March 31, 2021	As at March 31, 2021
Building	434.41	-	-	434.41	137.29	3.39	-	140.68	293.73
Total	**434.41**	**-**	**-**	**434.41**	**137.29**	**3.39**	**-**	**140.68**	**293.73**

Notes:

1. Investment Property consist of building located in the state of Uttar Pradesh.
2. Amount recognized in Consolidated statement of profit & loss.

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income	128.19	118.65
Direct operating expenses from property that generated rental income	121.35	131.23
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	**6.84**	**(12.58)**
Depreciation	10.17	3.39
Profit from investment properties	**(3.33)**	**(15.97)**

3. Restrictions on realisability and contractual obligations

The Company has no restrictions on the realisability of any of its investment properties and it is under no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

4. Fair Value

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment Property	933.80	933.80

5. Estimation of fair value

The valuation of the building situated at Noida has been carried by a registered approved valuer, conversant with and having knowledge of real estate activities in the concerned area, based on prevalent rates and other observable market inputs (Level 2 fair value).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 7: Other Intangible Assets

(₹ in Lakh)

Particulars	Gross Carrying Amount				Amortization				Net Carrying Amount
	As at April 1, 2021	Additions during the year	Sale / Adjustments *	As at March 31, 2022	As at April 1, 2021	For the year	Sale / Adjustments	As at March 31, 2022	As at March 31, 2022
Computer Software	540.05	1.32	(2.00)	543.37	527.63	10.42	(1.81)	539.86	3.51
Total	**540.05**	**1.32**	**(2.00)**	**543.37**	**527.63**	**10.42**	**(1.81)**	**539.86**	**3.51**

Note:

1. During the year, there is no revaluation for any Intangible Assets.

* Sale/Adjustment includes adjustment of foreign exchange translation gain of ₹ 2.00 Lakh (Previous Year loss of ₹ 77.68 Lakh).

(₹ in Lakh)

Particulars	Gross Carrying Amount				Amortization				Net Carrying Amount
	As at April 1, 2020	Additions during the year	Sale / Adjustments *	As at March 31, 2021	As at April 1, 2020	For the year	Sale / Adjustments	As at March 31, 2021	As at March 31, 2021
Computer Software	632.16	2.85	94.96	540.05	601.97	11.47	85.81	527.63	12.42
Total	**632.16**	**2.85**	**94.96**	**540.05**	**601.97**	**11.47**	**85.81**	**527.63**	**12.42**

Note:

1. During the year, there is no revaluation for any Intangible Assets.

* Sale/Adjustment includes adjustment of foreign exchange translation loss of ₹ 77.68 Lakh (Previous Year gain of ₹ 33.40 Lakh).

Note 7A: Depreciation and Amortization Expenses

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant & Equipment (Refer note: 4)	27,118.18	27,874.75
Depreciation on Right-to-use (Refer note: 4)	113.29	90.75
Amortization of Intangible Assets (Refer note: 7)	10.42	11.47
Depreciation on Investment Property (Refer note: 6)	10.17	3.39
Total	**27,252.06**	**27,980.36**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 8: Non-current Investments

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Investments Carried at Fair Value through OCI		
Investment in Bonds (Refer note 45)	13,646.62	19,707.59
TOTAL	**13,646.62**	**19,707.59**
- Aggregate amount of quoted Investments and market value thereof	13,646.62	19,707.59
- Aggregate amount of impairment in value of investments	-	-

Note 9: Other Non-current Financial Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
(Measured at amortized cost)		
Fixed Deposit with Banks #	4,593.46	255.09
Derivative Financial Instruments	3.19	-
Security Deposits	1,340.38	1,321.22
# with remaining maturity more than 12 months	5,937.03	1,576.31

Refer Note No. 45

Note 10: Deferred Tax Assets / Liability

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets		
Provision for long-term employees benefits	353.00	256.60
Reversal of Others Expenses	2,470.98	459.65
Re-measurement of defined benefit obligations	6.50	6.50
Unused tax losses	132.75	139.24
Sub-Total (a)	**2,963.23**	**861.99**
Deferred Tax Liability		
Property Plant & Equipment	12,838.09	12,197.09
Provision for long-term employees benefits	(497.74)	(344.79)
Others	(46.68)	(5,381.22)
Sub-Total (b)	**12,293.67**	**6,471.08**

Refer note 59 for movement in Deferred Tax

Note 11: Other Non-current Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Capital Advances to Vendors	9,680.32	14,150.92
Export Benefit Receivables	99.07	39.70
Input Tax Refundable	-	1,836.37
Total	**9,779.39**	**16,026.99**

The Company has not given any advance to directors or any other officers of the Company or any of them either severally or jointly with any other person or to any firm or private companies respectively in which any director is a partner or director or a member.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 12: Inventories

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Raw Materials	34,995.53	24,956.08
(including stock in transit of ₹ 3,847.31 Lakh, FY 2020-21:₹ 3,211.91 Lakh)		
Stock in Process	21,149.29	10,084.95
Finished Goods	56,643.70	31,652.44
(including stock in transit of ₹ 12,216.65 Lakh, FY 2020-21: ₹ 6,079.42 Lakh)		
Stores & Spares	18,062.91	14,734.61
Total	**1,30,851.43**	**81,428.08**

Notes

(i) The cost of inventories recognized as an expense includes ₹ 156.55 Lakh (increase in write down), FY 2020-21: ₹ 267.78 Lakh (reversal of write down) in respect of write downs of inventory to net realisable value.

(ii) The method of valuation of inventories has been stated in Note 2(l).

(iii) Refer Note 22 and Note 27 for security clause.

Note 13: Investment (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Carried at Fair value through Profit & Loss		
Investment in Mutual Fund (Refer note 45)	3,500.40	1,824.83
Carried at Fair value through OCI		
Investment in Bonds (Refer note 45)	10,404.84	7,247.79
TOTAL	**13,905.24**	**9,072.62**
Note:		
- Aggregate of quoted Investments and market value thereof	13,905.24	9,072.62
- Aggregate amount of impairment in value of investments	-	-

Note 14: Trade Receivables

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables, Unsecured	1,10,388.12	67,062.71
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables credit Impaired	-	-
Less: Allowance for credit Impaired	(28.81)	(20.78)
Total	**1,10,359.31**	**67,041.93**

Break up Trade Receivables

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables Considered Good - Secured	-	-
Trade Receivables Considered Good - Un-secured	1,10,359.31	67,041.93
Trade Receivables Considered Doubtful	28.81	20.78
Less: Allowance for Credit Impaired	(28.81)	(20.78)
Total	**1,10,359.31**	**67,041.93**

Refer Note 22 and 27 for security clause and note 45 and 48

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Trade Receivable Ageing Schedule:

(₹ in Lakh)

Particular	Outstanding for the following periods from due date of payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1-2 year	2-3 year	More than 3 year	Total
As at March 31, 2022							
Undisputed Trade Receivable							
(i) Considered Good	98,323.23	11,989.42	46.66	-	-	-	1,10,359.31
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	21.66	0.12	7.03	-	-	28.81
Disputed Trade Receivable							
(i) Considered Good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Total - Gross carrying amount (A)	**98,323.23**	**12,011.08**	**46.78**	**7.03**	**-**	**-**	**1,10,388.12**
Allowance for doubtful debts	-	21.66	0.12	7.03	-	-	28.81
Total (B)	**-**	**21.66**	**0.12**	**7.03**	**-**	**-**	**28.81**
Total - Net carrying amount (A-B)	**98,323.23**	**11,989.42**	**46.66**	**-**	**-**	**-**	**1,10,359.31**

(₹ in Lakh)

Particular	Outstanding for the following periods from due date of payments						
	Not Due	Less than 6 Months	6 Months - 1 year	1-2 year	2-3 year	More than 3 year	Total
As at March 31, 2021							
Undisputed Trade Receivable							
(i) Considered Good	61,969.07	5,072.86	-	-	-	-	67,041.93
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	19.43	0.04	1.31	-	-	20.78
Disputed Trade Receivable							
(i) Considered Good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Total - Gross carrying amount (A)	**61,969.07**	**5,092.29**	**0.04**	**1.31**	**-**	**-**	**67,062.71**
Allowance for doubtful debts	-	19.43	0.04	1.31	-	-	20.78
Total (B)	**-**	**19.43**	**0.04**	**1.31**	**-**	**-**	**20.78**
Total - Net carrying amount (A-B)	**61,969.07**	**5,072.86**	**-**	**-**	**-**	**-**	**67,041.93**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 15: Cash and Cash Equivalents

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(a) Bank Balance with Schedule Banks		
Current Accounts	1,646.23	1,423.49
(b) Bank Balance with Non-Schedule Banks		
Current Accounts	49,705.03	27,890.73
Fixed Deposits with original maturity less than three months	29,032.51	14,216.25
(c) Cash and Cash Equivalents		
Cash on hand	54.41	52.42
Total	**80,438.18**	**43,582.89**

Refer Note No. 45

Note 16: Bank Balances Other Than Above

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(a) Earmarked Balance with Banks		
Unpaid Dividend Accounts	620.69	2,702.11
Fixed Deposits with original maturity more than one year	510.50	255.09
	1,131.19	**2,957.20**
Less: Fixed Deposit presented under Other Non-current Financial Assets (Note 9)	(510.50)	(255.09)
Sub-Total (a)	**620.69**	**2,702.11**
(b) Other Bank Balances		
Fixed Deposits (Lien with Banks)	36.73	2.21
Fixed Deposits with original maturity more than 3 months but remaining maturity less then 12 months	9,541.57	48,892.67
Sub-Total (b)	**9,578.30**	**48,894.88**
TOTAL (a+b)	**10,198.99**	**51,596.99**

Refer Note No. 45

Note 17: Other Financial Assets (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Derivative Financial Instruments	109.95	250.57
Interest accrued on loans and deposits	337.31	1,044.06
Export Benefit Receivables	1,733.71	1,057.53
Security Deposits	56.14	46.61
Other Receivables *	170.71	184.13
Total	**2,407.82**	**2,582.90**

Refer Note No. 45

* Includes receivable from related party amounting to ₹ 24.94 Lakh (Previous year ₹ 27.79 Lakh).

Note 18: Current Tax Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Advance Income Tax (Net of Provision)	447.11	663.82
(Net of Provisions of ₹ 23,937.48 Lakh, FY 2020-21: ₹ Nil Lakh)		
Total	**447.11**	**663.82**

Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

Note 19: Other Current Assets

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
(Unsecured, considered good unless otherwise stated)		
Advances to Vendors & others	10,054.84	7,037.45
Prepaid Expenses	1,639.20	1,276.43
Balance with Government Authorities	4,153.07	6,789.46
Total	**15,847.11**	**15,103.34**

The Company has not given any advance to directors or any other officers of the Company or any of them either severally or jointly with any other person or to any firm or private companies respectively in which any director is a partner or director or a member.

Note 20: Equity Share Capital

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Authorised		
3,40,00,000 (Previous Year - 3,40,00,000) Equity Shares of ₹10 each	3,400.00	3,400.00
Issued, Subscribed and Fully Paid-up		
3,13,92,462 (Previous Year - 3,13,92,462) Equity Shares of ₹10 each	3,139.25	3,139.25
Add: Forfeited shares (Amount originally paid up)	57.86	57.86
Total	**3,197.11**	**3,197.11**

Reconciliation of Number of Shares

Particulars	As at March 31, 2022	As at March 31, 2021
Shares outstanding as at the beginning of the year	3,13,92,462	3,19,84,600
Additions during the year	-	-
Buyback during the year	-	(5,92,138)
Shares outstanding as at the end of the year	3,13,92,462	3,13,92,462

Shareholders Holding More Than 5% Shares

Particulars	As at March 31, 2022	As at March 31, 2021
Mahalaxmi Trading & Investment Co Limited		
- No. of Shares	76,22,390	76,22,390
- % of Shareholding	24.28%	24.28%
Secure Investments Limited		
- No. of Shares	55,35,744	55,35,744
- % of Shareholding	17.63%	17.63%

The Company has only one class of Equity Shares of par value of ₹ 10/- per share. Each holder of Equity Share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount and the remaining balance is distributed in proportion to the number of equity shares held by the Equity Shareholders.

In last five years there was no Bonus issue, buyback and / or issue of shares other than for cash considerations.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Details of Shareholding by the Promoters of the Company

Sr No	Promoter Name	Entity Type	As at March 31, 2022		As at March 31, 2021		% Changes in the year
			No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Mahalaxmi Trading And Investment Company Limited	Promoter Group	76,22,390	24.28%	76,22,390	24.28%	0.00%
2	Secure Investments Limited	Promoter Group	55,35,744	17.63%	55,35,744	17.63%	0.00%
3	Sanjiv Sarita Consulting Private Limited	Promoter Group	13,90,924	4.43%	13,90,924	4.43%	0.00%
4	Utkarsh Trading And Holding Limited	Promoter Group	4,11,278	1.31%	4,11,278	1.31%	0.00%
5	Bhilangana Hydro Power Limited	Promoter Group	2,08,000	0.66%	2,08,000	0.66%	0.00%
6	Ms. Sakhi Saraf	Promoter Group	5,70,000	1.82%	5,70,000	1.82%	0.00%
7	Mr. Sanjiv Chadha	Promoter Group	4,000	0.01%	4,000	0.01%	0.00%
8	Mr. Sanjiv Saraf	Promoter	138	0.00%	138	0.00%	0.00%
9	Ms. Amla Saraf	Promoter Group	2,59,000	0.83%	2,59,000	0.83%	0.00%
10	Mrs. Urmiladevi Narayandas Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
11	Mr. Narayandas Durgaprasadji Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
12	Mrs. Sarita Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%

Sr No	Promoter Name		As at March 31, 2021		As at March 31, 2020		% Changes in the year[1]
			No. of Shares	% of Total Shares [1]	No. of Shares	% of Total Shares[1]	
1	Mahalaxmi Trading And Investment Company Limited	Promoter Group	76,22,390	24.28%	76,22,390	23.83%	0.45%
2	Secure Investments Limited	Promoter Group	55,35,744	17.63%	55,35,744	17.31%	0.33%
3	Sanjiv Sarita Consulting Private Limited	Promoter Group	13,90,924	4.43%	13,90,924	4.35%	0.08%
4	Utkarsh Trading And Holding Limited	Promoter Group	4,11,278	1.31%	4,11,278	1.29%	0.02%
5	Bhilangana Hydro Power Limited	Promoter Group	2,08,000	0.66%	2,08,000	0.65%	0.01%
6	Ms. Sakhi Saraf [2]	Promoter Group	5,70,000	1.82%	2,45,000	0.77%	1.05%
7	Mr. Sanjiv Chadha	Promoter Group	4,000	0.01%	4,000	0.01%	0.00%
8	Mr. Sanjiv Saraf [2]	Promoter	138	0.00%	3,25,138	1.02%	-1.02%
9	Ms. Amla Saraf	Promoter Group	2,59,000	0.83%	2,59,000	0.81%	0.02%
10	Mrs. Urmiladevi Narayandas Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
11	Mr. Narayandas Durgaprasadji Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%
12	Mrs. Sarita Saraf	Promoter Group	20	0.00%	20	0.00%	0.00%

[1] % Change due to Company had brought back 5,92,138 equity shares during the year.

[2] % Change due to *inter se* transfer of 3,25,000 equity shares to Promoter Group.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 21: Other Equity

(₹ in Lakh)

		As at March 31, 2022	As at March 31, 2021
Share Warrants Forfeited			
Balance at beginning of the year		250.80	250.80
Addition during the year		-	-
Balance at end of the year	**Sub-Total (a)**	**250.80**	**250.80**
Share warrants forfeited account shall be utilized as per provisions of The Companies Act, 2013			
Capital Reserve			
Balance at beginning of the year		58.36	58.36
Addition during the year		-	-
Balance at end of the year	**Sub-Total (b)**	**58.36**	**58.36**
Securities Premium			
Opening balance		11,538.17	13,886.37
Add : Addition during the year		-	-
Less : Amount transferred to capital redemption reserve upon buyback		-	59.21
Less : Buyback of Equity Shares		-	2,288.99
Balance at end of the year	**Sub-Total (c)**	**11,538.17**	**11,538.17**
Securities Premium is credited when shares are issued at premium. It is utilized in accordance with the provisions of The Companies Act 2013, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting cost etc and applicable law in foreign subsidiaries.			
Capital Redemption Reserve			
Balance at beginning of the year		59.21	-
Addition during the year		-	59.21
Balance at end of the year	**Sub-Total (d)**	**59.21**	**59.21**
Capital Redemption Reserve has been created upon Buy back of shares effected during Financial Year 2020-21. Subject to the provisions of Act, it can be utilized to issue fully-paid bonus shares to the members of the Company.			
Legal Reserve			
Opening Balance		1,802.78	1,802.78
Addition during the year		-	-
Updation on translation adjustment		-	-
Sub-Total (e)		**1,802.78**	**1,802.78**
Legal Reserve is set up by Polyplex (Thailand) Public Company Limited (Subsidiary Company) as per applicable Act / Law. Legal Reserve is not available for dividend distribution.			
General Reserve			
Opening balance		5,801.43	6,455.10
Add: Transferred from Profit & Loss Account		250.00	250.00
Less: Utilized in Buyback of Equity shares		-	236.52
Less: Utilized in Tax Paid on Buyback of Equity Shares		-	588.34
Less: Utilized in Transaction cost relating to Buyback of Equity Shares		-	78.81
Sub-Total (f)		**6,051.43**	**5,801.43**
General Reserve is created out of the profits earned by the Group by way of transfer from surplus in the statement of profit and loss. The Group can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares			

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Retained Earnings		
Balance at Begning of the Year	2,19,669.61	2,16,758.94
Add:		
Profit as per Profit & Loss Statement	56,879.37	51,180.71
Re-measurement of the net defined benefit Plans through OCI	(178.44)	10.43
Less:		
Transferred to General Reserve	250.00	250.00
Dividend Paid	31,392.46	48,030.47
Sub-Total (g)	**2,44,728.08**	**2,19,669.61**
Fair Value of Investment in Debt Instrument Through OCI		
Opening Balance	833.96	(1,785.04)
Fair value of Investment in Debt Instrument	(797.36)	2,619.00
Sub-Total (h)	**36.60**	**833.96**

Debt instruments through other comprehensive income - This represents the cumulative gains and losses arising on the revaluation of debt instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and for impairment losses on such instruments.

Foreign Exchange Translation Reserve		
Opening Balance	62,108.52	62,242.18
Addition / (deletion) during the year	1,809.27	(133.66)
Sub-Total (i)	**63,917.79**	**62,108.52**

Foreign currency translation reserve - Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Rupees) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

TOTAL (a+b+c+d+e+f+g+h+i)	**3,28,443.22**	**3,02,122.84**

Note 22: Borrowing (Non-current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Secured term Loans from Banks		
Rupee Term Loan	4,721.72	8,331.83
Foreign Currency Term Loan	54,289.17	37,744.39
Sub-Total (a)	**59,010.89**	**46,076.22**
Less: Current Portion (Refer note 27)		
Rupee Term Loan	3,298.61	3,611.11
Foreign Currency Term Loan	7,870.55	5,909.08
Sub-Total (b)	**11,169.16**	**9,520.19**
TOTAL (a - b)	**47,841.73**	**36,556.03**

(a) Notes in respect of security clause, are disclosed in separate respective financial statements of the Company and its subsidiaries.

(b) Include Prepaid processing fees of ₹ 170.68 Lakh, (FY 2020-21: ₹ 170.03 Lakh).

(c) Refer Note 45

(d) Default in repayment of Principal and Interest: ₹ Nil.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 23: Lease Liabilities (Non-current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	415.77	313.05
Total	**415.77**	**313.05**

Refer Note No. 45

Note 24: Other Financial Liabilities (Non-current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Derivative Financial Instruments	207.70	229.35
Total	**207.70**	**229.35**

Refer Note No. 45

Note 25: Provision (Non-current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Employees Benefits Obligation	1,796.26	1,663.02
Total	**1,796.26**	**1,663.02**

Refer Note No. 47

Note 26: Other Liabilities (Non-current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Deferred Government Grants	23.00	29.67
Other Non-current Liability	12.76	13.07
Total	**35.76**	**42.74**

Note:

(a) The Company has recognized grant in respect of duty paid on procurement of capital goods under EPCG scheme of Central Government which allows refund in the form of freely transferable duty credit scrips of the duty paid upon meeting of specific export obligations. The Company expects to meet its export obligations in future years. During the year, an amount of ₹ 379.74 Lakh (FY 2020-21: ₹ 596.31 Lakh) was released from deferred income to the statement of profit and loss on fulfilment of export obligations.

(b) Capital and State Investment Subsidy Grants relating to property, plant and equipment relates to cash incentive received from Government for setting up industries in specified area. During the year, an amount of ₹ 6.67 Lakh (FY 2020-21: ₹ 6.67 Lakh) was released from deferred income to the statement of profit and loss.

Note 27: Borrowing (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Secured Loans:		
Loans from Banks repayable on Demand	5,854.42	6,654.82
Bank Cash Credit Account	102.56	82.76
Current Maturity of Long-Term Debt (refer note 22)	11,169.16	9,520.19
Sub-Total (a)	**17,126.14**	**16,257.77**
Unsecured Loans:		
Loans from Banks repayable on Demand	28,992.89	16,255.24
Sub-Total (b)	**28,992.89**	**16,255.24**
TOTAL	**46,119.03**	**32,513.01**

Notes in respect of security clause, are disclosed in separate respective financial statements of the Company and its subsidiaries.

Refer Note No. 45

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 28: Lease Liabilities (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	180.40	136.00
Total	**180.40**	**136.00**

Refer Note No. 45

Note 29: Trade Payable

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Total Outstanding due to		
Micro enterprises and Small enterprises (Refer note 54)	-	-
Creditors other than Micro enterprises and Small enterprises *	50,929.80	33,458.27
TOTAL	**50,929.80**	**33,458.27**

* Amount payable to Related Party Refer Note No. 48.

Refer Note No. 45

Trade Payable Ageing Schedule:

(₹ in Lakh)

Particular	Outstanding for the following periods from due date of payments					
	Not Due	Less then 1 year	1-2 Year	2-3 Year	More than 3 year	Total
As at March 31, 2022						
(i) Undisputed - MSME	-	-	-	-	-	-
(ii) Undisputed - Others	50,019.61	886.25	0.42	-	23.52	50,929.80
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-
As at March 31, 2021						
(i) Undisputed - MSME	-	-	-	-	-	-
(ii) Undisputed - Others	32,721.40	701.49	3.64	-	31.74	33,458.27
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-

Note 30: Other Financial Liabilities (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due	14.51	8.19
Unclaimed Dividend *	645.37	2,727.32
Other Security Deposits #	333.84	549.20
Capital Creditors	2,102.23	1,495.52
Derivative Financial Instruments	1,513.86	1,421.77
Other liabilities ** #	16,133.91	13,298.72
Total	**20,743.72**	**19,500.72**

Refer note 45

* on due, will be transferred to Investor Education and Protection Fund.

Including related party (Refer Note No. 48).

** Includes expenses payable.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 31: Other Liabilities (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Statutory liability	2,040.28	807.38
Contract Liability **	3,695.50	2,405.45
Deferred Government Grants *	35.71	109.05
Total	**5,771.49**	**3,321.88**

* Refer note 26 & 48.

** An amount of ₹ 2,390.26 Lakh had been recognized as income during the year that was included in the contract liability balance at beginning of the period.

Note 32: Provisions (Current)

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Employees Benefits Obligation	326.79	317.01
Total	**326.79**	**317.01**

Refer Note No. 47

Note 33: Current Tax Liabilities

(₹ in Lakh)

	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	5,639.38	2,312.16
(Net of Advance Tax of ₹ 4.94 Lakh, FY 2020-21: ₹ 19,519.34 Lakh)		
Total	**5,639.38**	**2,312.16**

Note 34: Revenue From Operation

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Detail of disaggregation of revenue from contract with customer based on nature of product		
(a) Sale of Products		
Plastic Films	6,01,950.83	4,60,999.35
Resins	34,976.14	18,963.41
Others	23,788.90	10,386.70
Sub-Total (a)	**6,60,715.87**	**4,90,349.46**
(b) Other Operating Revenues		
Export Incentive Received	1,723.98	1,477.31
Sub-Total (b)	**1,723.98**	**1,477.31**
TOTAL (a+b)	**6,62,439.85**	**4,91,826.77**
Reconciliation of revenue from contract with customer:		
Revenue from contracts with customer as per the contract price	6,71,010.42	5,01,022.56
Adjustments made to contract price on account of:		
a) Discounts and Rebates	(10,294.55)	(10,673.10)
Revenue from contracts with customer as per the Consolidated Statement of Profit and Loss	**6,60,715.87**	**4,90,349.46**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 35: Other Income

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income on Financial Assets		
From loan and deposits - measured at amortized cost	782.97	2,009.34
From debt instruments - measured at FVOCI	1,118.20	1,319.64
From others - measured at amortized cost	60.85	55.22
Rental income from investment property	128.19	118.65
Net gain on investments measured at FVTPL	13.78	227.68
Net gain on sale of investments measured at FVTOCI	-	69.55
Net gain on foreign currency transaction	8,761.14	253.47
MTM gain on derivative financial instruments measured at FVTPL	-	313.72
Net gain on sale of Property Plant & Equipment	1.16	-
Income from Government Grants	391.83	612.98
Allowance of expected credit loss reversal	1.50	-
Other Non Operating Income	1,538.41	924.96
Total	**12,798.03**	**5,905.21**

Note 36: Cost of Materials Consumed

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw Material consumed	3,54,894.32	2,17,853.89
Packing Material consumed	23,323.15	18,666.10
Total	**3,78,217.47**	**2,36,519.99**

Note 37: Changes in inventories of finished goods and work-in-progress

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Inventories		
Finished Goods	31,652.44	28,353.05
Work-in-Process - Chips / Others	10,084.95	9,089.30
	41,737.39	**37,442.35**
Closing Inventories		
Finished Goods	56,643.70	31,652.44
Work-in-Process - Chips / Others	21,149.29	10,084.95
	77,792.99	**41,737.39**
Changes in inventories of finished goods and work-in-progress	**(36,055.60)**	**(4,295.04)**

Note 38: Employees Benefits Expenses

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Bonus *	43,153.05	37,382.31
Contribution to Provident and other Funds (Refer note 47)	2,197.51	2,034.62
Staff Welfare Expenses	2,893.69	3,032.09
Total	**48,244.25**	**42,449.02**

* Includes amount paid to Related Party Refer Note No. 48

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 39: Finance Cost

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Expense on Financial Liabilities measured at Amortized Cost	1,474.98	1,655.17
Other Borrowing Costs	175.46	102.45
Total	**1,650.44**	**1,757.62**

Interest on loan capitalized ₹ 191.92 Lakh (FY 2020-21: ₹ 0.68 Lakh)

Note 40: Other Expenses

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Stores & Spares Consumed	12,618.30	11,309.62
Power & Fuel	34,527.32	29,032.63
Repairs and Maintenance:		
Building	616.67	523.70
Property Plant & Equipment	4,231.41	3,630.75
Others	294.44	269.07
Rent	1,558.42	1,413.31
Insurance	2,568.98	2,296.75
Rates & Taxes	336.87	459.30
Freight	51,095.73	24,878.50
Other Selling Expenses	3,603.65	2,987.19
Legal & Professional Expenses	1,809.41	1,431.36
Auditor's Remuneration (Refer Note 58)	350.51	345.71
Travelling & Conveyance	1,324.49	1,210.58
Directors' Sitting Fee	35.50	45.50
Allowance for Expected Credit Loss	6.30	3.00
Bad Debts	20.30	20.23
Donation	97.70	59.57
Corporate Social Responsibility Expenditures (Refer Note 55)	734.00	648.28
Property Plant & Equipment Written off	13.90	184.44
Intangible assets written off	-	8.60
Net loss on sale of Property Plant & Equipment	-	36.98
Net loss on sale of investments measured at FVTOCI	107.07	-
MTM loss on derivative financial instruments measured at FVTPL	217.11	-
Miscellaneous expenses	4,875.86	4,206.28
Total	**1,21,043.94**	**85,001.35**

Note 41: Tax Expenses

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current Tax expense		
Current Year	14,964.81	7,497.90
Tax of earlier years provided / written back	(164.17)	-
Deferred Tax Expense		
Origination & Reversal of Temporary Differences	3,403.31	4,157.29
Total	**18,203.95**	**11,655.19**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Reconciliation of effective tax rate

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit before taxes	1,14,686.75	97,851.55
Tax using the Company's domestic tax rate 25.168% (FY 2020-21: 25.168%)	28,864.36	24,627.28
Change in taxes on account of :		
Promotion Privileges	(9,162.66)	(7,477.12)
Change in applicable tax rates	80.80	(63.83)
Tax of income that is exempt	(7,901.71)	(8,099.87)
Tax on income that is taxable at special rate	-	-
Effect of expenses that are non-deductible	4,949.03	4,532.31
Tax loss brought forward	(4,131.18)	(6,852.66)
Tax of earlier years provided / written back	(170.32)	-
Differential tax rate of Subsidiaries	5,675.63	4,989.08
Total	**18,203.95**	**11,655.19**
Effective Tax Rate as reported in Statement of Profit & Loss	**15.87%**	**11.91%**

Note 42: Other Comprehensive Income

(₹ in Lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Items that will not be Reclassified to Profit or Loss:		
Re-measurement Gain / (Loss) on Defined Benefit Plans	(206.39)	30.56
Less: Income Tax related to Re-measurement Gain / (Loss) on Defined Benefit Plans	(77.29)	(8.46)
Items that will be Reclassified to Profit or Loss:		
Gain / (Loss) on change in Fair Value of Investment	(806.68)	2,183.84
Transfer of fair value adjustment reserve on financial assets at FVTOCI to Profit & loss	(127.24)	488.68
Foreign Currency Translation Reserve	1,411.21	2,507.71
Total	**348.19**	**5,219.25**

Note: 43

Events occurring after the Balance Sheet Date:

There are no events occurring after the Balance Sheet date for the Financial Year 2021-22 except Final Dividend proposed by the Board of Directors of the Company as per Note No – 53

Note: 44:

Financial Risk Management, Objectives and Policies:

A. Financial Risk Framework:

The group is exposed to various financial risks arising from its operations and finance activities. The group is primarily exposed to market risk (i.e. interest rate and foreign currency risk), credit risk and liquidity risk. The respective entity management supervises financial risk arising from business operations and financing activities.

Financial risk management within the group is governed by policies and guidelines approved by the senior management/ Risk Management Committee and the Board of Directors of respective entity. These policies and guidelines cover interest rate risk, foreign currency risk, credit risk and liquidity risk. Group policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Compliance with the policies and guidelines is managed by the management of the respective entity within the group. The objective of financial risk management is to contain, where deemed appropriate, exposures on net basis to the various types of financial risks mentioned above in order to limit any negative impact on the group's results and financial position.

In accordance with its financial risk policies, the group manages its market risk exposures by using specific type of financial instruments duly approved by the Risk Management Committee / Board of Directors as and when deemed appropriate. It is the group's policy and practices neither to enter into derivative transactions for speculative purpose, nor for any purpose unrelated to the underlying business. Senior management, Risk Management Committee and the Board of Directors of respective entity reviews and approves policies for managing each of the above risks.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

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 three types of risk: Currency Rate Risk, Interest Rate Risk and other Price Risks, such as Commodity Risk. The Group enters into the derivative contracts as approved by the respective entity Board to manage its exposure to interest rate risk and foreign currency risk.

i) **Foreign Currency Risk:**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has obtained foreign currency borrowings and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The foreign currency risk exposure of the Group is mainly in U.S. Dollar (USD) and Euro (EUR). The Group's exposure to foreign currency changes for all other currencies is not material.

The Group uses derivative financial instruments to reduce foreign exchange risk exposures and follows its risk management policies to mitigate the same. After taking cognizance of the natural hedge, the Group takes appropriate hedges to mitigate its risk resulting from fluctuations in foreign currency exchange rate(s).

Foreign Currency Risk Exposure is presented as under:

Currency	Financial Assets			
	As at March 31, 2022		As at March 31, 2021	
	Fx Amount	₹ in Lakh	Fx Amount	₹ in Lakh
USD	504.46	38,284.78	315.76	23,116.30
EURO	42.71	3,616.20	137.05	11,754.97
JPY	638.90	397.14	287.50	190.10
Others	868.81	614.24	401.77	363.69

Currency	Financial Liabilities			
	As at March 31, 2022		As at March 31, 2021	
	Fx Amount	₹ in Lakh	Fx Amount	₹ in Lakh
USD	795.40	60,369.94	317.47	23,236.81
EURO	266.96	22,623.36	372.73	31,971.05
JPY	228.40	141.97	219.70	145.27
Others	85.61	449.22	37.10	479.09

The following Sensitivity Analysis demonstrates the sensitivity of the Group in the USD, EURO, JPY and others Exchange rate to the Indian Rupee with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including the balances of monetary assets and liabilities between the Company and related parties and non-designated foreign currency derivatives as at 31 March 2022. These balances of monetary assets and liabilities between the Company and related parties have been eliminated in consolidated statement of financial position whereas their foreign currency fluctuation impact has not been eliminated from the income statement.

(₹ in Lakh)

Particulars	Change in currency exchange rate	Effect on Profit Before Tax	
		FY 2021-22	FY 2020-21
USD	5%	(1,104.26)	(6.03)
	-5%	1,104.26	6.03
Euro	5%	(9,034.62)	(9,185.32)
	-5%	9,034.62	9,185.32
JPY	5%	12.76	2.24
	-5%	(12.76)	(2.24)
Others	5%	8.25	(5.77)
	-5%	(8.25)	5.77

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note: This is mainly attributable to the exposure outstanding on foreign currency receivables and payables in the Group at the end of the reporting period. The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

Derivative financial instruments

The Group uses foreign currency forward and Interest rate swap contracts to manage some of its transactions exposure.

Forward Contracts

The Group has foreign currency sale and purchase forward contracts to offset the risk of currency fluctuations. These contracts are for settlement of operational receivable and payable. The Details of outstanding contracts as follow:

Polyplex Corporation Limited (including Subsidiaries)

Particulars	Contract Sell/Buy	Currency	FX Amount in Lakh	
			As at March 31, 2022	As at March 31, 2021
Forward Contracts	Baht/USD	USD	7.70	24.20
Forward Contracts	USD/Baht	USD	516.80	325.00
Forward Contracts	Baht/Euro	Euro	2.00	6.30
Forward Contracts	Euro/Baht	Euro	14.00	11.20
Forward Contracts	JPY/Baht	Japenese Yen	728.90	401.90
Forward Contracts	Euro/TL	Turkish Lira	275.00	9.50
Forward Contracts	Euro/USD	USD	241.20	123.40
Forward Contracts	USD/Euro	Euro	144.80	90.30
Forward Contracts	USD/INR	USD	59.58	32.50
Forward Contracts	EUR/INR	EUR	16.90	18.66
Forward Contracts	INR/USD	USD	10.00	-
Currency cum Interest rate swap	INR/Euro	Euro	59.32	105.05

ii. Interest Rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from working capital and long-term borrowings. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, and by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied. Further Group's investments are primarily in fixed deposits which carries fixed rate of interest and do not expose to interest rate risk.

Exposure to Interest rate risk:

The Interest rate profile of the Group's interest bearing financial instruments as reported to management of Group is as follows:

(₹ in Lakh)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
As at March 31, 2022			
INR	6,080.96	2,296.24	3,784.72
USD	21,445.75	20,092.39	1,353.36
Euro	35,718.65	34,366.93	1,351.72
Baht	30,886.07	-	30,886.07

Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

(₹ in Lakh)

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
As at March 31, 2021			
INR	8,416.09	2,270.26	6,145.83
USD	14,983.71	13,513.42	1,470.29
Euro	30,641.86	24,399.50	6,242.36
Baht	15,197.40	-	15,197.40

Sensitivity Analysis:
An increase / decrease of 50 basis points at the reporting date would have increased / decreased the Profit before Tax as shown below. This analysis assumes that all other variants remain constant.

(₹ in Lakh)

Particulars	Increase / Decrease in Basis Points	Effect on profit before tax	
		FY 2021-22	FY 2020-21
INR Borrowings	0.5%	(11.48)	(11.35)
	-0.5%	11.48	11.35
USD Borrowings	0.5%	(100.46)	(67.57)
	-0.5%	100.46	67.57
Euro Borrowings	0.5%	(171.83)	(122.00)
	-0.5%	171.83	122.00

iii. Commodity price risk:
The main raw materials which group procures are global commodities and their prices are to a great extent linked to the movement of crude prices directly or indirectly and any adverse fluctuation in the raw material cost can impact the Group's operating margins depending upon the ability of the Group to pass on the increase in costs to its customers. As selling prices are usually negotiated on a monthly / quarterly basis, in a balanced demand supply situation, the Group is able to adjust the selling prices following any changes in the raw material and other operating costs.

b) Credit risk
Credit risk refers to risk that counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, Fixed deposits, Bonds, other balances with banks, loans and other receivables.

For credit risk exposures, Refer Note No. 8-9, and 13-17 to the financial statements.

i. Trade Receivable:
The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. The group has a well-defined and robust internal credit management system to monitor unsecured sales. A strong internal credit risk management policy has enabled the group to manage credit risk prudently even when credit risk was high. Credit guarantee insurance is also obtained wherever required. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. There is no customer who accounted for 10% or more of revenue in the current years.

To manage trade receivables, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and aging of such receivables. Expected Credit Loss (ECL) is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. A default on financial assets is when a counter party fails to make the payment within 365 days, when they fall due. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

For ageing of trade receivables and allowances for credit impairment refer note no. 14.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Reconciliation of allowance for credit impairment:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning	20.78	16.91
Impairment Loss Reversed	(11.79)	(20.23)
Additional Provision Created / Reversed	19.82	24.10
Balance at the End	**28.81**	**20.78**

Financial assets are written off when there is no reasonable expectation of recovery. Whereas the loans and receivables are written off and subsequently recoveries are made, these are recognized as income in the financial statements

ii. Financial assets to which loss allowances measured using 12 months expected credit loss:

For financial assets (other than trade receivables) which are not measured at fair value through Profit and Loss account, 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 these are measured at lifetime ECL. The Group does not have any expected credit loss on financial assets which are measured on 12 month ECL and also has not observed any significant increase in credit risk since initial recognition of the financial assets.

Cash and Cash Equivalents, Deposits with Banks:

Credit risk on cash and cash equivalents and deposits with banks is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Derivatives (Forward Contracts):

Derivatives are entered into with banks, counter parties which have low credit risk, based on external credit ratings of counter parties. For other financial assets the group monitors ratings, credit spreads and financial strengths of its counterparties. Based on its ongoing assessment of the counter party's risk, the group adjust its exposures to various counter parties. Based on Group assessment, there is no impairment in other financial assets.

c) Liquidity risk:

Liquidity risk is the risk, where the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. The Group manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Group also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

The table below analyzes the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

(₹ in Lakh)

Particulars	Carrying amount	Less than 6 months	6 to 12 months	> 1 years	Total
As at March 31, 2022					
Interest bearing borrowings (including current maturities)	94,131.44	40,682.54	5,436.49	48,012.41	94,131.44
Financial derivatives	1,721.56	1,397.33	116.53	207.70	1,721.56
Lease liabilities obligation	596.17	92.54	87.86	415.77	596.17
Other liabilities	19,229.86	19,229.86	-	-	19,229.86
Trade Payables	50,929.80	50,929.80	-	-	50,929.80
Total	**166,608.83**	**112,332.07**	**5,640.88**	**48,635.88**	**166,608.83**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	Carrying amount	Less than 6 months	6 to 12 months	> 1 years	Total
As at March 31, 2021					
Interest bearing borrowings (including current maturities)	69,239.07	27,788.47	4,724.54	36,726.06	69,239.07
Financial derivatives	1,651.12	1,421.77	-	229.35	1,651.12
Lease liabilities obligation	449.05	67.10	68.90	313.05	449.05
Other liabilities	18,078.95	18,078.95	-	-	18,078.95
Trade Payables	33,458.27	33,458.27	-	-	33,458.27
Total	**122,876.46**	**80,814.56**	**4,793.44**	**37,268.46**	**122,876.46**

B. Capital Risk Management

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Group's capital management is to maximize the shareholder value. The Group's primary objective while managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns to shareholders. The Group also endeavours to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued equity share capital, securities premium and all other reserves attributable to owners. Debt includes, interest bearing loans and borrowings.

The Group monitors capital using Debt-Equity Ratio, which is debt divided by Total Equity.

The ratios at March 31, 2022 and March 31, 2021 were as follows:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Share Capital	3,197.11	3,197.11
Other Equity	328,443.22	302,122.84
Total Equity (A)	**331,640.33**	**305,319.95**
Non-current Borrowings	48,012.41	36,726.06
Current Borrowings	34,949.87	22,992.82
Current Maturities of Non-current Borrowings	11,169.16	9,520.19
Gross Debt (B)	**94,131.44**	**69,239.07**
Gross Debt as Above	**94,131.44**	**69,239.07**
Less: Cash & Cash Equivalents	80,438.18	43,582.89
Less: Other balances with bank	9,541.57	48,892.67
Less: Fixed Deposit with Banks (Non-current)	4,593.46	255.09
Net Debt (C)	**(441.77)**	**(23,491.58)**
Net Debt to Equity (C / A)	**0%**	**-8%**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note: 45 Financial Instruments: By Category

a) Financial Assets and Liabilities: By Category:

(₹ in Lakh)

Particular	Aa at March 31, 2022			Aa at March 31, 2021		
	FVTPL	Amortized Cost	FVTOCI	FVTPL	Amortized Cost	FVTOCI
Financial Assets						
Investments	3,500.40	-	24,051.46	1,824.83	-	26,955.38
Trade receivables	-	1,10,359.31	-	-	67,041.93	-
Cash and Cash Equivalents	-	80,438.18	-	-	43,582.89	-
Bank Balances other than above	-	10,198.99	-	-	51,596.99	-
Other Financial Assets	113.14	8,231.71	-	250.57	3,908.64	-
Total	**3,613.54**	**2,09,228.19**	**24,051.46**	**2,075.40**	**166,130.45**	**26,955.38**
Financial Liabilites						
Borrowings	-	94,131.44	-	-	69,239.07	-
Trade payables	-	50,929.80	-	-	33,458.27	-
Other Financial liabilities	1,721.56	19,229.86	-	1,651.12	18,078.95	-
Lease Liabilities	-	596.17	-	-	449.05	
Total	**1,721.56**	**1,64,887.27**	**-**	**1,651.12**	**121,225.34**	**-**

b) Fair values of Financial Assets and Liabilities:

(₹ in Lakh)

Particulars	Fair Value Hierarchy		
	Level 1	Level 2	Level 3
As at March 31, 2022			
Financial assets			
Investments	18878.67	8673.19	-
Derivatives			
Forward contracts and swaps	-	113.14	-
Financial liabilities			
Derivatives			
Forward contracts and swaps	-	1721.56	-

(₹ in Lakh)

Particulars	Fair Value Hierarchy		
	Level 1	Level 2	Level 3
As at March 31, 2021			
Financial assets			
Investments	19,696.45	9,083.76	-
Derivatives			
Forward contracts and swaps	-	250.57	-
Financial liabilities			
Derivatives			
Forward contracts and swaps	-	1,651.12	-

The Accounting Policy for fair value has been defined in Note 2(u) financial statements.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Valuation process and technique used to determine fair value:

Particulars	Fair value hierarchy	Valuation technique	Inputs used
(A) Financial assets			
Investment			
- Investment in Bonds & Mutual Funds	Level 1	Market valuation techniques	On quoted price (unadjusted) in active market for identical assets.
	Level 2	Market valuation techniques	Mark to market values determined by the Authorized Dealers Banks.
Derivatives - not designated as hedging instruments			
- Forward contracts	Level 2	Market valuation techniques	Mark to market values determined by the Authorized Dealers Banks.
- Currency cum Interest rate swaps	Level 2	Market valuation techniques	Prevailing / forward interest rates in market, interest rates to discount future cash flow
(B) Financial liabilities			
Derivatives - not designated as hedging instruments			
- Forward contracts	Level 2	Market valuation techniques	Forward foreign currency exchange rates, Interest rates to discount future cash flow
- Currency cum Interest rate swaps	Level 2	Market valuation techniques	Prevailing / forward interest rates in market, interest rates to discount future cash flow

c) Fair Value of Financial Instrument measured at amortized Cost:

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled. Long-term variable-rate borrowings measured at amortized cost are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of other factors for the group is considered to be insignificant in valuation.

Note: 46

Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors of the Group who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The Group is engaged in the business of manufacturing & distribution of Plastic Films, hence there is one operating segment.

Entity wide disclosure as applicable to the Group are mention below:

(i) Information about geographical areas:

(₹ in Lakh)

Particular	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from External Customer		
With in India	110,486.93	87,119.65
Outside India	551,952.92	404,707.12
Total Revenue	**662,439.85**	**491,826.77**
Non-current Assets		
With in India	32,198.72	34,813.85
Outside India	305,258.52	289,641.57
Total Non-current Assets	**337,457.24**	**324,455.42**

(ii) Revenue from major customer: There is no customer having revenue amounting to 10% or more of Group's total revenue.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note: 47 Employee Benefits

(A) Polyplex Corporation Limited (Standalone)

A. Defined Contribution Plan

Contribution to Defined Contribution Plan recognized and charged off / debited to Statement of Profit & Loss are as under:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to Provident Fund	483.18	403.21
Employer's Contribution to Superannuation Fund	63.61	63.33

B. National Pension Fund

Contribution to National Pension Fund (NPS) debited to Statement of Profit & Loss amounts to ₹ 101.72 Lakh (Previous Year: ₹ 69.30 Lakh)

C. Defined Benefit Obligations (Gratuity)

The employees' Gratuity Scheme is managed by Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

D. Other Long-Term Employee benefits:

Leave Encashment: The Company has provided for its Liability towards Leave encashment, based on the actuarial valuation

Sick Leave: he Company has provided for its Sick Leave liability based on the actuarial valuation. The Outstanding liability as on March 31, 2022 and March 31, 2021 is ₹ 192.08 Lakh, and ₹ 191.04 Lakh respectively. The Company has recognized ₹ 1.04 Lakh as an expense during the Financial Year 2021-22. (Previous Year: ₹ 21.42 Lakh)

E. The disclosures required under IND-AS 19 "Employee Benefits" notified in the Companies (Indian Accounting Standards) Rules, 2015 are as given below:

(₹ in Lakh)

Particulars	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	Funded	Non-Funded	Funded	Non-Funded
	As at March 31, 2022		As at March 31, 2021	
a) Reconciliation of Opening and Closing Balances of Defined Benefit Obligation:				
Defined Benefit Obligation at beginning of the year	2,116.87	553.97	1,927.15	448.77
Current Service Cost	192.76	94.94	162.86	81.44
Interest Cost	143.95	37.67	125.27	29.17
Remeasurement (Gains) / Loss	288.83	33.58	19.95	59.90
Benefit Paid	(199.85)	(93.30)	(118.36)	(65.31)
Defined Benefit Obligation at year end	**2,542.56**	**626.86**	**2,116.87**	**553.97**
b) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets:				
Fair value of Plan Assets at beginning of the year	2,308.33	-	1,737.99	-
Expected return on Plan Assets	168.31	-	127.57	-
Remeasurement Gains / (Loss)	(18.27)	-	(5.89)	-
Employer Contribution	533.38	-	567.02	-
Benefit Paid	(199.85)	-	(118.36)	-
Fair value of Plan Assets at year end	**2,791.90**	**-**	**2,308.33**	**-**
c) Reconciliation of Fair Value of Assets and Obligations:				
Fair Value of Plan Assets as at year end	2,791.90	-	2,308.33	-
Present Value of Obligation as at year end	2,542.56	626.87	2,116.87	553.97
Net Assets / (Liability)	**249.34**	**(626.87)**	**191.46**	**(553.97)**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(₹ in Lakh)

Particulars	Gratuity	Compensated Absences	Gratuity	Compensated Absences
	Funded	Non-Funded	Funded	Non-Funded
	As at March 31, 2022		As at March 31, 2021	
d) Expenses Recognized during the year:				
Current Service Cost	192.75	94.94	162.86	81.44
Interest Cost	143.95	37.67	125.27	29.17
Expected return on Plan Assets	(168.31)	NA	(127.55)	NA
Remeasurement (Gains) / Loss	-	33.58	-	59.90
Expense Recognized in Statement of Profit & Loss	**168.39**	**166.19**	**160.58**	**170.51**
e) Remeasurements recognized in Other Comprehensive Income (OCI):				
Remeasurement (Gains) / Loss for the year – Obligation	288.83	-	19.95	-
Actual return on Plan Assets less Interest on Plan Assets	18.27	-	5.89	-
Expenses Recognized in Other Comprehensive Income (OCI)	**307.10**	**-**	**25.84**	**-**
f) Senstivity analysis for Significant Assumptions:				
Increase / (Decrease) in present value of defined benefits obligation at the end of year:				
1% increase in discount rate	(167.66)	(53.17)	(134.22)	(45.87)
1% decrease in discount rate	196.63	63.08	156.80	54.29
1% increase in salary escalation rate	192.33	61.70	152.91	52.94
1% decrease in salary escalation rate	(167.37)	(53.08)	(133.64)	(45.67)
g) Expected (Undiscounted) Benefits Payment in Future:				
Within next 12 months	782.73	134.71	672.65	125.96
Between 1 to 5 years	562.21	123.22	472.92	106.72
Between 6 to 10 years	813.74	96.27	663.42	78.11
h) Investment Details:				
LIC Group Gratuity (Cash Accumulation) Policy	100%	NA	100%	NA
i) Actuarial assumption				
Mortality Table (LIC)	2006-08		2006-08	
	IALM - Ultimate		IALM - Ultimate	
Discount Rate (per annum)	6.80%	6.80%	6.50%	6.50%
Expected Return on Plan Assets (per annum)	7.00%	NA	7.00%	NA
Withdrawal Rate	1% - 3%		1% - 3%	
Rate of Escalation in Salary (per annum)	8.00%		8.00%	
Retirement Age	58		58	

F. Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow –

A. Salary Increases - Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B. Investment Risk – If Plan is funded then the mismatch between assets and liabilities and actual return on assets being lower than the discount rate assumed at the last valuation date can impact the liability.

C. Discount rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

D. Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E. Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(B) Disclosure with respect to Foreign Entity:

(₹ in Lakh)

Particular	Employee Retirement Pension		Other employee benefits	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Provision for long-term employee benefits at beginning of year	1,059.98	1,125.44	175.03	162.16
Inculded in Profit or Loss:				
Current service cost	137.59	31.71	26.81	27.79
Interest cost	35.82	24.41	2.14	1.72
Past Service Cost	(24.26)	-	-	-
Actuarial loss /(gains)	-	-	34.06	-
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	0.69	-	-
Financial assumptions changes	(113.21)	(57.54)	-	-
Experience adjustments	7.16	0.45	-	-
Benefits paid during the year	(3.08)	(97.77)	(18.85)	(18.36)
Translation Adjustment	(10.99)	32.58	(4.08)	1.72
Provision for long-term employee benefits at end of year	1,089.00	1,059.98	215.11	175.03

Long-term employee benefit expenses included in the profit & loss consist of the following:

(₹ in Lakh)

Particular	Employee benefit expenses	
	March 31, 2022	March 31, 2021
Current service cost	164.40	59.50
Interest cost	37.96	26.14
Past service cost	(24.26)	-
Actuarial loss /(gains)	34.06	-
Total expenses recognized in profit & loss	**212.16**	**85.64**

The Company and its subsidiary expected to pay ₹ 86.75 Lakh of long-term employee benefits during next year (2021 : ₹ 84.17 Lakh)

As at March 31, 2022, the weighted average duration of the liabilities for the long-term employee benefits was 15-21 year (2021: 15-22 years)

Significant actuarial assumptions are summarized below:

Particular	Acturial Assumptions	
	March 31, 2022	March 31, 2021
Discount Rates	3.1960% - 7.6% per annum	1.56% - 7.8% per annum
Salary increase rates	0.9% - 6.0% per annum	1.0% - 6.0% per annum
Turnover rates	3.9% - 20.0% per annum	3.8% - 20.0% per annum
Gold price	INR 0.7 Lakh per bhat weight	INR 0.55 Lakh per bhat weight

Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefits obligation as at March 31, 2022, and March 31, 2021 are summarized below:

Particular	Employee Retirement Pension Increase 1% - 10%		Employee Retirement Pension decrease 1% - 10%	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate	(531.25)	(193.33)	532.89	228.03
Salary rate	108.73	226.86	(78.12)	(200.61)

Particular	Increase 10% - 20%		Decrease 10% - 20%	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Turnover rate	(63.55)	(77.39)	84.01	103.88
Gold price rate	-	-	-	-

Particular	Other employee benefits Increase 1%		Other employee benefits decrease 1%	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount Rate	(9.63)	(9.52)	10.64	10.45
Salary rate	-	-	-	-

Particular	Increase 20%		Decrease 20%	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Turnover rate	(34.29)	(27.64)	43.30	35.28
Gold price rate	46.64	35.54	(46.64)	(35.54)

Note 48: Related Party Transaction

a) Related parties with whom transactions have taken place during the year

Key Management Personnel (KMP)

i) Mr. Sanjiv Saraf (Chairman)

ii) Mr. Pranay Kothari (Executive Director)

iii) Mr. Brij Kishore Soni (Independent Director)

iv) Mr. Jitender Balakrishnan (Independent Director)

v) Ms. Pooja Haldea (Independent Director)

vi) Mr. Ranjit Singh (Independent Director)

vii) Mr. Sanjiv Chadha (Non-Executive Director)

viii) Dr. Suresh Inderchand Surana (Independent Director)

ix) Mr. Ashok Kumar Gurnani (Company Secretary)

x) Mr. Manish Gupta (Chief Financial Officer)

Relatives of Key Management Personnel

i) Ms. Ritu Kothari

ii) Ms. Sakhi Saraf

iii) Ms. Gauri Gidwani

iv) Ms. Amla Saraf

v) Mrs. Urmiladevi Narayandas Saraf

vi) Mr. Narayandas Durgaprasadji Saraf

vii) Mrs. Sarita Saraf

viii) Mrs. Ruchi Suresh Surana

ix) Mr. Swatantran Singh Kothari

x) Mrs. Deepika Gurnani

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

b) Enterprises over which Key Management Personnel, their relatives and major shareholders have significant influence:

i) Beehive Systems Private Limited

ii) Manupatra Information Solutions Private Limited

iii) Dalhousie Villa Private Limited

iv) Bhilangana Hydro Power Limited

v) Kotla Hydro Power Private Limited

vi) Punjab Hydro Power Private Limited

vii) Abohar Power Generation Private Limited

viii) Kanchanjunga Power Company Private Limited

ix) Utkarsh Trading and Holdings Limited

x) Suresh Surana & Associates, LLP

xi) RSM Astute Consulting Private Limited

xii) Rekhta Foundation

xiii) Praxis Consulting & Information Services Private Limited

xiv) Aspire Labs Accelerator Private Limited

xv) Mahalaxmi Trading and Investment Company Limited

xvi) Secure Investments Limited

xvii) Sanjiv Sarita Consulting Private Limited

Nature of Transactions with Related Parties

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of Material / Services		
Relative of KMP	29.70	29.70
Enterprises over which KMP have significant influence	94.78	76.92
	124.48	**106.62**
Services Rendered		
Enterprises over which KMP have significant influence	121.36	108.08
	121.36	**108.08**
Reimbursement of expenses from		
Enterprises over which KMP have significant influence	91.86	101.16
	91.86	**101.16**
Interest Received		
Enterprises over which KMP have significant influence	-	87.35
	-	**87.35**
CSR Expenditure		
Enterprises over which KMP have significant influence	600.00	495.00
	600.00	**495.00**
Salary Expenses		
Relative of KMP	102.64	106.50
	102.64	**106.50**
Dividend Paid		
Enterprises over which KMP have significant influence	15,168.34	23,207.55
Key Management Personnel	7.49	508.71
Relative of KMP	833.46	77.94
	16,009.29	**23,794.20**

Notes to the Consolidated Financial Statements
For the year ended March 31, 2022

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Key management personnel compensation		
Managerial Remuneration	976.05	755.77
Commission to Director	-	-
Directors' Sitting Fees	35.50	45.50
	1,011.55	**801.27**

Outstanding Balances

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Receivables on account of sale of Goods / Services		
Enterprises over which KMP have significant influence	10.92	17.03
	10.92	**17.03**
Receivables on account of expenses recovered		
Enterprises over which KMP have significant influence	14.02	10.76
	14.02	**10.76**
Loan given to		
Enterprises over which KMP have significant influence	-	-
	-	**-**
Security Deposits Recoverable		
Relative of KMP	20.25	20.25
Enterprises over which KMP have significant influence	5.00	5.00
	25.25	**25.25**
Security Deposits Payable		
Enterprises over which KMP have significant influence	11.26	11.26
	11.26	**11.26**
Payables		
Key Management Personnel	178.31	148.43
Relative of KMP	1.63	1.46
Enterprises over which KMP have significant influence	-	13.31
	179.94	**163.20**

c) Terms & conditions of transactions with Related Parties

The sales to and purchases from related parties, including rendering / availing of service, are made on terms equivalent to those that prevail in arm's length transactions. The dividends declared by the Board/Shareholders are paid uniformally to all shareholders. The outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided to or received for any related party receivable or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties for the year ended March 31, 2022 and March 31, 2021 other than that stated above.

Note 49:

Contingent Liabilities not provided for and other commitments, in respect of:

a) Disputed matters under litigation:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Excise Duty, Customs Duty and Service Tax *	54.58	31.32
Sales Tax and Entry Tax **	325.80	325.80
Income Tax	1,250.85	1,105.28
Others	17.08	16.56

* Amount deposited ₹ 13.10 Lakh (March 31, 2021: ₹ 1.48 Lakh).

** Amount deposited ₹ 179.76 Lakh (March 31, 2021: ₹ 177.16 Lakh).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

b) Guarantees:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Guarantee given to/by the Bank and Others outstanding	3319.93	897.57

c) Import duty obligations on outstanding export commitment under Advance License is ₹ 69.62 Lakh (previous year – ₹ 232.70 Lakh)

d) Service Agreements

Polyplex (Thailand) Public Company Limited (including Subsidiaries)

As at March 31, 2022, the Company had commitments aggregating to ₹ 273.93 Lakh (Previous Year - ₹ 74.82 Lakh) under various service agreements. These agreements are maturing between May 2022 and February 2025.

Note 50:

Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 9,680.32 Lakh (Net of Advances of ₹ 26,896.35 Lakh), (Previous Year: ₹ 14,186.13 Lakh (Net of advance of ₹ 27,280.33 Lakh)).

Note 51:

Research and Development

The revenue expenditure of ₹ 1,018.09 Lakh (Previous Year: ₹ 594.22 Lakh) and capital expenditure of ₹ Nil (Previous Year: ₹ Nil) on Research & Development are charged to the respective heads of account.

Note 52:

Capital Work-in-Progress includes:

Capital work-in-progress includes equipment's not yet installed, construction/ erection material, construction/ erection work-in-progress, machinery at site and / or in transit and other pre-operative expenses pending allocation / capitalization. Pre-operative expenses pending allocation / capitalization of the Indian Company are:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Pre-operative expenses brought forward	-	34.94
Raw Material Consumed	3.43	-
Power & Fuel	-	-
Interest on Term Loan	-	-
Miscellaneous & Other Expenses	9.48	-
Total	**12.90**	**34.94**
Less: Scrap Sales	0.83	-
Less: Allocated and Capitalized during the year	12.08	34.94
Balance Pending Allocation Transfer to Balance Sheet	**-**	**-**

Note 53:

Dividend Note

Detail of dividend paid and proposed to be distributed:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Dividend Paid to Equity Shareholders	26,055.74	46,111.39
Dividend Proposed to Equity Shareholders	6,592.42	5,336.72

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

Note 54:

The Micro, Small and Medium Enterprises Development Act, 2006

The information regarding Micro, Small and Medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Group:

(₹ in Lakh)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
a)	i) Principal amount remaining unpaid at the end of the accounting year	-	-
	ii) Interest due on above	-	-
b)	The amount of interest paid by the buyer along with amount of payment made to the suppliers beyond the appointed date	-	-
c)	The amount of interest accrued and remaining unpaid at the end of financial year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding interest specified under this Act	-	-
e)	The amount of further interest due and payable in succeeding year, until such interest is actually paid.	-	-

Note 55:

Corporate Social Responsibility:

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are specified in Schedule VII of the Companies Act, 2013. During the current financial year Company met its current and brought forward CSR obligations as detailed below.

a) Details of CSR Expenditure

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount required to be spent during the year	734.00	454.67
Amount approved by the Board to be spent during the year	734.00	456.00
Unspent obligation in relation to Ongoing Project of Previous Year	61.81	70.00
Unspent obligation in relation to Other than Ongoing Projects of Previous Year	-	110.43
Total amount required to be spent during the year	**795.81**	**635.10**
Amount contributed / spent during the year on:		
A) On-going Projects:		
Healthcare projects (Amount spent from Unspent A/c of Previous Year)	61.81	-
Healthcare projects	46.76	66.19
Promotion of Art and Culture (Refer Note No. 44)	600.00	-
Promoting Education	-	-
Total (A)	**708.57**	**66.19**
B) Other than On-going Projects:		
Promotion of Art and Culture (Refer Note No. 44)	-	475.00
Promoting Education	-	27.64
Healthcare	15.00	6.00
Rural Development Projects	5.00	-
Others – diversified	6.00	11.64
Total (B)	**26.00**	**520.28**
Total (A + B)	**734.57**	**586.47**
Accrual towards unspent obligation in relation to		
Ongoing Project	61.24	61.81
Other than going Ongoing Project	-	-
Total	**61.24**	**61.81**
Total	**795.81**	**648.28**
Less: Amount spent from Unspent A/c of Previous Year	61.81	-
Amont to be recognized in Statement of Profit and Loss	**734.00**	**648.28**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

b) Details of Ongoing CSR Project u/s Section 135(6)

(₹ in Lakh)

Financial Year	Opening Balance (April 1)		Amount required to be spent during the year	Amount spent during the year		Closing Balance (March 31)	
	With Company	In Separate CSR Unspent A/c		From Company's Bank A/c	From Separate CSR Unspent A/c	With Company *	In Separate CSR Unspent A/c
2020-21	70.00	-	58.00	66.19	-	61.81	-
2021-22	61.81	-	708.00	646.76	61.81	61.24	-

*Pursuant to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, Unspent CSR amount for the FY 2021-22 has been deposited in Separate Bank Account on April 29, 2022. Unspent CSR amount for the FY 2020-21 was deposited in separate bank account on April 30, 2021 which has since been utilized.

c) Details of CSR expenditure under Section 135(5) of the Act in respect of unspent amount other than ongoing projects:

(₹ in Lakh)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	26.00	26.00	-

d) Reconciliation of Unspent Amount:

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the Beginning	61.81	-
Less: Amount spent from Unspent A/c of Previous Year	(61.81)	-
Amount Unspent during Current Year	61.24	61.81
Balance at the End	**61.24**	**61.81**

e) Reason for Unspent CSR Amount:

Company has been able to spend the requisite amount of CSR obligation during the year except a sum of ₹ 61.24 Lakh pertaining to Financial Year 2021-22 in respect of 'Ongoing Projects', which has been deposited in unspent CSR Account. This was due to the fact that requisition for spending the same was not received from the Chikitsa Prabandhan Samiti, of ongoing hospital projects at Khatima and Bazpur.

Note 56:

Earnings per Share

Particulars	Unit	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Profit/Loss for the year	(₹ in Lakh)	56,879.37	51,180.71
Weighted Average number of Equity Shares considered as Denominator for calculation of Basic EPS	(Nos.)	31,392,462	31,482,136
Weighted Average number of Equity Shares considered as Denominator for calculation of Diluted EPS	(Nos.)	31,392,462	31,482,136
Basic EPS	(₹)	181.19	162.57
Diluted EPS	(₹)	181.19	162.57
Face Value per share	(₹)	10.00	10.00

Note 57:

Leases:

A. As a Lessee

a) Right to Use:

The Group has created following Right of Use Assets as per Para C8 (b) (i) of Ind AS-116 by applying Modified Retrospective Method as prescribed in Para C5 of the standard;

(₹ in Lakh)

Particulars	FY 2021-22	FY 2020-21
Net Carrying amount as at April 1, 2021	1,122.54	995.46
Additions during the FY 2021-22	404.49	454.30
Depreciation charged	113.29	90.75
Net Carrying amount as at March 31, 2022	1,371.75	1,122.54
Cash flow for Leases	167.02	122.99

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

b) **Maturity Analysis of Lease Liabilities as required by Para 58 of Ind AS-116 has been disclosed as follow:**

(₹ in Lakh)

Period	FY 2021-22	FY 2020-21
0-1 year	180.40	136.00
0-5 years	398.50	295.33
More than 5 years	17.27	17.72

c) Group has elected Para 6 of Ind AS-116 for short-term leases & recognized lease expense of ₹ 393.18 Lakh (FY 2020-21 - ₹ 262.30 Lakh) associated with these leases.

d) Group has recognized Interest expenses of ₹ 18.32 Lakh (FY 2020-21 – 138.15 Lakh) on Lease Liabilities during the year.

e) Lease contracts entered by the Group majorly pertain for Land, office Building and equipment taken on lease to conduct its business in the ordinary course of business.

f) Group does not have any lease restrictions and commitment towards variable rent as per the contract. Also the Group does not have lease term extension options which are not reflected in the measurement of lease liabilities.

B. As a Lessor

a) Lease contracts entered by the Group majorly pertain to certain area of building given on lease to companies for conducting their business.

b) Group has managed risk associated with the rights in leased assets given by incorporating covenants in agreement like indemnification of occurrence of losses due to action of lessees.

c) Maturity Analysis of Lease Payments to be received

(₹ in Lakh)

Period	FY 2021-22	FY 2020-21
0-1 year	84.88	82.59
0-5 years	-	-
More than 5 years	-	-

Note 58:

Auditor's Remuneration:

(₹ in Lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit Fee	340.69	335.03
Tax Audit fee	4.00	4.00
Certification & Other fees	1.30	1.30
Out of Pocket Expenses	4.52	5.38
Total	**350.51**	**345.71**

Auditor's remuneration including fees paid to Auditors of subsidiary companies.

Note 59:

Movement in Deferred Tax:

(₹ in Lakh)

Particular	As at April 1, 2021	Recognized in Statement of profit & loss	Recognized in Other Comprehensive Income	Other Adjustment #	As at March 31, 2022
Deferred Tax Assets					
Provision for long-term employees benefits	256.60	97.97	-	(1.57)	353.00
Reversal of Others Expenses	459.65	2,016.86	-	(5.53)	2,470.98
Remeasurement of defined benefit obligations	6.50	(77.29)	77.29	-	6.50
Unused tax losses	139.24	(6.49)	-	-	132.75
Sub-Total (a)	**861.99**	**2,031.05**	**77.29**	**(7.10)**	**2,963.23**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

(₹ in Lakh)

Particular	As at April 1, 2021	Recognized in Statement of profit & loss	Recognized in Other Comprehensive Income	Other Adjustment #	As at March 31, 2022
Deferred Tax Liability					
Property Plant & Equipment	12,197.09	923.15	-	(282.15)	12,838.09
Remeasurement of defined benefit obligations	-	-	-	-	-
Provision for long-term employees benefits	(344.79)	(160.89)	-	7.94	(497.74)
Others	(5,381.22)	4,672.10	-	662.44	(46.68)
Sub-Total (b)	**6,471.08**	**5,434.36**	**-**	**388.23**	**12,293.67**
TOTAL (a - b)	**(5,609.09)**	**(3,403.31)**	**77.29**	**(395.33)**	**(9,330.44)**

Particular	As at April 1, 2020	Recognized in Statement of profit & loss	Recognized in Other Comprehensive Income	Other Adjustment #	As at March 31, 2021
Deferred Tax Assets					
Provision for long-term employees benefits	268.26	(15.70)	-	4.04	256.60
Reversal of Others Expenses	342.20	26.33	-	91.12	459.65
Remeasurement of defined benefit obligations	92.09	(92.09)	6.50	-	6.50
MAT Credit Entitlement	-	-	-	-	-
Unused tax losses	1,613.63	(1,526.17)	-	51.78	139.24
Sub-Total (a)	**2,316.18**	**(1,607.63)**	**6.50**	**146.94**	**861.99**
Deferred Tax (Liability)					
Property Plant & Equipment	12,494.74	(448.89)	-	151.24	12,197.09
Remeasurement of defined benefit obligations	-	-	(1.96)	1.96	-
Provision for long-term employees benefits	(350.15)	9.84	-	(4.48)	(344.79)
Others	(8,155.79)	2,988.71	-	(214.14)	(5,381.22)
Sub-Total (b)	**3,988.80**	**2,549.66**	**(1.96)**	**(65.42)**	**6,471.08**
TOTAL (a - b)	**(1,672.62)**	**(4,157.29)**	**8.46**	**212.36**	**(5,609.09)**

Other Adjustment including FCTR

Note 60:

Non-Controlling Interest

A. Proportion of equity interest held by non-controlling interests:

Name of the Company	Principal Place of Business	Effective ownership as at	
		March 31, 2022	March 31, 2021
Subsidiary of Polyplex Corporation Limited:			
Polyplex (Asia) Pte. Limited (PAPL)	Singapore	100.00%	100.00%
Polyplex (Thailand) Public Company Limited (PTL)	Thailand	51.00%	51.00%
Subsidiary of Polyplex (Asia) Pte. Limited (PAPL):			
PAR LLC (USA)	U.S.A	100.00%	100.00%
Subsidiary / Step down subsidaries of Polyplex (Thailand) Public Company Limited (PTL):			
Polyplex (Singapore) Pte. Limited (PSPL)	Singapore	51.00%	51.00%
Polyplex Europa Polyester Film Sanayi Ve Ticaret A.S. (PE)	Turkey	51.00%	51.00%
Polyplex Trading (Shenzhen) Co. Limited (PTSL) #	China	NIL	NIL
Polyplex America Holdings Inc (PAH)	U.S.A	51.00%	51.00%
Polyplex USA LLC (PU)	U.S.A	51.00%	51.00%
EcoBlue Limited (EcoBlue)	Thailand	33.92%	33.92%
Polyplex Europe B.V. (PEBV)	Netherland	51.00%	51.00%
PT Polyplex Films Indonesia	Indonesia	51.00%	51.00%
Polyplex Paketleme Çozumleri Sanayi VE Ticaret Anonim Sirketi (PP)	Turkey	51.00%	51.00%

Liquidated under voluntary windup during the previous year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

B. Summarized statement of profit and loss for the year ended March 31, 2022:

(₹ in Lakh)

Polyplex (Thailand) Public Company Ltd (CFS)	March 31, 2022	March 31, 2021
Revenue	500,899.11	364,313.44
Profit for the Year	80,464.67	71,399.08
Other Comprehensive Income	(990.35)	5,626.54
Total Comprehensive Income	79,474.32	77,025.62
Attributable to non-Controlling Interest	39,118.15	37,739.13
Dividends paid to non-Controlling Interest	14,395.91	8,558.01

C. Summarized balance sheet as at March 31, 2022 and March 31, 2021:

(₹ in Lakh)

Polyplex (Thailand) Public Company Ltd (CFS)	March 31, 2022	March 31, 2021
Non-current Assets	312,389.43	295,516.22
Current Assets	269,450.20	172,416.29
Total Assets (A)	**581,839.63**	**467,932.51**
Non-current Liability	58,886.87	39,499.29
Current Liability	113,836.54	69,794.34
Total Liabilities (B)	**172,723.41**	**109,293.63**
Net Assets (A+B)	**409,116.22**	**358,638.88**

D. Summarized Cash Flows

(₹ in Lakh)

Polyplex (Thailand) Public Company Ltd (CFS)	March 31, 2022	March 31, 2021
Net cash inflow from operating activities	40,841.70	92,778.99
Net cash inflow from investing activities	(34,936.87)	(58,829.03)
Net cash inflow from financing activities	5,073.47	(21,611.10)
Net increase/(decrease) in cash and cash equivalents	10,978.30	12,338.86

Note 61:

During the previous year, The Board of Directors of the Company at its meeting held on April 9, 2020, had approved Buyback of fully paid-up equity shares of face value of ₹ 10/- each of the Company at a price not exceeding ₹ 475/- per Equity Share ("Maximum Buyback Price") and for an amount not exceeding ₹ 5,481.50 Lakh ("Maximum Buyback Size") from the open market through stock exchange mechanism. The buyback commenced on April 16, 2020 and closed on October 15, 2020 and accordingly 5,92,138 number of equity shares (deploying ₹ 2,584.71 Lakh) have been bought back. The Company has extinguished all such bought back equity shares.

Note 62:

Other Statutory Information:

a) The Company do not have any charges or satisfaction except below which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

Sr. No.	Description of the satisfaction pending	Location of the Registrar	Period for satisfaction pending	Reason for delay in registration
1	Particular of satisfaction of charge (two cases) held by a foreign bank, in respect of Company's certain immovable properties at Khatima and Bazpur, both in Distt Udham Singh Nagar, are pending to be filed.	Registrar of Companies – Uttarakhand	Since September 17, 2018 and September 29, 2018	Technical difficulties in signature and filing of Form CHG-4 as the charge holder has no place of establishment in India.

b) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2022

c) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

d) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) 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

(ii) Provide any Guarantee, Security, or the like to or on behalf of the Ultimate Beneficiaries.

e) The Group is in compliance with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

f) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

g) The Company has been sanctioned working capital limit in excess of ₹ 5 Crore, in aggregate, at points of time during the year, from bank or financial institutions on the basis of security of current assets. The quarterly returns/ statements filed by the Company with the bank or financial institutions, are in agreement with the books of accounts of the Company of the respective quarters.

h) The Group have not been declared willful defaulter by any Banks or any other Financial Institution at any time during the financial year.

i) The Group has utilized the borrowings from banks and financial institutions for the specific purpose for which it was taken during the financial year.

j) The Group did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year other than following:

Sr. No.	Name of Stuck off Company	CIN No.	Shares Held
1	Sarvopari Solid Investment Limited	U67120WB1992PLC055675	100 of F.V of ₹ 10 each
2	Venlon Polyster Film Limited	U99999MH1983PTC031167	200 of F.V of ₹ 10 each

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakh)

Sr. No.	1		2		3		4		5		6		7		8		9		10		11	
Name of the Subsidiary	**Polyplex (Asia) Pte. Ltd.**		**Polyplex (Thailand) Public Company Ltd.**		**Polyplex (Singapore) Pte. Ltd.**		**Polyplex Europa Polyester Film Sanayi Ve Ticaret A.S**		**PAR LLC**		**Polyplex America Holdings Inc.**		**Polyplex USA LLC**		**EcoBlue Limited**		**PT Polyplex Films Indonesia (PT PFI)**		**Polyplex Europe B.V. (PEBV)**		**Polyplex Paketleme Cozumleri Sanayi Ve Ticaret Anonim Sirketi (PP)**	
Country of Incorporation	**Singapore**		**Thailand**		**Singapore**		**Turkey**		**USA**		**USA**		**USA**		**Thailand**		**Indonesia**		**Netherland**		**Turkey**	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**		**Apr' 2021 – Mar' 2022**	
Reporting currency as on the last date of the relevant Financial year in the case of foreign subsidiaries.	**US $ (in Lakh)**	**INR (in Lakh)**	**THB (in Lakh)**	**INR (in Lakh)**	**Euro (In Lakh)**	**INR (in Lakh)**	**Euro (In Lakh)**	**INR (in Lakh)**	**US $ (in Lakh)**	**INR (in Lakh)**	**US $ (in Lakh)**	**INR (in Lakh)**	**US $ (in Lakh)**	**INR (in Lakh)**	**THB (in Lakh)**	**INR (in Lakh)**	**IDR (in Lakh)**	**INR (in Lakh)**	**Euro (In Lakh)**	**INR (in Lakh)**	**TRY (in Lakh)**	**INR (in Lakh)**
Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	75.90		2.28		84.75		84.75		75.90		75.90		75.90		2.28		0.0052		84.75		5.19	
Share Capital	11.30	857.68	9,000.00	20,545.05	91.45	7,750.34	40.36	3,420.49	22.00	1,669.81	0.47	35.67	462.09	35,072.85	1,376.50	3,142.25	54,00,000.00	28,189.45	2.00	169.50	1.00	5.19
Reserve & Surplus / (Deficit)	905.73	68,745.34	26,462.18	60,407.42	51.27	4,345.10	3,390.46	2,87,339.66	(2.24)	(170.02)	0.36	27.32	349.95	26,561.37	1,446.55	3,302.16	34,83,094.92	18,182.69	7.89	668.67	131.03	680.21
Total Assets	947.91	71,946.82	98,853.30	2,25,660.63	142.77	12,099.68	3,594.33	3,04,617.53	19.77	1,500.55	1.82	138.14	1,806.52	1,37,115.74	7,973.47	18,201.70	2,94,40,081.04	1,53,685.12	21.37	1,811.10	822.36	4,269.10
Total Liabilities	30.88	2,343.81	63,391.12	1,44,708.17	0.05	4.24	163.51	13,857.38	0.01	0.76	0.99	75.14	994.48	75,481.51	5,150.42	11,757.29	2,05,56,986.12	1,07,312.98	11.48	972.92	690.33	3,583.69
Investment (other than in subsidiaries)	153.98	11,687.16	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Turnover/ Income	425.70	32,310.63	84493.07	1,92,879.35	-	-	1,368.83	1,16,007.60	0.96	72.86	2.35	178.37	2,352.99	1,78,593.07	3118.42	7,118.68	1,77,47,351.22	92,645.93	34.59	2,931.48	2,176.12	11,296.84
Profit/ (Loss) Before Taxation	139.14	10,560.79	11,000.51	25,111.78	0.02	1.69	364.72	30,909.82	(0.22)	(16.70)	0.24	18.22	244.00	18,519.72	475.82	1,086.19	37,15,416.97	19,395.47	1.02	86.44	68.85	357.42
Provision for Taxation	13.56	1,029.21	1,123.57	2,564.87	0.00	-	5.69	482.22	0.01	0.76	0.07	5.31	70.93	5,383.62	24.52	55.97	7,95,737.07	4,153.96	0.22	18.64	17.21	89.34
Profit/ (Loss) After Taxation	125.58	9,531.58	9,876.94	22,546.91	0.02	1.69	359.03	30,427.60	(0.23)	(17.46)	0.17	12.90	173.07	13,136.10	451.30	1,030.22	29,19,679.90	15,241.51	0.80	67.80	51.64	268.08
Proposed Dividend	NIL		NIL		NIL		NIL		NIL		NIL		NIL		NIL		Nil	Nil	NIL		NIL	
% of shareholding (Directly and/or through other Subsidiary/ies)	100.00%		51.00%		51.00%		51.00%		100.00%		51.00%		51.00%		33.92%		51.00%		51.00%		51.00%	

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

NOT APPLICABLE, Company has no Associates and Joint Ventures

As per our report of even date

For, S S Kothari Mehta & Company
Chartered Accountants
(FRN: 000756N)

Sd/-
Yogesh K. Gupta
Partner
Membership No. 093214

Place: New Delhi
Date: May 25, 2022

For and on behalf of Board of Directors of Polyplex Corporation Limited

Sd/-
Pranay Kothari
Executive Director
DIN: 00004003

Place: Noida
Date: May 25, 2022

Sd/-
Manish Gupta
Chief Financial Officer

Place: Noida
Date: May 25, 2022

Sd/-
Brij Kishore Soni
Director
DIN: 00183432

Place: New Delhi
Date: May 25, 2022

Sd/-
Ashok Kumar Gurnani
Company Secretary
FCS: 2210

Place: Noida
Date: May 25, 2022

Corporate information

Board of Directors

Mr. Sanjiv Saraf,
Chairman

Mr. Brij Kishore Soni

Mr. Jitender Balakrishnan

Ms. Pooja Haldea

Mr. Ranjit Singh

Mr. Sanjiv Chadha

Dr. Suresh Inderchand Surana

Mr. Pranay Kothari,
Executive Director

Chief Financial Officer
Mr. Manish Gupta

Company Secretary
Mr. Ashok Kumar Gurnani

Registered office
Lohia Head Road, Khatima - 262 308
Dist. Udham Singh Nagar, Uttarakhand
Phone: 05943-250136
Fax: 05943-250281

Corporate office
B-37, Sector 1, Noida
Dist. Gautam Budh Nagar
Uttar Pradesh - 201 301
Board: +91.120.2443716-19
Fax: +91.120.2443723 & 24

Works
Lohia Head Road
Village Amau Khatima - 262 308
Dist. Udham Singh Nagar,
Uttarakhand

Plot No 227 MI - 228 MI
Banna Khera Road Village
Vikrampur
Tehsil Bazpur-262 401
Dist. Udham Singh Nagar,
Uttarakhand

Auditors
S S Kothari Mehta & Company

Chartered Accountants

Bankers
Axis Bank Limited

DBS Bank India Limited

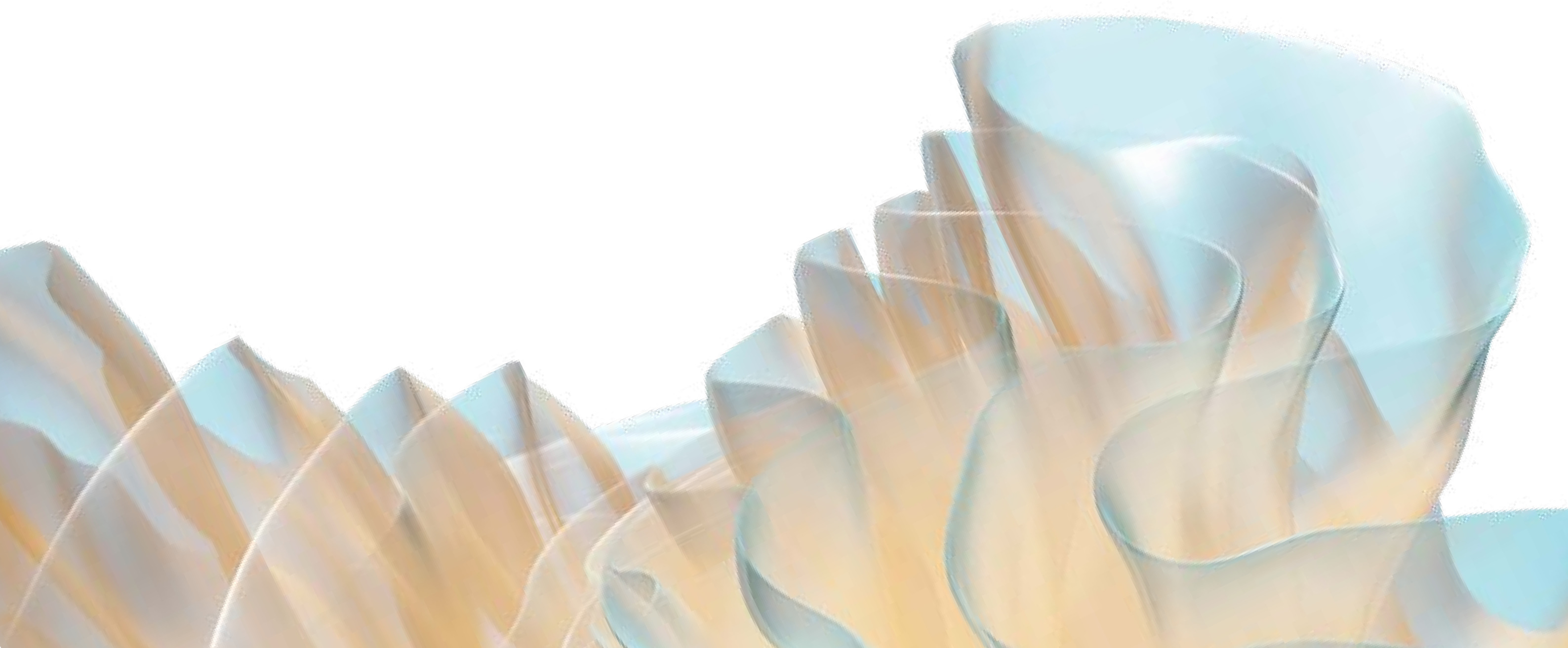
HDFC Bank Limited

IDBI Bank Limited

Standard Chartered Bank

YES Bank Limited

Registrar and Share Transfer Agent (RTA)
KFin Technologies Limited
Selenium Building, Tower B,
Plot No 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana - 500 032, India
Tel: +91 40 6716 2222
Toll Free No. 1800-3094-001
Website: www.kfintech.com
E-mail ID: einward.ris@kfintech.com



Polyplex Corporation Limited

CIN: L25209UR1984PLC011596

Registered Office: Lohia Head Road, Khatima - 262 308,
Dist. Udham Singh Nagar, Uttarakhand

Corporate Office: B-37, Sector-1, Noida,
Dist. Gautam Budh Nagar, Uttar Pradesh - 201 301

E-mail: investorrelations@polyplex.com

Website: www.polyplex.com

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