



**MOLD-TEK**  
Packaging Limited

*The Power of Packaging  
Unleashed!*

# 2021 ANNUAL REPORT



Product & Process  
Innovations



New End-use  
Applications



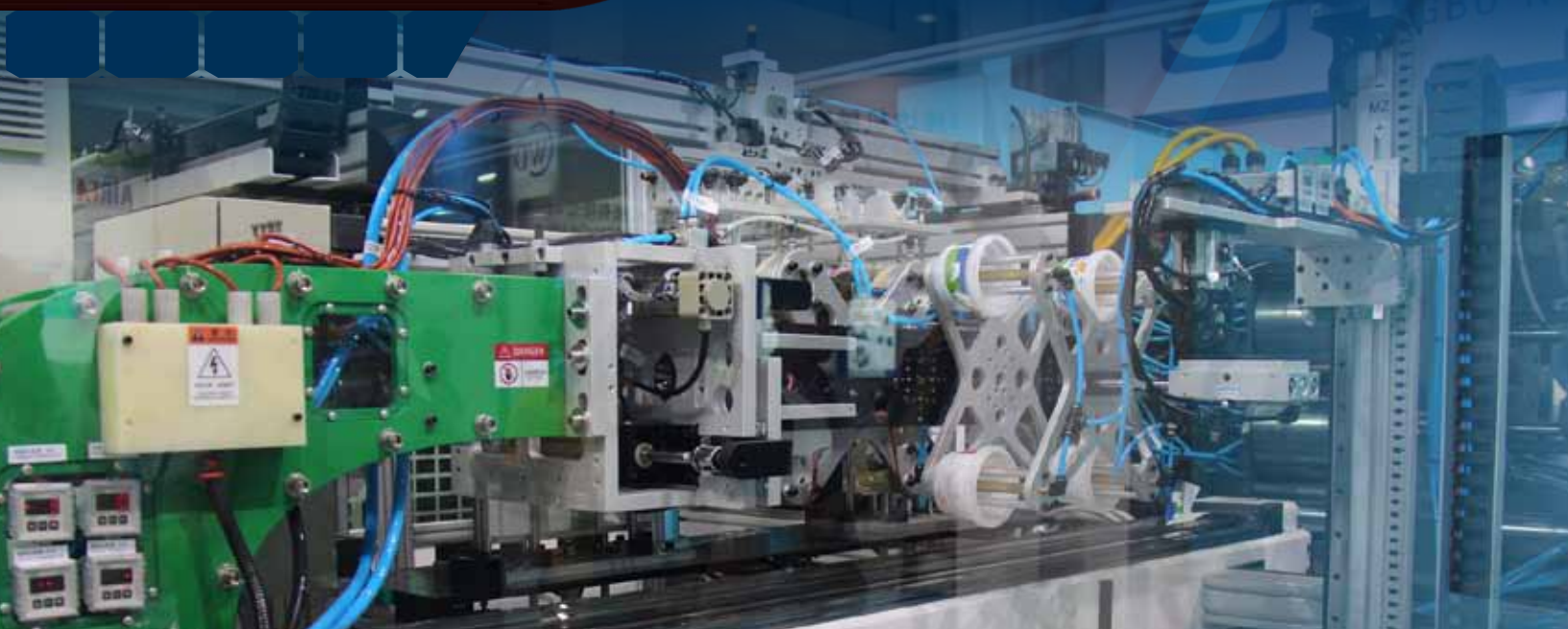
Sustainability &  
Circularity



Geographical  
Expansion



Business  
Diversification



# MOLD-TEK DEVELOPED PACKAGING SOLUTIONS WITH MANY INNOVATIVE CONCEPTS.

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## From the desk of Chairman

*Dear Shareholders,*



**J. Lakshmana Rao,**  
Chairman and Managing Director

The economy is gearing up working to compensate for the losses faced during the severe pandemic mankind has ever faced. Although COVID 19 continues to adversely affect the lives of many, on a positive note, it has imbibed in our minds the need for hygiene, cleanliness and most importantly, "quality". This improvement pushed our clients to prefer high quality packaging solutions. Moldtek is well placed for providing the highest quality packaging products with innovation and excellent service standards.

FY21 has been a decent year for Your Company in spite of severe impact of Covid pandemic and lockdown in Q1. With relentless commitment, Mold-Tek has performed extremely well in the next 3 quarters. Some worthy contributions are - good growth from new plants at Visakhapatnam and Mysore, food and FMCG containers. Loss of sales in ice cream industry during covid was compensated by growth in other segments like dates, restaurants, butter, seeds, fertilizers and new application for our square Q-Packs.

The Indian Packaging Market was valued at USD 75 billion in 2020, and it is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% during the period of 2020-25. The growth in lifestyle and consumption patterns, boom in e-commerce, consumer awareness on packaged food and organized retail is expected to enhance the growth of rigid plastic packaging and per capita consumption in the near future.

In spite of 45% drop in sales in Q1 for the full Financial Year 2020-21, the Company registered sales of Rs. 478.93 crores with a volume growth of 8.4%, consolidated EBITDA for the year is Rs.95 crores, a growth of 22% compared to the previous financial year, 2019-20. EPS grew from Rs.12.96 to Rs. 16.82.

We are constantly expanding and growing with investments in infrastructure, new products and technology. In FY21 we launched 12 Oz Dispenser pump division which will touch its 70% capacity utilization in FY23. Our Mysore and Vishakhapatnam plants are already running close to 90% utilization and will be receiving green channel certification in this Financial Year. Both these units are being expanded to meet growing demand projected in 2021-2024.

This Financial Year, our focus is on expanding our foothold in North by setting up a plant in Kanpur, launch of sweet boxes, IML with dynamic variable QR codes, diving into untapped markets like cashew, oats, seeds, etc. One of our priorities for this year is to enhance sustainability. Our IML containers are 100% recyclable. We plan to expand our in-house recycling capability which we use for our non-food portfolio. We also procure recycled material from several vendors and R&D is going on to maintain quality of products while increasing the use of recycled material. Your Company is also considering entry into two more new segments of packaging with higher EBITDA margins for future growth.

Your Company always has worked for the betterment of society and this financial year has been no different. We have spent our CSR funding to help the underprivileged during COVID lockdown period, by providing them with rations and other basic amenities, payment of Ex-gratia to temporary/casual/daily-wage workers. Some other activities included providing water supply, sanitation facilities, helping physically challenged and orphans by providing community halls, food and other essentials. We have also awarded talented students by providing scholarships at IIM-Bangalore.

I would like to proudly admit that Moldtek is in its upward trajectory with plans of expanding both through white field and brown field projects in the next 5 years. The company is aiming to grow by more than 15% every year, with greater emphasis on innovation, new product development, capacity enhancement, technological advancements and improved sustainability.

I am confident that your Company with a well-defined growth plan, a talented team, experienced top management's guidance, shareholders trust is set to achieve pinnacles of success in the years to come.

# Growth Drivers



## DIGITAL IML

- While IML gives you World's most advanced HD decoration and permanent branding, UNIQUE QR codes on each pack are a complete game changer, Digital IML can elevate packaging by providing advantages like: Anti Counterfeit, Trace & Track inventory, Dynamic Promotions
- Given the value addition across the supply chain, the company expects this concept to gain traction among premium brands in Paints, Lubes & FMCG



## PUMPS:

- Capacity of over 8 million pumps per month in lock-down and twist lock varieties with fully automatic assembly and 100% leak testing
- Reverse Engineering - Improved design with better leak resistance, drop performance, durability and ease-of-use
- Supplying to Wipro, Godrej, Biotique and many more. Audited by Reckitt Benckisser and received green channel certification



## Q PACKS:

- Introduced SanQ - 5 ltr Square packs for sanitizers which bagged SIES SOP STAR AWARD.
- New markets - Consumer Products, Supplement powders, Chemicals, Confectionery etc
- In addition to 140 customers of past, another 39 customers were added in 20-21.
- Total sale value of Rs. 51 Cr. Growth of 21.5% compared to previous FY 19-20.



## THIN-WALLED PACKS

- Achieved a good 15 % growth in total thin-wall products that cater to Food and FMCG customers
- 155 new clients added with additional revenue of over 10 Cr from them
- New categories added – Dates (New pack), Peanut butter, Jaggery packing, confectionery, agricultural products etc
- HUL Kwaliti walls added new custom 130ml KULFI pack which looks like a matka



## PAILS

- Berger Paints introduced new IML packs for their premium brands.
- New Plant in North- Initiated Land procuring process in Sandila Industrial Area, Kanpur - Uttar Pradesh.
- APIL new plants (Mysuru & Vizag) operating at over 75% capacity - grew 54% over last year
- Initiated unique QR code for top Paints & Lubes companies to track FG and avoid duplications.

## Our Core Competencies



Market Leaders in Rigid Plastic Packaging      Operational Excellence      Diversified Geographic Presence      World-class Research & Development      100% Backward Integration

## Our Clients



Successfully launched Kwaliti Wall's 700 ml Family Pack & expanding into other sizes.

Launched our 5 ltr Q packs & has potential to expand 10 - fold

Now exporting to 3 countries.





## Corporate Social Responsibility



Sri Dakshinya Bhava Samithi, Guntur for Construction of Multi Utility Community hall for mentally and physically handicapped children and old aged persons by providing vocational training with lodging and boarding.



Constructed Primary school building at Ventrapragada, Andhra Pradesh.



Contribution made towards the 35 orphans Children of Arunodaya Foundation for food and other necessities.



Contribution made towards the 15 persons with intellectual disability of Durgabai Deshmukh Vocational Training and Rehabilitation Centre for the Handicapped other necessities.



Covid-19 Contribution - Distribution of Ration to Poor people at all our Plant located areas.

**Sponsorship:** Indian Institute of Management (Bengaluru), by providing Sponsorship to the Merit students for a period of 3 years



- Covid-19 Contribution - payment of Ex-gratia to temporary /casual /daily-wage workers

## AWARDS & ACHIEVEMENTS



**2020-2021**

Introduced SanQ - 5 ltr Square packs for sanitizers which bagged SIES SOP STAR AWARD 2020



**2019-2020**

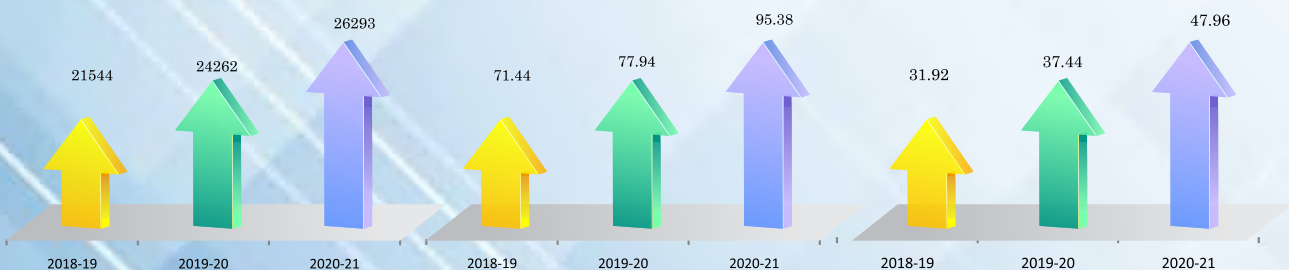
On the 8th of February 2020, Mold-Tek received the **SIES SOP STAR** Award 2019, in Product Packaging for design and development of Twist Packs ranging from 50 ml to 1000 ml. These catchy packs are with Square shape at the bottom and round shape on the top.

## Mold-Tek Progress

**Sales Volume in Tons**

**EBIDTA in CR.**

**PAT in CR.**





## ANTI-COUNTERFEIT & TRACEABILITY IML SOLUTIONS

*Partially Peel-able IML with Variable QR code*



### “DIGITAL PACKAGING”

FIRST TIME IN INDIA through

### Dynamic QR coded IML: Containers

Not Just Plastic Containers, Trust is Moulded along-with IML ...!!



One time peel off feature will provide Authenticity to the buyer



Track & Trace products through the distribution supply chain



Embed new-age Promotions through QR code scans



Push Information & Training content on the dynamic QR code

## How it Works?

### Process of using unique QR Code

Moldtek supplies each container with 2 unique QR codes – one on the surface and another under the peel off. Top QR provides Unique identity while beneath QR gives loyalty benefits



The surface QR code will be used for Trace & Track / pushing information content



After purchase, encourage the Buyer to peel off Scan the QR code on the reverse of Peel label.



Once Peeled off => the pack has been used already  
Embed one-time Scanability & Promotions for the QR code

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. J. Lakshmana Rao**  
Chairman & Managing Director

**Mr. A. Subramanyam**  
Deputy Managing Director

**Mr. P. Venkateswara Rao**  
Deputy Managing Director

**Mr. Srinivas Madireddy**  
Whole-time Director

**Mrs. J. Mytraeyi**  
Non-Executive Promoter Director

**Mr. T. Venkateswara Rao**  
Non-Executive Independent Director

**Mr. Venkata Appa Rao Kotagiri**  
Non-Executive Independent Director

**Mr. Eswara Rao Immaneni**  
Non-Executive Independent Director

**Mr. Togaru Dhanraj Tirumala Narasimha**  
Non-Executive Independent Director

**Mrs. Madhuri Venkata Ramani Viswanadham**  
Non-Executive Independent Woman Director

### CHIEF FINANCIAL OFFICER

A. Seshu Kumari

### Company SECRETARY

Thakur Vishal Singh

### STATUTORY AUDITORS

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

### INTERNAL AUDITORS

Praturi & Sriram  
Chartered Accountants  
3-6-220, Street No.15,  
Himayatnagar,  
Hyderabad - 500 029

### SECRETARIAL AUDITOR

Ashish Gaggar  
Company Secretary in Practice  
Flat No.201, IInd Floor,  
Lake View Towers, Safari Nagar,  
Kothaguda, Kondapur,  
Hyderabad-500084

### LEGAL ADVISOR

M. Radhakrishna Murthy, Advocate  
Vidya Nagar,  
Hyderabad

### BANKERS

Citibank N.A.  
ICICI Bank Limited  
HSBC Bank

### REGISTERED OFFICE

Plot # 700, Road No. 36,  
Jubilee Hills,  
Hyderabad - 500 033, Telangana  
Phone : +91 40 40300300  
Fax : +91 40 40300328  
E-mail : cs@moldteckpackaging.com

### REGISTRAR & SHARE TRANSFER AGENTS

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

### WORKS

#### Unit - I

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

#### Unit - II

Survey No. 164/Part, Dommarapochampally Vil-  
lage, Gandimaisamma Dundigal Mandal, Medchal  
District, Telangana - 500 043

#### Unit - III

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

#### Unit - IV

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

#### Unit - VI

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

#### Unit - VII

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

#### Unit - VIII

##### Mysore

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

#### Unit - IX

##### Vizag

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

CIN: L21022TG1997PLC026542 | Website: [www.moldtekgroup.com](http://www.moldtekgroup.com)



## FIVE YEARS PERFORMANCE REVIEW (Standalone)

₹ lakhs

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Income from Operations (excluding taxes)	47,893	43,744	39,409	33,946	30,080
<b>Growth Rates (%)</b>	<b>9.48</b>	<b>11.00</b>	<b>16.09</b>	<b>12.85</b>	<b>12.05</b>
Other Income	60	116	134	105	156
<b>NET INCOME</b>	<b>47,953</b>	<b>43,860</b>	<b>39,542</b>	<b>34,051</b>	<b>30,236</b>
<b>Growth Rates (%)</b>	<b>9.33</b>	<b>10.92</b>	<b>16.13</b>	<b>12.62</b>	<b>12.37</b>
Materials Cost	27,240	24,986	23,116	19,326	18,093
<b>% to Net Income</b>	<b>56.81</b>	<b>56.97</b>	<b>58.46</b>	<b>56.76</b>	<b>59.84</b>
Over Heads	11,057	10,754	9,098	8,273	6,800
<b>% to Net Income</b>	<b>23.06</b>	<b>24.52</b>	<b>23.01</b>	<b>24.30</b>	<b>22.49</b>
<b>EBDITA</b>	<b>9,656</b>	<b>8,120</b>	<b>7,328</b>	<b>6,452</b>	<b>5,343</b>
<b>% to Net Income</b>	<b>20.14</b>	<b>18.51</b>	<b>18.53</b>	<b>18.95</b>	<b>17.67</b>
Depreciation	2149	1907	1473	1184	992
Interest & Finance Expenses	994	1019	709	411	231
Exceptional items	108	286	1150	-	-
<b>PBT</b>	<b>6,405</b>	<b>4,908</b>	<b>3,996</b>	<b>4,857</b>	<b>4,120</b>
<b>% to Net Income</b>	<b>13.36</b>	<b>11.19</b>	<b>10.11</b>	<b>14.26</b>	<b>13.63</b>
Taxes	1597	1089	1586	1688	1431
<b>PAT</b>	<b>4,808</b>	<b>3,819</b>	<b>2,410</b>	<b>3,169</b>	<b>2,689</b>
<b>% to Net Income</b>	<b>10.03</b>	<b>8.71</b>	<b>6.10</b>	<b>9.31</b>	<b>8.89</b>
<b>Growth Rates (%)</b>	<b>25.90</b>	<b>58.44</b>	<b>(23.94)</b>	<b>17.85</b>	<b>11.58</b>
<b>Equity Dividend (%)</b>	<b>140</b>	<b>100</b>	<b>80</b>	<b>80</b>	<b>72</b>
<b>Dividend Payout (including Tax)</b>	<b>1954</b>	<b>1671</b>	<b>1335</b>	<b>1335</b>	<b>1199</b>
Equity	1,396	1,386	1,385	1,385	1,385
Other equity	23,550	17,818	16,963	15,918	13,323
<b>NETWORTH</b>	<b>24,946</b>	<b>19,204</b>	<b>18,348</b>	<b>17,303</b>	<b>14,708</b>
Net Fixed Assets	25,087	21,398	19,585	12,939	10,040
Total Assets	43,632	36,261	34,332	30,247	23,607
<b>Market Capitalization</b>	<b>109,726</b>	<b>71,545</b>	<b>71,494</b>	<b>89,859</b>	<b>63,959</b>
<b>KEY INDICATORS</b>					
<b>Earnings per share (Face Value of ₹ 5)</b>	<b>16.86</b>	<b>13.78</b>	<b>8.70</b>	<b>11.44</b>	<b>9.71</b>
<b>Turnover per share (Face Value of ₹ 5)</b>	<b>168.19</b>	<b>158.39</b>	<b>142.80</b>	<b>122.97</b>	<b>109.19</b>
<b>Book Value per share (Face Value of ₹ 5)</b>	<b>89.35</b>	<b>69.28</b>	<b>66.24</b>	<b>62.47</b>	<b>53.10</b>
<b>Dividend Pay-Out Ratio</b>	<b>40.64</b>	<b>43.75</b>	<b>55.39</b>	<b>42.13</b>	<b>44.59</b>
<b>Debt:Equity Ratio</b>	<b>0.42 : 1</b>	<b>0.61 : 1</b>	<b>0.50 : 1</b>	<b>0.45 : 1</b>	<b>0.26 : 1</b>

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF MOLD-TEK PACKAGING LIMITED WILL BE HELD ON THURSDAY, THE 30<sup>TH</sup> SEPTEMBER, 2021, AT 11:00 A.M. THROUGH VIDEO CONFERENCING (“VC”)/ OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS:**

### **ORDINARY BUSINESS**

- 1) To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) for the financial year ended 31<sup>st</sup> March, 2021 and the Reports of the Directors and Auditors thereon.
- 2) To confirm the payment of interim dividend paid during the year and to declare final dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2021.
- 3) To appoint a Director in place of Mr. Madireddy Srinivas, Whole Time Director (DIN: 01311417) who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Mrs. J. Mytraeyi, Non-Executive Promoter Director (DIN: 01770112) who retires by rotation and being eligible, offers herself for re-appointment and in this regard to consider and, if thought fit, to pass, with or without modifications, the following resolution as **a Special Resolution**:

“**RESOLVED THAT** Mrs. J. Mytraeyi (DIN: 01770112) who retires by rotation and being eligible, offers herself for re-appointment be and is hereby re-appointed as a director of the Company liable to retire by rotation.”

### **SPECIAL BUSINESS- SPECIAL RESOLUTION**

- 5) **To Increase/Revise the remuneration of Mr. Lakshmana Rao Janumahanti, Managing Director of the Company:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of

the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company, be and is hereby accorded towards increase/revise the remuneration of Mr. Lakshmana Rao Janumahanti, Managing Director (DIN: 00649702) of the Company with effect from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as may be determined by Board of Directors from time to time subject to all applicable laws, rules & regulations, as mentioned below and can be drawn either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and the balance from Mold-Tek Technologies Limited.

#### **a. Salary:**

The Company is paying Mr. J. Lakshmana Rao, in consideration of the performance of his duties, a gross salary of ₹ 21,90,060/- per month for the Financial Year 2021-22 (the present gross salary including all perquisites). The Company will provide 15% increment on gross salary for each year (i.e., for the next 2 years) w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 to be drawn either from Mold-Tek Packaging Limited or from Mold-Tek Technologies Limited or partly from Mold-Tek Packaging Limited and the balance from Mold-Tek Technologies Limited.

#### **b. Other benefits**

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

- i. **Provident and superannuation fund:** The Company's contribution to the provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act. The said contribution will not be included in the computation of the ceiling on remuneration.
- ii. **Gratuity:** Gratuity payable shall not exceed one half month's salary for each completed year of service and will not be included in the computation of the ceiling on remuneration.
- iii. **Leave encashment:** Encashment of leave at the end of the tenure in accordance with the rules of the Company.



- iv. **Provision of car and telephone:** J. Lakshmana Rao shall be entitled to a motor car for use on Company's business and telephone at residence, however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to J. Lakshmana Rao.
- c. **Commission:** In addition to the salary and perquisites as above, J. Lakshmana Rao shall be entitled to commission at the rate of **1.50%** of the net profits of the Company as per the provisions of the Companies Act, 2013.
- d. J. Lakshmana Rao shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.
- e. He will not be eligible for any sitting fees of the Company's Board/Committee Meetings.

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

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

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

#### 6) **To Increase/Revise the remuneration of Mr. Subramanyam Adivishnu, Deputy Managing Director:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company, be and is hereby accorded towards increase/Revise the remuneration of Subramanyam Adivishnu, Deputy Managing Director (DIN: 00654046) of the Company with effect from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as may be determined by Board of Directors from time to time subject to all applicable laws, rules & regulations, in the following manner:

##### a. **Salary:**

The Company is paying Mr. Subramanyam Adivishnu, in consideration of the performance of his duties, a gross salary of ₹ 20,15,160/- per month for the Financial Year 2021-22 (the present gross salary including all perquisites). The Company will provide 15% increment on gross salary for each year (i.e., for the next 2 years) w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

##### b. **Other benefits**

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

- i. **Provident and superannuation fund:** The Company's contribution to the provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act. The said contribution will not be included in the computation of the ceiling on remuneration.
- ii. **Gratuity:** Gratuity payable shall not exceed one half month's salary for each completed

year of service and will not be included in the computation of the ceiling on remuneration.

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

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

c. **Commission:** In addition to the salary and perquisites as above, A. Subramanyam shall be entitled to commission at the rate of **1%** of the net profits of the Company as per the provisions of the Companies Act, 2013.

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

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

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

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

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary such revised terms and conditions in accordance with the laws from time to time in force and to alter and vary such terms and conditions as may be approved by the

Central Government without being required to seek the further approval of Members within the limits as prescribed above and any action taken by the Board in this regard be and is hereby ratified and approved."

**7) To Increase/Revise the remuneration of Mr. P. Venkateswara Rao, Deputy Managing Director:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company, be and is hereby accorded towards increase/Revise the remuneration of Mr. P. Venkateswara Rao, Deputy Managing Director (DIN: 01254851) of the Company with effect from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024 as may be determined by Board of Directors from time to time subject to all applicable laws, rules & regulations, in the following manner:

**a. Salary:**

The Company is paying Mr. P. Venkateswara Rao, in consideration of the performance of his duties, a gross salary of ₹ 13,64,225 per month for the Financial Year 2021-22 (the present gross salary including all perquisites). The Company will provide 12.5% increment on gross salary for each year (i.e., for the next 2 years) w.e.f. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

**b. Other benefits**

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

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



- ii. **Gratuity:** Gratuity payable shall not exceed one half month's salary for each completed year of service and will not be included in the computation of the ceiling on remuneration.
- iii. **Leave encashment:** Encashment of leave at the end of the tenure in accordance with the rules of the Company.
- iv. **Provision of car and telephone:** P. Venkateswara Rao shall be entitled to a motor car for use on Company's business and telephone at residence, however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to P Venkateswara Rao
- c. **Commission:** In addition to the salary and perquisites as above, P Venkateswara Rao shall be entitled to commission at the rate of **0.5%** of the net profits of the Company as per the provisions of the Companies Act, 2013.
- d. P. Venkateswara Rao shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.
- e. He will not be eligible for any sitting fees of the Company's board/committee meetings.

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

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

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary

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

#### 8) **To Increase/Revise the remuneration of Mr. Srinivas Madireddy, Whole-time Director of the Company:**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

**"RESOLVED THAT** subject to the approval of Central Government, if required, and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company, be and is hereby accorded towards increase/Revise the remuneration of Mr. Srinivas Madireddy (DIN:01311417) of the Company with effect from 1<sup>st</sup> October, 2021 till 13<sup>th</sup> May, 2023 as may be determined by Board of Directors from time to time subject to all applicable laws, rules & regulations, in the following manner:

##### a. **Salary:**

The Company is paying Mr. Srinivas Madireddy, in consideration of the performance of his duties, a gross salary of ₹ 8,04,462/- per month for the period ending as on 30<sup>th</sup> September, 2021 (the present gross salary including all perquisites) The Company will provide 12.5% increment on gross salary for the period 1<sup>st</sup> October, 2021 till 13<sup>th</sup> May, 2023 with effect from 1<sup>st</sup> October, 2021 till 13<sup>th</sup> May, 2023.

##### b. **Other benefits**

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

- i. **Provident and superannuation fund:** The Company's contribution to the provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act. The

said contribution will not be included in the computation of the ceiling on remuneration.

- ii. **Gratuity:** Gratuity payable shall not exceed one half month's salary for each completed year of service and will not be included in the computation of the ceiling on remuneration.
  - iii. **Leave encashment:** Encashment of leave at the end of the tenure in accordance with the rules of the Company.
  - iv. **Provision of car and telephone:** Srinivas Madireddy shall be entitled to a motor car for use on Company's business and telephone at residence, however use of car for private purpose and personal long distance calls on telephone shall be billed by the Company to Srinivas Madireddy.
- c. Srinivas Madireddy shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.
  - d. He will not be eligible for any sitting fees of the Company's board/committee meetings.
  - e. Srinivas Madireddy shall be entitled to reimbursement of entertainment expenses, traveling, boarding and lodging expenses actually and properly incurred for the business of the Company.

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

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

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

**9. To Approve revision in remuneration payable to A. Seshu Kumari, Chief Financial Officer for holding office or place of profit:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as **an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 as amended from time to time, the consent of the Company be and is hereby accorded for continuing to hold office or place of profit under the Company by A. Seshu Kumari, Chief Financial Officer, who is a relative of J. Lakshmana Rao, Chairman & Managing Director, A. Subramanyam, Deputy Managing Director and J. Mytraeyi, Director, with such designation and remuneration as the Board may from time to time decide subject to monthly remuneration not exceeding ₹7,00,000/- (Rupees Seven lakhs only) including all perquisites with effect from 1<sup>st</sup> April, 2022.

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

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

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



**10. To approve revision in remuneration payable to Mr. J. Rana Pratap, holding office or place of profit:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as **an Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and rule 15 of the Companies (Meeting of Board and its Power) Rules 2014 as amended from time to time, the consent of the Company be and is hereby accorded for continuing to hold office or place of profit under the Company by **Mr. J. Rana Pratap, Vice President**, who is a relative of Mr. J. Lakshmana Rao, Chairman & Managing Director with such designation and remuneration as board may decide from time to time, subject to monthly remuneration not exceeding ₹ 10,00,000/- (Rupees Ten lakhs only) per month including all perquisites with effect from 1<sup>st</sup> October, 2021.

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

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

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

**11. To approve revision in remuneration payable to Mr. A Durga Sundeep, holding office or place of profit:**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as **an Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and rule 15 of the

Companies (Meeting of Board and its Power) Rules 2014 as amended from time to time, the consent of the Company be and is hereby accorded for continuing to hold office or place of profit under the Company by **Mr. A Durga Sundeep, Vice President**, who is a relative of Mr. Subramanyam Adivishnu, Deputy Managing Director and A. Seshu Kumari, Chief Financial Officer with such designation and remuneration as board may decide from time to time, subject to monthly remuneration not exceeding ₹ 10,00,000 (Rupees Ten lakhs only) per month including all perquisites with effect from 1<sup>st</sup> October, 2021.

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

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

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

**12. Reclassification of certain members of Promoter Group from “Promoter and Promoter Group” category to “Public shareholding” category.**

**To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:**

**“RESOLVED THAT** pursuant to the recommendation of the board and provisions of Regulation 31A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, and subject to necessary approvals from the BSE Limited /National Stock Exchange of India Limited and such other authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time

(including any statutory modifications or re-enactments thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to the reclassification of below mentioned promoters/promoter groups from the “Promoter and Promoter Group” Category to the “Public” Category in the shareholding of the Company (“hereinafter referred to as “promoters seeking re-classification”).

S. No.	Name of the Outgoing Promoter	No of Shares held as on date of this notice	% of holding
1.	Mr. K V Ramarao	2,402	0.009%
2.	Mr. Prasanna Kumar Golkonda	10,605	0.038%
3.	Mrs. SeshupriyaGolakonda	NIL	NIL

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

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

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

Sd/-

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

Place: Hyderabad

Date : 2<sup>nd</sup> September, 2021

## NOTES

1. In view of the continuing restrictions on the movement of people at several places in the country, due to outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, 13<sup>th</sup> January 2021 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021. In accordance with, the said circulars of MCA, SEBI and applicable provisions of the Act and SEBI (LODR) Regulations, 2015, (Listing Regulations), the 24<sup>th</sup> AGM of the Company is being conducted through VC / OAVM. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at- Instructions for members CDSL e-Voting System – For Remote e-voting and e-voting during AGM below and is also available on the website of the Company at [www.moldteckpackaging.com](http://www.moldteckpackaging.com).
2. To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with MTPL in case the shares are held by them in physical form.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item No. 4 to 12 is annexed hereto.
6. In terms of Articles of Association of the Company, Mrs. J. Mytraeyi, Non-Executive Promoter Director (DIN: 01770112) and Mr. Madireddy Srinivas, Whole Time Director (DIN: 01311417) are retiring by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. Information about them, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, is contained in the statement annexed hereto as Annexure-I. The Board of Directors of the Company recommends the re-appointment of Mrs. J. Mytraeyi and Mr. Madireddy Srinivas. Both of them has furnished the requisite declarations for their re-appointment.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021 (both days inclusive) for the purpose of payment of dividend. The dividend declared at the Annual General Meeting will be paid to the Members whose names appear in the Register of Members of the Company at the end of the Business Hours on 23<sup>rd</sup> September, 2021 and in respect of shares held in electronic form to those ‘Deemed Members’ whose names appear in the Statement of Beneficial Ownership furnished by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).
8. Corporate Members (i.e other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to ashishgaggar.pcs@gmail.com with a copy marked to [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.com).
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to MTPL in case the shares are held by them in physical form.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.



11. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to corporate governance report which is a part of this Annual Report and FAQ of investor page on Company's website [www.moldteckpackaging.com](http://www.moldteckpackaging.com)
12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
13. The Certificate from the Auditors of the Company under Regulation 13 of SEBI (Share Based Employee Benefits) Regulations, 2014 stating compliance as per SEBI (Share Based Employee Benefits) Regulations, 2014 as amended, from time to time and resolution of the Company passed in the general meeting, on implementation of scheme, will be available for inspection by the Members.
14. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING ANNUAL REPORT.**

In accordance with, the General Circular No. 20/2020 dated 5 May 2020 read with circulars dated 8 April 2020, 13 April 2020 and 13 January 2021 issued by MCA and Circular No. SEBI/ HO/CFD/ CMD1/CIR/P/2020/79 dated 12 May 2020 and 15 January 2021 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at [cs@moldteckpackaging.com](mailto:cs@moldteckpackaging.com) or CDSL Email helpdesk.[evoting@cdslindia.com](mailto:evoting@cdslindia.com) along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the

PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register or update their email addresses with the relevant Depository Participants.

The Notice of AGM along with Annual Report for the financial year 2020-21, is available on the website of the Company at [www.moldteckpackaging.com](http://www.moldteckpackaging.com) on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of Central Depository Services (India) Limited (CDSL) at [www.cdslindia.com](http://www.cdslindia.com).

15. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Secretarial or Investor Relations Department so as to reach the Company **at least 7 days in advance** before the date of the Annual General Meeting, specifying the point(s).
16. Individual Members can now take the facility of making nomination of their holding. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of shares shall vest in the event of the death of the shareholder and the joint-holder(s), if any. A minor can be nominee provided the name of the guardian is given in the nomination form. Non-individuals including society, trust, body corporate, partnership firm, karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further details in this regard, Members may contact XL Softech Systems Limited, 3, Sagar Society, Road No. 2, Banjara Hills, Hyderabad - 500 034, Telangana, the Registrar and Share Transfer Agents of the Company.
17. Securities and Exchange Board of India (SEBI) has issued a circular clarifying that it shall be mandatory for the transferee(s) to furnish copy of Permanent Account Number (PAN) card to the Company/Registrar and Transfer Agent of the Company for registration of transmission and transposition of shares in the physical mode. Members may please take note of the same.

#### **Voting Through Electronic Means:**

1. The voting period begins on 26<sup>th</sup> September, 2021 at 9:00 a.m and ends on 29<sup>th</sup> September, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23<sup>rd</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

2. Mr. Ashish Gaggar, Practicing Company Secretary (Membership No. FCS 6687) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
3. Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
4. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date i.e. 23<sup>rd</sup> September, 2021, only shall be entitled to avail the facility of remote e-voting. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
5. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting, then you can use your existing User ID and password for casting your vote.
6. The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman, who shall countersign the same.
7. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.moldtekgroup.com](http://www.moldtekgroup.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.
8. The resolutions listed in the Notice of the AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolutions.

**Instructions for members CDSL e-Voting System – For Remote e-voting and e-voting during AGM is as under:**

**CDSL e-Voting System – For Remote e-voting and e-voting during AGM**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 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. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and January 13, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the /AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the /AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.moldteckpackaging.com](http://www.moldteckpackaging.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021..
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2021, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

**THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:**

- (i) The voting period begins on 26<sup>th</sup> September, 2021 at 9:00 a.m and ends on 29<sup>th</sup> September, 2021 at

5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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



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

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

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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

	For Shareholders holding shares in Demat Form other than individual and Physical Form
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (ix) Click on the EVSN for the relevant Company Name, i.e., **MOLD-TEK PACKAGING LIMITED** on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@moldtekpackaging.com](mailto:cs@moldtekpackaging.com) (designated email address by Company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (Company email id). These queries will be replied to by the Company suitably by email.



8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the / AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the /AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

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

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

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

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

Place: Hyderabad  
Date: 2<sup>nd</sup> September, 2021

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

The following Statement sets out all material facts relating to Items no 4-12 as mentioned in the Notice:

### **Item no. 4**

Mrs. J. Mytraeyi, who was appointed as non-executive promoter director is associated with the Company since the year 2008, She is a Science graduate and actively participates in the management and affairs of the Company.

As per the provisions of Section 152(6) of the Companies Act, 2013 her office is liable to retire at the ensuing 24<sup>th</sup> AGM, However, being eligible, she seeks reappointment as non-executive promoter director of the Company

Further, as per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, (“Amendment Regulations, 2018”), effective from 1st April, 2019, inter alia, provides that “no listed Company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect”.

Mrs. J. Mytraeyi, has attained the age of 75 (seventy five) years,

Further, based on the performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends her reappointment. as non-executive promoter director. However, In view of the aforesaid provisions, for the continuation of Mrs. Mytraeyi Janumahanti, as Non-Executive Promoter director of the Company, the consent of the members is required by way of passing of special resolution

Hence, the Board recommends passing of the resolution(s) as set out under Item No. 4 for approval of the members as Special resolution(s).

Information as required pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India is contained in the statement annexed as “Annexure I hereto.

Except J. Lakshmana Rao, Chairman & Managing Director, J. Mytraeyi, Non-Executive Director, A. Seshu Kumari, Chief Financial Officer and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item 4 of the accompanying Notice.

### **Item No. 5**

J. Lakshmana Rao was re-appointed as Chairman and Managing Director of the Company by the Members of the Company at the 21st Annual General Meeting held on 29<sup>th</sup> September, 2018 and in the 34th Annual General Meeting held on 29<sup>th</sup> September, 2018 of Mold-Tek Technologies Limited for a period of 5 years from 1st April, 2019 to 31<sup>st</sup> March, 2024.

Remuneration of J. Lakshmana Rao was revised/fixed for the period from 1st April, 2019 to 31<sup>st</sup> March, 2022 in the 21st Annual General Meeting held on 29<sup>th</sup> September, 2018 and in the 34th Annual General Meeting held on 29<sup>th</sup> September, 2018 of Mold-Tek Technologies Limited, subject to approval of central government, and the Members of the Company approved the revision in remuneration of J. Lakshmana Rao w.e.f 1st April, 2019 to 31<sup>st</sup> March, 2022.

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

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of Managing Directors have also increased manifold and therefore the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2<sup>nd</sup> September, 2021 reviewed the remuneration payable to J. Lakshmana Rao from 1st April, 2022 to 31<sup>st</sup> March, 2024,

The proposed revision is keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

The principal terms and conditions of Increase/revision in remuneration are mentioned in the resolution set out at item no 5.

As per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 approval of the Members of the Company by way of special resolution is required for revision in remuneration payable to the Managing Director.

The Board recommends passing of the resolution(s) as set out under Item No. 5 for approval of the members as Special resolution(s).

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

Except J. Lakshmana Rao, Chairman & Managing Director, A. Subramanyam, Deputy Managing Director, J. Mytraeyi, Non-Executive Director, A. Seshu Kumari, Chief Financial Officer and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item 5 of the acCompanying Notice.

**Item 6**

A. Subramanyam was re-appointed as Deputy Managing Director of the Company for a period of 5 years from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018.

Remuneration of A. Subramanyam was revised /fixed for the period with effect from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022 in the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018, subject to approval of central government, and the Members of the Company approved the revision in remuneration of A. Subramanyam w.e.f 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022.

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of Deputy Managing Directors have also increased manifold and therefore the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2<sup>nd</sup> September, 2021 reviewed the remuneration payable to A. Subramanyam from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

The proposed revision is keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

The principal terms and conditions Increase/revision in remuneration are mentioned in the resolution set out at item no 6.

As per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 approval of the Members of the Company by way of special resolution is required for revision in remuneration payable to A. Subramanyam.

The Board recommends passing of the resolution(s) as set out under Item No. 6 for approval of the members as Special resolution(s).

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

Except J. Lakshmana Rao, Chairman & Managing Director, A. Subramanyam, Deputy Managing Director, J. Mytraeyi, Non-Executive Director, A. Seshu Kumari, Chief Financial Officer and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item no. 6 of the acCompanying Notice.

**Item 7**

P. Venkateswara Rao was re-appointed as Deputy Managing Director of the Company for a period of 5 years from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 at the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018.

Remuneration of P. Venkateswara Rao was revised/ fixed for the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022 in the 21<sup>st</sup> Annual General Meeting held on 29<sup>th</sup> September, 2018, subject to approval of central government, and the Members of the Company approved the revision in remuneration of P. Venkateswara Rao w.e.f 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2022.

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of Deputy Managing Directors have also increased manifold and therefore the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2<sup>nd</sup> September, 2021 subject to the approval of Members at general meeting, approved the revision in remuneration payable to P. Venkateswara Rao from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2024.

The proposed revision is keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

The principal terms and conditions of Increase/revision in remuneration are mentioned in the resolution set out at item no 7.

As per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 approval of the

Members of the Company by way of special resolution is required for revision in remuneration payable to P. Venkateswara Rao.

The Board recommends passing of the resolution(s) as set out under Item No. 7 for approval of the members as Special resolution(s).

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

Except P. Venkateswara Rao and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the Resolution as set out in Item no. 7 of the acCompanying Notice.

#### **Item No. 8**

Mr. Srinivas Madireddy, Whole-time Director was appointed on 14<sup>th</sup> May, 2018 for a period of 5 years and the members of the Company ratified/approved his appointment in the Annual General Meeting held on 29<sup>th</sup> September, 2018 by passing a special resolution to this effect. The remuneration payable to Mr. Srinivas Madireddy was approved for a period starting from 14<sup>th</sup> May, 2018 till 30<sup>th</sup> September, 2021.

Members may be aware that there has been substantial increase in overall growth and volume of business of the Company. In view of the increased volume of business, the duties and responsibilities of Whole-time Director have also increased manifold and therefore the Board of Directors and Nomination and Remuneration Committee at its meeting held on 2<sup>nd</sup> September, 2021 subject to the approval of Members at general meeting, approved the revision in remuneration payable to Mr. Srinivas Madireddy from 1<sup>st</sup> October, 2021 till 13<sup>th</sup> May, 2023.

The proposed revision is keeping in view the objectivity of remuneration package payable to executives while striking a balance between the interest of the Company and the shareholders.

The principal terms and conditions of Increase/revision in remuneration are mentioned in the resolution set out at item no 8.

As per the provisions of Sections 196, 197, 198, 203 and Schedule V of the Companies Act, 2013 approval of the Members of the Company by way of special resolution is

required for revision in the remuneration payable to the Whole Time Director.

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

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

Except Mr. Srinivas Madireddy and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolution as set out in Item 8 of the acCompanying Notice.

#### **Item No. 9**

The members of the Company at the 19<sup>th</sup> Annual General Meeting held on 19<sup>th</sup> September, 2016 via passing of an ordinary resolution had revised the remuneration payable to Mrs. A. Seshu Kumari, by providing monthly remuneration not exceeding ₹ 5,00,000/- including all perquisites.

Ms. A Seshu Kumari has been looking after the finance activities of the Company from last 30 Years. She has ample experience in the field of accounts and finance. Considering her vast and rich experience and increased growth of the Company, the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at their meetings held on 2<sup>nd</sup> September, 2021 approved the revisions/increase in remuneration of Mrs. A. Seshu Kumari, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, w.e.f. 1<sup>st</sup> April, 2022.

Ms. A. Seshu Kumari is in the exclusive employment of the Company and will not hold a place of profit in any other Company.

The proposed remuneration of Mrs. A. Seshu Kumari, Chief Financial Officer, with 3 decades of experience, is considered as minimum remuneration as compared with the remuneration package for similar position in the industry, as this is a very challenging position. Similarly placed employees in the Company are/will be getting comparable salary.

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



## **Mold-Tek Packaging Limited**

<b>Name of the related party</b>	<b>A. Seshu Kumari</b>
Name of the director or Key Managerial personnel who is related	Mr. J. Lakshmana Rao, Mr. A. Subramanyam & Ms. J. Mytraeyi
Nature of relationship	a) Mr. J. Lakshmana Rao, Chairman and Managing Director- Brother b) Mr. A. Subramanyam, Deputy Managing Director – Spouse c) Ms. J. Mytraeyi- Director - Mother
Nature, Material terms, Monetary value and particulars of the contract or arrangement	Mrs. A. Seshu Kumari, is holding the office or place of profit as Chief Financial Officer of the Company. Her remuneration is proposed to be revised as per the terms set out in the resolution given at item number 9.
Any other information relevant or important for the Members to take a decision on the proposed resolution:	Not Applicable

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

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

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

### **Item No. 10**

Mr. J. Rana Pratap holds an MBA in Marketing & Operations from IIM Lucknow and a bachelor's degree in Industrial Engineering from IIT, Delhi. At Mold-Tek, he manages Strategic Initiatives & Business Development while identifying new areas of growth in Packaging, Engineering and IT space. He has over 9 years of experience in identifying high potential growth areas & arriving at business solutions to real problems, the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at their meetings held on 2<sup>nd</sup> September, 2021 approved revision / increase in remuneration of Mr. J. Rana Pratap, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, w.e.f. 1st October 2021.

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

The proposed remuneration of Mr. J. Rana Pratap, who has been responsible for new business development for more than 9 years, is considered as minimum remuneration as compared with the remuneration package for similar position in the industry, as this is a very challenging position. Similarly placed employees in the Company are/will be getting comparable salary.

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

<b>Name of the related party</b>	<b>Mr. J. Rana Pratap</b>
Name of the director or Key Managerial personnel who is related	Mr. J. Lakshmana Rao,
Nature of relationship	Mr. J. Lakshmana Rao, Chairman & Managing Director - Father
Nature, Material terms, Monetary value and particulars of the contract or arrangement	Mr. Rana Pratap is holding the office or place of profit as Corporate Manager of the Company. His remuneration is proposed to be revised as per the terms set out in the resolution given at item number 10.
Any other information relevant or important for the Members to take a decision on the proposed resolution:	Not Applicable

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

The Board recommends passing of the resolution(s) as set out under Item No. 10 for approval of the members as Ordinary resolution(s).

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

#### **Item no. 11**

Mr. Durga Sundeep Adivishnu, has completed his Engineering from REC Kurukshetra and P.G. in Business Management from Purdue University, USA. At Mold-Tek, he manages MIS, production planning, Material planning, Sales forecasting, Costing / Margin analysis etc. He has over 11 years of experience in identifying high potential growth areas & arriving at business solutions to real problems and the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors of the Company at their meetings held on 2<sup>nd</sup> September, 2021 approved revision/increase in remuneration of Mr. Durga Sundeep Adivishnu, subject to approval of the members pursuant to Section 188 of the Companies Act, 2013, w.e.f. 1st October 2021.

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

The proposed remuneration of Mr. Durga Sundeep Adivishnu, who has been responsible for aforementioned roles for more than 8 years, is considered as minimum remuneration as compared with the remuneration package for similar position in the industry, as this is a very challenging position. Similarly placed employees in the Company are/will be getting comparable salary.

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

<b>Name of the related party</b>	<b>Mr. Durga Sundeep Adivishnu</b>
Name of the director or Key Managerial personnel who is related	Mr. A. Subramanyam & Mrs. A Seshu Kumari
Nature of relationship	Father & Mother
Nature, Material terms, Monetary value and particulars of the contract or arrangement	Mr. A. Durga Sundeep is holding the office or place of profit Vice President of the Company. His remuneration is proposed to be revised as per the terms set out in the resolution given at item number 11.
Any other information relevant or important for the Members to take a decision on the proposed resolution	Not Applicable

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

The Board recommends passing of the resolution(s) as set out under Item No. 11 for approval of the members as Ordinary resolution(s).

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

#### **Item no. 12**

#### **RECLASSIFICATION OF PROMOTERS**

The Company has received reclassification request vide letters dated 27<sup>th</sup> July 2021 from certain Promoters to reclassify them from existing “Promoters/Promoter Group category” to “Public category” of the Company, pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”). The name of the Promoters from whom the Company has received request for re-classification, together with their shareholding as on the date of this Notice is given below:

<b>S. No</b>	<b>Name of the Outgoing Promoter</b>	<b>No of Shares held as on date of this notice</b>	<b>% of holding</b>
1.	Mr. K V Ramarao	2,402	0.009%
2.	Mr. Prasanna Kumar Golkonda	10,605	0.038%
3.	Mrs. SeshupriyaGolakonda	NIL	NIL

The board of directors of the Company at their meeting held on 28<sup>th</sup> July 2021 have favorably considered the request for reclassification of the Promoters as none of the Promoters seeking re-classification and the persons related to them:

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

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

The board thus hereby recommends the Ordinary Resolution as set out in the item no 12 of the notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution as set out at item no. 12 of the Notice.

### Annexure-I

Additional information on Director seeking re-appointment in the Annual General Meeting (under sub-regulation 3 of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard-2

#### Statement of Disclosure

Name of the Director	J. Mytraeyi	Lakshmana Rao Janumahanti	A. Subramanyam	P. Venkateswara Rao	Srinivas Madireddy
Date of birth	29 <sup>th</sup> October, 1934	19 <sup>th</sup> April, 1959	8 <sup>th</sup> July, 1954	18 <sup>th</sup> January, 1957	13 <sup>th</sup> May, 1966
Date of first appointment on the board	27 <sup>th</sup> August, 2008	27 <sup>th</sup> August, 2008	27 <sup>th</sup> August, 2008	27 <sup>th</sup> August, 2008	14 <sup>th</sup> May, 2018
Terms & Conditions of appointment and re-appointment along with Remuneration sought to be paid	As mentioned in the resolution No. 4	As mentioned in the resolution No. 5	As mentioned in the resolution No. 6	As mentioned in the resolution No. 7	As mentioned in the resolution No. 3 & 8
Relationship with other Directors	J. Lakshmana Rao- Son	J. Mytraeyi- Mother	J. Lakshmana Rao- Brother-in-law	Not Applicable	Not Applicable
Expertise in specific functional area	Governance and management affairs	Marketing and Finance Area	Over all in-charge of In-house research and development of moulds and in-house tool room for designing and development of moulds for new products.	Over all in-charge of Materials Management, marketing and commercial activities	Production, planning and control of all the units.
Qualification	B. Sc	P.G Diploma in Management	B.E. (Mechanical) Diploma in mould design & manufacturing	P.G. in material management	B.E (Mechanical)

Name of the Director	J. Mytraeyi	Lakshmana Rao Janumahanti	A. Subramanyam	P. Venkateswara Rao	Srinivas Madireddy
Number of Meetings of the Board attended during the financial year 2020-2021	3	7	6	7	6
Names of other companies in which holds the directorship	NIL	Mold-Tek Technologies Limited	Mold-Tek Technologies Limited	Mold-Tek Technologies Limited	NIL
Names of other companies in which holds the membership of committees of the board	NIL	NIL	NIL	NIL	NIL
No of shares held in the Company as on 31 <sup>st</sup> March, 2021	86,700	25,55,445	16,29,124	2,34,896	4,67,276

## ANNEXURE II REFERRED TO IN THE EXPLANATORY STATEMENT FROM ITEM NO. 5 to 8

*Statement containing the information pursuant to the provisions of clause (B) of Section II of Part II of Schedule V to the Companies Act, 2013 with respect to ITEM NO. 5 to 8*

### I. GENERAL INFORMATION

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

₹ lakhs

Particulars	Year ended 31 <sup>st</sup> March 2021	Year ended 31 <sup>st</sup> March 2020	Year ended 31 <sup>st</sup> March 2019
Income	47,953	43,860	39,542
Net Profit before interest, Depreciation & Tax	9,656	8,120	7,328
Net Profit as per Statement of Profit and Loss	4,808	3,819	2,410
Amount of dividend	1,954	1,671	1,335
Rate of dividend declared/recommended	140	100	80

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

- Exports performance and net foreign exchange earnings for the year ended 31<sup>st</sup> March, 2021** is ₹533.16 lakhs
- Foreign investments or collaborations, if any:** Not applicable

### II INFORMATION ABOUT THE APPOINTEES

#### 1. Background Details:

**Lakshmana Rao Janumahanti:** He holds a Bachelor's degree in Civil Engineering and also holds a Post graduate diploma in management from the famous Indian Institute of Management, Bangalore specializing in marketing and finance areas. He is a founder of Mold-Tek group companies. He has a vast experience of 38 years in the field of finance & Marketing.

**Subramanyam Adivishnu:** He holds a Bachelor's degree in BE Mechanical from REC- Suratkal and he completed short-term course in mould design and manufacturing from CIPET- Chennai. He promoted Mold-Tek along with Lakshmana Rao Janumahanti. He has 40 years of work experience in the field of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products.

**P. Venkateswara Rao:** He holds a Bachelor's degree in arts from Osmania University and a diploma degree in material management. He has over 41 years of work experience in the field of material management and project execution and co-ordination. He is incharge of overall marketing and commercial activities of the Company.

**Srinivas Madireddy:** Mr. Srinivas Madireddy is an Engineer by profession holding a degree in B.E (Mechanical). He is having vast experience of over 33 years in the field of Production Management and other fields and he is incharge of Production, planning and control of all the units.

**2. Past Remuneration:**

J. Lakshmana Rao - ₹ 168.44 lakhs for the financial year ended 31<sup>st</sup> March, 2021 from Mold- Tek Packaging Limited and ₹71.96 for the financial year ended 31<sup>st</sup> March, 2021 from Mold- Tek Technologies Limited aggregating to ₹ 240.40 lakhs

Subramanyam Adivishnu- ₹ 225.35 lakhs for the financial year ended 31<sup>st</sup> March, 2021

P. Venkateswara Rao- ₹ 163.32 lakhs for the financial year ended 31<sup>st</sup> March, 2021

Srinivas Madireddy: ₹ 85.59 lakhs for the financial year ended 31<sup>st</sup> March, 2021

**3. Recognition or awards: NIL**

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

Lakshmana Rao Janumahanti: Chairman & Managing Director and he is in-charge of overall activities of the Company.

Subramanyam Adivishnu: Deputy managing Director and he is in-charge of in-house research and development of moulds and in-house tool room for designing and development of moulds for new products.

P. Venkateswara Rao: Deputy managing Director and he is in-charge of overall marketing and commercial activities of the Company.

Srinivas Madireddy: Whole time director and he is in-charge of Production, planning and control of all the units.

**5. Proposed remuneration:**

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

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

Compared to the remuneration profile of position and person with respect to this industry and size, they are entitled to the proposed remuneration

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

Except the remuneration drawn by them from the Company, they do not have any pecuniary relationship, directly or indirectly with the Company.

J. Lakshmana Rao is son of J. Mytraeyi, brother-in-law of A. Subramanyam and Brother of A. Seshu Kumari.

**III Other Information**

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



## **REMINDER TO THE SHAREHOLDERS RELATING TO EXERCISE OF THEIR OPTION OF CONVERSION OF DETACHABLE WARRANTS INTO FULLY PAID UP EQUITY SHARES OF THE COMPANY ISSUED UNDER THE RIGHTS ISSUE.**

This is to inform all the shareholders that, as per the Letter of offer dated 17<sup>th</sup> October, 2020, relating to Rights Issue, the Company has issued Detachable Warrants to all the eligible shareholders of the Company under the Rights Issue of the Company. The Warrants were allotted on 18<sup>th</sup> November 2020

The Warrant holders have the option of voluntarily exercise their option to subscribe to Equity Shares, within 18 months (i.e on or before 17<sup>th</sup> May 2022) from the date of Allotment of the Warrants. All Warrants holders who have not exercised the option to subscribe to Equity Shares on or before 17<sup>th</sup> May 2022, their warrants shall lapse. A detailed procedure has been provided in the Letter of Offer dated 17<sup>th</sup> October, 2020 (refer page no. 142) related to the “Warrant Conversion Procedure”. The Letter of Offer is available on the Company’s website @ [www.moldteckpackaging.com](http://www.moldteckpackaging.com) under the Investor TAB\_Rights Issue.

All the Warrant holders of the Company who are holding the Detachable Warrants may note that, they have to voluntarily exercise their option to convert the Detachable Warrants into fully paid up Equity Shares of the Company. The last date to Exercise their options is **17<sup>th</sup> May, 2022**.

Considering the above, the Company requests all the warrant holders to exercise their options of conversion of Detachable Warrants into fully paid up Equity Shares of the Company, voluntarily, by making the balance payment and by following the procedure as prescribed, on or before 17<sup>th</sup> May, 2022.

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## BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting their report on the business and operations of the Company for the year ended 31st March, 2021.

### FINANCIAL RESULTS

₹ in lakhs

Particulars	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	47,893	43,744	47,893	43,820
Other income	60	116	88	116
<b>Total income</b>	<b>47,953</b>	<b>43,860</b>	<b>47,981</b>	<b>43,936</b>
Profit before Finance cost, depreciation & tax	9,656	8,120	9,538	7,794
Finance cost	994	1,019	994	1,040
Depreciation	2,149	1,907	2,151	1,921
<b>Profit before exceptional items and tax</b>	<b>6,513</b>	<b>5,194</b>	<b>6,393</b>	<b>4,833</b>
Provision for current tax	1,546	1,218	1,546	1,218
Provision for deferred tax	51	(129)	51	(129)
Exceptional items	108	286	-	-
<b>Net profit (After Tax)</b>	<b>4,808</b>	<b>3,819</b>	<b>4,796</b>	<b>3,744</b>
Other comprehensive income (net of tax)	(22)	(47)	(22)	(47)
Profit brought forward from previous years	8,333	7,568	8,383	7,693
<b>Amount available for appropriation</b>	<b>13,119</b>	<b>11,340</b>	<b>13,157</b>	<b>11,390</b>
<b>Less: Appropriation</b>				
Dividend on equity shares (excluding tax)	837	2,494	837	2,494
Tax on dividends	0	513	0	513
<b>Closing Balance of retained earnings</b>	<b>12,282</b>	<b>8,333</b>	<b>12,320</b>	<b>8,383</b>

### PERFORMANCE REVIEW

Your Company has shown a healthy performance at Standalone level in terms of revenue, EBIDTA & PAT inspite of severe lockdown and economic collapse due to Covid. Your Company has achieved total revenue of ₹47,893 lakhs up from ₹43,744 lakhs in the previous year at a growth rate of 9.48%. The operating profit (EBIDTA) increased by 18.92%, from ₹8,120 lakhs to ₹9,656 lakhs, resulting into a healthy increase in net profits by 25.90% to ₹4,808 lakhs as against ₹3,819 lakhs for financial year 2019-20. The EPS on weighted average equity has increased from ₹13.78 in the financial year 2019-20 to ₹16.86 in the financial year 2020-21, leading to an increase of 22.34%.

### ANNUAL SNAPSHOT & FUTURE OUTLOOK

#### New products & development

Mold-tek has progressed considerably in last few years with increased product range with innovative packaging solutions, keeping in mind the evolving needs of the packaging in India. In spite of Covid-19 we continue to invest in new technologies and products to ensure that we are future-ready

and have a better outreach of sustainable packaging solutions to our esteemed clients.

#### Commercial supply of pumps

Your Company has successfully established & started commercial production and supplies of pumps. Initially, Mold-Tek has been focusing on Sanitizers, Lotions, Soap and later wish to position for cosmetics and premium oils. Supplies started to prominent customers like Wipro, Biocon and Godrej.

#### QR Coded IML

The company has successfully developed futuristic dynamic QR coded IML packaging with complete traceability all across the supply chain. There is considerable interest for this concept and after the second wave we expect commercial trials by our customers. This brings in the “Digital packaging” Concept for the first time to India.

#### Launch of Confectionary Containers

Your Company has launched a range of products for sweets, confectionery and online food delivery. Mold-Tek expect

a healthy adoption of this packaging in the next couple of years.

### **Additional capacity**

In view of consistent demand and based on our customer trends, the Company has gradually added capacity in the Satara, Mysore, Vizag & Hyderabad plants In the last 10 months. Further, Mold-Tek has doubled its IML label production capacity.

### **New Segments**

By improving the product range, the Company expanded footprint into new segments like - restaurants, dates, growth enhancers, seeds etc. Some of these segments will be our growth drivers over the next 2-3 years.

### **New plants**

We are glad to inform you that the Company is setting up new plant in Uttar Pradesh to cater the needs of all North region clients. Your Company is acquiring about 3 acres of land at Sandila Industrial Estate, Uttar Pradesh. However to save time Company starting operations in a leased premises near Kanpur by October, 2021. A plant in Sulthanpur near Hyderabad is also being envisaged to start construction in this Financial Year..

### **Recycling**

Your Company is planning to expand in-house recycling capacity to evaluate the possibility of using reprocessed plastic from our operations (mostly set up wastage). The above developments will ensure good growth prospects for the Company in the coming quarters.

### **Looking ahead**

During the first quarter of the FY 2021-22, India experienced a “second wave” of COVID-19, a significant surge of COVID-19 cases following the discovery of mutant coronavirus variants in the country. All state governments implemented regional lockdowns in areas with significant number of COVID-19 cases. The impact of “second wave” of COVID-19, including changes in customer behavior and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian markets and a significant decrease in global and local demand. Our Company operations and revenue were also impacted due to second wave of COVID-19. However, your Company achieved a revenue growth of 104% in Q1 over similarly affected Q1 of last Financial Year (FY20) and PAT of Q1, FY21 is up by 671% over Q1 of FY20.

Starting from July’21, second wave has been controlled and demand for our products started picking up considerably. Going forward we are confident of achieving double digit growth and improved profitability for next few years owing

to expansion and widening of product range with higher value addition, subject to control of the pandemic in the country.

### **IMPACT ASSESSMENT OF THE GLOBAL HEALTH PANDEMIC – COVID 19 AND RELATED ESTIMATION UNCERTAINTY:**

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company’s financial results may differ from that estimated as at the date of approval of these financial results.

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

The Environmental, Health and Safety policy of the Company has a “No Accident” as one of its main objectives which acts as a key differentiator in driving workplace safety initiatives. There are no reportable accidents or injuries during the year ended March 31, 2021.

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

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

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

### **TRANSFER TO RESERVES**

The Board of Directors of the Company have not recommended for transfer of any amount to the General Reserve for the financial year ended 31st March, 2021.

**DIVIDEND**

Your Company has recommended a final dividend of 80% (₹4 per share) in addition to interim dividend 60% (₹3 per share) on face value of ₹5 each declared on 8 March, 2021. Total dividend declared for the financial year 2020-21 is 140% (i.e. ₹7 per share) on face value of ₹5. This will entail an outflow of ₹1671.26 lakhs.

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

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

**AUTHORIZED SHARE CAPITAL**

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2021 stands at ₹20,00,00,000 (Rupees Twenty crore only) divided into 4,00,00,000 (Four crore only) equity shares of ₹5 (Rupees Five only) each. During the year, the Company has increased its Authorized Share Capital from ₹14,50,00,000 to ₹20,00,00,000 in the Extra-Ordinary General meeting held on 12<sup>th</sup> October, 2020.

**PAID UP SHARE CAPITAL**

The paid up share capital of the Company is ₹13,95,26,797.50.

During the year 2020-21, the Company has issued 5,95,830 Equity Shares, the details are as below:

S.No.	Allotment details	No. of Shares	Face value of shares	Paid up Capital of the Company
1	Shares at the beginning of the Year of ₹5 each	2,77,26,027	₹5 each	13,86,30,135
2	ESOP allotment dated 13th Aug, 2020	6,690	₹5 each	33,450
3	ESOP allotment dated 3rd Oct, 2020	33810	₹5 each	1,69,050
4	Rights issue allotment of Partly paid up Equity Shares dated 18th Nov, 2020	555330	₹1.25 each	6,94,162.5
	<b>Total No. of shares &amp; paid up capital as on 31<sup>st</sup> March, 2021</b>	<b>2,83,21,857</b>		<b>13,95,26,797.5</b>

\*Note: Conversion of Warrants into Equity Shares-dated 15th March, 2021: 5,094 Equity Shares of ₹5 each has been admitted for trading on both the stock exchanges namely BSE & NSE w.e.f 27th April, 2021.

**STATEMENT OF DEVIATION OR VARIATION**

During the year 2020-21, the Company has issued partly paid up Shares & detachable warrants to raise ₹7,130.44 lakhs as on 31<sup>st</sup> March, 2021 through part payment by allotting 5,55,330 Partly Paid Up Equity Shares of ₹1.25 along with 33,31,980 detachable warrants. Further there is no deviation or variation in the funds utilization.

**CREDIT RATING**

ICRA

The rating details are as follows:

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

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

No change in the nature of Business

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE Company**

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which the financial statements relate and the date of this Directors' Report.

**SUBSIDIARY**

Your Company has closed down the operations of the wholly owned subsidiary, Mold-Tek Packaging FZE, UAE pending winding up formalities. During the quarter ended 31st March, 2021, the Company has made an additional provision of ₹107.74 lakhs towards loan granted and advance given.

The consolidated financial statements of the group prepared in accordance with applicable Accounting Standards as specified in the Companies (Accounts) Rules, 2014, form part of the annual report. Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (the Act), a

statement containing salient features of financial statements of subsidiary in Form AOC 1 forms part of Board's Report.

Separate audited financial statements in respect of the subsidiary Company shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of the subsidiary Company is also available on the website of your Company at: <http://www.moldtekgroup.com>.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Loans, guarantees and investments covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report.

## **DEPOSITS**

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

## **INTERNAL CONTROLS SYSTEMS AND ADEQUACY**

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

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

## **DETAILS OF DIRECTORS/KEY MANAGERIAL PERSONNEL**

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management.

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

In accordance with the provisions of Section 152 of the Act, Mrs. J. Mytraeyi, Non-Executive Promoter Director (DIN: 01770112) and Mr. Madireddy Srinivas, Whole Time Director (DIN: 01311417) are retiring by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

Mr. Ramakrishna Bonagiri, Non-Executive Independent Director has resigned from the post of Independent Director of the Company w.e.f. 29th August, 2020 and the Board accepted the resignation of Mr. Ramakrishna Bonagiri in the Board meeting held on 2nd September, 2020. The Board has placed its sincere appreciation for the services rendered by him during his tenure.

Pursuant to the provisions of regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by ICSI, brief particulars of the directors proposed to be appointed/ re-appointed are provided as an annexure to the notice convening the AGM.

## **EMPLOYEE STOCK OPTION SCHEME**

The Company has in operation Mold-Tek Packaging Employees Stock Option Scheme-2016 for granting stock options to the employees of the Company, in accordance with the Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities Exchange Board of India (Share Based employee benefits) Regulations, 2014.

The Company has granted 1,50,000 options under this scheme in the Nomination and Remuneration Committee meeting on 23<sup>rd</sup> December, 2020.

There have been no changes in the Scheme.

Disclosures pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 are enclosed as **Annexure-A** to this report.

The **Annexure-A** is also available on website of the Company at [www.moldteckpackaging.com](http://www.moldteckpackaging.com)

## **GOVERNANCE GUIDELINES**

The Company has adopted Governance Guidelines or code of conduct on Board, Independent Director, Key Managerial Personnel and senior managerial personnel. The Governance Guidelines or code of conduct cover aspects relating to Board diversity, definition of independence and duties of independent directors, Code of Conduct, moral, ethics and principles to be followed.

## **STATEMENT ON COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS**

It is hereby stated that the Company has duly complied with applicable Secretarial Standards for the year 2020-21.



## **NOMINATION, REMUNERATION AND PERFORMANCE EVALUATION POLICY**

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

## **TRANSACTIONS WITH RELATED PARTIES**

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

## **BOARD AND COMMITTEE MEETINGS**

Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Section 173(1) of the Act and Regulation 17(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost and secretarial auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2020-21.

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

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the annual accounts on a going concern basis;
- iv. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- v. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the provisions of Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2021, the Company has constituted a CSR Committee. The Corporate Social Responsibility Committee comprises of 3 Executive Directors and one independent Director, chaired by J. Lakshmana Rao. The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Act. The Board of Directors, based on the recommendations of the Committee, formulated a CSR Policy. The requisite details on CSR activities pursuant to Section 135 of the Act and as per Annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2021 are annexed as **Annexure-B** to this Report.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment and recommend appropriate action. In the financial year 2020-21, the Company has not received any complaint which falls within the scope of this policy. The policy is available on website of the Company at: <http://moldtekpackaging.com/pdf/corporate-governance/MPL-Policy-of-SH.pdf>

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The requisite details as required by Section 177 of the Act and Regulation 22 & 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 is provided in the Report on Corporate Governance.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant material orders have been passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

### **AUDITORS**

#### **a. Statutory Auditors**

M/s. Anandam & Co., Chartered Accountants (Firm Registration Number 000125S) were appointed as the Statutory Auditors by the Members of the Company at the 20th Annual General Meeting (AGM) to hold office from the conclusion of the 20th AGM until the conclusion of the 25th AGM of the Company (subject to ratification by the Members at every subsequent AGM), in accordance with the provisions of the Act.

In the 22<sup>nd</sup> AGM of the Company, held on 30<sup>th</sup> September, 2019, the appointment of Anandam & Co., Chartered Accountants, has been ratified up to the conclusion of 25<sup>th</sup> Annual General meeting of the Company.

#### **b. Secretarial Auditors**

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

Pursuant to the provisions of Regulation 24A of the SEBI (LODR) Regulations, 2015 the Board of Directors of the Company had appointed Mr. Ashish Kumar Gaggar, Practicing Company Secretary to undertake the Audit of Annual Secretarial Compliance of the Company for the year ended 31st March, 2021. The Annual Secretarial Compliance Report is annexed as **Annexure-C (1)**. The Annual Secretarial Compliance Report for the financial year ended 31st March, 2021 do not contain any qualification, reservation, adverse remark or disclaimer except the observations provided thereunder.

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

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

### **PARTICULARS OF REMUNERATION**

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

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report.

### **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in form MGT-9 is annexed as **Annexure-F**.

### **MANAGEMENT DISCUSSION AND ANALYSIS, CORPORATE GOVERNANCE AND THE BUSINESS RESPONSIBILITY REPORT**

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

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

A Company Secretary in Practice has certified that conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with by your Company and his certificate is annexed to the Report on Corporate Governance.

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

### **CEO/CFO CERTIFICATION**

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

### **RISK MANAGEMENT**

All assets of your Company and other potential risks have been adequately insured.

### **EMPLOYEE RELATIONS**

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

### **BOARD'S OPINION OF INDEPENDENT DIRECTOR APPOINTED DURING THE YEAR**

As per Rule 8 (5) (iiia) of Companies (Accounts) Rules, 2014, it is in the opinion of the Board that integrity, expertise and experience (proficiency yet to be ascertained from the online proficiency self-assessment test conducted by the IICA) of the independent directors appointed during the year, has been fulfilled.

### **FRAUD REPORTING**

In the terms of provision of Section 134 (3) (ca) of the Companies Act 2013, during the year under review, there was no case of offense of fraud detected by the Auditors under sub section (12) of section 143.

### **MAINTENANCE OF COST RECORDS**

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

### **ACKNOWLEDGEMENTS**

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

For and on behalf of the Board of Directors

Sd/-

**J. LAKSHMANA RAO**

Chairman & Managing Director

DIN:00649702

Place: Hyderabad

Date: 2<sup>nd</sup> September, 2021

## ANNEXURE - A

*Disclosure pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014*

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

Scheme I - MTPL Employees Stock Option Scheme

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

### Details of the Employees Stock Option Schemes (ESOS)

S.No.	Description	Year ended 31st March, 2021 Scheme-I	Year ended 31st March, 2021 Scheme-II
1.	Date of shareholders' approval	9th February, 2010	19th September, 2016
2.	Total number of options approved under ESOS	5,00,000	3,00,000
3.	Vesting requirements	Commences at the expiry of one/two years to 4 years from the date of grant	Commences at the expiry of one year to 5 years from the date of grant
4.	Exercise price or pricing formula	Exercise price for the purpose of the grant of options shall be the price as reduced by 60% of the closing market price of the equity shares of the Company available on the BSE on the date immediately preceding the grant date, subject to minimum of the face value of equity share.	Exercise price for the purpose of the grant of options shall be price as reduced up to a maximum of 50% of the closing market price of the equity shares of the Company available on the stock exchange on which the shares of the Company are listed. If equity shares are listed on more than one stock exchange, then the closing price on the stock exchange having higher trading volume shall be considered as the closing market price.
5.	Maximum term of options granted	6 years	5 years
6.	Source of shares (primary, secondary or combination)	Primary	Primary
7.	Variation of terms of options	Nil	Nil

**Details of ESOS during the financial year**

<b>S. No.</b>	<b>Description</b>	<b>Year ended 31st March, 2021</b>
1.	Number of options outstanding at the beginning of the year (out of total number of options approved under ESOS)	1,12,500
2.	Number of options granted during the year	1,50,000
3.	Number of options forfeited/lapsed during the year	Nil
4.	Number of options vested during the year	40,500
5.	Number of options exercised during the year	40,500
6.	Number of shares arising as a result of exercise of options	40,500
7.	Amount realized by exercise of options (₹ lakhs)	87.60
8.	Loan repaid by the Trust during the year from exercise price received	Not applicable
9.	Number of options outstanding at the end of the year (out of total number of options approved under ESOS)	2,22,000
10.	Number of options exercisable at the end of the year (out of total number of options approved under ESOS)	Nil
11.	Weighted-average exercise price (₹)	289.22
12.	Weighted-average fair values	Not applicable
13.	Closing price	Not applicable
14.	Employee wise details of options granted to	
	a. Key managerial personnel	Nil
	b. Any other employee who received a grant of options in any one year of option amounting to 5% or more of option granted during the year	Nil
	c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants & conversions) of the Company at the time of grant	Nil



## ANNEXURE – B

### CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES UNDERTAKEN FOR THE FINANCIAL YEAR ENDED AS ON 31<sup>ST</sup> MARCH, 2021

#### 1. Brief outline on CSR Policy of the Company:

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

#### 2. Composition of CSR Committee:

Sl. No.	Name of Director	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. J. Lakshmana Rao	Chairman/ Chairman & Managing Director	01	01
2.	Mr. P. Venkateswara Rao	Member/ Deputy Managing Director	01	01
3.	Mr. A. Subramanyam	Member/ Deputy Managing Director	01	01
4.	Mr. Venkata Appa Rao Kotagiri	Member/ Independent Director	01	01

- Provide 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.\_ <https://www.moldteckpackaging.com/investors.html?nav=financial-info>
- Provide 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, **Not applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- **Not Applicable**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
		<b>Not Applicable</b>	

- Average net profit of the Company as per section 135(5): ₹5065.91 lakhs
- Two percent of average net profit of the Company as per section 135(5): ₹101.32 lakhs
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: ₹Nil
  - Amount required to be set off for the financial year, if any: ₹Nil
  - Total CSR obligation for the financial year (7a+7b-7c): ₹101.32 lakhs

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

Total Amount Spent for the Financial Year. (₹ in lakhs)	Amount Unspent (in ₹ lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
67.05	147.16	30 <sup>th</sup> April, 2021	Not Applicable		

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project		Project duration	Amount Allocated for the project (₹ in lakhs)	Amount spent in the current financial Year (₹ in lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in lakhs)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	Dis-trict.						Name	CSR Registration number
1.	Indian Institute of Management (Bengaluru), by providing Sponsorship to the Merit students for a period of 3 years	Item no (ii)	No	Karnataka	Bengaluru	3 Years	25.00	10.00	10.00	Direct	Not Applicable	Not Applicable
2.	Promoting Education Additional Class Rooms, Toilets, Scholarship etc.	Item no (ii)	No	At various places	At various places	2 Years	50.00	5.30	24.27	Direct	Not Applicable	Not Applicable
<b>TOTAL</b>							<b>75.00</b>	<b>15.30</b>	<b>34.27</b>			

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of The Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (₹ in lakhs)	Mode of implementation -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	Dis-trict.			Name.	CSR registration number
1.	Contribution made towards the 35 orphans Childers of Arunodaya Foundation for food and other necessities.	Item no (i)	Yes	Telangana	Hyderabad	1.00	Yes	Not Applicable	Not Applicable
2.	Contribution made towards the 15 persons with intellectual disability of Durgabai Deshmukh Vocational Training and Rehabilitation Centre for the Handicapped other necessities.	Item no (ii)	Yes	Telangana	Hyderabad	2.25	Yes	Not Applicable	Not Applicable
3.	Covid-19 Contribution - Distribution of Ration to Poor people at all our Plant located areas	Item no (i)	Yes	Telangana	Hyderabad	11.90	Yes	Not Applicable	Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of The Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (₹ in lakhs)	Mode of implementation -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number
4.	Covid-19 Contribution - Exgratia paid to Daily Labour	Item no (i)	Yes	Telangana	Hyderabad	11.60	Yes	Not Applicable	Not Applicable
5.	Sri Dakshinya Bhava Samithi, Guntur for Construction of Multi Utility Community hall for mentally and physically handicapped children and old aged persons by providing vocational training with lodging and boarding.	Item no (ii)	No	Andhra Pradesh	Guntur	25.00	Yes	Not Applicable	Not Applicable
	<b>TOTAL</b>					<b>51.75</b>			

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹67.05 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the Company as per section 135(5)	₹101.32 lakhs
ii.	Total amount spent for the Financial Year	₹67.05 lakhs
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:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in Succeeding financial years.(₹ in lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	FY 2018-19	Nil	33.93	Not Applicable			101.23
2.	FY 2019-20	Nil	75.88	Not Applicable			119.30
3.	FY 2020-21	147.16	67.05	Not Applicable			-
	<b>TOTAL</b>	<b>147.16</b>	<b>176.86</b>	<b>-</b>			<b>-</b>

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of The Project	Financial Year in which the project was commenced	Project duration.	Total amount Allocated for the project (₹ in lakhs)	Amount spent on the project in the reporting Financial Year (₹ in lakhs)	Cumulative amount spent at the end of reporting Financial Year. (₹ in lakhs)	Status of the project - Completed /Ongoing
1.	Ambulance	-	2020-21	2 years	50.00	-	50.00	On going
2.	School Building	-	2020-21	2 Years	60.00	5.00	55.00	On going
3.	Setting up makeshift hospitals and temporary CO-VID care facilities	-	2020-21	2 Years	30.00	-	14.30	On going
<b>TOTAL</b>					<b>140.00</b>	<b>5.00</b>	<b>119.30</b>	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Nil

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Some of the CSR projects are of long term nature of 2-3 years, hence the funds allocated to such projects will be spent as per the time lines and such unspent amount as on March 31,2021 has been transferred to Unspent CSR Account on April 30, 2021 and to be spent towards the projects identified as ongoing projects as on date of transfer of funds.

Sd/-

**J. Lakshmana Rao**

(Chairman & Managing Director)

**ANNEXURE – C**  
**SECRETARIAL AUDIT REPORT**

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

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

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

Sd/-

**Ashish Kumar Gaggar**  
Company Secretary in Practice  
FCS : 6687  
CP No. : 7321  
PR : 707/2020  
UDIN : F006687C000817310  
Date : 23rd August 2021  
Place : Hyderabad



**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2021

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

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

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

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements), Regulations, 2018
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **[Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the Financial Year under review];**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not Applicable as there was no reportable event during the period under review];**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **[Not Applicable as there was no reportable event during the period under review];**
- (vi) The industry specific Acts, Labour and other applicable laws as provided by the management of the Company;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India effective from 01 July 2015.
- ii. The listing agreements entered into by the Company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

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

**I further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, the meetings held at shorter notice were in compliance with SS-1 Secretarial Standard on Meetings of the Board of Directors.

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

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

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

Sd/-

**Ashish Kumar Gaggar**

Company Secretary in Practice

FCS : 6687  
CP No. : 7321  
PR : 707/2020  
UDIN : F006687C000817310

Date : 23rd August 2021  
Place : Hyderabad

**ANNEXURE-C (1)**

Secretarial Compliance Report of “**MOLD-TEK PACKAGING LIMITED**”

For the year ended 31<sup>st</sup> March, 2021

I, Ashish Kumar Gaggar have examined:

- (a) all the documents and records made available to me and explanation provided by “**MOLD-TEK PACKAGING LIMITED**”(“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2021 (“Review Period”) in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, Circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

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

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;-
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - ***Not Applicable to the listed entity during the review period***
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;-***Not Applicable to the listed entity during the review period***
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;- ***Not Applicable to the listed entity during the review period***
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and based on the above examination, I hereby report that, during the Review Period:

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

Sr. No.	Regulation Name/SEBI Circular Name	Regulation Number/ circular dated	Compliance Requirement (Regulations/ circulars/ guide-lines including specific clause)	Deviations	Observations Details
					NIL

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

- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder

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

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

Sr. No.	Regulation Name/SEBI Circular Number	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 2020	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	Regulation 17(1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	As per Regulation 17(1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors”	The Company was not in compliance with the requirements pertaining to the composition of the board as per the Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, from November 24, 2019 to January 26, 2020	The Company has appointed two more Non-Executive Independent Directors on the Board, in the Board meeting held on January 27, 2020.	The Company has complied with the requirement of said regulation by appointing two more Non-Executive Independent Directors on the Board, in the Board meeting held on January 27, 2020.

Sd/-

**Ashish Kumar Gaggar**

Company Secretary in Practice

FCS : 6687

CP No. : 7321

Date : 25<sup>th</sup> June 2021

Place : Hyderabad

UDIN : F006687C000515206

PR : 707/2020

## ANNEXURE-D

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

### a. Conservation of energy

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

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

#### Steps taken for conservation of energy

- a. Monitoring and analysis of energy consumption on periodic basis;
- b. New moulding machines selected are always either servo controller or fully electric machines;
- c. Replacement of conventional tubes and bulbs with LED;
- d. Monitoring, benchmarking and selection of energy intensive equipment only;
- e. Minimum use of energy by optimizing processes and material movement in factories;
- f. 'Machine On' alarms and automatic switch off machines;
- g. Share and implement best energy saving practices across manufacturing units.

### b. Technology absorption

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

### c. Foreign exchange earnings and outgo

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

	₹ in lakhs	
	2020-2021	2019-2020
Foreign exchange earnings	533	434
Foreign exchange outgo	3,876	4,545

## ANNEXURE-E

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

- a. **Ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:**

(₹ In lakhs)

Name of the Director	Remuneration	Median remuneration (₹)	Ratio to median remuneration
<b>Executive Directors</b>			
J. Lakshmana Rao	168.44	291232	49.00:1
A. Subramanyam	225.35	291232	66.92:1
P. Venkateswara Rao	163.32	291232	47.14:1
M. Srinivas	85.59	291232	29.58:1
<b>Non-Executive Directors</b>			
J. Mytraeyi	0.40	NA	NA
Dr. T. Venkateswara Rao	1.40	NA	NA
Dr. VenkataAppa Rao Kotagiri	0.60	NA	NA
Eswara Rao Immaneni	1.40	NA	NA
Madhuri VRV	1.40	NA	NA
Dhanraj Tirumala	1.20	NA	NA
B Ramakrishna	0.60	NA	NA

J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - Mold-Tek Packaging Limited and Mold-Tek Technologies Limited, aggregating to ₹ 240.40 lakhs pursuant to approval of the Members accorded at 21st Annual General Meeting held on 29<sup>th</sup> September, 2018 and 34<sup>th</sup> Annual General Meeting of Mold-Tek Technologies Limited held on 29th day of September, 2018.

- b. **Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year 2020-21**

Name	Designation	Increase %
J. Lakshmana Rao	Chairman & Managing Director	18.04%
A. Subramanyam	Deputy Managing Director	15.63%
P. Venkateswara Rao	Deputy Managing Director	18.97%
M.Srinivas	Whole time Director	5.61%
J. Mytraeyi	Non-Executive Promoter Director	-
Dr. T. Venkateswara Rao	Independent Director	-
P. Shyam Sunder Rao	Independent Director	-
Dr. N. V. N. Varma	Independent Director	-
Vasu Prakash Chitturi	Independent Director	-
A. SeshuKumari	Chief Financial Officer	7.07%
Thakur Vishal Singh	Company Secretary	15.70%

- c. Percentage increase in the median remuneration of employees in the financial year 2020-21: 1.91%
- d. Number of permanent employees on the rolls of the Company as on 31st March, 2021: 563



- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The aggregate remuneration of employees excluding whole-time directors grew by 7.22 % over the previous financial year. The aggregate remuneration for KMPs grew by 15.05 % over the previous financial year. This was based on the recommendation of the Nomination and Remuneration Committee to revise the remuneration as per industry benchmarks. There was no exceptional circumstance or increase for managerial personnel in the last financial year.

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

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

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Employees employed throughout the year and were in receipt of remuneration of not less than ₹102 lakhs per annum and receipt of remuneration in excess of that drawn by the Managing Director

(₹ in lakhs)

Name	Designation/ nature of employment	Qualification	Age (Years)	Date of joining	Remu- neration received	Overall experience (Years)	Particulars of last employment
J. Lakshmana Rao	Chairman & Managing Director	Bachelor's degree in Civil Engineer- ing & Post gradu- ate diploma in management from the Indian Institute of Management, Bangalore	62	Refer Note*	168.44	38	Founder of Mold- Tek Group Chairman & Managing Director of Mold-Tek Packag- ing Limited and Mold-Tek Technolo- gies Limited
A. Subramanyam	Deputy Managing Director	B.E.	67	Refer Note*	225.35	40	Director, Mold- Tek Technologies Limited
P. Venkateswara Rao	Deputy Managing Director	Bachelor of Arts and P.G. in Materi- als Management	64	Refer Note*	163.32	42	Director, Mold- Tek Technologies Limited

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

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

**Details of the names of the top ten employees in terms of remuneration drawn**

(₹. in lakhs)

S. No.	Name	Designation	Qualification	Age (Years)	Date of joining	Remune- ration	Overall experi- ence (Years)	Last employment
1	J. Lakshmana Rao	Chairman & Managing Director	Bachelor's degree in Civil Engineering & Post graduate diploma in management from the Indian Institute of Management, Banga- lore	62	Refer Note1 & 2	168.44	38	Founder of Mold- Tek Group Chair- man & Managing Director of Mold-Tek Pack- aging Limited and Mold-Tek Tech- nologies Limited

S. No.	Name	Designation	Qualification	Age (Years)	Date of joining	Remuneration	Overall experience (Years)	Last employment
2	A. Subramanyam	Deputy Managing Director	Bachelor's degree in Mechanical Engineering	67	Refer Note2	225.35	40	Director, Mold-Tek Technologies Limited
3	P. Venkateswara Rao	Deputy Managing Director	Bachelor of Arts & P.G. in Materials Management	64	Refer Note2	163.32	42	Director, Mold-Tek Technologies Limited
4	M. Srinivas	Whole-Time Director	Bachelor's degree in Mechanical Engineering	55	Refer Note2	85.59	33	Director, Teckmen Tools Private Limited
5	A. SeshuKumari	Chief Financial Officer & Finance Controller	Bachelor's degree in Science	61	Refer Note2	42.85	30	Mold-Tek Technologies Limited
6	J. Rana Pratap	Vice President of New Business Development	MBA in Marketing & Operations from IIM Lucknow and a bachelor's degree in Industrial Engineering from IIT, Delhi.	37	29th May 2017	48.49	11	Mold-Tek Technologies Limited
7	A. Durga Sundeeep	Vice President of New Business Development	Engineering from REC Kurukshetra and P.G. in Business Management from Purdue University, USA.	34	31st August, 2019	40.19	09	Mold-Tek Technologies Limited
8	Kavya Sarraju	Manager - Marketing & Co-ordination	Master of Business Administration – Marketing	32	1st January, 2016	26.97	10	–
9	M. Rakesh	General Manager -Marketing	Industrial Design, NID- Ahmedabad; Plastics Technology, CIPET – Chennai	52	2nd April, 2018	26.83	27	Fenoplast Limited Company
10	M. Rajeshwara Rao	General Manager (Unit 7)	Bachelor's degree in Mechanical Engineering and P.G Diploma in Materials Management	51	25th May, 1996	27.16	29	Mold-Tek Technologies Limited

1. J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - Mold-Tek Packaging Limited and Mold-Tek Technologies Limited, aggregating to ₹240.40 lakhs pursuant to approval of the Members accorded at 21st Annual General Meeting held on 29th September, 2018. and 34th Annual General Meeting of Mold-Tek Technologies Limited held on 29th day of September, 2018.
2. High Court of Judicature, Andhra Pradesh at Hyderabad by its order dated 25th July, 2008 has approved the Scheme of Arrangement between Teckmen Tools Private Limited, the Transferor Company, Mold-Tek Technologies Limited, the Transferee Company and the Demerged Company and Mold-Tek Packaging Limited (Former name: Mold-Tek Plastics Limited), the Resulting Company. The employees of Mold-Tek Technologies Limited and Teckmen Tools Private Limited continue to be in the employment of Mold-Tek Packaging Limited.

**ANNEXURE-F**  
**EXTRACT OF ANNUAL RETURN**  
**MGT-9**

**as on the financial year ended on 31<sup>st</sup> March, 2021**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

CIN	L21022TG1997PLC026542
Registration date	28th February, 1997
Name of the Company	Mold-Tek Packaging Limited
Category/sub-category of the Company	Public Company, limited by shares
Address of the Registered Office and contact details	8-2-293/82/A/700, Ground Floor, Road No. 36, Jubilee Hills, Hyderabad - 500 033, Telangana
Whether listed Company	Yes
Name, address and contact details of Registrar and Transfer Agents	XL Softech Systems Limited 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034. Phone : +91 40 2354 5913/14/15 Fax : +91 40 2355 3214 Email : xlfield@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE Company**

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

S.No.	Name and description of main products/services	NIC code of the product/service	% to total turnover of the Company
1.	Manufacturing of plastic packaging containers	22203	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.No.	Name and address of the Company	CIN/GLN	Holding/subsidiary/associate	% of shares held	Applicable Section
1.	Mold-Tek Packaging FZE RAK Free Trade Zone, Technology Park, PO Box No. 328559, Ras Al Khaimah, UAE	Registration No: RAKFTZA-FZE- 4016196	Wholly owned subsidiary	100	2(87)

#### IV. Shareholding pattern (Equity share capital breakup as percentage of total equity)

##### i. Category-wise shareholding

##### a) Equity Shares of face value of ₹5 Each

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% of change during
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
1. Indian	95,89,040	-	95,89,040	34.58	96,38,970	-	96,38,970	34.71	0.13
a. Individuals/HUF	-	-	-	-	-	-	-	-	-
b. Central government	-	-	-	-	-	-	-	-	-
c. State government(s)	-	-	-	-	-	-	-	-	-
d. Bodies corporate	-	-	-	-	29,847	-	29,847	0.11	0.11
e. Banks/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>95,89,040</b>	<b>-</b>	<b>95,89,040</b>	<b>34.58</b>	<b>96,68,817</b>	<b>-</b>	<b>96,68,817</b>	<b>34.82</b>	<b>0.24</b>
<b>2. Foreign</b>									
a. NRIs - Individuals	30,240	-	30,240	0.11	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>30,240</b>	<b>-</b>	<b>30,240</b>	<b>0.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of promoter</b>									
<b>A = (A)(1) + (A)(2)</b>	<b>96,19,280</b>	<b>-</b>	<b>96,19,280</b>	<b>34.69</b>	<b>96,68,817</b>	<b>-</b>	<b>96,68,817</b>	<b>34.82</b>	<b>0.13</b>
<b>B. Public shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds	35,26,882	-	35,26,882	12.72	37,46,858	-	37,46,858	13.49	0.77
b. Banks/FI	28,794	-	28,794	0.10	11,520	-	11,520	0.04	-0.06
c. Central government/ state government	-	-	-	-	-	-	-	-	-
d. Venture capital funds	-	-	-	-	-	-	-	-	-
e. Insurance companies	-	-	-	-	-	-	-	-	-
f. FIIs	28,58,464	-	28,58,464	10.31	25,87,965	-	25,87,965	9.32	-0.99
g. Foreign venture capital funds	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
i. Alternate Investment Funds	-	-	-	-	-	-	-	-	-
h. Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>64,14,140</b>	<b>-</b>	<b>64,14,140</b>	<b>23.13</b>	<b>63,46,343</b>	<b>-</b>	<b>63,46,343</b>	<b>22.86</b>	<b>-0.28</b>
<b>2. Non-Institutions</b>									
a. Bodies corporate	-	-	-	-	-	-	-	-	-
i. Indian	3,94,545	-	3,94,545	1.42	7,10,123	576	7,10,699	2.56	1.14
b. Trust	-	-	-	-	16,752	-	16,752	0.06	0.06
i. Individual shareholders holding nominal share capital up to ₹1 lakhs	63,29,651	1,51,622	64,81,273	23.38	63,72,727	1,39,460	65,12,187	23.45	0.08
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakhs	39,79,080	-	39,79,080	14.35	34,49,187	-	34,49,187	12.42	-1.93
c. NRI	7,53,088	-	7,53,088	2.72	8,52,367	720	8,53,087	3.07	0.36
d. Clearing members	-	-	-	-	-	-	-	-	-
e. Others	84,621	-	84,621	0.31	2,09,455	-	2,09,455	0.75	0.45
<b>Sub-total (B)(2)</b>	<b>1,15,40,985</b>	<b>-</b>	<b>1,16,92,607</b>	<b>42.17</b>	<b>1,16,10,611</b>	<b>-</b>	<b>1,17,51,367</b>	<b>42.32</b>	<b>0.15</b>
<b>Total shareholding of public = (B) (1) + (B) (2)</b>	<b>1,79,55,125</b>	<b>-</b>	<b>1,81,06,747</b>	<b>65.31</b>	<b>1,79,56,954</b>	<b>-</b>	<b>1,80,97,710</b>	<b>65.18</b>	<b>-0.13</b>
<b>C. Shares held by custodian for GDR&amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2,75,74,405</b>	<b>1,51,622</b>	<b>2,77,26,027</b>	<b>100.00</b>	<b>2,76,25,771</b>	<b>1,40,756</b>	<b>2,77,66,527</b>	<b>100.00</b>	<b>0.22</b>

**b) Partly Paid Equity Shares of face value of ₹1.25 Each**

Category of shareholders	No. of shares held at the beginning as on 27.11.2020				No. of shares held at the end of the year				% of change during
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
1. Indian	2,90,886	-	2,90,886	52.38	2,91,119	-	2,91,119	52.42	0.04
a. Individuals/HUF	-	-	-	-	-	-	-	-	-
b. Central government	-	-	-	-	-	-	-	-	-
c. State government(s)	-	-	-	-	-	-	-	-	-
d. Bodies corporate	12,043	-	12,043	2.17	14,357	-	14,357	2.59	0.42
e. Banks/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>3,02,929</b>	<b>-</b>	<b>3,02,929</b>	<b>54.55</b>	<b>3,05,476</b>	<b>-</b>	<b>3,05,476</b>	<b>55.01</b>	<b>0.46</b>
<b>2. Foreign</b>									
a. NRIs - Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of promoter</b>									
<b>A = (A)(1) + (A)(2)</b>	<b>3,02,929</b>	<b>-</b>	<b>3,02,929</b>	<b>54.55</b>	<b>3,05,476</b>	<b>-</b>	<b>3,05,476</b>	<b>55.01</b>	<b>0.46</b>
<b>B. Public shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds	71,609	-	71,609	12.89	71,309	-	71,309	12.84	-0.05
b. Banks/FI	-	-	-	-	-	-	-	-	-
c. Central government/ state government	-	-	-	-	-	-	-	-	-
d. Venture capital funds	-	-	-	-	-	-	-	-	-
e. Insurance companies	-	-	-	-	-	-	-	-	-
f. FIIs	-	-	-	-	-	-	-	-	-
g. Foreign venture capital funds	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
i. Alternate Investment Funds	-	-	-	-	-	-	-	-	-
h. Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>71,609</b>	<b>-</b>	<b>71,609</b>	<b>12.89</b>	<b>71,309</b>	<b>-</b>	<b>71,309</b>	<b>12.84</b>	<b>-0.05</b>
<b>2. Non-Institutions</b>									
a. Bodies corporate	-	-	-	-	-	-	-	-	-
i. Indian	6,949	-	6,949	1.25	4,124	-	4,124	0.74	-0.51
b. Trust	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital up to ₹1 lakhs	1,73,843	-	1,73,843	31.30	1,67,394	-	1,67,394	30.14	-1.16
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakhs	-	-	-	-	-	-	-	-	-
c. NRI	-	-	-	-	525	-	525	0.09	0.09
d. Clearing members	-	-	-	-	-	-	-	-	-
e. Others	-	-	-	-	6,502	-	6,502	1.17	1.17
<b>Sub-total (B)(2)</b>	<b>1,80,792</b>	<b>-</b>	<b>1,80,792</b>	<b>32.56</b>	<b>1,78,545</b>	<b>-</b>	<b>1,78,545</b>	<b>32.15</b>	<b>-0.40</b>
<b>Total shareholding of public = (B) (1) + (B) (2)</b>	<b>2,52,401</b>	<b>-</b>	<b>2,52,401</b>	<b>45.45</b>	<b>2,49,854</b>	<b>-</b>	<b>2,49,854</b>	<b>44.99</b>	<b>-0.46</b>
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>5,55,330</b>	<b>-</b>	<b>5,55,330</b>	<b>100.00</b>	<b>5,55,330</b>	<b>-</b>	<b>5,55,330</b>	<b>100.00</b>	<b>-0.00</b>

### c) Detachable Warrants

Category of shareholders	No. of detachble warrants held at the beginning as on 27.11.2020				No. of shares held at the end of the year				% of change during
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
1. Indian	17,45,316	-	17,45,316	52.38	17,56,978	-	17,56,978	52.73	0.35
a. Individuals/HUF	-	-	-	-	-	-	-	-	-
b. Central government	-	-	-	-	-	-	-	-	-
c. State government(s)	-	-	-	-	-	-	-	-	-
d. Bodies corporate	72,258	-	72,258	2.17	81,734	-	81,734	2.45	0.28
e. Banks/FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	<b>18,17,574</b>	<b>-</b>	<b>18,17,574</b>	<b>54.55</b>	<b>18,38,712</b>	<b>-</b>	<b>18,38,712</b>	<b>55.18</b>	<b>0.63</b>
<b>2. Foreign</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
a. NRIs - Individuals	-	-	-	-	-	-	-	-	-
b. Other - Individuals	-	-	-	-	-	-	-	-	-
c. Bodies corporate	-	-	-	-	-	-	-	-	-
d. Banks/FI	-	-	-	-	-	-	-	-	-
e. Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of promoter</b>									
<b>A = (A)(1) + (A)(2)</b>	<b>18,17,574</b>	<b>-</b>	<b>18,17,574</b>	<b>54.55</b>	<b>18,38,712</b>	<b>-</b>	<b>18,38,712</b>	<b>55.18</b>	<b>0.63</b>
<b>B. Public shareholding</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
1. Institutions	-	-	-	-	-	-	-	-	-
a. Mutual Funds	4,29,654	-	4,29,654	12.89	4,27,854	-	4,27,854	12.84	-0.05
b. Banks/FI	-	-	-	-	-	-	-	-	-
c. Central government/ state government	-	-	-	-	-	-	-	-	-
d. Venture capital funds	-	-	-	-	-	-	-	-	-
e. Insurance companies	-	-	-	-	-	-	-	-	-
f. FIIs	-	-	-	-	-	-	-	-	-
g. Foreign venture capital funds	-	-	-	-	-	-	-	-	-
h. Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
i. Alternate Investment Funds	-	-	-	-	-	-	-	-	-
h. Others	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>4,29,654</b>	<b>-</b>	<b>4,29,654</b>	<b>12.89</b>	<b>4,27,854</b>	<b>-</b>	<b>4,27,854</b>	<b>12.84</b>	<b>-0.05</b>
<b>2. Non-Institutions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
a. Bodies corporate	-	-	-	-	-	-	-	-	-
i. Indian	37,070	-	37,070	-	43,100	-	43,100	1.29	1.29
b. Trust	-	-	-	-	-	-	-	-	-
i. Individual shareholders holding nominal share capital up to ₹1 lakhs	2,85,623	-	2,85,623	8.57	2,48,817	-	2,48,817	7.47	-1.10
ii. Individual shareholders holding nominal share capital in excess of ₹1 lakhs	7,62,059	-	7,62,059	22.87	7,44,364	-	7,44,364	22.34	-
c. NRI	-	-	-	-	-	-	-	-	-
d. Clearing members	-	-	-	-	-	-	-	-	-
e. Others	-	-	-	-	29,133	-	29,133	0.87	0.87
<b>Sub-total (B)(2)</b>	<b>10,84,752</b>	<b>-</b>	<b>10,84,752</b>	<b>32.56</b>	<b>10,65,414</b>	<b>-</b>	<b>10,65,414</b>	<b>31.98</b>	<b>-0.58</b>
<b>Total shareholding of public = (B) (1) + (B) (2)</b>	<b>15,14,406</b>	<b>-</b>	<b>15,14,406</b>	<b>45.45</b>	<b>14,93,268</b>	<b>-</b>	<b>14,93,268</b>	<b>44.82</b>	<b>-0.63</b>
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>33,31,980</b>	<b>-</b>	<b>33,31,980</b>	<b>100.00</b>	<b>33,31,980</b>	<b>-</b>	<b>33,31,980</b>	<b>100.00</b>	<b>1.64</b>



**ii. Shareholding of promoters**

S. No.	Shareholders' name	Shareholding at the beginning of the year							Shareholding at the end of the year						
		No. of Equity shares of ₹ 5 Each	% of total shares of the Company	No. of Partly Paid Equity shares of ₹ 1.25 Each As on 27.11.2020	% of total shares of the Company	No. of Detachable Warrants As on 27.11.2020	% of total Detachable Warrants of the Company	% of shares pledged/encumbered to total shares	No. of Equity shares of ₹ 5 Each	% of total shares of the Company	No. of Partly Paid Equity shares of ₹ 1.25 Each	% of total shares of the Company	No. of Detachable Warrants	% of total Detachable Warrants of the Company	% of shares pledged/encumbered to total shares
1	J Lakshmana Rao	25,55,445	9.22	81,108	14.61	4,86,648	14.61	Nil	25,55,445	9.20	81,108	14.60	4,86,648	14.60	Nil
2	Subrahmanyam Adivishnu	20,29,124	7.32	65,582	11.81	3,93,492	11.81	Nil	16,29,124	5.86	36,582	6.59	2,19,492	6.59	Nil
3	Sudharani Janumahanti	15,06,194	5.43	50,510	9.10	3,03,060	9.10	Nil	15,25,544	5.49	50,674	9.12	3,13,321	9.40	25,000
4	Seshukumari Adivishnu	4,94,000	1.78	15,000	2.70	90,000	2.70	1,74,000	4,94,000	1.77	15,000	2.70	90,000	2.70	Nil
5	Srinivas Madireddy	4,37,036	1.58	9,345	1.68	56,070	1.68	Nil	4,67,276	1.68	9,345	1.68	56,070	1.68	Nil
6	N Padmavathi	3,41,445	1.23	9,943	1.79	59,658	1.79	60,400	3,41,445	1.23	9,943	1.79	59,658	1.78	Nil
7	Golkonda Satyavati	3,09,008	1.11	7,780	1.40	46,680	1.40	2,55,000	3,09,008	1.11	7,780	1.40	46,680	1.40	2,55,000
8	Adivishnu Lakshmi Mythri	2,40,000	0.87	5,500	0.99	33,000	0.99	Nil	2,40,000	0.86	9,500	1.71	57,000	1.71	Nil
9	Venkateswara Rao Pattabhi	2,34,896	0.85	8,000	1.44	48,000	1.44	Nil	2,34,896	0.84	8,000	1.44	46,000	1.38	Nil
10	A Durga Sundeeep	1,98,902	0.72	5,500	0.99	33,000	0.99	Nil	1,98,902	0.71	5,500	1.00	33,000	0.99	Nil
11	Bhujanga Rao J	1,83,834	0.66	4,000	0.72	24,000	0.72	Nil	1,83,834	0.66	4,040	0.72	24,020	0.72	Nil
12	Sathya Sravya Janumahanti	1,44,068	0.52	3,374	0.61	20,244	0.61	Nil	1,66,384	0.59	3,374	0.61	1,20,244	3.61	Nil
13	Sai Lakshmi Pattabhi	1,61,000	0.58	3,220	0.58	19,320	0.58	Nil	1,61,000	0.58	3,220	0.58	19,320	0.58	Nil
14	Rana Pratap J	1,45,894	0.53	3,500	0.63	21,000	0.63	Nil	1,45,894	0.52	28,500	5.13	31,000	0.93	Nil
15	Janumahanti Navya Mythri	1,38,304	0.50	5,766	1.04	34,596	1.04	Nil	1,38,304	0.49	5,766	1.04	74,596	2.24	Nil
16	Vivaan Subrahmanyam Adivishnu	6,500	0.02	-	0.00	-	0.00	Nil	1,06,500	0.38	200	0.03	1,200	0.03	Nil
17	Vijay Sharan Jandhyala	5,300	0.02	-	0.00	-	0.00	Nil	1,05,300	0.37	106	0.01	636	0.01	Nil
18	Aanvi Adivishnu	500	0.00	-	0.00	-	0.00	Nil	1,00,500	0.36	100	0.01	600	0.01	Nil
19	Som Shourya Jandhyala	0	0.00	-	0.00	-	0.00	Nil	1,00,000	0.36	0	0.00	0	0.00	Nil
20	Kavya Sarraju	1,00,000	0.36	4,500	0.81	27,000	0.81	Nil	98,000	0.35	4,123	0.74	27,195	0.82	Nil
21	Mytraeyi J	86,700	0.31	-	0.00	-	0.00	Nil	86,700	0.31	0	0.00	0	0.00	Nil
22	Vihaan Laxman Posemsetty	50,000	0.18	1,000	0.18	6,000	0.18	Nil	50,000	0.18	1,000	0.18	6,000	0.18	Nil
23	Virat Laxman Janumahanti	50,000	0.18	1,500	0.27	9,000	0.27	Nil	50,000	0.18	1,500	0.27	9,000	0.27	Nil
24	Swetha Mythri J	42,038	0.15	840	0.15	5,040	0.15	Nil	47,038	0.16	840	0.15	5,790	0.17	Nil
25	Sarada Janumanti	53,519	0.19	3,200	0.58	19,200	0.58	Nil	38,539	0.13	3,200	0.58	19,200	0.58	Nil
26	Mold-Tek Technologies Limited	0	0.00	12,043	2.17	72,258	2.17	Nil	29,847	0.10	14,357	2.59	81,734	2.45	Nil
27	Hyma M	27,690	0.10	553	0.10	3,318	0.10	Nil	27,690	0.10	553	0.10	3,318	0.10	Nil
28	P S N Vamsi Prasad	20,000	0.07	400	0.07	2,400	0.07	Nil	20,000	0.07	400	0.07	2,400	0.07	Nil
29	Prasanna Kumar Golkonda	10,605	0.04	362	0.07	2,172	0.07	9,650	10,605	0.03	362	0.06	2,172	0.06	9,650
30	Nandiwada Vara Prasad	4,201	0.02	364	0.07	2,184	0.07	Nil	4,201	0.00	364	0.07	2,184	0.07	Nil
31	K V Ramarao	2,382	0.01	39	0.01	-	0.00	Nil	2,402	0.00	0	0.00	0	0.00	Nil
32	P Apparao	439	0.00	-	0.00	234	0.01	Nil	439	0.00	39	0.00	234	0.00	Nil
33	Seshupriya Golakonda	22,316	0.08	-	0.00	-	0.00	Nil	0	0.00	0	0.00	0	0.00	Nil
34	Koteshwara Rao Madireddi	30,240	0.11	-	0.00	-	0.00	Nil	0	0.00	0	0.00	0	0.00	Nil
	<b>Total</b>	<b>96,31,580</b>	<b>34.74</b>	<b>3,02,929</b>	<b>54.55</b>	<b>18,17,574</b>	<b>54.55</b>	<b>4,99,050</b>	<b>96,68,817</b>	<b>34.67</b>	<b>3,05,476</b>	<b>54.97</b>	<b>18,38,712</b>	<b>55.13</b>	<b>2,89,650</b>

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

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
<b>1</b>	<b>J LAKSHMAN RAO</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	25,55,445	9.22	25,55,445	9.20	81,108	14.61	81,108	14.61	4,86,648	14.61	4,86,648	14.61
	Increase /Decrease during the period	-				-							
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	25,55,445	9.22	25,55,445	9.20	81,108	14.61	81,108	14.61	4,86,648	14.61	4,86,648	14.61
<b>2</b>	<b>A SUBRAHMANYAM</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	20,29,124	7.32	20,29,124	7.31	65,582	11.81	65,582	11.81	3,93,492	11.81	3,93,492	11.81
	Increase /Decrease during the period												
a)	19 Mar 2021 to 26 Mar 2021 (Gift)	4,00,000	1.44	16,29,124	5.87	-	-	-	-	-	-	-	-
b)	21 Dec 2020 to 25 Dec 2020 (Gift)	-	-	-	-	25,000	4.50	40,582	7.31	1,50,000	4.50	2,43,492	7.31
c)	08 Feb 2021 to 12 Feb 2021 (Gift)	-	-	-	-	4,000	0.72	36,582	6.59	24,000	0.72	2,19,492	6.59
	Total Increase /Decrease during the period	4,00,000	1.44	-	-	29,000	5.22	-	-	1,74,000	5.22	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	16,29,124	5.88	16,29,124	5.87	36,582	6.59	36,582	6.59	2,19,492	6.59	2,19,492	6.59
<b>3</b>	<b>J SUDHA RANI</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	15,06,194	5.43	15,06,194	5.42	50,510	9.10	50,510	9.10	3,03,060	9.10	3,03,060	9.10
	Increase /Decrease during the period												
a)	24 Mar 2020 to 31 Mar 2020 (Market Purchase)	19,350	0.07	15,25,544	5.49	-	-	-	-	-	-	-	-
b)	24 Mar 2021 to 31 Mar 2021 (Market Purchase)	-	-	-	-	164	0.03	50,674	9.13		0.00		0.00
c)	04 Dec 2020 to 11 Dec 2020 (Market Purchase)	-	-	-	-	-	-	-	-	5,190	0.16	3,08,250	9.25
d)	11 Dec 2020 to 18 Dec 2020 (Market Purchase)	-	-	-	-	-	-	-	-	4,848	0.15	3,13,098	9.40
e)	25 Dec 2020 to 01 Jan 2021 (Market Purchase)	-	-	-	-	-	-	-	-	223	0.01	3,13,321	9.40
	Total Increase /Decrease during the period	19,350	0.07		0.00	164	0.03	-	-	10,261	0.31	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	15,25,544	5.50	15,25,544	5.49	50,674	9.13	50,674	9.13	3,13,321	9.40	3,13,321	9.40
<b>4</b>	<b>A SESHU KUMARI</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	4,94,000	1.78	4,94,000	1.78	15,000	2.70	15,000	2.70	90,000	2.70	90,000	2.70
	Increase /Decrease during the period	-	-	-	-	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	4,94,000	1.78	4,94,000	1.78	15,000	2.70	15,000	2.70	90,000	2.70	90,000	2.70
<b>5</b>	<b>MADIREDDI SRINIVAS</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	4,37,036	1.58	4,37,036	1.57	9,345	1.68	9,345	1.68	56,070	1.68	56,070	1.68
	Increase /Decrease during the period												

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹ 1.25 Each )		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹ 1.25 Each )		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
a)	25 Sep 2020 to 30 Sep 2020 (Gift)	30,240	0.11	30,240	0.11	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	30,240	0.11	-	-	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	4,67,276	1.69	4,67,276	1.68	9,345	1.68	9,345	1.68	56,070	1.68	56,070	1.68
6	N PADMAVATHI												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,41,445	1.23	3,41,445	1.23	9,943	1.79	9,943	1.79	59,658	1.79	59,658	1.79
	Increase /Decrease during the period	-	-	-	-	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,41,445	1.23	3,41,445	1.23	9,943	1.79	9,943	1.79	59,658	1.79	59,658	1.79
7	GOLUKONDA SATYAVATI												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,09,008	1.11	3,09,008	1.11	7,780	1.40	7,780	1.40	46,680	1.40	46,680	1.40
	Increase /Decrease during the period	-	-	-	-	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,09,008	1.11	3,09,008	1.11	7,780	1.40	7,780	1.40	46,680	1.40	46,680	1.40
8	ADIVISHNU LAKSHMI MYTHRI												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,40,000	0.87	2,40,000	0.86	5,500	0.99	5,500	0.99	33,000	0.99	33,000	0.99
	Increase /Decrease during the period	-	-	-	-	-	-	-	-	-	-	-	-
a)	05 Feb 2021 to 12 Feb 2021 (Gift)	-	-	-	-	4,000	0.72	9,500	1.71	-	-	-	-
b)	05 Feb 2021 to 12 Feb 2021 (Gift)	-	-	-	-	-	-	-	-	24,000	0.72	57,000	1.71
	Total Increase /Decrease during the period	-	0.00	-	-	4,000	0.72	-	-	24,000	-	-	-
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,40,000	0.87	2,40,000	0.86	9,500	1.71	9,500	1.71	57,000	1.71	57,000	1.71
9	PATTABHI VENKATESWARA RAO												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,34,896	0.85	2,34,896	0.85	8,000	1.44	8,000	1.44	48,000	1.44	48,000	1.44
	Increase /Decrease during the period	-	-	-	-	-	-	-	-	-	-	-	-
a)	22 Jan 2021 to 29 Jan 2021 (Market Sale)	-	-	-	-	-	-	-	-	-2,000	-0.06	-	0.00
	Total Increase /Decrease during the period	-	0.00	-	0.00	-	0.00	-	0.00	-2,000	-0.06	46,000	1.38
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,34,896	0.85	2,34,896	0.85	8,000	1.44	8,000	1.44	46,000	1.38	46,000	1.38
10	ADIVISHNU DURGA SUNDEEP												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	1,98,902	0.72	1,98,902	0.72	5,500	0.99	5,500	0.99	33,000	0.99	33,000	0.99
	Increase /Decrease during the period	-	0.00	-	-	-	0.00	-	-	-	0.00	-	-

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,98,902	0.72	1,98,902	0.72	5,500	0.99	5,500	0.99	33,000	0.99	33,000	0.99
11	J BHUJANGA RAO												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,83,834	0.66	1,83,834	0.66	4,000	0.72	4,000	0.72	24,000	0.72	24,000	0.72
	Increase /Decrease during the period												
a)	24 Mar 2021 to 31 Mar 2021 (Market Purchase)	-	-	-	-	40	0.01	4,040	0.73	-	-	-	-
b)	12 Feb 2021 to 19 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	5	0.00	24,005	0.72
c)	19 Feb 2021 to 26 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	15	0.00	24,020	0.72
	Total Increase /Decrease during the period	-	-	-	-	40	-	-	-	20	0.00		0.00
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,83,834	0.66	1,83,834	0.66	4,040	0.73	4,040	0.73	24,020	0.72	24,020	0.72
12	SATHYA SRAVYA JANUMAHANTI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,44,068	0.52	1,44,068	0.52	3,374	0.61	3,374	0.61	20,244	0.61	20,244	0.61
	Increase /Decrease during the period												
a)	25 Sep 2020 to 30 Sep 2020 (Gift)	22,316	0.08	1,66,384	0.60	-	0.00	-	-	-	-	-	-
b)	18 Dec 2020 to 25 Dec 2020 (Gift)	-	-	-	-	-	-	-	-	1,00,000	3.00	1,20,244	3.61
	Total Increase /Decrease during the period	22,316	0.08	-	-	-	-	-	-	1,00,000	3.00		0.00
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,66,384	0.60	1,66,384	0.60	3,374	0.61	3,374	0.61	1,20,244	3.61	1,20,244	3.61
13	PATTABHI SAI LAKSHMI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,61,000	0.58	1,62,000	0.58	3,220	0.58	3,220	0.58	19,320	0.58	19,320	0.58
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,61,000	0.58	1,61,000	0.58	3,220	0.58	3,220	0.58	19,320	0.58	19,320	0.58
14	RANA PRATAP J												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,45,894	0.53	1,45,894	0.53	3,500	0.63	3,500	0.63	21,000	0.63	21,000	0.63
	Increase /Decrease during the period												
a)	24 Mar 2021 to 31 Mar 2021 (Gift)	-	-	-	-	25,000	4.50	28,500	5.13	-	-	-	-
b)	18 Dec 2020 to 25 Dec 2020 (Gift)	-	-	-	-	-	-	-	-	10,000	0.30	31,000	0.93
	Total Increase /Decrease during the period	-	-	-	-	25,000	4.50	-	-	10,000	0.30	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,45,894	0.53	1,45,894	0.53	28,500	5.13	28,500	5.13	31,000	0.93	31,000	0.93
15	JANUMAHANTI NAVYA MYTHRI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,38,304	0.50	1,38,304	0.50	5,766	1.04	5,766	1.04	34,596	1.04	34,596	1.04
	Increase /Decrease during the period												

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
a)	18 Dec 2020 to 25 Dec 2020 (Gift)		0.00	-	-	-	-	-	-	40,000	1.20	74,596	2.24
	Total Increase /Decrease during the period	-	0.00	-	-	-	-	-	-	40,000	1.20	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,38,304	0.50	1,38,304	0.50	5,766	1.04	5,766	1.04	74,596	2.24	74,596	2.24
16	VIVAAN SUBRAMANYAM ADIVISHNU												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	6,500	0.02	6,500	0.02	200	0.04	200	0.04	1,200	0.04	1,200	0.04
	Increase /Decrease during the period												
a)	12 Mar 2021 to 19 Mar 2021 (Gift)	1,00,000	0.36	1,06,500	0.38	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	1,00,000	0.36		0.00	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,06,500	0.38	1,06,500	0.38	200	0.04	200	0.04	1,200	0.04	1,200	0.04
17	VIJAY SHARAN JANDHYALA												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	5,300	0.02	5,300	0.02	106	0.02	106	0.02	636	0.02	636	0.02
	Increase /Decrease during the period												
a)	19 Mar 2021 to 26 Mar 2021 (Gift)	1,00,000	0.36	1,05,300	0.38	-	0.00	-	0.00	-	-	-	-
	Total Increase /Decrease during the period	1,00,000	0.36		0.00	-	0.00	-	0.00	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,05,300	0.38	1,05,300	0.38	106	0.02	106	0.02	636	0.02	636	0.02
18	AANVI ADIVISHNU												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	500	0.00	500	0.00	100	0.02	100	0.02	600	0.02	600	0.02
	Increase /Decrease during the period												
a)	19 Mar 2021 to 26 Mar 2021 (Gift)	1,00,000	0.36	1,00,500	0.36	-	0.00	-	-	-	-	-	-
	Total Increase /Decrease during the period	1,00,000	0.36	-	-	-	0.00	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,00,500	0.36	1,00,500	0.36	100	0.02	100	0.02	600	0.02	600	0.02
19	SOM SHOURYA JANDHYALA												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00
	Increase /Decrease during the period												
a)	19 Mar 2021 to 26 Mar 2021 (Gift)	1,00,000	0.36	1,00,000	0.36	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	1,00,000	0.36	-	-	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,00,000	0.36	1,00,000	0.36	-	0.00	-	0.00	-	0.00	-	0.00
20	KAVYA SARRAJU												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	1,00,000	0.36	1,00,000	0.36	4,500	0.81	4,500	0.81	27,000	0.81	27,000	0.81

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
	Increase /Decrease during the period												
a)	29 Jan 2021 to 05 Feb 2021 (Market Sale)	-2,000	-0.01	98,000	0.35	-	0.00		0.00	-	-	-	-
b)	27 Nov 2020 to 04 Nov 2020 (Market Sale)	-	0.00	-	0.00	-377	-0.07	4,123	0.74	-	-	-	-
c)	04 Dec 2020 to 11 Dec 2020 (Market Purchase)			-	-	-	-	-	-	195	0.01	27,195	0.82
	Total Increase /Decrease during the period	-2,000	-0.01	-	-	-	-	-	-	195	0.01	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	98,000	0.35	98,000	0.35	4,123	0.74	4,123	0.74	27,195	0.82	27,195	0.82
21	J MYTRA EYE												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	86,700	0.31	86,700	0.31	-	0.00	-	0.00	-	0.00	-	0.00
	Increase /Decrease during the period	-											
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	86,700	0.31	86,700	0.31	-	0.00	-	0.00	-	0.00	-	0.00
22	VIHAAN LAXMAN POSEMETTY												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	50,000	0.18	50,000	0.18	1,000	0.18	1,000	0.18	6,000	0.18	6,000	0.18
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	50,000	0.18	50,000	0.18	1,000	0.18	1,000	0.18	6,000	0.18	6,000	0.18
23	VIRAT LAXMAN JANUMAHANTI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	50,000	0.18	50,000	0.18	1,500	0.27	1,500	0.27	9,000	0.27	9,000	0.27
	Increase /Decrease during the period	-				-				-			
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	50,000	0.18	50,000	0.18	1,500	0.27	1,500	0.27	9,000	0.27	9,000	0.27
24	SWETHA MYTHRI JANUMAHANTI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	42,038	0.15	42,038	0.15	840	0.15	840	0.15	5,040	0.15	5,040	0.15
	Increase /Decrease during the period												
a)	19 Mar 2021 to 26 Mar 2021	5,000	0.02	47,038	0.17	-	-	-	-	-	-	-	-
b)	12 Feb 2021 to 19 Feb 2021	-	-	-	-		0.00	-	-	750	0.02	5,790	0.17
	Total Increase /Decrease during the period	5,000	0.02		0.00	-	-	-	-	750	0.02	-	-
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	47,038	0.17	47,038	0.17	840	0.15	840	0.15	5,790	0.17	5,790	0.17
25	J SARADA												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	53,519	0.19	53,519	0.19	3,200	0.58	3,200	0.58	19,200	0.58	19,200	0.58
	Increase /Decrease during the period												



S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹ 1.25 Each )		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹ 1.25 Each )		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
a)	31 Mar 2020 to 03 Apr 2020 (Market Purchase)	20	0.00	53,539	0.19	-	-	-	-	-	0.00	-	0.00
b)	19 Mar 2021 to 26 Mar 2021 (Market Sale)	-15,000	-0.05	38,539	0.14	-	-	-	-	-	0.00	-	0.00
	Total Increase /Decrease during the period	38,539	0.14		0.00	-	-	-	-	-	0.00	-	0.00
	<b>At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>38,539</b>	<b>0.14</b>	<b>38,539</b>	<b>0.14</b>	<b>3,200</b>	<b>0.58</b>	<b>3,200</b>	<b>0.58</b>	<b>19,200</b>	<b>0.58</b>	<b>19,200</b>	<b>0.58</b>
26	<b>MOLD TEK TECHNOLOGIES LIMITED</b>												
	<b>At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>0.00</b>	<b>12,043</b>	<b>2.17</b>	<b>12,043</b>	<b>2.17</b>	<b>72,258</b>	<b>2.17</b>	<b>72,258</b>	<b>2.17</b>
	Increase /Decrease during the period												
a)	18 Dec 2020 to 25 Dec 2020 (Market Purchase)	500	0.00	500	0.00	-	-	-	-	-	-	-	-
b)	25 Dec 2020 to 31 Dec 2020 (Market Purchase)	13,710	0.05	14,210	0.05	-	-	-	-	-	-	-	-
c)	12 Mar 2021 to 19 Mar 2021 (Market Purchase)	8,936	0.03	23,146	0.08	-	-	-	-	-	-	-	-
d)	19 Mar 2021 to 26 Mar 2021 (Market Purchase)	6,701	0.02	29,847	0.11	-	-	-	-	-	-	-	-
e)	25 Dec 2020 to 01 Jan 2021 (Market Purchase)	-	-	-	-	503	0.09	12,546	2.26	-	-	-	-
f)	29 Jan 2021 to 05 Feb 2021 (Market Purchase)	-	-	-	-	100	0.02	12,646	2.28	-	-	-	-
g)	05 Feb 2021 to 12 Feb 2021 (Market Purchase)	-	-	-	-	955	0.17	13,601	2.45	-	-	-	-
h)	12 Feb 2021 to 19 Feb 2021 (Market Purchase)	-	-	-	-	128	0.02	13,729	2.47	-	-	-	-
i)	26 Feb 2021 to 05 Mar 2021 (Market Purchase)	-	-	-	-	2	0.00	13,731	2.47	-	-	-	-
j)	19 Mar 2021 to 26 Mar 2021 (Market Purchase)	-	-	-	-	565	0.10	14,296	2.57	-	-	-	-
k)	26 Mar 2021 to 31 Mar 2021 (Market Purchase)	-	-	-	-	61	0.01	14,357	2.59	-	-	-	-
l)	04 Dec 2020 to 11 Dec 2020 (Market Purchase)	-	-	-	-	-	-	-	-	550	0.02	72,808	2.19
m)	25 Dec 2020 to 01 Jan 2021 (Market Purchase)	-	-	-	-	-	-	-	-	841	0.03	73,649	2.21
n)	22 Jan 2021 to 29 Jan 2021 (Market Purchase)	-	-	-	-	-	-	-	-	1,938	0.06	75,587	2.27
o)	29 Jan 2021 to 05 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	2,029	0.06	77,616	2.33
p)	05 Feb 2021 to 12 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	1,874	0.06	79,490	2.39
q)	19 Feb 2021 to 26 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	37	0.00	79,527	2.39
r)	26 Feb 2021 to 15 Mar 2021 (Market Purchase)	-	-	-	-	-	-	-	-	30	0.00	79,557	2.39
s)	12 Mar 2021 to 19 Mar 2021 (Market Purchase)	-	-	-	-	-	-	-	-	180	0.01	79,737	2.39
t)	19 Mar 2021 to 26 Mar 2021 (Market Purchase)	-	-	-	-	-	-	-	-	888	0.03	80,625	2.42
u)	26 Mar 2021 to 31 Mar 2021 (Market Purchase)	-	-	-	-	2,314	-	-	-	1,109	0.03	81,734	2.45
	Total Increase /Decrease during the period	29,847	0.11	67,703	0.24	2,314	0.42		0.00	9,476	0.28		0.00
	<b>At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>29,847</b>	<b>0.11</b>	<b>29,847</b>	<b>0.11</b>	<b>14,357</b>	<b>2.59</b>	<b>14,357</b>	<b>2.59</b>	<b>81,734</b>	<b>2.45</b>	<b>81,734</b>	<b>2.45</b>
27	<b>MADIREDDI HYMA</b>												
	<b>At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>27,690</b>	<b>0.10</b>	<b>27,690</b>	<b>0.10</b>	<b>553</b>	<b>0.10</b>	<b>553</b>	<b>0.10</b>	<b>3,318</b>	<b>0.10</b>	<b>3,318</b>	<b>0.10</b>
	Increase /Decrease during the period	-				-				-			
	<b>At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>27,690</b>	<b>0.10</b>	<b>27,690</b>	<b>0.10</b>	<b>553</b>	<b>0.10</b>	<b>553</b>	<b>0.10</b>	<b>3,318</b>	<b>0.10</b>	<b>3,318</b>	<b>0.10</b>
28	<b>P S N VAMSI PRASAD</b>												
	<b>At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants</b>	<b>20,000</b>	<b>0.07</b>	<b>20,000</b>	<b>0.07</b>	<b>400</b>	<b>0.07</b>	<b>400</b>	<b>0.07</b>	<b>2,400</b>	<b>0.07</b>	<b>2,400</b>	<b>0.07</b>

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
	Increase /Decrease during the period	-				-				-			
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	20,000	0.07	20,000	0.07	400	0.07	400	0.07	2,400	0.07	2,400	0.07
29	PRASANNA KUMAR GOLKONDA												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	10,605	0.04	10,605	0.04	362	0.07	362	0.07	2,172	0.07	2,172	0.07
	Total Increase /Decrease during the period	-				-				-			
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	10,605	0.04	10,605	0.04	362	0.07	362	0.07	2,172	0.07	2,172	0.07
30	N V PRASAD												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	4,201	0.02	4,201	0.02	364	0.07	364	0.07	2,184	0.07	2,184	0.07
	Increase /Decrease during the period	-				-				-			
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	4,201	0.02	4,201	0.02	364	0.07	364	0.07	2,184	0.07	2,184	0.07
31	K V RAMARAO												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	2,382	0.01	2,382	0.01	-	0.00	-	0.00	-	0.00	-	0.00
	Increase /Decrease during the period												
a)	11 Dec 2020 to 18 Dec 2020 (Acquired by Transmission)	520	0.00	2,902	0.01	-	-	-	-	-	-	-	-
b)	22 Jan 2021 to 29 Jan 2021 (Market Sale)	-200	0.00	2,702	0.01	-	-	-	-	-	-	-	-
c)	29 Jan 2021 to 05 Feb 2021 (Market Sale)	-100	0.00	2,602	0.01	-	-	-	-	-	-	-	-
d)	05 Feb 2021 to 12 Feb 2021 (Market Sale)	-200	0.00	2,402	0.01	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	20	0.00		0.00		0.00		0.00		0.00		0.00
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	2,402	0.01	2,402	0.01	-	0.00	-	0.00	-	0.00	-	0.00
32	PAPPARAO												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	439	0.00	439	0.00	39	0.01	39	0.01	234	0.01	234	0.01
	Increase /Decrease during the period	-	0.00		0.00	-	0.00		0.00		0.00		0.00
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	439	0.00	439	0.00	39	0.01	39	0.01	234	0.01	234	0.01
33	KOTESHWARA RAO MADIREDDI												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	30,240	0.11	30,240	0.11	-	0.00	-	0.00		0.00		0.00
	Increase /Decrease during the period												
a)	25 Sep 2020 to 30 Sep 2020 (Gift)	30,240	0.11	-	0.00		0.00		0.00		0.00		0.00
	Total Increase /Decrease during the period	30,240	0.11		0.00		0.00		0.00	-	0.00	-	0.00

S. No.	Name of the Promoter	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	-	0.00	-	0.00	-	0.00	-	0.00	0.00		0.00	
34	SESHUPRIYA GOLAKONDA												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	22,316	0.08	22,316	0.08	-	0.00	-	0.00	-	0.00	-	0.00
	Increase /Decrease during the period												
a)	25 Sep 2020 to 30 Sep 2020 (Gift)	22,316	0.08	-	0.00		0.00		0.00		0.00		0.00
	Total Increase /Decrease during the period	22,316	0.08		0.00		0.00		0.00		0.00		0.00
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00	-	0.00

**v. Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

S. No	Name of shareholder	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹1.25 Each)		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹1.25 Each)		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
1	DSP SMALL CAP FUND												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	18,08,643	6.52	18,08,643	6.51	36,172	6.51	36,172	6.51	2,17,032	6.51	2,17,032	6.51
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	18,08,643	6.52	18,08,643	6.51	36,172	6.51	36,172	6.51	2,17,032	6.51	2,17,032	6.51
2	VERDIPAPIRFONDET ODIN EMERGING MARKETS												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	11,02,663	3.98	11,02,663	3.97	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	11,02,663	3.98	11,02,663	3.97	-	-	-	-	-	-	-	-
3	PRINCIPAL TRUSTEE CO. PVT LTD. - PRINCIPAL MUTUAL FUND - PRINCIPAL EMERGING BLUECHIP FUND												
	At the Beginning of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	8,75,453	3.16	8,75,453	3.15	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹5 each)/ Partly Paid up Equity Shares of ₹1.25 Each and Detachable Warrants	8,75,453	3.16	8,75,453	3.15	-	-	-	-	-	-	-	-

S. No	Name of shareholder	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹ 1.25 Each )		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹ 1.25 Each )		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
<b>4</b>	<b>PRINCIPAL SMALL CAP FUND</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	1,37,825	0.50	1,37,825	0.50	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
a)	05 Jun 2020 to 12 Jun 2020 (Market Sale)	-27,000	0.10	1,10,825	0.40	-	-	-	-	-	-	-	-
b)	15 Jan 2021 to 22 Jan 2021 (Market Purchase)	23,500	0.08	1,34,325	0.48	-	-	-	-	-	-	-	-
c)	19 Feb 2021 to 26 Feb 2021 (Market Purchase)	20,200	0.07	1,54,525	0.56	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	16,700	0.06		0.00	-	-	-	-	-	-	-	-
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	1,54,525	0.56		0.00	-	-	-	-	-	-	-	-
<b>5</b>	<b>PRINCIPAL TRUSTEE CO. PVT. LTD A/C -PRI</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	0.00	-	0.00	17,059	3.07	17,059	3.07	1,05,054	3.15	1,05,054	3.15
	Increase /Decrease during the period												
a)	26 Mar 2021 to 31 Mar 2021 (Market Purchase)	23,624	0.09	23,624	0.09								
	Total Increase /Decrease during the period	23,624	0.09			-	0.00			-			
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	23,624	0.09	23,624	0.09	17,059	3.07	17,059	3.07	1,05,054	3.15	1,05,054	3.15
<b>6</b>	<b>MADHULIKA AGARWAL</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	10,20,893	3.68	10,20,893	3.68	20,417	3.68	20,417	3.68	1,22,502	3.68	1,22,502	3.68
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	10,20,893	3.68	10,20,893	3.68	20,417	3.68	20,417	3.68	1,22,502	3.68	1,22,502	3.68
<b>7</b>	<b>ASHISH KACHOLIA</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	9,47,497	3.42	9,47,497	3.41	18,949	3.41	18,949	3.41	1,13,694	3.41	1,13,694	3.41
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	9,47,497	3.42	9,47,497	3.41	18,949	3.41	18,949	3.41	1,13,694	3.41	1,13,694	3.41
<b>8</b>	<b>KITARA INDIA MICRO CAP GROWTH FUND</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	8,27,849	2.99	8,27,849	2.98	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
a)	13 Nov 2020 to 20 Nov 2020 (Market Purchase)	8,000	0.03	8,35,849	3.01	-	-	-	-	-	-	-	-
	Total Increase /Decrease during the period	8,000	0.03			-	-	-	-	-	-	-	-

S. No	Name of shareholder	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹ 1.25 Each )		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹ 1.25 Each )		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	8,35,849	3.01	8,35,849	3.01	-	-	-	-	-	-	-	-
9	EDELWEISS TRUSTEESHIP CO LTD AC-EDELWEISS MF AC- EDELWEISS MID CAP FUND												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,03,146	1.09	3,03,146	1.09	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	3,03,146	1.09	3,03,146	1.09	-	-	-	-	-	-	-	-
10	EDELWEISS TRUSTEESHIP CO LTD AC-EDELWEISS MF AC-EDELWEISS SMALL CAP FUND												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,37,325	0.86	2,37,325	0.85	-	-	-	-	-	-	-	-
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	2,37,325	0.86	2,37,325	0.85	-	-	-	-	-	-	-	-
11	NANDA KISHORE SHARMA												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	8,000	1.44	8,000	1.44	48,000	1.44	48,000	1.44
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	8,000	1.44	8,000	1.44	48,000	1.44	48,000	1.44
12	EDELWEISS TRUSTEESHIP CO LTD AC-EDELWEI												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	6,062	1.09	6,062	1.09	36,372	1.09	36,372	1.09
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	6,062	1.09	6,062	1.09	36,372	1.09	36,372	1.09
13	EDELWEISS TRUSTEESHIP CO LTD AC-EDELWEI												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	4,746	0.85	4,746	0.85	28,476	0.85	28,476	0.85
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	4,746	0.85	4,746	0.85	28,476	0.85	28,476	0.85

S. No	Name of shareholder	Shareholding at the beginning of the year (face value of ₹5 each)		Cumulative Shareholding during the year (face value of ₹5 each)		Shareholding as on 27.11.2020 (Partly Paid up Equity Shares of ₹ 1.25 Each )		Cumulative Shareholding during the year (Partly Paid up Equity Shares of ₹ 1.25 Each )		Shareholding as on 27.11.2020 (detachable Warrants)		Cumulative Shareholding during the year (detachable Warrants)	
		No of Shares	%	No of Shares	%	No of Shares	%	No of Shares	%	No of Warrants	%	No of Warrants	%
14	<b>A SESHU KUMARI</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	3,859	0.69	3,859	0.69	23,154	0.69	23,154	0.69
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	3,859	0.69	3,859	0.69	23,154	0.69	23,154	0.69
15	<b>NEERAV A PAREKH</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	3,000	0.54	3,000	0.54	18,000	0.54	18,000	0.54
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	3,000	0.54	3,000	0.54	18,000	0.54	18,000	0.54
16	<b>MANASA YEDDULA</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	2,500	0.45	2,500	0.45	-	-	-	-
	Increase /Decrease during the period												
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	2,500	0.45	2,500	0.45	-	-	-	-
17	<b>SHREYANS VASANTKUMAR MEHTA</b>												
	At the Beginning of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants					-	-	-	-	-	0.00	-	0.00
	Increase /Decrease during the period												
a)	05 Feb 2021 to 12 Feb 2021 (Market Purchase)	-	-	-	-	-	-	-	-	52,024	1.56	52,024	1.56
b)	12 Feb 2021 to 19 Feb 2021 (Market Sale)	-	-	-	-	-	-	-	-	-3,310	0.10	48,714	1.46
c)	19 Feb 2021 to 26 Feb 2021 (Market Sale)	-	-	-	-	-	-	-	-	-49	0.00	48,665	1.46
d)	26 Feb 2021 to 05 Mar 2021 (Market Sale)	-	-	-	-	-	-	-	-	-153	0.00	48,512	1.46
	Total Increase /Decrease during the period	-	-	-	-	-	-	-	-	-3,512	0.11		0.00
	At the End of the Year (Equity Shares of face value of ₹ 5 each)/ Partly Paid up Equity Shares of ₹ 1.25 Each and Detachable Warrants	-	-	-	-	-	-	-	-	48,512	1.46	48,512	1.46

**Note:** The above information is based on the weekly beneficiary position received from Registrar Transfer & Agents.



## (v) Shareholding of Directors and Key Managerial Personnel

S. No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	%	No of Shares	%
<b>1</b>	<b>J LAKSHMAN RAO</b>				
	At the Beginning of the Year (of face value of ₹5 each)	25,55,445	9.22	25,55,445	9.20
	Increase /Decrease during the period	-			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>25,55,445</b>	<b>9.22</b>	<b>25,55,445</b>	<b>9.20</b>
<b>2</b>	<b>A SUBRAHMANYAM</b>				
	At the Beginning of the Year (of face value of ₹5 each)	20,29,124	7.32	20,29,124	7.31
	Increase /Decrease during the period				
<b>a)</b>	19 Mar 2021 to 26 Mar 2021 (Gift)	4,00,000	1.44	16,29,124	5.87
	Total Increase /Decrease during the period				
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>16,29,124</b>	<b>5.88</b>	<b>16,29,124</b>	<b>5.87</b>
<b>3</b>	<b>PATTABHI VENKATESWARA RAO</b>				
	At the Beginning of the Year (of face value of ₹5 each)	2,34,896	0.85	2,34,896	0.85
	Increase /Decrease during the period	-			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>2,34,896</b>	<b>0.85</b>	<b>2,34,896</b>	<b>0.85</b>
<b>4</b>	<b>J MYTRAIEYE</b>				
	At the Beginning of the Year (of face value of ₹5 each)	86,700	0.31	86,700	0.31
	Increase /Decrease during the period	-			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>86,700</b>	<b>0.31</b>	<b>86,700</b>	<b>0.31</b>
<b>5</b>	<b>MADIREDDI SRINIVAS</b>				
	At the Beginning of the Year (of face value of ₹5 each)	4,37,036	1.58	4,37,036	1.57
	Increase /Decrease during the period				
<b>a)</b>	25 Sep 2020 to 30 Sep 2020 (Gift)	30,240	0.11	4,67,276	1.68
	Total Increase /Decrease during the period	30,240	0.11		
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>4,67,276</b>	<b>1.69</b>	<b>4,67,276</b>	<b>1.68</b>
<b>6</b>	<b>Dr. T. VENKATESWARA RAO</b>				
	At the Beginning of the Year (of face value of ₹5 each)	20,000	0.07	20,000	0.07
	Increase /Decrease during the period	-			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>20,000</b>	<b>0.07</b>	<b>20,000</b>	<b>0.07</b>
<b>7</b>	<b>Dr. VENKATA APPA RAO KOTAGIRI</b>	238	0.00	238	0.00
	At the Beginning of the Year (of face value of ₹5 each)				
	Increase /Decrease during the period	-			
	<b>At the End of the Year ( of face value of ₹5 each)</b>	<b>238</b>	<b>0.00</b>	<b>238</b>	<b>0.00</b>
<b>8</b>	<b>ESWARA RAO IMMANENI</b>				
	At the Beginning of the Year (of face value of ₹5 each)	8,562	0.03	8,562	0.03
	Increase /Decrease during the period				
<b>a)</b>	22 Jun2020 to 26 Jun 2020 (Market Sale)	-550	0.00	8,012	0.03
<b>b)</b>	01 Aug 2020 to 07 Aug 2020 (Market Sale)	-500	0.00	7,512	0.03
	Total Increase /Decrease during the period	-1,050	0.00		
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>7,512</b>	<b>0.03</b>	<b>7,512</b>	<b>0.03</b>
<b>9</b>	<b>DHANRAJ TIRUMALA NARASIMHA RAO TOGARU</b>				
	At the Beginning of the Year (of face value of ₹5 each)	0	0.00	0	0.00
	Increase /Decrease during the period	0			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>

S. No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of Shares	%	No of Shares	%
<b>10</b>	<b>MADHURI VENKATA RAMANI VISWANADHAM</b>				
	At the Beginning of the Year (of face value of ₹5 each)	0	0.00	0	0.00
	Increase /Decrease during the period	0			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>*11</b>	<b>RAMAKRISHNA BONAGIRI</b>				
	At the Beginning of the Year (of face value of ₹5 each)	0	0.00	0	0.00
	Increase /Decrease during the period	0			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>12</b>	<b>A SESHU KUMARI</b>				
	At the Beginning of the Year (of face value of ₹5 each)	4,94,000	1.78	4,94,000	1.78
	Increase /Decrease during the period	-			
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>4,94,000</b>	<b>1.78</b>	<b>4,94,000</b>	<b>1.78</b>
<b>13</b>	<b>THAKUR VISHAL SINGH</b>				
	At the Beginning of the Year (of face value of ₹5 each)	54	0.00	54	0.00
	Increase /Decrease during the period				
	24 Aug 2020 to 28 Aug 2020 (Market Sale)	-54	0.00	0	0.00
	14 Sep 2020 to 18 Sep 2020 (Market Purchase)	1	0.00	1	0.00
	15 Feb 2021 to 19 Feb 2021 (Market Purchase)	5	0.00	6	0.00
	22 Mar 2021 to 26 Mar 2021 (Market Sale)	-5	0.00	1	0.00
	Total Increase /Decrease during the period	-53	0.00		
	<b>At the End of the Year (of face value of ₹5 each)</b>	<b>1</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>

\*Resigned W.E.F 29th August,2020

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹in lakhs

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal amount	11,688	101	-	11,789
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	40	-	-	40
<b>Total (i+ii+iii)</b>	<b>11,728</b>	<b>101</b>	<b>-</b>	<b>11,829</b>
Change in indebtedness during the financial year				
Addition	149	-	-	149
Reduction	1083	30	-	1113
Net change	(934)	(30)	-	(964)
Indebtedness at the end of the financial year				
i. Principal amount	10,752	71	-	10,823
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	45	-	-	45
<b>Total (i+ii+iii)</b>	<b>10,707</b>	<b>71</b>	<b>-</b>	<b>10,868</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹in lakhs

S. No.	Particulars of Remuneration	Name of Managing Director/Whole-time Director				Total
		J. Lakshmana Rao	A. Subramanyam	P. Venkateswara Rao	M. Srinivas	
1.	Gross salary					
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	133.00	146.80	93.60	68.00	441.40
b.	Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	16.12	7.53	7.83	31.48
c.	Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2.	Provision for Managerial Commission	35.44	35.44	35.44	-	106.32
3.	Provision for Current Year Gratuity	-	-	-	-	-
4.	Provision for Current Year Leave encashment	-	-	-	-	-
5.	Others	-	26.99	26.75	9.76	63.50
	<b>Total</b>	<b>168.44</b>	<b>225.35</b>	<b>163.32</b>	<b>85.59</b>	<b>642.70</b>
	Ceiling as per the Act		The remuneration is paid as per resolution passed in the 21 <sup>st</sup> AGM held on 29 <sup>th</sup> September, 2018			

**Note1:** J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - Mold-Tek Packaging Limited and Mold-Tek Technologies Limited, aggregating to ₹ 240.40 lakhs pursuant to approval of the Members accorded at the 21st Annual General Meeting held on 29th September, 2018 of Mold-Tek Packaging Limited and 34th Annual General Meeting held on 29th September, 2018 of Mold-Tek Technologies Limited

**#Note 2:** The other remuneration includes Rent Expenses for usage of their house as office premises due to COVID-19 pandemic

## REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd)

### B. Remuneration to other Directors

₹in lakhs

Particulars of Remuneration	Name of Directors							Total
	Dr. T. Venkateswara Rao	Dhanraj Tirumala	J. Mytraeyi	Dr. Venkata Appa Rao Kotagiri	Eswara Rao Immaneni	Madhuri VRV	B Ramakrishna	
Independent Directors/								
Non-Executive Directors								
• Fee for attending board/committee meetings	1.40	1.20	0.40	0.60	1.40	1.40	0.60	7.00
• Commission	-	-	-	-	-	-	-	-
• Others	-	-	-	-	-	-	-	-
<b>Total remuneration (A+B)</b>	<b>1.40</b>	<b>1.20</b>	<b>0.40</b>	<b>0.60</b>	<b>1.40</b>	<b>1.40</b>	<b>0.60</b>	<b>7.00</b>
<b>Overall ceiling as per the Act</b>	Not applicable							

**C. Remuneration to other Directors key managerial personnel other than Managing Director, Whole Time Director and or Manager**

₹ in Lakhs

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Thakur Vishal Singh (CS)	A. Seshu Kumari (CFO)	Total
1.	a. Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	7.45	42.85	50.30
	b. Value of perquisites under Section 17(2) of the Income Tax Act, 1961			
	c. Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock option			
3.	Sweat equity			
4.	Commission			
5.	Others			
	<b>Total</b>	<b>7.45</b>	<b>42.85</b>	<b>50.30</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Against the Company, Directors and other officers in default under the Companies Act, 2013: NONE

**for Mold-Tek Packaging Limited**

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
(DIN: 00649702)

Sd/-

**A. Subramanyam**  
Whole-Time Director  
(DIN: 00654046)

**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: Subsidiary

₹ in lakhs

**Part A: Subsidiary**

Sl.No.	Particulars	Details
1.	Name of the subsidiary	Mold-Tek Packaging FZE
2.	The date since when subsidiary was acquired	12 <sup>th</sup> January, 2016
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	31 <sup>st</sup> March, 2021
4.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	₹19.92 per 1 AED
5.	Share capital	₹10,87,38,097
6.	Reserves & surplus	₹(10,87,38,091)
7.	Total assets	₹9,18,170
8.	Total liabilities	₹9,18,170
9.	Investments	Nil
10.	Turnover	Nil
11.	Profit/(loss) before taxation	₹4,43,49,299
12.	Provision for taxation	Nil
13.	Profit/(loss) after taxation	₹4,43,49,299
14.	Proposed dividend	Nil
15.	Extent of shareholding	100%

- Names of subsidiaries which are yet to commence operations: Nil
- Names of subsidiaries which have been liquidated or sold during the year: Nil

**Part B: Associates and joint ventures**

The Company does not have any associates and joint venture. for Mold-Tek Packaging Limited

Sd/-

**J. Lakshmana Rao**

Chairman & Managing Director  
(DIN: 00649702)

Sd/-

**A. Subramanyam**

Whole-Time Director  
(DIN: 00654046)

Sd/-

**A. Seshu Kumari**

Chief Financial Officer

Sd/-

**Thakur Vishal Singh**

Company Secretary  
(M. No A41956)

## **FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)**

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

There were no contracts or arrangements or transactions entered during the year ended 31<sup>st</sup> March, 2021, which were not at arm's length Basis

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

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mold-Tek Packaging FZE, Wholly owned subsidiary
b)	Nature of contracts/arrangements/transaction	Loans (current)
c)	Duration of the contracts/arrangements/transaction	The transactions are ongoing and existing prior to commencement of the Companies Act, 2013
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Date of approval by the Board	The transactions are entered in the ordinary course of business and are at arm's length price basis. NA
f)	Amount paid as advances, if any	Loans (current) - ₹251.47 lakhs

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

Sd/-

**J. Lakshmana Rao**  
(Chairman & Managing Director)  
DIN: 00649702

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FORWARD-LOOKING STATEMENT**

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

### **OVERVIEW**

#### **GLOBAL ECONOMY**

The International Monetary Fund is expecting a stronger economic recovery in 2021 as Covid19 vaccine rollouts get underway, but it also warns of “daunting challenges” given the emergence of second wave of Covid-19 infections in various parts of the world and different rates of administering vaccine shots across the globe. The organization said it expects the world economy to grow by 6% in 2021, up from its 5.5% forecast in January. Looking further ahead, global GDP growth rate for 2022 is projected to be 4.4%, higher than an earlier estimate of 4.2%. “Even with high uncertainty about the path of the pandemic, a way out of this health and economic crisis is increasingly visible,” IMF chief economist said in the latest World Economic Outlook report. US consumer spending rose at the fastest level in the last one year in March’21 reflecting Billions of dollars in Government support payments aimed at putting the country firmly on the road to recovery.

#### **INDIAN ECONOMY**

In response to the global pandemic, Government took several preventive and mitigating measures starting with progressive tightening of international travel and nationwide lockdown to contain the spread of Covid-19 while ramping up the health infrastructure in the country. The lockdown measures,

affected employment, business, trade, manufacturing, and services activities. The real Gross Domestic Product (GDP) growth is projected to contract by 7.3% percent in 2020-21 as compared to a growth of 4.2% in 2019-20. The second wave of COVID-19 in the month of April’21 has resulted in localised lockdown in different parts of the country. GDP growth, however, is expected to rebound strongly in FY 2021-22 owing to the vaccination and reform measures undertaken by the Government.

### **INDUSTRY SCENARIO**

The global packaging market is projected to grow to USD 1012.6 billion by 2021. It was estimated to be valued at USD 909.2 billion in 2019. (Source: <https://www.businesswire.com>). People are now more conscious about the food packaging worldwide amidst this pandemic, due to which demand for packaging is set to increase. The India Packaging Market was valued at USD 75 billion in 2020, and it is expected to reach USD 204.81 billion by 2025, registering a CAGR of 26.7% during the period of 2020-25. (Source: Packaging Industry Association of India) Packaging is amongst the high growth industries in India and the country is becoming a preferred hub for packaging industry. Currently the 5th largest sector of India’s economy, the industry has reported steady growth over past several years and shows high potential for much expansion, particularly in the export markets. Costs of processing and packaging food can be substantially lower than parts of Europe which, combined with India’s resources of skilled labour, make it an attractive venue for investment. A high degree of potential exists for almost all user segments which are expanding appreciably - processed foods, hard and soft drinks, fruit and marine products. In India, the fastest growing packaging segments are laminates and flexible packaging. Over the last few years, Packaging Industry has been an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments. The growth in lifestyle and consumption patterns has increased the demand for the packaged products resulting in growth of packaging industry. Consumer awareness surrounding packaged food, specifically packaged food deliveries, has heightened. The boom in e-commerce and organized retail is expected to enhance the growth of plastic packaging and per capita consumption in the near future. The rising purchasing power, due to the growth in per-capita income of the Indian middle-class, is fuelling the Indian packaging



market in adopting better packaging methods, materials, and machinery, to ensure quality factors for Indian businesses. During pandemic consumers stocked up as governments announced quarantines and stay-at-home measures. This boosted packaging consumption – and thus rigid plastics demand increased in many markets, including Europe.

### Performance of the industry during lockdown

With the arrival of COVID-19 pandemic, people has become more conscious of the food products they consume. The food industry has increased its focus towards better and safer packaging for its consumers, resulting in robust demand for packaging material. It has also helped pro-longing the shelf life of many products. In fact, this validates the increasing demand for packaged consumer goods. Moreover, in India, one can find a large base of raw materials to manufacture packaging products. Besides, there is an increasing trend of using ecofriendly or recyclable materials in packaging. The comparatively low manufacturing costs open opportunities to foreign companies and technology. The packaging industry has experienced rapid growth globally as a result of greater innovation and customer preferences for global brands. Packaging sales in the emerging markets are expected to continue to show strong momentum as both increased consumption and demand for consumer goods drives the need for more sophisticated packaging.

### STANDALONE FINANCIAL AND OPERATIONAL PERFORMANCE - OVERVIEW

₹ lakhs except EPS

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Revenue	47,893	43,744	39,409	33,946	30,080
EBITDA	96,56	81,20	73,28	64,52	53,43
Exceptional items*	1,08	2,86	11,50	-	-
PBT	64,05	49,08	39,96	48,57	41,20
Net Profit	48,08	38,19	24,10	31,69	26,89
EPS (Face Value of ₹ 5) -(₹)	16.86	13.78	8.70	11.44	9.71

The company has 8 state of the art manufacturing facilities spread across India, with a total installed capacity of 40000 MT per annum. In addition to being a market leader in the Rigid Plastic Packaging sector, Moldtek has emerged as a complete packaging solutions provider with wider range of products and value added services.

Discussion on financial performance: Despite a challenging year in a volatile economic and business environment, we are pleased to report that the Moldtek Packaging Limited

had a successful FY 2020-21. During the FY 2020-21, the Company registered sales of ₹ 479 crores on standalone basis. With an increase of 19%, the Company posted highest ever EBITDA of ₹ 96.56 crores during FY 2020-21 against ₹ 81.20 crores in the FY 2019-20, primarily due to higher sales in Paint segments and food & FMCG, better operating margins from last year.

### FUTURE OUTLOOK

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

#### New Products & developments:

Mold-Tek has progressed considerably in the last few years with its products, technological and engineering capabilities, keeping in mind the evolving needs of the packaging industry, along with environmental concerns. In spite of Covid we continue to invest in new technologies and products to ensure that we are future-ready and have a better outreach of sustainable packaging solutions to our esteemed clients.

#### Commercial supply of Pumps:

The Company has successfully established & started commercial production and supplies of pumps. Initially, we are focusing on Sanitizers, Lotions, Soap and later position to cosmetics and premium oils.

**QR Coded IML:** The company has successfully developed futuristic dynamic QR coded IML packaging with complete traceability all across the supply chain. There is considerable interest for this concept and after the second wave we expect commercial trials by our customers. This brings in the “Digital packaging” Concept for the first time to India.

#### Launched Sweet-Boxes:

The Company has launched a range of products for sweets, confectionery and online food delivery. We expect a healthy adoption of this packaging in the next couple of years

#### Additional Capacity:

In view of consistent demand and based on our customer trends, the Company has gradually added capacity in the Satara, Mysore, Vizag & Hyderabad plants in the last 10 months. Further, we have doubled our IML label production capacity.

#### New Industries:

By improving the product range, the Company expanded footprint into new segments like – restaurants, dates, growth enhancers, seeds etc. Some of these segments will be our growth drivers over the next 2-3 years.

**New Plant at Uttar Pradesh:**

We are glad to inform you that your Company is setting up new plant at Uttar Pradesh to cater the needs of all North region clients. Land has been acquired and initial production shall start in leased premises by October, 2021.

**Recycling:**

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

The above developments will ensure good growth prospects for the Company in the coming quarters.

**LOOKING AHEAD:**

The business scenario is fluid with the 2nd wave of the pandemic hitting the country resulting in multiple lockdowns. The first priority in this situation is the safety and well-being of our employees. This is also expected to have a temporary adverse impact on the demand and supply situation. Consequently, the first half of the year is expected to be relatively weak, but better than FY2019-20, which was severely impacted by COVID first phase. Sequential improvement in overall performance is expected from the second quarter of FY22.

Commenting on the excellent quarterly results CMD J Lakshmana Rao said that “in spite of rapid rise in RM cost Company could pass on the same and retained EBIDTA around ₹ 37 to ₹ 40 per Kg which is 10% higher than that of last financial year”. Going forward we are confident of achieving double digit growth and improved profitability for next few years owing to expansion and widening of product range with higher value addition.

**Risks & Mitigation**

The Company has in place a robust risk management framework that identifies and evaluates business risks and opportunities. Mold-Tek recognizes that the risks need to be handled effectively and mitigated to protect the interests of the shareholders and stakeholders, to achieve business objectives and create sustainable value and growth.

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

**1. Strategic Risks**

Strategic risks can be in form of changes in consumer demand, competition, intellectual property challenges and key customer attrition. Our risk mitigation activities include staying ahead in the new product development

curve, relying on the patent, trademark, copyright and trade secret laws of the countries in which we operate and non-disclosure agreements. Our Key Account Team works with the purpose to maintain good customer relationships and keep the attrition at manageable level.

**2. Operational Risks**

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

**3. Financial Risks**

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

**4. Legal and Compliance Risks**

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

and R&D functions of the Company ensure that all our patents and proprietary technology is protected in various geographies. Also the Company has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Mold-Tek has established internal control systems commensurate with the size and nature of business. It has put in place systems and controls across the Company covering various financial and operational functions. The Company through its own Internal Audit Department carries out periodical Audits at various locations and functions based on the Audit Plan as approved by the Audit Committee. Some of the salient features of the internal control systems are:

- (i) An integrated ERP system connecting all Plants, Sales Offices, Head Office, etc.
- (ii) Systems and Procedures are periodically reviewed to keep pace with the growing size and Complexity of Company's operations.
- (iii) Preparation of annual Budget for operations and services and monitoring the same at periodic intervals.
- iv) Assets are recorded and system put in place to safeguard against any losses or unauthorized disposal.
- (v) Periodic physical verification of fixed assets and Inventories.
- (vi) Key observations arising out of the Internal Audit are reviewed at the Audit Committee meeting and follow up action taken.

Further, enterprise wide adherence to corporate governance best practices is achieved through a combination of internal audits, management reviews and audit committee. The Company is thus able to secure and validate its business transactions on an ongoing basis and thereby maintain the accuracy of its financial records and the safety of its property. Most importantly, the senior management sets the tone at the top of no tolerance to non-compliance and promotes a culture of continuous innovation and improvement.

## **HUMAN RESOURCES**

Mold-Tek considers people, its biggest assets and 'Believing in People' is at the heart of its human resource strategy. Concerted efforts have been put in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that the Company consistently develops inspiring, strong and credible leadership. We leverage human capital for competitiveness by nurturing knowledge, entrepreneurship and creativity. Mold-Tek strive to encourage diversity in workforce and believes in building the career of its employees through focused interventions. Learning opportunities contribute to better employee engagement, increased productivity, reduced employee turnover and add to a more positive culture. Labour relations remained conducive across all India operations. The plants in India created multiple opportunities to promote open and supportive work environment and enhance participative decision making. We continued imparting teambuilding and collaboration training to our workmen to enhance the team cohesiveness. We also supported our employees during pandemic by arranging free vaccination drive for all employees and provided medical kits to those affected by COVID. The total employee strength as on 31st March, 2021 was 537.

**BUSINESS RESPONSIBILITY REPORT OF MOLD-TEK PACKAGING LIMITED (2020-21)****Introduction**

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

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

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

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

**Section A: General Information about the Company**

1. **Corporate Identity Number (CIN) of the Company:** L21022TG1997PLC026542
2. **Name of the Company:** Mold-Tek Packaging Limited
3. **Registered Address:** 8-2-293/82/A/700, Ground Floor, Road No. 36, Jubilee Hills, Hyderabad - 500033, Telangana.
4. **Website:** www.moldteckpackaging.com
5. **E-mail ID:** cs@moldteckpackaging.com
6. **Financial Year reported:** 2020-21
7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**
  - Manufacturing of plastic packaging containers (NIC Code- 2220)
8. **List three key products/services that the Company manufactures/provides (as in Balance Sheet)**
  - Plastic Packaging Containers
9. **Total number of locations where business activity is undertaken by the Company:**

The Company operates from India with its presence across the country. For more details on plant locations refer to the initial "Corporate Information Page" of Annual Report.

**10. Markets served by the Company – Local/State/National/International:**

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

LOCAL	STATE	NATIONAL	INTERNATIONAL
YES	YES	YES	NO

## Section B: Financial Details of the Company on standalone basis

1.	Paid Up Capital (INR)	₹1395.52 lakhs
2.	Total Turnover (INR)	₹47892.54 lakhs
3.	Total Profit after Taxes (INR)	₹4807.50 lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after Tax (%):	₹220.62 lakhs 4.59%
5.	List of activities in which expenditure in 4 above has been incurred	<ul style="list-style-type: none"> <li>Indian Institute of Management (Bengaluru), by providing Sponsorship to the Merit students for a period of 3 years</li> <li>MPUP School, Kalasamudram (V), Anantapur, contributed for Providing Water supply facility, Additional Class Rooms, Toilets, etc.</li> <li>Sri Dakshinya Bhava Samithi, Guntur for Construction of Multi Utility Community hall for mentally and physically handicapped children and old aged persons by providing vocational training with lodging and boarding.</li> <li>Contribution made towards the 35 orphans Childers of Arunodaya Foundation for food and other necessities.</li> <li>Contribution made towards the 15 persons with intellectual disability of Durgabai Deshmukh Vocational Training and Rehabilitation Centre for the Handicapped other necessities.</li> <li>Covid-19 Contribution - Distribution of Ration to Poor people at all our Plant located areas</li> <li>Covid-19 Contribution - payment of Ex-gratia to temporary/ casual/daily-wage workers</li> </ul> <p><b>For Further details kindly refer our Annexure-B</b></p>

## Section C: Other Details

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

Yes, MTPL has one wholly owned subsidiary namely:

- Mold-Tek Packaging FZE.

### 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)

Yes, The Business Responsibility initiatives of the Company apply to its subsidiary. Mold-Tek Packaging FZE participates in the BR Initiatives of the parent Company. It has mandated its suppliers and vendors to follow MTPL's policy on prohibition of child labour, forced labour, discrimination, no drug or alcohol consumption policy, HSE & Sustainability policy and fraud prevention policy. The subsidiary Company operate in a different geography and conduct its own BR initiatives as appropriate.

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

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

**Section D: BR Information**

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

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

Sr. No.	PARTICULARS	DETAILS
1.	DIN	00649702
2.	NAME	LAKSHMANA RAO JANUMAHANTI
3.	DESIGNATION	Chairman & Managing Director

**(b) Details of the BR head:**

Sr.No.	PARTICULARS	DETAILS
1.	DIN	00649702
2.	NAME	LAKSHMANA RAO JANUMAHANTI
3.	DESIGNATION	Chairman & Managing Director
4.	TELEPHONE NUMBER	040-40300300
5.	E-MAIL ID.	ir@moldteckpackaging.com

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

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

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

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

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

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

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

**P 5** Businesses should respect and promote human rights.

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

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

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

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

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

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

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

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

# The Board of Directors over sees the same.

### 3. Governance related to BR

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

Since, the BRR is applicable to the Company recently, the BR performance of the Company is assessed annually.

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

Mold-tek Packaging Limited (MTPL), featuring amongst the top 1000 listed entities, has developed this Business Responsibility Report based on the framework suggested by SEBI for the first time in F.Y 2019-20 as mandated by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019, which came into effect from 26<sup>th</sup> December, 2019. The Company is planning for the same in the upcoming years.

## Section E: Principle wise Performance

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

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

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

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



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

During the financial year 2020-21, the Company has not received any complaints from the stakeholders on ethics, transparency and accountability.

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

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

- a. Square shaped “Anti-counterfeit” packages: These are innovative products designed and developed by Mold-Tek and facilitate consumers with several features by eliminating the scope of “DUPLICATION / ADULTERATION” of content. Once the pack sealed at the manufacturer’s end, ONLY the end-user can open and access the content by breaking open the three stage seals.
- b. Usually packages have multiple materials like Glass, Aluminium, Paper, and Polymer (of different types). Mold-Tek’s containers have been developed with PP-IML wherein the entire package including Jar, Lid, Handle and even the label are made up of the same type of material- PP; such that there is no need for segregation while reprocessing. This ensures 100% recyclability.
- c. All our packs are reusable and are greater than 700 microns in thickness. This ensures that the life of pack is far beyond the usage cycle of primary content. Our Pails, Q packs and Food packs are all retained for secondary use and the decoration being IN-MOLD labelling, the labels are anti-peel and ant scratch type. This ensures higher brand recall over a prolonged period of time.

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

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

The Company is committed to Environment protection, climate change and taking lot of initiatives to reduce carbon footprint. Please refer to Annexure – ‘D’ to the Director’s Report covering inter-alia, details of Conservation of Energy.

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

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

- a. Monitoring and analysis of energy consumption on periodic basis;
- b. New moulding machines selected are always either servo controller or fully electric machines;
- c. Replacement of conventional tubes and bulbs with LED;
- d. Monitoring, benchmarking and selection of energy intensive equipment only;
- e. Minimum use of energy by optimizing processes and material movement in factories;
- f. ‘Machine On’ alarms and automatic switch off machines;
- g. Share and implement best energy saving practices across manufacturing units.
  - ✓ We are buying only All Electrical Injection Moulding machines instead of Hydraulic based Injection Moulding Machines to save the energy by 30%
  - ✓ For all new projects, Installing Water Chillers instead of cooling towers and saving water by 90%.
  - ✓ Applying FMEA (Failure Mode Effects and Analysis) to optimise the process rejections thereby carbon foot prints.

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

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

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

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

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

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

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

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

**Principle 3: Businesses should promote the wellbeing of all employees**

- Please indicate the total number of employees MTPL has a total of 539 employees as on March 31, 2021.
- Please indicate the total number of employees hired on temporary/contractual/casual basis MTPL has 1200 employees on temporary/contractual/casual basis as on March 31, 2021.
- Please indicate the number of permanent women employees MTPL has 23 permanent women employees as on March 31, 2021.
- Please indicate the number of permanent employees with disabilities MTPL has NO permanent employees with disabilities as on March 31, 2021.

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

Yes

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

2.5%

- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as on the end of the Financial Year. MTPL strives to provide employees a work environment that supports their wellbeing as well as overall growth.

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

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

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

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

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

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

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

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

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

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

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

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

**Principle 5: Businesses Should Respect and Promote Human Rights**

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

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

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

During the financial year 2020-21, the Company did not receive any complaint with regard to violation of human rights.

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

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint**

Ventures/Suppliers/Contractors/NGOs/others.

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

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

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

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

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

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

Not applicable

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

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

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

Yes. The emissions/waste generated by the Company is within the permissible limits for the financial year 2020- 21.

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

NONE.

There are no show cause/ legal notices received from CPCB/SPCB which are pending as at end of the Financial Year 2020-21.

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

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

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

- a) The Associated Chambers Of Commerce & Industry of India
- b) Andhra Chamber of Commerce
- c) The Plastics Export Promotion Council
- d) The All India Plastics Manufacturers Association

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) Not through associations. And not lobbying O advocating per se. But have spread the message within the network of customers and during expositions and events.**

We have shared the ideas and concepts pertaining to Sustainable packaging for public good with leadership teams of major companies ranging from FOOD, PHARMA and FMCG.

***Principle 8: Businesses Should Support Inclusive Growth and Equitable Development***

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

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

Refer Annexure- 'B' to the Board Report for details of CSR spending's.

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

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

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

No, as it is not applicable to the Company.

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

The Company has spent ₹ 67.05 as part of its CSR initiatives. Details of the projects are given in Annexure- 'B'- Report on CSR Activities forming part of Director's Report.

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

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

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

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

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

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

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

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

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

There are no cases in relation to unfair trade practices, irresponsible advertising and/or violation of any laws during the financial year 2020-21.

- 4. Did your Company carry out any consumer survey/ consumer satisfaction trends**

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

## REPORT ON CORPORATE GOVERNANCE

### A. Company's PHILOSOPHY ON CORPORATE GOVERNANCE

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

Mold-Tek Packaging Limited therefore believes that Corporate Governance is not an end in itself but is a catalyst in the process of maximization of shareholder value. Therefore, shareholder value as an objective is woven into all aspects of Corporate Governance-the underlying philosophy, development of roles, creation of structures and continuous compliance with standard practices. For Mold-Tek Packaging Limited, however, good corporate governance has been a cornerstone of the entire management process, the emphasis being on professional management with a decision making model based on decentralization, empowerment and meritocracy.

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

### B. Board of Directors Composition

The Company's Board comprises of Ten Directors including

- Three Executive Promoter Directors
- One Whole Time Director
- One Non-Executive Promoter Director
- Five Independent Directors

The Composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors is a member of more than 10 committees or chairman of more than 5 committees across all the companies in which they are directors.

#### Board Meetings

The Board of Directors met 7 times during the financial year 2020-21 i.e., 6<sup>th</sup> June, 2020, 1<sup>st</sup> August, 2020, 2<sup>nd</sup> September, 2020, 21<sup>st</sup> September, 2020, 13<sup>th</sup> November, 2020, 19<sup>th</sup> January, 2021 and 8<sup>th</sup> March, 2021. The maximum gap between any two meetings was less than one hundred and twenty days as stipulated under Section 173 of Companies Act, 2013 and Regulation 17(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Board Meetings/AGM - Attendance & Directorships/Committee Memberships**

Name of the Director	Category	Number of Board Meetings attended during the year 2020-21	Whether attended last AGM held on 30th September, 2020	No. of directorships in other companies		No. of committee positions in other companies		Name of the other Listed Entity In which Director is a member
				Chairman	Member	Chairman	Member	
Mr. J. Lakshmana Rao (Chairman & Managing Director)	Executive Promoter Director	7	Yes	1	1	–	–	Mold-Tek Technologies Limited- Chairman & Managing Director
Mr. A. Subramanyam (Deputy Managing Director)	Executive Promoter Director	6	Yes	–	1	–	–	Mold-Tek Technologies Limited- Promoter Director
Mr. P. Venkateswara Rao (Deputy Managing Director)	Executive Promoter Director	7	Yes	–	1	–	–	Mold-Tek Technologies Limited- Promoter Director
Mrs. J. Mytraeyi	Non-Executive Promoter Director	3	Yes	–	–	–	–	–
Mr. Srinivas Madireddy	Executive-Whole Time Director	6	Yes	–	–	–	–	–
Dr. T. Venkateswara Rao	Non-Executive Independent Director	7	Yes	–	6	–	–	–
Mr. Eswara Rao Immaneni	Non-Executive Independent Director	7	Yes	–	–	–	–	–
Dr. Venkata Appa Rao Kotagiri	Non-Executive Independent Director	4	No	–	3	1	2	Mold-Tek Technologies Limited- Independent Director
Mr. Dhanraj Tirumala Narasimha Rao Togaru	Non-Executive Independent Director	6	Yes	1	2	1	2	Mold-Tek Technologies Limited- Independent Director
Mrs. Madhuri Venkata Ramani Viswanadham	Non-Executive Independent Woman Director	7	Yes	–	–	–	–	–
*Mr. Ramakrishna Bonagiri	Non-Executive Independent Director	2	NA	–	–	–	–	Mold-Tek Technologies Limited- Independent Director

Note 1: In accordance with Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, membership/chairmanship of only audit committee, shareholders/investors relationship committee of all companies has been considered.

\*Note 2: Mr. Ramakrishna Bonagiri has resigned from the post of Independent Director of the Company w.e.f. 29<sup>th</sup> August, 2020 due to his pre-occupation and other professional commitments.

**Relationship of Directors *inter-se***

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



## Familiarization Programme for Independent Directors

In terms of Regulation 25 (7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should conduct Familiarization Programs for Independent Directors about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various initiatives. The details of programmes are available on website of the Company at: [https://www.moldteckpackaging.com/pdf/Familiarisation\\_Programme\\_-\\_MTPL%202015%20to%202021.pdf](https://www.moldteckpackaging.com/pdf/Familiarisation_Programme_-_MTPL%202015%20to%202021.pdf)

## Details of skills / expertise / competence of the Board of Directors:

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

## Declaration by Board:

The Board has confirmed that in its opinion, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

## Detailed reasons for the resignation of an independent director:

Mr. Ramakrishna Bonagiri has resigned from the post of Independent Director of the Company w.e.f. 29<sup>th</sup> August, 2020 due to his pre-occupation and other professional commitments.

## C. BOARD COMMITTEES

### I. AUDIT COMMITTEE

#### Overall purpose/objectives

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

#### Powers and terms of reference

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

#### Composition & meeting

The Audit Committee comprises of Three Non-Executive Independent Directors chaired by Mr. Eswara Rao Immaneni (for the financial year 2020-2021). The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Five meetings of the Audit Committee were held during the financial year 2020-21. The dates on which the said meetings were held are as follows 6<sup>th</sup> June, 2020, 1<sup>st</sup> August, 2020, 2<sup>nd</sup> September, 2020, 13<sup>th</sup> November, 2020 and 19<sup>th</sup> January, 2021.

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

Name & category	Designation	No of meetings attended during the year 2020-21
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Chairman	5
Dr. T. Venkateswara Rao, Independent Non-Executive Director	Member	5
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member	2

## II. NOMINATION & REMUNERATION COMMITTEE

### Terms of reference

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

### Composition & meeting

The Nomination & Remuneration Committee comprises of three Non-Executive Independent Directors chaired by Dr. Venkata Appa Rao Kotagiri (for the financial year 2020-2021). The composition of the Nomination & Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Three meetings of the Nomination & Remuneration Committee were held during the financial year 2020-21. The dates on which the said meetings were held are as follows 1<sup>st</sup> August, 2020, 2<sup>nd</sup> September, 2020 and 23<sup>rd</sup> December, 2020.

The composition of Nomination & Remuneration Committee and particulars of meeting attended by the members of the Committee are given below:

Name & category	Designation	No of meetings attended during the year 2020-21
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Chairman	0
*Dr. T. Venkateswara Rao, Independent Non-Executive Director	Member	3
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Member	3

\*Dr. T. Venkateswara Rao was appointed as Chairman for Nomination & Remuneration Committee in the meetings held on 1<sup>st</sup> August, 2020, 2<sup>nd</sup> September, 2020 and 23<sup>rd</sup> December, 2020 in the absence of Dr. Venkata Appa Rao Kotagiri.

### Nomination, Remuneration and Board Evaluation Policy

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

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

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

#### **Appointment criteria and qualification**

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

#### **Term**

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

#### **Evaluation**

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

#### **Removal**

- Due to reasons for any disqualification mentioned in the Companies Act, 2013 or under any other applicable act, rules and regulations thereunder and/or for any disciplinary reasons and subject to such applicable acts, rules and regulations and the Company's prevailing HR policies, the committee may recommend, to the board, with reasons recorded in writing, removal of a director, KMP or senior management.
- Remuneration of managing/whole-time director, KMP and senior management
- The remuneration/compensation/commission, etc. as the case may be, to the managing/whole-time director will be determined by the committee and recommended to the board for approval. The remuneration/ compensation/ commission, etc. as the case may be, shall be subject to the prior/post approval of the shareholders of the Company and central government, wherever required and shall be in accordance with the provisions of the Act and Rules made there under. Further, the managing director of the Company is authorized to decide the remuneration of KMP (other than managing/whole-time director) and senior management, and shall be decided by the managing director based on the standard market practice and prevailing HR policies of the Company.

#### **Remuneration to non-executive/independent director**

- The remuneration/commission/sitting fees, as the case may be, to the non-executive/independent director, shall be in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force or as may be decided by the committee/board/shareholders.
- An independent director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

### **Details of the evaluation process**

In terms of the Nomination, Remuneration and Board Evaluation Policy and the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee laid down the criteria for evaluation/assessment of the Directors (including the independent directors) of the Company and the Board as a whole. The Committee also carried out the evaluation of the performance of each Director of the Company.

The Board conducted formal annual evaluation of its own performance, its Committees and the individual directors (without the presence of the director being evaluated). Basis the said evaluation, the Nomination and Remuneration Committee has evaluated the Directors and Senior Management Personnel and made recommendations for the appointment/re-appointment/increase in remuneration of the Directors and Senior Management.

### **Criteria for evaluation of Board (Including Independent Directors) and its Committees**

The evaluation of the Board (including independent directors) and its committee were based on knowledge to perform the role, attendance, time and level of participation, performance of duties, adequate discharge of responsibilities, level of oversight, understanding of the Company professional conduct, independence, structure and composition, frequency and duration of meetings, its process and procedures, effectiveness of Board/ Committees, its financial reporting process, including internal controls, review of compliance under various regulations etc.

### **Meetings of Independent Directors**

A separate meeting of the Independent Directors of the Company was held on 19<sup>th</sup> January, 2021 without the attendance of Non-Independent Directors and members of management, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. At the meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness off low of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**Fee to statutory auditor:** Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor is ₹ 11.48 lakhs.

Internal committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

### **The composition of the internal committee is as under:**

- a. Mrs. Seshu Kumari, Chief Financial Officer - Chairperson
- b. Mrs. J. Navya, Assistant Financial Controller - Member
- c. Mr. Thakur Vishal Singh, Company Secretary - Member
- d. Mrs. K. Sirisha, Assistant Manager-HR - Member

There was no meeting held in the financial year, as no complaints were received from any employee.

Non-compliance of any requirement of corporate governance report: Nil

Details of the remuneration of Executive Directors and Non-Executive Directors for the year ended on 31<sup>st</sup> March, 2021 is as follows:

(₹ in lakhs)

Name	Salary	Perquisites & other benefits	Performance bonus/ commission	Earned leave & gratuity	Others	Sitting fees	Total
Mr. J. Lakshmana Rao (Chairman & Managing Director)	133.00	-	35.44	-	-	-	168.44
Mr. A. Subramanyam (Deputy Managing Director)	146.80	16.12	35.44	-	26.99	-	225.35
Mr. P. Venkateswara Rao (Deputy Managing Director)	93.60	7.53	35.44	-	26.75	-	163.32
Mrs. J. Mytraeyi	-	-	-	-	-	0.40	0.40
Mr. Srinivas Madireddy	68.00	7.83	-	-	9.76	-	85.59
Dr. T. Venkateswara Rao	-	-	-	-	-	1.40	1.40
Mr. Eswara Rao Immaneni	-	-	-	-	-	1.40	1.40
Dr. Venkata Appa Rao Kotagiri	-	-	-	-	-	0.60	0.60
Mr. Dhanraj Tirumala Narasimha Rao Togaru	-	-	-	-	-	1.20	1.20
Mrs. Madhuri Venkata Ramani Viswanadham	-	-	-	-	-	1.40	1.40

J. Lakshmana Rao, Chairman & Managing Director is drawing salary from two companies - M/s. Mold-Tek Packaging Limited and M/s. Mold-Tek Technologies Limited, aggregating to ₹ 240.40 lakhs pursuant to approval of the Members accorded at the 18th Annual General Meeting of Mold-Tek Packaging Limited held on 28th September, 2015 and 31st Annual General Meeting of Mold-Tek Technologies Limited held on 28th September, 2015.

Shareholding of the Directors of the Company as on 31<sup>st</sup> March, 2021.

Name	No. of Equity shares of ₹ 5 Each	% of total shares of the Company	No. of Partly Paid Equity shares of ₹ 1.25 Each	% of total shares of the Company	No. of Detachable Warrants	% of total Detachable Warrants of the Company
Mr. J. Lakshmana Rao	25,55,445	9.20	81108	14.61	486648	14.61
Mr. A. Subramanyam	16,29,124	5.87	36582	6.59	219492	6.59
Mr. P. Venkateswara Rao	2,34,896	0.85	8000	1.44	46000	1.38
Mrs. J. Mytraeyi	86,700	0.31	0	0	0	0
Mr. Srinivas Madireddy	4,67,276	1.68	9345	1.68	56070	1.68
Dr. T. Venkateswara Rao	20,000	0.07	400	0.07	2400	0.07
Mr. Eswara Rao Immaneni	7,512	0.03	48	0.01	288	0.01
Dr. Venkata Appa Rao Kotagiri	238	0	0	0	0	0
Mr. Dhanraj Tirumala Narasimha Rao Togaru	0	0	0	0	0	0
Mrs. Madhuri Venkata Ramani Viswanadham	0	0	0	0	0	0

### III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders Relationship Committee as on 31st March, 2021 was as under:

Name & category	Designation	No of meetings attended during the year 2020-21
Dr. T. Venkateswara Rao, Independent Non-Executive Director	Chairman	4
Mr. Eswara Rao Immaneni, Independent Non-Executive Director	Member	4
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member	1

The Stakeholders Relationship Committee oversees the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividend/annual reports, etc. It also takes note of share transfer and issue of share certificates.

Four meetings of the Stakeholders Relationship Committee were held during the financial year 2020-21. The dates on which the said meetings were held are as follows 6th June, 2020, 1st August, 2020, 13th November, 2020 and 19th January, 2021.

Name of non-executive director heading the committee	Dr. T. Venkateswara Rao, Independent Non-Executive Director
Name and designation of compliance officer	Mr. Thakur Vishal Singh, Company Secretary & Compliance Officer
Number of shareholders' complaints received so far	0
Number not solved to the satisfaction of shareholders	Nil
Number of pending complaints	Nil

Nil complaints were received during the year 2020-21 and no complaints were pending as on 31st March, 2021.

### III (a) RISK MANAGEMENT COMMITTEE:

#### Brief Terms of reference

The risk management committee ("the Committee") comprised of 2 Executive Directors & 1 Independent Director.

As per the SEBI (LODR) Regulation, 2015 (Amended vide (Second Amendment) Regulations, 2021, w.e.f. 05.05.2021, the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year), the Company has to constitute a new Committee under Regulation 17 (9) read with regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment), Regulations, 2021.

In compliance of the aforesaid regulation requirements, a new committee was formed on 26th May, 2021 and the Composition of the Risk Management Committee is as follows:

S.No.	Name of the Committee member	Designation in the Committee
1.	Mr. Janumahanti Lakshmana Rao, Chairman & Managing Director	Chairperson
2.	Mr. Subramanyum Adivishnu, Deputy Managing Director	Member
3.	Mr. Dhanraj Tirumala, Independent Non-Executive Director	Member

Further, The Risk Management policy is also framed to identify the roles and responsibilities of the Committee, The Risk Management policy is available @ [https://moldektekpackaging.com/pdf/MTPL\\_%20Risk%20Management%20Policy21.pdf](https://moldektekpackaging.com/pdf/MTPL_%20Risk%20Management%20Policy21.pdf)

There were no meetings held from the date of formation of the Committee.

#### IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of three Executive Directors and one Independent Director, chaired by J. Lakshmana Rao. The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Companies Act, 2013 and is as follows.

Name & category	Designation
Mr. J. Lakshmana Rao, Chairman & Managing Director	Chairman
Mr. A. Subramanyam, Deputy Managing Director	Member
Mr. P. Venkateswara Rao, Deputy Managing Director	Member
Dr. Venkata Appa Rao Kotagiri, Independent Non-Executive Director	Member

#### D. DISCLOSURES

Details of annual/extraordinary general meetings

Location and time of general meetings held in the past 3 years are as follows:

Year	Location	Date	Time
2017-18 (AGM)	Best Western Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, Road No. 36, Jubilee Hills, Hyderabad - 500033	29 <sup>th</sup> September, 2018	11.00 a.m.
2018-19 (AGM)	Best Western Jubilee Ridge, Plot No.38 & 39, Kavuri Hills, Road No. 36, Jubilee Hills, Hyderabad - 500033	30 <sup>th</sup> September, 2019	11.00 a.m.
2019-20 (AGM)	Plot No. 700, Road no. 36, Jubilee Hills, Hyderabad-500006-through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).	30 <sup>th</sup> September, 2020	11.00 a.m.
2020-21 (EGM)	Plot No. 700, Road no. 36, Jubilee Hills, Hyderabad-500006-through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).	12th October, 2020	10.30 a.m.
2020-21 (EGM)	Plot No. 700, Road no. 36, Jubilee Hills, Hyderabad-500006-through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).	16th February, 2021	11.00 a.m.

The Company passed special resolutions as per the agenda given in the notice calling the general meetings. No resolution was passed by way of postal ballot at the last AGM. No resolution is proposed to be passed by way of postal ballot in the ensuing Annual General Meeting.

#### Means of communication

As per Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is maintaining a functional website-[www.moldtekgroup.com](http://www.moldtekgroup.com) containing the information about the Company viz. details of business, financial information, shareholding pattern, annual reports, Company’s policies, results and contact information of the designated officials of the Company for handling investor grievances. The website is updated from time to time.

- Quarterly/half-yearly/annual financial results are generally published in any of the following newspapers: Business Standard, Praja Shakti, Financial Express, Andhra Prabha, Mana Telangana & Nava Telangana. The results are also posted on the Company’s website <https://www.moldtekgroup.com/> and on the website of stock exchanges [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com).
- The annual report of the Company is available on the Company’s website in a user-friendly and downloadable form.
- The Company has designated an Email ID exclusively for investor servicing i.e., [ir@moldtekgroup.com](mailto:ir@moldtekgroup.com). Investors may raise any queries, complaints or provide suggestions through Email.
- Official news releases and media releases are sent to the stock exchanges.
- Presentation made to institutional investor/analysts
- Detailed presentation made to institutional investors and financial analysts is available on the Company’s website: <https://www.moldtekgroup.com/>



**General shareholder information**

24 <sup>th</sup> Annual General Meeting	
Date and time	30 <sup>th</sup> September, 2021 at 11:00 a.m.
Venue	Through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).

**Financial calendar (2021-22)**

The financial year of the Company is 1<sup>st</sup> April to 31<sup>st</sup> March. For the year ending 31<sup>st</sup> March, 2022, quarterly un-audited/annual audited results shall be announced as follows:

Financial reporting for		Proposed date
Unaudited results for the quarter ending:	30th June, 2021	On or before 14th August, 2021
	30th September, 2021	On or before 14th November, 2021
	31st December, 2021	On or before 14th February, 2022
Audited results for the year ended	31st March, 2022	On or before 30th May, 2022
Book closure date	24 <sup>th</sup> September, 2021 to 30 <sup>th</sup> September, 2021 (both days inclusive)	
Registered office	Plot No.700, Door No.8-2-293/82/A/700, Road No.36, Jubilee Hills, Hyderabad - 500 034, Telangana.	
Name and address of the stock exchanges on which equity shares are listed	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	
Listing fees	Listing fee has been paid to BSE & NSE for the financial year 2020-21.	
Stock code	BSE: 533080; NSE: MOLDTKPAC	
ISIN	INE893J01029	
CIN	L21022TG1997PLCO26542	

**Market price data**
**The monthly high and low quotations and volume of shares traded on BSE**

Month		BSE		
		High (₹)	Low (₹)	Volume of shares
2020	April	204.45	146.05	1,16,632
	May	189.90	162.45	43,762
	June	230.00	176.15	1,43,688
	July	231.00	194.15	1,02,036
	August	304.40	217.25	1,67,516
	September	298.95	260.00	1,20,928
	October	300.00	250.00	61,505
	November	304.50	255.40	1,14,306
2021	December	310.00	262.05	78,345
	January	349.25	278.50	2,34,099
	February	412.30	327.10	1,75,062
	March	434.20	360.00	1,55,556

### The monthly high and low quotations and volume of shares traded on NSE

Month		NSE		
		High (₹)	Low (₹)	Volume of shares
2020	April	204.75	136.00	1289823
	May	191.70	161.60	480947
	June	223.50	172.50	1409631
	July	228.90	197.00	860063
	August	304.75	216.75	1634336
	September	297.90	269.10	704866
	October	290.50	257.00	521832
	November	304.70	255.05	694741
	December	294.75	262.00	593451
2021	January	348.90	277.65	2226334
	February	412.55	328.00	1375826
	March	429.75	382.40	987265

### Performance in comparison to with BSE Sensex

Month		BSE Sensex (Closing)	Share price of Mold-Tek Packaging Limited (Closing) (₹)
2020	April	33,717.62	193.90
	May	32,424.10	175.00
	June	34,915.80	200.45
	July	37,606.89	229.10
	August	38,628.29	288.60
	September	38,067.93	284.80
	October	39,614.07	260.40
	November	44,149.72	287.05
	December	47,751.33	284.40
2021	January	46,285.77	331.40
	February	49,099.99	390.80
	March	49,509.15	392.70

### Graphical presentation

#### Performance in comparison with BSE Sensex

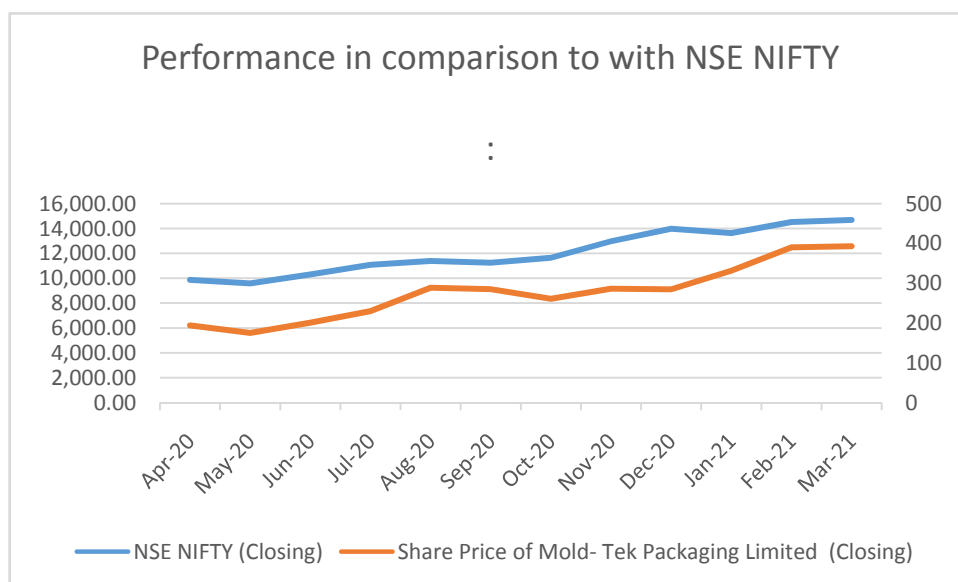


**Performance in comparison to with NSE Nifty 50**

Month		NSE Nifty 50 (Closing)	Share price of Mold-Tek Packaging Limited (Closing) (₹)
2020	April	9859.90	194.05
	May	9580.30	175.10
	June	10302.10	200.75
	July	11073.45	229.75
	August	11387.50	288.55
	September	11247.55	285.10
	October	11642.40	260.70
	November	12968.95	286.30
	December	13981.75	284.50
	January	13634.60	331.25
2021	February	14529.15	390.05
	March	14690.70	393.00

**Graphical presentation**

**Performance in comparison with NSE Nifty 50 - -**



Investors' correspondence/Registrar & Share Transfer Agents  
M/s. XL Softech Systems Limited 3, Sagar Society, Road No. 2,  
Hyderabad - 500 034  
Phone : +91 40 2354 5913/14/15  
Fax : +91 40 23553214  
Email : xlfield@gmail.com

**Share transfer system**

Share transfers are registered and returned within a period of 15 days from the date of receipt, if the document is in order in all respects.

**Distribution of Shareholding pattern as on 31<sup>st</sup> March, 2021**

Category	No of Equity shares of FV of ₹5 Each held	Percent-age of sharehold-ing	No of Partly Paid Equity shares of FV of ₹1.25 Each held	Percentage of share-holding	No of Detachable Warrants	Percent-age of Detachable Warrants holding
Promoters	96,68,817	34.82	3,05,476	55.01	18,38,712	55.18
Mutual Funds, Banks, financial institutions, Foreign Portfolio Investors, Alternate Investment Funds	63,46,343	22.86	71,309	12.84	4,27,854	12.84
Private bodies corporate	7,10,699	2.56	4,124	0.74	43,100	1.29
Trusts	16,752	0.06	-	-	-	-
Indian public	99,61,374	35.88	1,67,394	30.14	9,93,181	29.81
NRI	8,53,087	3.07	525	0.09	-	-
Clearing members	-	-	-	-	-	-
HUF	2,09,455	0.75	6,502	1.17	29,133	0.87
<b>TOTAL</b>	<b>2,77,66,527</b>	<b>100</b>	<b>5,55,330</b>	<b>100</b>	<b>33,31,980</b>	<b>100</b>

**Distribution of shareholders as on 31<sup>st</sup> March, 2021**
**1. Equity Share of FV of ₹ 5 Per Share**

Slab of shareholding of nominal value of ₹	No. of shareholders	% to Total holding	Share Amount in ₹	% to Total
Upto - 5,000	22,772	87.4	1,15,62,545	8.33
5,001 - 10,000	1,838	7.05	67,34,395	4.85
10,001 - 20,000	788	3.02	56,41,720	4.06
20,001 - 30,000	216	0.83	27,26,020	1.96
30,001 - 40,000	106	0.41	18,80,810	1.35
40,001 - 50,000	73	0.28	16,62,750	1.20
50,001 - 1,00,000	116	0.45	40,74,395	2.93
1,00,001 and above	145	0.56	10,45,50,000	75.31
<b>TOTAL</b>	<b>26,054</b>	<b>100</b>	<b>13,88,32,635</b>	<b>100</b>

**2. Partly Paid up Equity Share of FV of ₹1.25 Per Share**

Slab of shareholding of nominal value of ₹	No. of shareholders	% to Total holding	Share Amount in ₹	% to Total
Upto - 5,000	3,167	97.9	1,06,454	15.34
5,001 - 10,000	24	0.74	22,956	3.31
10,001 - 20,000	14	0.43	26,421	3.81
20,001 - 30,000	5	0.15	15,904	2.29
30,001 - 40,000	4	0.12	17,066	2.46
40,001 - 50,000	2	0.06	10,204	1.47
50,001 - 1,00,000	8	0.25	79,793	11.49
1,00,001 and above	11	0.34	4,15,365	59.84
<b>TOTAL</b>	<b>3,235</b>	<b>100</b>	<b>6,94,162.50</b>	<b>100</b>

### 3. Detachable Warrants

Slab of shareholding of nominal value of ₹	No. of shareholders	% to Total holding	Share Amount in ₹	% to Total
Upto - 5,000	2,797	90.9	4,40,81,432	7.19
5,001 - 10,000	137	4.45	1,65,33,688	2.70
10,001 - 20,000	52	1.69	1,32,86,640	2.17
20,001 - 30,000	20	0.65	92,43,056	1.51
30,001 - 40,000	8	0.26	52,94,048	0.86
40,001 - 50,000	8	0.26	65,95,112	1.08
50,001 - 1,00,000	20	0.65	2,54,58,608	4.15
1,00,001 and above	35	1.14	49,25,91,736	80.35
<b>TOTAL</b>	<b>3,077</b>	<b>100</b>	<b>61,30,84,320</b>	<b>100</b>

#### Dematerialization of shares:

- Equity Share of FV of ₹ 5 Per Share: As on 31st March, 2021, NSDL & CDSL in demat form hold 2,76,25,771 equity shares of ₹ 5 each aggregating to 97.55% of the paid up share capital & the rest 1,40,756 equity shares aggregating to 0.49% are in physical form.
- Partly Paid up Equity Share of FV of ₹1.25 Per Share: As on 31st March, 2021, NSDL & CDSL in demat form hold 5,55,330 equity shares of ₹ 1.25 each aggregating to 1.96% of the paid up share capital.
- Detachable Warrants of FV of ₹ 184/- Per Warrant: As on 31st March, 2021, NSDL & CDSL in demat form hold 33,31,980 Detachable Warrants of FV of ₹ 184/- Per Warrant.

ADR/GDR holding is Nil.

#### Contact Details

The contact details and locations of plants have been provided on the initial pages of the Annual Report.

#### CREDIT RATING

The Credit rating has been already disclosed in the Board Report.

#### Other disclosures

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of the Company at large.

All related party transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Listing Agreement and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There were no materially significant related party transactions made by the Company during the year that would have required shareholder approval and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all related party transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature and value of the transactions.

The Company has adopted a related party transactions policy. The policy is available on website of the Company at [https://moldtekpackaging.com/pdf/Related\\_Party\\_Transaction\\_Policy21.pdf](https://moldtekpackaging.com/pdf/Related_Party_Transaction_Policy21.pdf)

Details of the transactions with related parties are provided in the accompanying financial statements.

- b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Kindly refer Annual Secretarial Compliance Report.

- c. Whistle blower policy/vigil mechanism

The Company has adopted the whistle blower policy and established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct. It also provides adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the Chairperson of the audit committee in exceptional cases. No employee has been denied access to the audit committee during the year. The policy is available on website of the Company at: <https://moldtekpackaging.com/pdf/VIGIL%20MECHANISM%20WHISTLE%20BLOWER%20POLICY2020%20.pdf>

- d. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.

The Company has complied with all the mandatory requirements and has adopted the following non-mandatory requirement of Regulation 27(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reporting of internal auditor

The internal auditor reports directly to the Audit Committee.

- e. Subsidiary

The Company has floated a subsidiary Company in Ras-al-Khaimah zone, UAE by name Mold-Tek Packaging FZE, incorporated on 12th January, 2016. The financial statements of the subsidiary are placed in Audit Committee meetings and Board meetings as per Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors has adopted the policy and procedures with regard to determination of material subsidiaries. This policy deals with determination of material subsidiaries of Mold-Tek Packaging Limited in terms of Regulation 16 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (as amended from time to time) which states that the Company shall formulate a policy for determination of the material subsidiary and the policy is intended to ensure the governance framework of material subsidiary companies. The policy is available on the website of the Company at:

<https://www.moldtekpackaging.com/pdf/Policy-for-determining-material-subsidiaries-%20MTPL2020.pdf>

Website Disclosures

The Company is maintaining a functional website [www.moldtekpackaging.com](http://www.moldtekpackaging.com). All the information as specified under Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are uploaded on a daily basis under investor column of the website. For more information, kindly visit [www.moldtekpackaging.com](http://www.moldtekpackaging.com) - Mold-Tek Packaging Limited -under Investors tab.

- f. Management Discussion and Analysis

A separate report on Management Discussion and Analysis is attached as part of the Annual Report.

- g. Equity shares in the Suspense Account

In terms of Regulation 39(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following are the details in respect of equity shares lying in the suspense account which were issued in demat form and physical form, respectively:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1st April, 2020	210	57126
No of Shareholders added during the Year	1	144
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	2	2736
Number of shareholders and aggregate number of shares transferred to the unclaimed suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2021	209	54534

**Note:** 1. The voting rights on these shares shall remain frozen till the rightful owners, claim the shares.  
2. All the shares referred above are in dematerialized format. No shares are held in physical mode.

#### **Additional disclosures**

##### **a. Reconciliation of share capital audit**

As stipulated by SEBI, a qualified Company Secretary-in-Practice carries out a reconciliation of share capital audit, to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ('Depositories') and the total issued and listed capital with the stock exchanges. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with depositories). The audit report is being submitted on quarterly basis to the stock exchanges.

##### **b. Familiarization programme**

In accordance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the provisions of Companies Act, 2013, the Company familiarizes the Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, its business operations and model etc. through various programmes. The programme is available on the website of the Company at: [https://www.moldteckpackaging.com/pdf/MTPL\\_Familiarisation\\_Programme\\_-\\_MTPL%202015%20to%202020.pdf](https://www.moldteckpackaging.com/pdf/MTPL_Familiarisation_Programme_-_MTPL%202015%20to%202020.pdf)

##### **c. Policy on disclosure of material events and information**

The Company has adopted the Policy on Disclosure of Material Events and Information, in accordance with the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the events and information which are material in nature and are required to be disclosed to the stock exchanges. The said policy is available on the website of the Company at: <https://www.moldteckpackaging.com/pdf/Policy-on-criteria-for-determining-materiality-of-events%20-%20MTPL2020.pdf>

##### **d. Code of conduct for prohibition of insider trading**

Pursuant to the provisions of Securities and Exchange Board of India (SEBI) notified SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors approved and adopted 'Code of Conduct for Prohibition of Insider Trading' which, inter-alia, lays down the process of dealing in securities of the Company, along with the reporting and disclosure requirements by the employees and the connected persons and became effective from 15th May, 2015. The Code provides for pre-clearance of trades above certain thresholds and trading restrictions on the designated employees and connected persons when in possession of unpublished price sensitive information and/or at the time of trading window closure.

In terms of the said regulations, the Company has also formulated 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', with the objective to have a standard and stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for its securities.



Further, the SEBI has amended the provisions of Insider Trading Regulations, 2015 vide Notification No. SEBI/LAD-NRO/GN/2018/59 dated 31<sup>st</sup> December 2018. As per the requirement of the Circular the Board of Directors in their meeting held on 31<sup>st</sup> January, 2019 has adopted and approved the Amended 'Code of Conduct for Prohibition of Insider Trading' effective from 1<sup>st</sup> April 2019.

The amended copy of the 'Code of Conduct for Prohibition of Insider Trading' is available on the website of the Company at: <https://www.moldteckpackaging.com/pdf/Code%20of%20Conduct%20for%20Regulating,%20Monitoring%20and%20Reporting%20of2020.pdf>

**e. Policy on preservation of documents and records**

The Company has adopted, in accordance with the Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the policy to ensure compliance with the applicable document retention laws, preservation of various statutory documents and minimum retention period for the documents and records in respect of which no retention period has been specified by any law/rule/regulation. The policy also provides for the authority under which the disposal/destruction of documents and records after their minimum retention period can be carried out. The code is available on the website of the Company at: [https://www.moldteckpackaging.com/pdf/corporate-governance/Archival\\_policy\\_MTPL.pdf](https://www.moldteckpackaging.com/pdf/corporate-governance/Archival_policy_MTPL.pdf)

**f. Code of conduct for the board of directors & senior management personnel**

The Company has its Code of Conduct for the Board of Directors & Senior Management Personnel of the Company, as per the provisions of Regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is available on the website of the Company at: [https://www.moldteckpackaging.com/pdf/Code\\_of\\_conduct\\_BOD\\_MPTL20.PDF](https://www.moldteckpackaging.com/pdf/Code_of_conduct_BOD_MPTL20.PDF)

The Board of Directors and members of the senior management personnel have provided their affirmation to the compliance with this code. The declaration regarding compliance by the Board of Directors and the senior management personnel with the said code of conduct, duly signed by the Chairman & Managing Director forms part of this Annual Report.

**g. CEO/CFO certification**

The Chairman & Managing Director and Chief Financial Officer have issued necessary certificate pursuant to the provisions of Regulation 17(8) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms part of the Annual Report.

**h. Dividend Distribution Policy**

As per the SEBI (LODR) Regulation, 2015 (Amended vide (Second Amendment) Regulations, 2021, w.e.f. 05.05.2021, the top one thousand listed entities based on market capitalization (calculated as on March 31 of every financial year), the Company has adopted a new policy on 26<sup>th</sup> May, 2021 known as Dividend Distribution Policy under regulation 12, 43, 43A read with Schedule-I of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment), Regulations, 2021.

Accordingly a new Dividend Distribution Policy has been framed for the purpose of Dividend distribution. The Dividend Distribution Policy is available on the website of the Company at:

<https://moldteckpackaging.com/pdf/MTPL%20Dividend%20Distribution%20Policy.pdf>

**CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER  
COMPLIANCE CERTIFICATE**

The Board of Directors,  
Mold-Tek Packaging Limited,

We certify that:

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

Sd/-

**A. Seshu Kumari**  
Chief Financial Officer

Place: Hyderabad  
Date: 26<sup>th</sup> May, 2021

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

**DECLARATION UNDER CODE OF CONDUCT**

As provided under Regulation 17(5) and 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the senior management personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2021.

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Place: Hyderabad  
Date: 26<sup>th</sup> May, 2021

## CERTIFICATE ON CORPORATE GOVERNANCE

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

I have examined all the relevant records of Mold-Tek Packaging Limited ('the Company'), for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period from 01st April 2020 to 31st March 2021. I have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review the procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to my examination of the relevant records and the explanations and information furnished to me, I certify that the Company has complied with all the conditions of Corporate Governance as stipulated in applicable provisions of Listing Regulations for the year ended on March 31, 2021.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Ashish Kumar Gaggar**  
Company Secretary in Practice  
FCS: 6687  
CP No.: 7321  
PR: 707/2020  
UDIN: F006687C000817277

Place : Hyderabad  
Date : 23<sup>rd</sup> August 2021

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mold-Tek Packaging Limited having CIN L21022TG1997PLC026542 and registered office at Plot No.700, D.No.8-2-293/82/A/700, Ground Floor, Road No.36, Jubilee Hills, Hyderabad-500033, Telangana, India(hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations,2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>	<b>Date of Cessation</b>
1.	Talupunuri Venkateswara Rao	00572657	27/08/2008	-
2.	Lakshmana Rao Janumahanti	00649702	27/08/2008	-
3.	Subramanyam Adivishnu	00654046	27/08/2008	-
4.	Venkateswara Rao Pattabhi	01254851	27/08/2008	-
5.	Srinivas Madireddy	01311417	14/05/2018	-
6.	Venkata Appa Rao Kotagiri	01741020	14/05/2018	-
7.	Mytraeyi Janumahanti	01770112	27/08/2008	-
8.	Eswara Rao Immaneni	08132183	14/05/2018	-
9.	Togaru Dhanrajtiramala Narasimha	01411541	27/01/2020	-
10.	Ramakrishna Bonagiri	08132561	27/01/2020	29/08/2020
11.	Madhuri Venkata Ramani Viswanadham	08715322	11/03/2020	-

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Name: **Ashish Kumar Gaggar**

Membership No.: F6687

CP No.: 7321

PR: 707/2020

UDIN:F006687C000817233

Place: Hyderabad  
Date : 23<sup>rd</sup> August 2021

## INDEPENDENT AUDITORS' REPORT

**To the Members of Mold-Tek Packaging Limited**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the standalone financial statements of **Mold-Tek Packaging Limited** ("the Company"), which comprise the Standalone Balance sheet as at 31 March, 2021, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and Standalone Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p><b>Revenue Recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over goods is transferred to the customers, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before the control over goods is transferred.</p> <p>Refer Note 2 to the standalone financial statements – Significant Accounting Policies.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of tests of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of Company's revenue recognition in line with Ind AS 115 – Revenue from Contracts with Customers.</li> <li>Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut off at the year end.</li> <li>Testing the supporting documentation for sales transactions recorded during the period closer to the year-end and subsequent to the year-end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> </ul>

## **Other Information**

The Company's Board of Directors is responsible for the other information. The other information in the annual report does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.



- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 33 of the standalone financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016, ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M. Anandam & Co.,**  
Chartered accountants  
(Firm Registration No.000125S)

Sd/-

**B.V. Suresh Kumar**  
Partner

Membership No.212187

UDIN: 21212187AAAAER4375

Place: Hyderabad  
Date: 26 May, 2021

## Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Mold-Tek Packaging Limited** ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M. Anandam & Co.,**  
Chartered accountants  
(Firm Registration No.000125S)

Sd/-

**B.V. Suresh Kumar**  
Partner

Membership No.212187

UDIN: 21212187AAAAER4375

Place: Hyderabad  
Date: 26 May, 2021

## Annexure - B to the Independent Auditors' Report

### Annexure - B to the Independent Auditors' Report

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company, we report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified during the year by the management. The discrepancies noticed on verification between the physical stocks and book records were not material.
- (iii) The Company has granted unsecured loan to wholly owned subsidiary covered in the register maintained under section 189 of the Act.
  - a) In our opinion and according to the information given to us, the terms and conditions of the loan given by the Company are prima facie, not prejudicial to the interest of the Company.
  - b) The management has closed down the operations of the wholly owned subsidiary pending winding up formalities. The Company has made provision of ₹ 540.03 lakhs (Note No.8.4 to the standalone financial statements) as on 31 March, 2021. The Company has not charged interest on loan granted during the year.
  - c) In view of clause (iii) (b) above, clause (iii) (c) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of loans except for charging interest on loan as stated in clause (iii) (b) above, investments and guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) Maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, sales tax/value added tax, goods and services tax, customs duty, or cess as at 31 March, 2021 which have not been deposited on account of any dispute pending are as under:

Name of the statute	Nature of the dues	Amount (₹in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income tax	8.05	AY 2012-13	Income Tax Appellate Tribunal, Hyderabad
Income-tax Act, 1961	Income tax	5.07	AY 2013-14	Income Tax Appellate Tribunal, Hyderabad
Income-tax Act, 1961	Income tax	2.56	AY 2015-16	Assessing officer
Income-tax Act, 1961	Income tax	11.96	AY 2016-17	Assessing officer
Income-tax Act, 1961	Income tax	67.90	AY 2017-18	Commissioner of Income Tax Appeals, Hyderabad
AP Value Added Tax Act, 2005	Value Added Tax	16.30	FY 2005-06	The High Court of Andhra Pradesh
AP Value Added Tax Act, 2005	Value Added Tax	1.53	FY 2007-08	Appellate Deputy Commissioner (CT), Punjagutta Division, Hyderabad

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations provided by the management, the Company has utilized the monies raised by way of rights issue of equity shares and warrants and term loans for the purposes for which they were raised.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations give to us the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause (xiv) of the Order is not applicable.
- (xv) In our opinion and 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 any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **M. Anandam & Co.,**  
Chartered accountants  
(Firm Registration No.000125S)

Sd/-

**B.V. Suresh Kumar**  
Partner

Place: Hyderabad  
Date: 26 May, 2021

Membership No.212187  
UDIN: 21212187AAAAER4375

# BALANCE SHEET AS AT 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4.1	23,514.72	19,815.73
(b) Capital work-in-progress	4.2	1,130.20	1,153.26
(c) Investment property	4.3	5.10	5.23
(d) Intangible assets	4.4	60.18	64.12
(e) Intangible assets under development	4.5	41.76	21.24
(f) Right-of-use assets	4.6	334.84	338.37
(g) Financial assets			
(i) Investments	5.1	864.86	733.60
(ii) Other financial assets	5.2	24.59	23.45
(h) Other non-current assets	6	629.27	1,323.32
<b>Current assets</b>			
(a) Inventories	7	7,082.02	4,999.57
(b) Financial assets			
(i) Trade receivables	8.1	9,013.05	5,798.65
(ii) Cash and cash equivalents	8.2	33.85	19.56
(iii) Bank balances other than (ii) above	8.3	85.71	77.81
(iv) Loans	8.4	32.11	76.00
(v) Other financial assets	8.5	238.52	323.08
(c) Current tax assets (net)	9	122.50	131.92
(d) Other current assets	10	418.40	1,356.29
<b>TOTAL ASSETS</b>		<b>43,631.68</b>	<b>36,261.20</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	1,395.52	1,386.30
(b) Other equity	12	24,188.12	18,324.46
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
Borrowings	13	1,661.51	2,518.24
(b) Provisions	14	348.63	261.74
(c) Deferred tax liabilities (net)	15	1,204.86	1,161.37
(d) Other non-current liabilities	16	2.59	8.53
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17.1	8,225.18	8,146.00
(ii) Trade payables	17.2		
A. Dues to micro and small enterprises		37.70	10.57
B. Dues to creditors other than micro and small enterprises		3,185.63	1,792.60
(iii) Other financial liabilities	17.3	2,840.80	2,242.20
(b) Current tax liabilities (net)	18	87.04	-
(c) Other current liabilities	19	362.97	358.94
(d) Provisions	20	91.13	50.25
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,631.68</b>	<b>36,261.20</b>
<b>Summary of significant accounting policies</b>	2		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date

For **M. Anandam & Co.,**

Chartered Accountants

(Firm Registration Number: 000125S)

Sd/-

**B V Suresh Kumar**

Partner

Membership No. 212187

Place : Hyderabad

Date : 26 May, 2021

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**

Chairman & Managing Director

DIN: 00649702

Sd/-

**A. Subramanyam**

Deputy Managing Director

DIN: 00654046

Sd/-

**A. Seshu Kumari**

Chief Financial Officer

Sd/-

**Thakur Vishal Singh**

Company Secretary

M.No.A41956

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>I. Income</b>			
Revenue from operations	23	47,892.54	43,743.73
Other income	24	60.00	115.93
<b>II. Total income</b>		<b>47,952.54</b>	<b>43,859.66</b>
<b>III. Expenses</b>			
Cost of materials consumed	25	27,776.78	24,978.59
Changes in inventories of finished goods and work-in-progress	26	(536.70)	7.52
Employee benefits expense	27	3,269.12	3,090.23
Finance costs	28	994.43	1,018.83
Depreciation and amortization expense	29	2,148.80	1,907.12
Other expenses	30	7,787.35	7,663.02
<b>Total expenses</b>		<b>41,439.78</b>	<b>38,665.31</b>
<b>IV. Profit before exceptional items and tax (II - III)</b>		<b>6,512.76</b>	<b>5,194.35</b>
V. Exceptional items	31	107.74	286.10
<b>VI. Profit before tax (IV - V)</b>		<b>6,405.02</b>	<b>4,908.25</b>
<b>VII. Tax expense:</b>			
(1) Current tax		1,564.18	1,216.74
(2) Earlier year's taxes		(17.46)	1.50
(3) Deferred tax		50.80	(128.97)
<b>VIII. Profit for the year (VI-VII)</b>		<b>4,807.50</b>	<b>3,818.98</b>
<b>IX. Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a) Remeasurement of defined benefit plans		(29.05)	(62.42)
b) Fair value changes in equity instruments		131.26	(238.18)
c) Income tax relating to items (a) & (b) above		7.31	15.71
<b>Other comprehensive income (net of tax)</b>		<b>109.52</b>	<b>(284.89)</b>
<b>X. Total comprehensive income for the year</b>		<b>4,917.02</b>	<b>3,534.09</b>
<b>XI. Earnings per equity share (Face Value ₹5 each)</b>			
(1) Basic	36	16.86	13.22
(2) Diluted	36	16.18	13.22
<b>Summary of significant accounting policies</b>	2		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date  
For **M.Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

Sd/-

**B V Suresh Kumar**  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-

**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-

**A. Seshu Kumari**  
Chief Financial Officer

Sd/-

**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956



# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

## a. Equity share capital

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
<b>Balance at the beginning of the year</b>	11	<b>1,386.30</b>	<b>1,384.55</b>
Add: Changes in equity share capital during the year		9.22	1.75
<b>Balance at the end of the year</b>		<b>1,395.52</b>	<b>1,386.30</b>

## b. Other equity

Particulars	Note	Reserves and surplus			Money received against share warrants	Other Compre- hensive Income	Total
		Securities premium	Capital reserve	General reserve	Share options out- standing account	Retained earnings	
<b>Balance as at 01 April, 2019</b>		<b>7,480.70</b>	<b>57.15</b>	<b>1,914.39</b>	-	<b>7,567.74</b>	<b>17,675.44</b>
Profit for the year		-	-	-	-	3,818.98	3,818.98
Dividends (including corporate dividend tax)		-	-	-	-	(3,006.58)	(3,006.58)
Share-based payments to employees		-	-	-	47.48	-	47.48
Exercise of employee stock options		15.11	-	-	(15.11)	-	-
Shares issued on exercise of employee stock options		74.03	-	-	-	-	74.03
Other comprehensive income		-	-	-	-	(46.71)	(238.18)
<b>Balance as at 31 March, 2020</b>	<b>12</b>	<b>7,569.84</b>	<b>57.15</b>	<b>1,914.39</b>	<b>32.37</b>	<b>8,333.43</b>	<b>18,324.46</b>
Profit for the year		-	-	-	-	4,807.50	4,807.50
Dividends		-	-	-	-	(837.16)	(837.16)
Issue of partly paid up right equity shares		242.95	-	-	-	-	242.95
Issue of right equity shares upon conversion of share warrants		9.12	-	-	-	-	9.12
Share warrants application money		-	-	-	-	1,533.79	1,533.79
Rights issue expenses		(104.99)	-	-	-	-	(104.99)
Share-based payments to employees		-	-	-	17.35	-	17.35
Exercise of employee stock options		17.64	-	-	(17.64)	-	-
Shares issued on exercise of employee stock options		85.58	-	-	-	-	85.58
Other comprehensive income		-	-	-	-	(21.74)	(21.74)
<b>Balance as at 31 March, 2021</b>		<b>7,820.14</b>	<b>57.15</b>	<b>1,914.39</b>	<b>32.08</b>	<b>12,282.03</b>	<b>24,188.12</b>

As per our report of even date  
For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

**B V Suresh Kumar**  
Sd/-  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-  
**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-  
**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-  
**A. Seshu Kumari**  
Chief Financial Officer

Sd/-  
**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956



## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	31 March, 2021	31 March, 2020
<b>Cash flows from operating activities</b>		
Profit before tax	6,405.02	4,908.25
<b>Adjustments for:</b>		
Depreciation and amortisation expense	2,187.39	1,942.61
(Profit)/loss on disposal of property, plant and equipment (net)	20.26	1.50
Provision for bad and doubtful debts (net of reversals)	(0.57)	(87.60)
Bad debts written off	16.57	-
Amortisation of government grants	1.51	2.01
Finance costs	994.43	1,018.83
Dividend income	(12.70)	(61.40)
Provision for impairment of loan and advance given to subsidiary	(107.74)	(395.77)
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(3,230.39)	926.63
(Increase)/Decrease in financial assets other than trade receivables	324.25	668.32
(Increase)/Decrease in other assets	1,570.85	(1,489.91)
(Increase)/Decrease in inventories	(2,082.45)	(614.92)
Increase/(Decrease) in trade payables	1,420.16	19.91
Increase/(Decrease) in other financial liabilities	731.91	(891.22)
Increase/(Decrease) in provisions	98.69	(110.17)
Increase/(Decrease) in other liabilities	6.44	149.76
<b>Cash generated from operations</b>	<b>8,343.63</b>	<b>5,986.83</b>
Income taxes paid	(1,496.90)	(1,253.05)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>6,846.73</b>	<b>4,733.78</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment and intangible assets	(5,947.95)	(4,020.19)
Loan and advance given to subsidiary	(97.10)	(55.85)
(Increase)/Decrease in capital work-in-progress and intangible assets under development	2.54	448.92
Dividend income	12.70	61.40
Provision for impairment of loan and advance given to subsidiary	107.74	395.77
Proceeds from sale of property, plant and equipment	48.91	155.84
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(5,873.16)</b>	<b>(3,014.11)</b>
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings (refer note 21)	70.00	2,080.93
Repayment of non-current borrowings (refer note 21)	(1,114.84)	(641.10)
Proceeds/(repayment) from current borrowings (refer note 21)	79.18	741.19
Dividend paid including corporate dividend tax	(837.16)	(3,006.58)
Increase in securities premium	250.30	89.14
Money received against share warrants	1,533.79	-
Proceeds from issue of shares	9.22	1.75
Interest paid	(949.77)	(978.99)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>(959.28)</b>	<b>(1,713.66)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>14.29</b>	<b>6.01</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>19.56</b>	<b>13.55</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>33.85</b>	<b>19.56</b>

The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS-7.

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **M.Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

Sd/-

**B V Suresh Kumar**  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-

**A. Seshu Kumari**  
Chief Financial Officer

Sd/-

**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-

**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Company information:

Mold-Tek Packaging Limited ('the Company') is a public limited Company incorporated in India having its registered office at Hyderabad, Telangana, India. The Company is engaged in the manufacturing of injection-molded containers for lubes, paints, food and other products. The Company has its listings on Bombay Stock Exchange Limited (BSE) Limited and National Stock Exchange of India Limited (NSE).

### 2 Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Statement of compliance:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read along with the Companies (Indian Accounting Standards) Rules as amended and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The presentation of financial statements is based on Ind AS Schedule III of the Companies Act, 2013.

#### b) Basis of preparation:

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### c) Revenue recognition:

##### i) Revenue from contract with customers

"Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods is transferred from the Company to the customer. Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the customer has gained control through their ability to direct the use of and obtain

substantially all the benefits from the asset. Revenue is measured based on consideration specified in the contract with a customer which is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts & volume rebates and excludes amounts collected on behalf of third parties."

##### ii) Other income

Dividend income is recognised when the right to receive the income is established.

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

Rental income from investment properties is recognised on a straight line basis over the term of the relevant leases.

Export benefit under the duty free credit entitlements is recognized in the statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme in respect of exports made and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

Sales tax incentives are recognized in the statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

#### d) Borrowing costs:

"Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred."

## **NOTES TO THE FINANCIAL STATEMENTS**

### **e) Employee benefits:**

#### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### **(iii) Gratuity obligations**

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference

to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss. The gratuity liability is covered through a recognized Gratuity Fund managed by Life Insurance Corporation of India and the contributions made under the scheme are charged to Statement of profit and loss.

#### **(iv) Defined contribution plans**

The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

#### **(v) Bonus plans**

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **f) Income taxes:**

Tax expense for the year comprises current and deferred tax.

Current Tax is the amount of tax payable on the taxable income for the year as determined in

## NOTES TO THE FINANCIAL STATEMENTS

accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax relating to items recognized directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in the Statement of profit and loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### g) **Property, Plant and Equipment (PPE):**

PPE is carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE

comprises of purchase price, applicable duties and taxes net of input tax credit, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use.

All other repair and maintenance costs, including regular servicing, are recognised in the Statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of PPE comprises major components having different useful lives, these components are accounted for as separate items.

Leasehold improvements are stated at cost including taxes, freight and other incidental expenses incurred, net of input tax credits availed. The depreciation is provided over the life estimated by the management.

Self constructed assets (Moulds): The Company transfers all the directly attributable expenditure incurred towards construction of moulds including depreciation on actual cost basis.

PPE retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### h) **Expenditure during construction period and intangible assets under development:**

Expenditure during construction period (including finance cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Intangible Assets under development includes the expenditure incurred for acquisition of intangible assets.

### i) **Depreciation:**

Depreciation is the systematic allocation of the

## **NOTES TO THE FINANCIAL STATEMENTS**

depreciable amount of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in Schedule II to the Act.

**j) Intangible assets and amortization:**

Intangible assets acquired separately are measured on initial recognition cost and are amortized on straight line method based on the estimated useful lives.

The period of amortization and amortization method are reviewed at each financial year end.

Computer software is amortized over a period of five years.

**k) Investment property:**

Investment property are the properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model which is in accordance with Ind AS 40. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised. Depreciation on building is provided over its useful life of 30 years using the straight line method.

**l) Impairment of assets:**

Intangible assets and Property, Plant and Equipment (PPE): Intangible assets and PPE are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated

recoverable amount of the asset. An impairment loss is reversed in the Statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.”

**m) Inventories:**

Inventories includes Raw materials, Work-in-progress, Finished goods, Stores & Spares, Packing materials and Other consumables. These are valued at lower of cost and net realizable value (NRV). However, raw materials are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Further, cost is determined on weighted average basis.

**Material in transit**

Valuation of inventories of materials in transit is done at cost.

**Work-in-Progress (WIP) and Finished goods**

Cost of finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis. Finished goods includes sales in transit which is valued at lower of cost and NRV.

**n) Provisions, contingent liabilities and contingent assets:**

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

## NOTES TO THE FINANCIAL STATEMENTS

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realised.

### **o) Financial instruments:**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.”

### **Financial assets**

#### **(i) Financial assets carried at amortised cost**

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

#### **(ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms

of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the Company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

#### **(iii) Financial assets at fair value through profit and loss**

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

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

### **Financial liabilities and equity instruments**

#### **1. Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **2. Equity instruments**

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



## **NOTES TO THE FINANCIAL STATEMENTS**

### **3. Financial liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and unsecured loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

### **4. Derecognition of financial instruments**

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

### **5. Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

### **6. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right

must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **p) Earnings per share :**

The basic earnings per share is computed by dividing the profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **q) Cash and cash equivalents:**

Cash and cash equivalents include cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **r) Transactions in foreign currencies:**

The financial statements of the Company are presented in Indian rupees, which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

### **s) Segment reporting:**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision

## NOTES TO THE FINANCIAL STATEMENTS

maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### t) **Government grants:**

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at below current market rate of interest is treated as a government grant."

### u) **Leases:**

#### **As a lessee:**

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

- (1) The contract involves the use of an identified asset;
- (2) The Company has substantially all the economic benefits from use of the asset through the period of the lease and
- (3) The Company has the right to direct the use of the asset.

The Company recognizes a Right-Of-Use asset ("ROU") and a corresponding lease liability for

all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the balance sheet and lease payments shall be classified as financing cash flows.

#### **As Lessor:**

A leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the

## **NOTES TO THE FINANCIAL STATEMENTS**

sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are utilised.

**v) Investments in subsidiaries:**

Investments in subsidiary companies are measured at cost less impairment, if any.

**w) Employee share based payments:**

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

**x) Dividend distribution:**

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**y) Rounding off amounts:**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**z) Standards issued but not yet effective:**

There is no such notification which would have been applicable from 1 April, 2021.

**3 Use of estimates and critical accounting judgements:**

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 4.1(a) Property, plant and equipment

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	As at 1 April, 2020	For the Year	As at 31 March, 2021
Freehold land	1,097.92	519.73	-	1,617.65	-	-	1,617.65
Buildings	5,527.51	448.92	-	5,976.43	478.36	186.82	5,311.25
Plant and equipment	10,807.40	2,809.28	35.07	13,581.61	2,973.29	1,154.43	9,469.40
Moulds	5,233.14	1,664.88	-	6,898.02	1,315.30	526.11	5,056.61
Electrical installations and equipment	788.27	80.19	-	868.46	194.17	81.92	592.37
Works equipment and instruments	572.66	112.09	-	684.75	120.24	65.83	498.68
Office equipment	101.65	22.65	1.37	122.93	35.09	19.40	69.73
Computers and data processing units	81.90	33.24	-	115.14	42.22	19.59	53.33
Furniture and fittings	477.33	85.33	-	562.66	106.04	48.70	407.92
Vehicles	543.73	157.72	74.50	626.95	151.07	63.07	437.78
<b>Total</b>	<b>25,231.51</b>	<b>5,934.03</b>	<b>110.93</b>	<b>31,054.60</b>	<b>5,415.78</b>	<b>2,165.87</b>	<b>23,514.72</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## 4.1(b) Property, plant and equipment

Particulars	Gross carrying amount				Accumulated depreciation			Net carrying amount
	As at 1 April, 2019	Additions	Deletions	As at 31 March, 2020	As at 1 April, 2019	For the Year	On 31 March, 2020	As at 31 March, 2020
Freehold land	1,097.92	-	-	1,097.92	-	-	-	1,097.92
Buildings	5,280.46	247.05	-	5,527.51	298.86	179.50	-	5,049.15
Plant and equipment	9,023.56	1,842.93	59.09	10,807.40	1,965.08	1,019.16	10.95	7,834.11
Moulds	3,893.11	1,438.79	98.76	5,233.14	861.15	457.08	2.93	3,917.84
Electrical installations and equipment	697.33	99.96	9.02	788.27	120.57	77.65	4.05	594.10
Works equipment and instruments	500.89	77.40	5.63	572.66	65.20	59.36	4.32	452.42
Office equipment	81.79	42.64	22.78	101.65	38.00	16.83	19.74	66.56
Computers and data processing units	55.02	28.00	1.12	81.90	27.28	14.94	-	39.68
Furniture and fittings	375.10	103.09	0.86	477.33	60.86	45.38	0.20	371.29
Vehicles	448.63	95.17	0.07	543.73	94.93	56.16	0.02	392.66
Leasehold improvements	9.05	-	9.05	-	5.45	1.36	6.81	-
<b>Total</b>	<b>21,462.86</b>	<b>3,975.03</b>	<b>206.38</b>	<b>25,231.51</b>	<b>3,537.38</b>	<b>1,927.42</b>	<b>49.02</b>	<b>19,815.73</b>

## 4.2(a) Capital work-in-progress as at 31 March, 2021: ₹1,130.20 lakhs

Capital work-in-progress includes buildings of ₹253.67 lakhs, plant and equipment of ₹158.18 lakhs, moulds of ₹686.19 lakhs and others of ₹32.16 lakhs.

## 4.2(b) Capital work-in-progress as at 31 March, 2020: ₹1,153.26 lakhs

Capital work-in-progress includes buildings of ₹164.02 lakhs, plant and equipment of ₹116.17 lakhs and moulds of ₹873.07 lakhs.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 4.3(a) Investment property

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	For the Year	On disposals	As at 31 March, 2021
Freehold land	4.12	-	-	4.12	-	-	4.12
Buildings	1.63	-	-	1.63	0.13	-	0.98
<b>Total</b>	<b>5.75</b>	<b>-</b>	<b>-</b>	<b>5.75</b>	<b>0.13</b>	<b>-</b>	<b>5.10</b>

### 4.3(b) Investment property

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As at 1 April, 2019	Additions	Deletions	As at 31 March, 2020	For the Year	On disposals	As at 31 March, 2020
Freehold land	4.12	-	-	4.12	-	-	4.12
Buildings	1.63	-	-	1.63	0.13	-	1.11
<b>Total</b>	<b>5.75</b>	<b>-</b>	<b>-</b>	<b>5.75</b>	<b>0.13</b>	<b>-</b>	<b>5.23</b>

### 4.3(c) Disclosures - Ind AS 40

Particulars	2020-21	2019-20
Rental income from investment property	4.51	2.06
Direct operating expenses (including repairs and maintenance)	-	0.76
<b>Income from investment property (net)</b>	<b>4.51</b>	<b>1.30</b>

Fair value of the investment property as at 31 March, 2021 ₹213.38 lakhs, (2020 - ₹213.38 lakhs)

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**4.4(a) Intangible assets**

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	As at 1 April, 2020	Additions	Deletions	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	As at 31 March, 2021
Computer software	111.04	13.92	-	124.96	46.92	17.86	-	60.18
Total	111.04	13.92	-	124.96	46.92	17.86	-	60.18

**4.4(b) Intangible assets**

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	As at 1 April, 2019	Additions	Deletions	As at 31 March, 2020	As at 1 April, 2019	For the Year	On disposals	As at 31 March, 2020
Computer software	65.87	45.17	-	111.04	35.38	11.54	-	64.12
Total	65.87	45.17	-	111.04	35.38	11.54	-	64.12

**4.5(a) Intangible asset under development as at 31 March, 2021: ₹41.76 lakhs**

Intangible asset under development represents amount paid towards installation and implementation of ERP software.

**4.5(b) Intangible asset under development as at 31 March, 2020: ₹21.24 lakhs**

Intangible asset under development represents amount paid towards registration of patents.

**4.6 Right-of-use assets**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	338.37	341.90
Add: Additions during the year	-	-
Less: Amortisation of Right-of-use assets	(3.53)	(3.53)
<b>Net carrying amount</b>	<b>334.84</b>	<b>338.37</b>



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 5.1. Investments

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Designated at Fair Value through Other Comprehensive Income (FVOCI)</b>		
<b>Investments in equity instruments (quoted - fully paid up)</b>		
Mold-Tek Technologies Limited	864.86	733.60
21,17,165 (2020-21,17,165) shares of ₹2 each		
<b>Measured at amortised cost</b>		
<b>Investment in equity instruments (Unquoted - at cost- fully paid up)</b>		
<b>Investment in wholly owned subsidiary</b>		
Mold-Tek Packaging FZE	1,003.20	1,003.20
5,458 (2020-5,458) shares of AED 1,000 each		
Less: Impaired	(1,003.20)	(1,003.20)
<b>Total</b>	<b>864.86</b>	<b>733.60</b>
Aggregate amount of quoted investments	864.86	733.60
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	1,003.20	1,003.20

### 5.2. Other financial assets (non-current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Earmarked balances</b>		
Margin money deposits with banks against guarantees	24.59	23.45
<b>Total</b>	<b>24.59</b>	<b>23.45</b>

### 6. Other non-current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>		
Capital advances	305.50	1,095.57
Deposits with government and others	323.77	227.75
<b>Total</b>	<b>629.27</b>	<b>1,323.32</b>

### 7. Inventories

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>(Valued at lower of cost and net realizable value)</b>		
Raw materials	3,368.77	1,886.17
Work-in-progress	818.72	881.84
Finished goods	1,317.40	717.58
{including material in transit of ₹273.94 lakhs (2020 - ₹36.06 lakhs)}		
Packing materials	63.30	63.59
Stores & spares	83.18	85.61
Consumables	1,430.65	1,364.78
<b>Total</b>	<b>7,082.02</b>	<b>4,999.57</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## 8.1. Trade receivables

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>	9,060.15	5,856.10
Less: Allowance for expected credit loss	(47.10)	(57.45)
Trade receivables which have significant increase in credit risk - Dues from wholly owned subsidiary	-	37.16
Less: Allowance for expected credit loss	-	(37.16)
<b>Total</b>	<b>9,013.05</b>	<b>5,798.65</b>

## 8.2. Cash and cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balances with banks		
- in current accounts	22.89	13.91
Cash on hand	10.96	5.65
<b>Total</b>	<b>33.85</b>	<b>19.56</b>

## 8.3. Bank balances other than cash and cash equivalents above

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Earmarked balances</b>		
Unpaid dividend accounts	75.26	77.81
Rights issue warrants money	10.45	-
<b>Total</b>	<b>85.71</b>	<b>77.81</b>

## 8.4. Loans (current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>		
Employee advances	32.11	28.84
Loan receivables which have significant increase in credit risk - Loan to wholly owned subsidiary (refer note 8.4.2)	540.03	442.93
Less: Allowance for expected credit loss	(540.03)	(395.77)
<b>Total</b>	<b>32.11</b>	<b>76.00</b>

## 8.4.1 Disclosure of loans and advances given to subsidiary as per Regulation 34(3) and 53(f) of the SEBI (Listing obligation and disclosure requirements) Regulations, 2015:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Amount outstanding	-	47.16
Maximum balance outstanding during the year	540.03	442.93

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 8.4.2 Disclosure under Section 186 of the Companies Act, 2013:

Particulars of loans and advances given during the year:

Name of the entity	2020-21	2019-20	Nature of loans	Purpose for which loan is proposed to be utilised by recipient
Mold-Tek Packaging FZE, UAE	251.47	69.78	Inter corporate loan	Working capital purposes

### 8.5. Other financial assets (current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Sales tax incentive receivable*	225.88	300.64
Export benefits receivable**	8.60	6.77
Advance to wholly owned subsidiary	4.68	15.67
Less: Allowance for expected credit loss on advance to subsidiary	(0.64)	-
<b>Total</b>	<b>238.52</b>	<b>323.08</b>

\* During the year, the Company has received ₹150.02 lakhs against sales tax incentive from Maharashtra state government on account of "Package Scheme of Incentives 2008 & 2013", pertaining to financial years 2017-18 & 2018-19. An amount of ₹75.27 lakhs (P.Y ₹93.53 lakhs) has been considered as incentive receivable for financial year 2020-21.

\*\* During the year, the Company has received ₹1.46 lakhs pertaining to financial year 2018-19 and ₹9.09 lakhs pertaining to financial year 2019-20 against export incentive under "Merchandise Exports from India Scheme."

### 9. Current tax assets (net)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	131.92	136.01
Add: Excess tax provision written back	17.46	2.40
Add: Advance tax and TDS of current year	-	1,253.05
Less: Provision for current tax	-	(1,216.74)
Less: Tax refunds	(26.88)	(42.80)
<b>Total</b>	<b>122.50</b>	<b>131.92</b>

### 10. Other current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Prepaid expenses	83.29	79.09
Advances to suppliers	187.19	1,083.17
Advance for CSR expenses	6.42	15.00
Advances for expenses to employees	2.30	4.47
Customs deposit & GST credit	139.20	174.56
<b>Total</b>	<b>418.40</b>	<b>1,356.29</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## 11. Equity share capital

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Authorized:</b>		
4,00,00,000 (P.Y 2,90,00,000) equity shares of ₹5 each	2,000.00	1,450.00
<b>Total</b>	<b>2,000.00</b>	<b>1,450.00</b>
<b>Issued, subscribed &amp; paid-up capital</b>		
2,77,71,621 (P.Y 2,77,26,027) equity shares of ₹5 each fully paid up	1,388.58	1,386.30
5,55,330 (P.Y Nil) equity shares of ₹5 each (₹1.25 partly paid up)	6.94	-
<b>Total</b>	<b>1,395.52</b>	<b>1,386.30</b>

- a) 79,95,776 equity shares out of the issued, subscribed and paid up share capital were allotted in the financial year 2008-09 pursuant to the Scheme of arrangement without payments being received in cash.
- b) 46,625 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 6 July, 2011 by way of Employee Stock Option Scheme.
- c) 12,40,000 equity shares of ₹10 each issued at a premium of ₹30 per share on 7 September, 2011 by way of preferential offer.
- d) 9,125 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 19 December, 2011 by way of Employee Stock Option Scheme.
- e) 19,25,000 equity shares of ₹10 each issued at a premium of ₹35.80 per share on 4 February, 2012 by way of preferential offer.
- f) 37,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 5 July, 2012 by way of Employee Stock Option Scheme.
- g) 22,950 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 28 June, 2013 by way of Employee Stock Option Scheme.
- h) 25,100 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 13 June, 2014 by way of Employee Stock Option Scheme.
- i) 39,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 25 July, 2014 by way of Employee Stock Option Scheme.
- j) 24,98,350 equity shares of ₹10 each issued at a premium of ₹210.17 per share on 3 February, 2015 by way of Qualified institutional placement.
- k) 5,000 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 9 April, 2015 by way of Employee Stock Option Scheme.
- l) Shareholders on 3 February, 2016 approved the share split of ₹10 each, fully paid up into 2 (Two) equity shares of ₹5 each fully paid up. The Board of Directors fixed the record date as 18 February, 2016. On 17 February, 2016 the Company has sub-divided the existing fully paid equity shares of 1,38,45,526 with face of ₹10 each into 2,76,91,052 fully paid up shares with face value of ₹5 each.
- m) 23,325 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 18 October, 2019 by way of Employee Stock Option Scheme.
- n) 11,650 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 27 October, 2019 by way of Employee Stock Option Scheme.
- o) 6,690 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 13 August, 2020 by way of Employee Stock Option Scheme.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

- p) 33,810 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 3 October, 2020 by way of Employee Stock Option Scheme.
- q) 5,55,330 partly paid up right equity shares of ₹1.25 each issued at a premium of ₹43.75 per share on 18 November, 2020 by way of Rights issue.
- r) 5,094 equity shares of ₹5 each issued at a premium of ₹179 per share on 15 March, 2021 upon conversion of share warrants to equity shares. However, listing formalities for the same are completed in the month of April, 2021.

### (A) Movement in equity share capital:

Particulars	Number of shares	Amount
<b>Balance at 01 April, 2019</b>	<b>2,76,91,052</b>	<b>1,384.55</b>
Movement during the year	34,975	1.75
<b>Balance at 31 March, 2020</b>	<b>2,77,26,027</b>	<b>1,386.30</b>
Movement during the year	6,00,924	9.22
<b>Balance at 31 March, 2021</b>	<b>2,83,26,951</b>	<b>1,395.52</b>

### (B) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares	% holding	No. of Shares	% holding
J. Lakshmana Rao	26,36,553	9.31	25,55,445	9.22
DSP Blackrock Small Cap Fund	18,44,815	6.51	18,08,643	6.52
A. Subramanyam	16,65,706	5.88	20,29,124	7.32
J. Sudha Rani	15,76,218	5.56	15,06,194	5.43

### (C) MTPL Employee Stock Option Scheme

The Company has granted 2,02,000 Options to employees on 4 June, 2010 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹26 per option.

The Company has granted 95,100 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹208 per option.

The Company has granted 54,900 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹234 per option.

The Company has granted 1,50,000 Options to employees on 23 December, 2020 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹245.75 and ₹259.40 per option for 94,150 & 55,850 options respectively.

Pursuant to the shareholders approval dated 3 February, 2016, the Company's equity shares of ₹10 each were split into equity shares of ₹5 each fully paid up and consequently the above options with face value of ₹10 each were converted to face value of ₹5 each.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	As at 31 March	
	2021	2020
Options outstanding	1,12,500	1,50,000
Add: Granted	1,50,000	-
Less: Exercised	40,500	34,975
Less: Forfeited/Lapsed	-	2,525
<b>Closing balance</b>	<b>2,22,000</b>	<b>1,12,500</b>

**(D) Rights issue**

During the year, under Rights issue, the Company has issued 5,55,330 equity shares of Face value of ₹5 each ('Rights Equity Shares') and 33,31,980 detachable Share warrants of face value of ₹5 each to the Eligible Equity Shareholders at an issue price of ₹180 per Rights Equity Share (premium of ₹175 per Rights Equity Share) and ₹184 per Share warrant. On application, the Company has received an amount of ₹45 per Rights Equity Share (₹1.25 towards face value and ₹43.75 towards premium) and ₹46 per Share warrant. The balance amount is receivable on call to be made by the Company and on exercise of warrants by the Share warrant holders of the Company.

**(E) Terms/Rights attached to equity shares**

The Company has only one class of equity shares having a face value of ₹5 each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**12. Other equity**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Reserves and surplus		
Securities premium	7,820.14	7,569.84
Capital reserve	57.15	57.15
General reserve	1,914.39	1,914.39
Share options outstanding account	32.08	32.37
Retained earnings	12,282.03	8,333.43
Money received against share warrants	1,533.79	-
Equity Instruments through Other Comprehensive Income (OCI)	548.54	417.28
<b>Total</b>	<b>24,188.12</b>	<b>18,324.46</b>

**(i) Securities premium**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	7,569.84	7,480.70
Movement during the year	250.30	89.14
<b>Closing balance</b>	<b>7,820.14</b>	<b>7,569.84</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### (ii) Capital reserve

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	57.15	57.15
Movement during the year	-	-
<b>Closing balance</b>	<b>57.15</b>	<b>57.15</b>

### (iii) General reserve

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	1,914.39	1,914.39
Add: Movement during the year	-	-
<b>Closing balance</b>	<b>1,914.39</b>	<b>1,914.39</b>

### (iv) Share options outstanding account

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	32.37	-
Add: On account of Share-based payments to employees	17.35	47.48
Less: On account of exercise of employee stock options	(17.64)	(15.11)
<b>Closing balance</b>	<b>32.08</b>	<b>32.37</b>

### (v) Retained earnings

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	8,333.43	7,567.74
Add: Profit for the year	4,807.50	3,818.98
Less: Dividends including tax	(837.16)	(3,006.58)
Less: Remeasurement of defined benefit plan (net of tax) (OCI)	(21.74)	(46.71)
<b>Closing balance</b>	<b>12,282.03</b>	<b>8,333.43</b>

### (vi) Equity instruments through Other Comprehensive Income (OCI)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	417.28	655.46
Less: Net changes in fair value of financial instruments	131.26	(238.18)
<b>Closing balance</b>	<b>548.54</b>	<b>417.28</b>

### Nature and purpose of other reserves

#### (i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act.

#### (ii) Capital reserve

Capital reserve arose on account of amalgamation, transfer of amounts related to forfeited shares amount, state subsidy and others. The reserve is utilised in accordance with the provisions of the Companies Act.

#### (iii) General reserve

General reserve is used for strengthening the financial position and meeting future contingencies and losses.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**(iv) Share options outstanding account**

The reserve represents the excess of the fair value of the options on the grant date over the exercise price which is accumulated by the Company in respect of all options that have been granted. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such options.

**(v) Retained earnings**

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**(vi) Equity Instruments through Other comprehensive income**

This reserve represents the cumulative gains/loss (net) arising on fair valuation of equity instruments, net of amounts reclassified, if any, to retained earnings when those instruments are disposed off.

**13. Borrowings (non-current)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Secured loans</b>		
Term loans		
From banks	1,556.40	2,259.10
From others	84.41	209.50
<b>Unsecured loans</b>		
Deferred payment liabilities- Sales tax deferment loan	20.70	49.64
<b>Total</b>	<b>1,661.51</b>	<b>2,518.24</b>

**a) Secured loans**

The following assets of the Company are given as security:

- # Citicorp Finance (India) Limited has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.94, KIADB-Adakanhallu Industrial Area, Chikkaiahnachatra Hobli, Nanjangud Taluk, Mysore district, Karnataka belonging to the Company.
- # Citicorp Finance (India) Limited has first exclusive charge on plant & equipment and other properties at Mysore Unit.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and building situated at Plot no.2A, in Survey no. 251P, 255P, 256P, 261P, IC-PUDI village, Rambilli Mandal, Visakhapatnam district, belonging to the Company.
- # Citi Bank has first exclusive charge on plant & equipment and other properties at Pudi (Visakhapatnam) Unit.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Daman plant located at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Satara plant located at Survey no.82/2A, Gate no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Hyderabad unit located at Annaram Village, near air force academy, Medak District, Telangana State.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.82/2A, Gate no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Personal guarantees of J. Lakshmana Rao, A. Subramanyam and P. Venkateswara Rao directors of the Company.
- # In case of vehicle loans obtained from banks and financial institutions, vehicles are offered as security.



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### Repayment schedule (Other than Vehicle loans):

Bank/Financial institution	Rate of interest	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Citicorp Finance (India) Limited	8.73%	166.67	-	-	-
Citi Bank N.A	7.41%	222.22	222.22	222.22	-
Citi Bank N.A	8.85%	443.38	443.38	443.38	221.69
<b>Total</b>		<b>832.26</b>	<b>665.60</b>	<b>665.60</b>	<b>221.69</b>

### Repayment schedule (Vehicle loans):

Bank	Rate of interest	FY 2021-22	FY 2022-23	FY 2023-24
ICICI Bank Ltd	9.35%	1.94	-	-
ICICI Bank Ltd	8.55%	1.70	-	-
ICICI Bank Ltd	9.71%	2.70	0.48	-
ICICI Bank Ltd	9.00%	4.85	3.04	-
HDFC Bank Ltd	9.01%	16.10	-	-
Yes Bank Ltd	8.65%	0.57	-	-
Daimler Financial Services India Pvt Ltd	8.41%	6.72	36.11	-
Toyota Financial Services India Limited	7.30%	21.70	23.30	25.00
<b>Total</b>		<b>56.28</b>	<b>62.93</b>	<b>25.00</b>

### b) Unsecured loans

The Govt. of Andhra Pradesh has extended to the Company, the incentive of sales tax deferral scheme pursuant to which the sales tax payment attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years. The Company has availed this scheme for production facility of its 2nd expansion at Annaram unit for ₹751.37 lakhs and production facility at Dommarapochampally unit for ₹421.91 lakhs. The Company has been repaying installments of the deferred sales tax in accordance with the scheme. The total sales tax deferral amount as on 31 March, 2021 stands at ₹68.31 lakhs (31 March, 2020 ₹96.69 lakhs).

Sales tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an expense. Accordingly, an amount of ₹1.51 lakhs (31 March, 2020: ₹2.01 lakhs) has been recognized as an expense. Every year, change in fair value is accounted for as an interest expense.

### Repayment schedule:

Particulars	FY 2021-22	FY 2022-23
<b>Sales tax deferment loan</b>		
Value added tax	32.23	24.59
Central sales tax	6.85	7.34
<b>Total</b>	<b>39.08</b>	<b>31.93</b>

### 14. Provisions (non-current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>For employee benefits</b>		
Leave encashment	85.91	48.52
Gratuity	262.72	213.22
<b>Total</b>	<b>348.63</b>	<b>261.74</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## 15. Deferred tax liabilities (net)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Deferred tax assets</b>		
Expenses allowable on payment basis	101.52	89.71
<b>Deferred tax liabilities</b>		
Depreciation and amortisation	1,306.38	1,251.08
<b>Deferred tax liabilities (net)</b>	<b>1,204.86</b>	<b>1,161.37</b>

## Movement in deferred tax liabilities (net)

Particulars	WDV of depreciable PPE/ Investment properties/ intangible assets	Expenses allowable on payment basis	Total
<b>As at 1 April, 2020</b>	<b>1,251.08</b>	<b>(89.71)</b>	<b>1,161.37</b>
<b>(Charged)/Credited</b>			
to statement of profit and loss	55.30	(4.50)	50.80
to Other comprehensive income	-	(7.31)	(7.31)
<b>As at 31 March, 2021</b>	<b>1,306.38</b>	<b>(101.52)</b>	<b>1,204.86</b>

## 16. Other non-current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Deferred income - Sales tax deferment loan	2.59	8.53
<b>Total</b>	<b>2.59</b>	<b>8.53</b>

## 17.1. Borrowings (Current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Secured loans</b>		
<b>Loans repayable on demand</b>		
Working capital loans from banks	8,225.18	8,146.00
<b>Total</b>	<b>8,225.18</b>	<b>8,146.00</b>

- a) The Company has availed fund based working capital requirements from multiple banks viz., ICICI Bank Ltd, Citi Bank N.A, and HSBC Ltd. Cash credit limits utilised as at the year end along with total working capital limits sanctioned by the participating banks are given below:

Bank	Nature of Borrowing	Limits as at 31 March,		Balances as on 31 March,	
		2021	2020	2021	2020
ICICI Bank Ltd	CC*	1,500.00	1,500.00	1,395.36	1,373.70
HSBC Ltd	CC*	4,000.00	4,000.00	3,887.38	3,787.51
HSBC Ltd	Credit card	10.00	10.00	7.48	5.12
CITI Bank N.A	CC*	3,000.00	3,000.00	2,928.55	2,979.67
<b>Total</b>		<b>8,510.00</b>	<b>8,510.00</b>	<b>8,218.77</b>	<b>8,146.00</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**Working capital facilities from the banks are secured by hypothecation by way of first charge on the following assets of the Company:**

- i) First Pari passu charge to the above banks by way of hypothecation of the borrower's entire current assets which inter-alia include stocks of raw material, work in process, finished goods, consumables, stores & spares and such other movables including book debts, outstanding monies, receivables both present and future of such form satisfactory to the bank.
- ii) First Pari passu charge to the above banks by way of hypothecation of the borrower's movable properties of the Company (Except those specifically charged to term loan lenders).
- iii) First Pari passu charge to the above banks by way of equitable mortgage on the following immovable properties of the Company:-
  - I. First Charge by way of equitable mortgage of land measuring 6.5125 acres and building in Sy.No 54,55/A,70, 71&72 of Annaram Village, Near Air Force Academy, Gummadidala Mandal, Sanga Reddy District, Telangana belonging to the Company.
  - II. First Charge by way of equitable mortgage of land measuring 6413 Sq. Yards and building in Sy.No. 164 part, Dammarapochampally Village, Gandimaisamma Dundigal Mandal, Medchal District, Telangana belonging to the Company.
  - III. First charge by way of equitable mortgage of land measuring 1066.63 Sq. Yards and building in Plot No. D-177 phase III, IDA, Jeedimetla, Qutballapur Mandal, Medchal District. Telangana belonging to the Company.
  - IV. First charge by way of equitable mortgage of ground floor, Cellar area of building bearing Municipal No. 8-2-293/82/A/700&700/1 on Plot No. 700 forming part of S.Y. No. 120 (New) of Shaikpet Village and S.Y. No 102/1 of Hakim pet Village admeasuring 3653 SFT of the office space presently occupied by the vendee 50% or 930 SFT of reception area of 1860 SFT all in relevance to the ground Floor 400 Sq.Yards out of 1955 Sq.Yards situated within the approved layout of the Jubilee Hills Co-operative House Building Ltd at Road No. 36, Jubilee hills, belonging to the Company.
  - V. First charge by way of equitable mortgage of land and building in Shed No. D-17 & D-18, phase III, IDA, Jeedimetla, Qutballapur Mandal, Medchal District. Telangana belonging to the Company.
  - VI) Personal guarantees of J. Lakshmana Rao, A. Subramanyam, and P. Venkateswara Rao, directors of the Company.

### 17.2. Trade payables

Particulars	As at 31 March, 2021	As at 31 March, 2020
Dues to micro and small enterprises (refer note below)	37.70	10.57
Dues to creditors other than micro and small enterprises	3,185.63	1,792.60
<b>Total</b>	<b>3,223.33</b>	<b>1,803.17</b>

### Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2021	As at 31 March, 2020
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	37.70	10.57
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year	-	-

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	As at 31 March, 2021	As at 31 March, 2020
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year	-	-
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company.

**17.3. Other financial liabilities (current)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current maturities of long term debts (refer note 13)	927.63	1,105.60
Interest accrued but not due	44.66	39.84
Unpaid dividend	75.26	77.81
Employee benefits payable	389.57	284.66
Outstanding expenses payable	387.88	308.44
Expenses payable to related parties (refer note 35)	48.20	32.16
CSR expenses payable*	153.57	5.57
Capital creditors	779.25	356.93
Security deposits	34.78	29.72
Others	-	1.47
<b>Total</b>	<b>2,840.80</b>	<b>2,242.20</b>

\* includes an amount of ₹147.17 lakhs pertaining to ongoing projects as at 31 March, 2021, recognised as liability and transferred to a special account pursuant to the amended provisions of section 135 of the Companies Act, 2013.

**18. Current tax liabilities (net)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for income tax	1,583.95	-
Less: Advance tax and TDS of current year	(1,496.91)	-
<b>Total</b>	<b>87.04</b>	<b>-</b>

**19. Other current liabilities**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Advances from customers	186.23	159.06
Deferred revenue grant - Sales tax deferment loan	5.94	8.63
Statutory dues payable	170.80	191.25
<b>Total</b>	<b>362.97</b>	<b>358.94</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 20. Provisions (Current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>For employee benefits</b>		
Leave encashment	41.04	20.56
Gratuity	50.09	29.69
<b>Total</b>	<b>91.13</b>	<b>50.25</b>

### 21. Net debt reconciliation

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	11,787.00	9,603.97
Add:- Proceeds from non-current borrowings	70.00	2,080.93
Less:- Repayment of non-current borrowings	(1,114.84)	(641.10)
Proceeds/(repayment) from current borrowings	79.18	741.19
Fair value adjustment	1.51	2.01
<b>Closing balance</b>	<b>10,822.85</b>	<b>11,787.00</b>

### 22. Employee benefits

#### (i) Leave obligations

The leave obligation covers the Company's liability for earned leave which is unfunded.

#### (ii) Defined contribution plan

The Company has defined contribution plan namely Provident fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has neither any further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

Particulars	31 March, 2021	31 March, 2020
Company's contribution to provident fund	104.08	103.88

#### (iii) Post-employment obligations

##### a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan:

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Change in defined benefit obligations:</b>		
Obligation at the beginning of the year	483.91	398.18
Current service cost	48.98	49.34
Interest cost	33.12	30.93
Remeasurement (gains)/losses	42.49	59.69
Past service cost	-	-
Benefits paid	(10.86)	(54.23)
<b>Obligation at the end of the year</b>	<b>597.64</b>	<b>483.91</b>
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	241.00	212.95
Investment income	16.49	16.54
Employer's contributions	24.76	24.50
Benefits paid	(10.86)	(10.27)
Return on plan assets, excluding amount recognised in net interest expense	13.44	(2.72)
<b>Fair value of plan assets at the end of the year</b>	<b>284.83</b>	<b>241.00</b>
<b>Expenses recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service costs	48.98	49.34
Past service cost	-	-
Net interest expenses	16.63	14.39
	<b>65.61</b>	<b>63.73</b>
<b>Other comprehensive income:</b>		
Actuarial (gains)/losses	42.49	59.69
Return on plan assets, excluding amount recognised in net interest expense	(13.44)	2.73
Re-measurement (or actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	<b>29.05</b>	<b>62.42</b>
<b>Expenses recognised in the statement of profit and loss</b>	<b>94.66</b>	<b>126.15</b>

Amounts recognised in the balance sheet consists of:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Fair value of plan assets at the end of the year	284.83	241.00
Present value of obligation at the end of the year	597.64	483.91
Recognised as		
Retirement benefit liability - Non-current	262.72	213.22
- current	50.09	29.69

**Fair value of plan assets --- 100% with LIC of India**

Expected contributions to post-employment benefit plans of gratuity for the year ending 31 March, 2022 are ₹50.09 lakhs.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### iv) Significant estimates and sensitivity analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

Particulars	Key assumptions		Defined benefit obligation					
	31 March, 2021	31 March, 2020	Increase in assumption by			Decrease in assumption by		
			Rate	31 March, 2021	31 March, 2020	Rate	31 March, 2021	31 March, 2020
Discount rate	6.85%	6.85%	1%	525.20	424.82	1%	685.61	555.64
Salary growth rate	7.50%	7.00%	1%	675.51	550.43	1%	528.69	427.06
Attrition rate	1%/2%/3%	1%/2%/3%	0.5%/1% /1.5%	593.81	482.74	0.5%/1% /1.5%	601.90	485.17

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### v) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

#### Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

#### Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

#### Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

## 23. Revenue from operations

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Revenue from contracts with customers</b>		
Sale of products	47,772.14	43,616.40
<b>Other operating revenues</b>		
Export incentives	12.38	-
Sales tax incentives	75.27	80.94
Sale of scrap	32.75	46.39
<b>Total</b>	<b>47,892.54</b>	<b>43,743.73</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**24. Other income**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Rental income from investment property	4.51	2.06
Dividend income	12.70	61.40
Amortisation of deferred government grant	8.63	17.49
Interest income	9.40	34.98
Foreign exchange fluctuation gain (net)	24.76	-
<b>Total</b>	<b>60.00</b>	<b>115.93</b>

**25. Cost of materials consumed**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Raw material	23,499.50	20,402.03
Pigments	789.56	750.39
Handles	929.19	917.85
Printing material	2,294.14	2,655.96
Other consumables	264.39	252.36
<b>Total</b>	<b>27,776.78</b>	<b>24,978.59</b>

**26. Changes in inventories of finished goods and work-in-progress**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Opening inventories</b>		
Finished goods	717.58	872.91
Work-in-progress	881.84	734.03
<b>(A)</b>	<b>1,599.42</b>	<b>1,606.94</b>
<b>Closing inventories</b>		
Finished goods	1,317.40	717.58
Work-in-progress	818.72	881.84
<b>(B)</b>	<b>2,136.12</b>	<b>1,599.42</b>
<b>Total (A-B)</b>	<b>(536.70)</b>	<b>7.52</b>

**27. Employee benefits expense**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Salaries, wages and bonus	2,842.74	2,664.66
Contribution to provident and other funds	113.72	116.71
Gratuity expense	65.61	63.73
Leave encashment expense	59.90	6.75
Staff welfare expense	169.80	190.90
Share-based payments to employees	17.35	47.48
<b>Total</b>	<b>3,269.12</b>	<b>3,090.23</b>



## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 28. Finance costs

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Interest on borrowings	971.54	1,018.00
Interest on short-fall in payment of advance tax	19.77	-
Other borrowing costs	3.12	0.83
<b>Total</b>	<b>994.43</b>	<b>1,018.83</b>

### 29. Depreciation and amortization expense

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Depreciation on property, plant and equipment	2,165.87	1,927.42
Depreciation on investment property	0.13	0.13
Amortisation of intangible assets	17.86	11.54
Amortisation of right-of-use assets	3.53	3.53
Less: Capitalized	(38.59)	(35.50)
<b>Total</b>	<b>2,148.80</b>	<b>1,907.12</b>

### 30. Other expenses

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Power and fuel	1,673.05	1,595.44
Packing material	654.30	700.90
Repairs and maintenance		
Buildings	53.30	73.88
Plant and equipment	283.19	302.87
Moulds	133.56	180.15
Others	155.72	158.43
Insurance	91.83	47.57
Rates and taxes	80.64	70.75
Rent	126.31	94.13
Contract labour and job work charges	2,089.30	2,074.91
Travelling and conveyance	77.82	206.46
Communication expenses	43.33	48.14
Printing and stationery	25.71	28.85
Professional & consultancy charges	84.85	81.99
Freight outward	1,765.20	1,716.99
Advertisement expenses	2.35	2.45
Sales promotion expenses	42.02	75.67
Payments to auditors (refer note 30(a) below)	11.48	11.40
Directors' sitting fee	7.00	4.00
Provision for bad and doubtful debts (net of reversals)	(0.57)	22.07

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Bad debts written off	16.57	-
Corporate social responsibility expenditure (refer note 30(b) below) and (refer note 17.3)	220.62	75.88
Net loss on disposal of property, plant and equipment	20.26	1.50
Property, plant, equipment written off	-	29.33
Foreign exchange fluctuation loss (net)	-	5.69
Provision for capital advances	58.00	-
Intangible assets under development written off	21.24	-
Bank charges	8.77	4.19
Miscellaneous expenses	41.50	49.38
<b>Total</b>	<b>7,787.35</b>	<b>7,663.02</b>

**30(a) Payment to auditors:**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Statutory auditors</b>		
-Statutory audit fee	8.50	8.50
-For other services (including fee for quarterly reviews)	2.50	2.50
-Certification charges	0.48	0.40
<b>Total</b>	<b>11.48</b>	<b>11.40</b>

Note: An amount of ₹4 lakhs paid to the auditors towards Rights issue certification charges is adjusted against securities premium.

**30(b) Corporate social responsibility expenditure:**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Amount required to be spent as per Section 135 of the Act	101.32	93.95
*Amount spent during the year:		
1. Construction/ acquisition of any assets	25.00	27.29
2. On purposes other than (1) above	42.05	48.59

\*represents amount spent towards unspent CSR expenditure of earlier years.

**31. Exceptional items**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Allowance for expected credit loss on loans & advances to subsidiary	107.74	395.77
Allowance for expected credit loss receivables from subsidiary	-	(109.67)
<b>Total</b>	<b>107.74</b>	<b>286.10</b>

## NOTES TO THE FINANCIAL STATEMENTS

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### 32. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit before income tax expense	6,512.76	5,194.35
Tax at the Indian tax rate of 25.168% (P.Y - 25.168%)	1,639.13	1,307.32
Effect of non-deductible expense	55.53	579.37
Effect of allowances for tax purpose	(130.48)	(669.95)
Effect of deferred tax	50.80	(128.97)
<b>Tax expense</b>	<b>1,614.98</b>	<b>1,087.77</b>

### 33. Contingent liabilities

The Company has following contingent liabilities as at:

Particulars	31 March, 2021	31 March, 2020
Income tax	95.55	105.83
VAT/CST*	1.53	9.09
<b>Total</b>	<b>97.08</b>	<b>114.92</b>

\*Includes ₹85.27 lakhs (2020 - ₹41.58 lakhs) paid under protest by way of adjustment against refunds.

### 34. Commitments

#### Capital commitments

Capital expenditure contracted for, but not recognised as liabilities is as follows:

Particulars	31 March, 2021	31 March, 2020
Property, plant and equipment	1,602.00	574.00
<b>Total</b>	<b>1,602.00</b>	<b>574.00</b>

### 35. Related party transactions

Names of related parties and nature of relationships:

Names of the related parties	Nature of relationship
<b>i) Key Management Personnel (KMP):</b>	
J. Lakshmana Rao	Chairman & Managing Director
A. Subramanyam	Deputy Managing Director
P. Venkateswara Rao	Deputy Managing Director
M. Srinivas	Whole-time Director
A. Seshu Kumari	Chief Financial Officer
Thakur Vishal Singh	Company Secretary
<b>ii) Non-Whole-time Directors</b>	
J. Mytraeyi	Director
Kotagiri Venkata Appa Rao	Director
T. Venkateswara Rao	Director
Immaneni Eswara Rao	Director

**NOTES TO THE FINANCIAL STATEMENTS**

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<b>Names of the related parties</b>	<b>Nature of relationship</b>
Dhanraj Tirumala	Director
Madhuri Venkata Ramani Viswanadham	Director
B. Ramakrishna	Director (till 29 August, 2020)
Vasu Prakash Chitturi	Director
<b>iii) Relatives of key managerial personnel:</b>	
J. Navya Mythri	Assistant Finance Controller
J. Rana Pratap	Vice President of New Business Development
S. Kavya	Chief Manager of New Business Development
A. Durga Sundeep	Vice President of New Business Development
J. Sathya Sravya	Management Trainee (w.e.f. 1 December, 2020)
J.Sudha Rani	Spouse of Chairman & Managing Director
P.S.N.Vamsi Prasad	Son-in-law of Chairman & Managing Director
J.Bhujanga Rao	Brother of Chairman & Managing Director
N. Padmavathi	Sister of Chairman & Managing Director
A.Lakshmi Mythri	Daughter of A. Subramanyam
Jandhyala V.S.N. Krishna	Son-in-law of A. Subramanyam
Y.Manasa	Daughter-in-law of A. Subramanyam
P.Sai Lakshmi	Spouse of P. Venkateswara Rao
P.Appa Rao	Brother of P. Venkateswara Rao
M.Hyma	Spouse of M. Srinivas
M.Koteswara Rao	Brother of M. Srinivas
K.Srinivasa Vengala Rao	Son of Kotagiri Venkata Appa Rao
T.Vimala	Spouse of T.Venkateswara Rao
<b>iv) Moldtek Packaging FZE, UAE</b>	Wholly owned susidiary
<b>v) Enterprises in which key managerial personnel and/or their relatives have control:</b>	
Mold-Tek Technologies Limited	
Friends Packaging Industries	
Capricorn Industries	
Dynamic Metal Industries Pvt Ltd	
Sri Kanaka Durga Mini Transport	
J.S. Sundaram & Co	

## NOTES TO THE FINANCIAL STATEMENTS

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Details of transactions during the period where related party relationship existed:

Particulars	Enterprises in which key managerial personnel and/or their relatives have control				Relatives of key managerial personnel		Key Management Personnel		Wholly owned subsidiary	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Purchases</b>										
Friends Packaging Industries	313.12	278.05	-	-	-	-	-	-	-	-
Capricorn Industries	335.51	317.21	-	-	-	-	-	-	-	-
Dynamic Metal Industries Pvt Ltd	208.48	146.97	-	-	-	-	-	-	-	-
Mold-tek Packaging FZE, UAE	-	-	-	-	-	-	-	-	-	132.08
<b>Property, plant and equipment</b>										
Mold-tek Packaging FZE, UAE	-	-	-	-	-	-	-	-	-	807.97
<b>Services received</b>										
J.S. Sundaram & Co	48.74	42.01	-	-	-	-	-	-	-	-
Sri Kanaka Durga Mini Transport	70.41	53.03	-	-	-	-	-	-	-	-
<b>Loans &amp; Advances</b>										
Mold-tek Packaging FZE, UAE	-	-	-	-	-	-	-	-	251.47	69.78
<b>Revenue from operations</b>										
Mold-tek Packaging FZE, UAE	-	-	-	-	-	-	-	-	-	0.29
<b>Remuneration</b>										
J. Lakshmana Rao	-	-	-	-	-	-	168.44	142.70	-	-
A. Subramanyam	-	-	-	-	-	-	199.32	194.88	-	-
P. Venkateswara Rao	-	-	-	-	-	-	137.29	137.28	-	-
M. Srinivas	-	-	-	-	-	-	76.19	86.14	-	-
A. Seshu Kumari	-	-	-	-	-	-	42.85	43.65	-	-
Thakur Vishal Singh	-	-	-	-	-	-	7.45	6.44	-	-
<b>Dividend</b>										
Mold-Tek Technologies Limited	0.80	-	-	-	-	-	-	-	-	-
J. Lakshmana Rao	-	-	-	-	-	-	77.27	229.99	-	-
A. Subramanyam	-	-	-	-	-	-	61.15	182.62	-	-
P. Venkateswara Rao	-	-	-	-	-	-	7.11	21.14	-	-
A. Seshu Kumari	-	-	-	-	-	-	14.93	44.46	-	-
M. Srinivas	-	-	-	-	-	-	14.09	39.33	-	-
J. Navya Mythri	-	-	4.19	12.44	-	-	-	-	-	-
J. Rana Pratap	-	-	4.59	13.13	-	-	-	-	-	-

All amounts in ₹ lakhs, unless otherwise stated

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel		Key Management Personnel		Wholly owned subsidiary	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
S. Kavya	-	-	2.97	9.00	-	-	-	-
J.Mytraeyi	-	-	2.60	7.80	-	-	-	-
A. Durga Sundeeep	-	-	6.01	21.40	-	-	-	-
J. Sathya Sravya	-	-	5.02	12.97	-	-	-	-
J.Sudha Rani	-	-	46.15	132.30	-	-	-	-
P.S.N. Vamsi Prasad	-	-	0.60	1.80	-	-	-	-
J.Bhujanga Rao	-	-	5.55	16.55	-	-	-	-
N. Padmavathi	-	-	10.32	35.72	-	-	-	-
A.Lakshmi Mythri	-	-	7.27	21.60	-	-	-	-
Jandhyala V.S.N. Krishna	-	-	1.38	3.91	-	-	-	-
Y.Manasa	-	-	2.83	8.10	-	-	-	-
P.Sai Lakshmi	-	-	4.85	14.49	-	-	-	-
P.Appa Rao	-	-	0.01	0.03	-	-	-	-
M.Hyma	-	-	0.83	2.49	-	-	-	-
M.Koteshwara Rao	-	-	-	2.72	-	-	-	-
K.Srinivasa Vengala Rao	-	-	0.57	1.67	-	-	-	-
T.Vimala	-	-	0.66	4.57	-	-	-	-
Kotagiri Venkata Appa Rao	-	-	-	-	0.01	0.02	-	-
T.Venkateswara Rao	-	-	-	-	0.60	1.80	-	-
Immaneni Eswara Rao	-	-	-	-	0.23	0.77	-	-
<b>Salaries</b>								
J. Navya Mythri	-	-	19.81	19.89	-	-	-	-
J. Rana Pratap	-	-	48.49	48.10	-	-	-	-
S. Kavya	-	-	26.97	24.58	-	-	-	-
A. Durga Sundeeep	-	-	41.03	18.54	-	-	-	-
J. Sathya Sravya	-	-	2.61	-	-	-	-	-
<b>Sitting fee</b>								
J. Mytraeyi	-	-	0.40	0.60	-	-	-	-
Kotagiri Venkata Appa Rao	-	-	0.60	0.60	-	-	-	-
T.Venkateswara Rao	-	-	1.40	1.40	-	-	-	-
Immaneni Eswara Rao	-	-	1.40	1.40	-	-	-	-
Dhanraj Tirumala	-	-	1.20	0.20	-	-	-	-

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Particulars	Enterprises in which key managerial personnel and/or their relatives have control			Relatives of key managerial personnel		Key Management Personnel		Wholly owned subsidiary	
	2020-21	2019-20	2020-21	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Madhuri Venkata Ramani Viswanadham	-	-	1.40	-	-	-	-	-	-
B. Ramakrishna	-	-	0.60	-	-	-	-	-	-
Vasu Prakash Chitturi	-	-	-	(0.20)	-	-	-	-	-
<b>Rent</b>									
A. Subramanyam	-	-	-	-	-	26.03	-	-	-
P. Venkateswara Rao	-	-	-	-	-	26.03	-	-	-
M. Srinivas	-	-	-	-	-	9.40	-	-	-
<b>Rent received</b>									
Friends Packaging Industries	4.51	2.06	-	-	-	-	-	-	-
<b>Dividend received</b>									
Mold-Tek Technologies Limited	12.70	61.40	-	-	-	-	-	-	-
<b>Personal guarantee given to Bank</b>									
J. Lakshmana Rao	-	-	-	-	-	5,609.00	5,609.00	-	-
A. Subramanyam	-	-	-	-	-	4,746.00	4,746.00	-	-
P. Venkateswara Rao	-	-	-	-	-	655.70	655.70	-	-
<b>Other transactions</b>									
Mold-Tek Technologies Limited	16.04	19.15	-	-	-	-	-	-	-
<b>Outstanding payable/(receivable) as at 31 March, 2021</b>									
<b>Trade payables</b>									
Friends Packaging Industries	62.42	41.54	-	-	-	-	-	-	-
Capricorn Industries	29.67	5.38	-	-	-	-	-	-	-
Dynamic Metal Industries Pvt Ltd	6.59	9.65	-	-	-	-	-	-	-
J.S. Sundaram & Co	5.58	6.31	-	-	-	-	-	-	-
Sri Kanaka Durga Mini Transport	7.45	(1.30)	-	-	-	-	-	-	-
<b>Other financial liabilities (current)</b>									
Mold-Tek Technologies Limited	48.20	32.16	-	-	-	-	-	-	-
<b>Loans (current)</b>									
Mold-tek Packaging FZE	-	-	-	-	-	-	-	-	(47.16)
<b>Other financial assets (current)</b>									
Mold-tek Packaging FZE	-	-	-	-	-	-	-	(4.04)	(15.67)

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**36. Earnings per share (EPS)**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit after tax	4,807.50	3,818.98
Weighted average number of equity shares used in calculating Basic EPS	285.12	288.84
Weighted average number of equity shares used in calculating Diluted EPS	297.08	288.84
Face value per share (₹)	5.00	5.00
Basic Earnings per Share (BEPS) (₹)	16.86	13.22
Diluted Earnings per Share (DEPS) (₹)	16.18	13.22

**37. Segment Information**

- a) The Company's Chairman & Managing Director, Deputy Managing Directors and Chief Financial Officer examine the Company's performance from a product prospective and have identified one operating segment viz Packaging containers. Hence segment reporting is not given.

**b) Information about products:**

Revenue from external customers - Sale of packaging containers ₹47,772.14 lakhs (P.Y ₹43,616.40 lakhs).

The Company has made external sales to the following customers meeting the criteria of 10% or more of the entity revenue.

Customer 1 - ₹18,370.96 lakhs.

**38. Share based payments (Ind AS 102)**

The Company has granted 7,04,000 options to its eligible employees in various ESOS Schemes, details are as under:

**(A) Employee Stock Option Scheme:**

Particulars	MTPL Employees Stock Option Scheme	MTPL Employees Stock Option Scheme-2016			
Number of options	4,04,000	95,100	54,900	94,150	55,850
Vesting plan - Category A	Year I - 50%; Year II - 25%; Year III - 25%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%
Vesting plan - Category B	Year I - 25%; Year II - 35%; Year III - 40%	-	-	-	-
Vesting plan - Category C	Year I - 30%; Year II - 30%; Year III - 40%	-	-	-	-
Vesting period	5 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant
Grant date	9 February, 2010	20 July, 2018	20 July, 2018	23 December, 2020	23 December, 2020
Exercise price (₹ per share)	13	208	234	245.75	259.4
Fair value on the date of grant of option (₹ per share)	31.48	259.85	259.85	273.05	273.05
Method of settlement	Equity	Equity	Equity	Equity	Equity



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### (B) Movement of options granted along with Weighted Average Exercise Price (WAEP):

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	WAEP(₹)	Number	WAEP(₹)
Outstanding at the beginning of the year	1,12,500	2,49,72,929	1,50,000	3,26,27,400
Granted during the year	1,50,000	3,76,24,853	-	-
Exercised during the year	40,500	87,60,180	34,975	75,77,500
Forfeited during the year	-	-	2,525	76,971
Outstanding at the end of the year	2,22,000	5,38,37,602	1,12,500	2,49,72,929
Options exercisable at the end of the year	-	-	-	-

The weighted average share price at the date of exercise for options was ₹289.22 per share (31 March, 2020 ₹314.20 per share). For options outstanding at the end of the year, remaining contractual life is 4 months and 2 years 9 months respectively (31 March, 2020 : 1 Year 4 months).

### (C) Details of the liabilities arising from the Share based payments are as follows:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Total carrying amount	32.37	32.08

## 39. Financial instruments and risk management

### Fair values

- The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

### (i) Categories of financial instruments

Particulars	Level	31 March 2021		31 March 2020	
		Carrying amount	Fair value*	Carrying amount	Fair value*
<b>Non-current</b>					
<b>Financial assets measured at fair value through other comprehensive income</b>					
Investments	1	864.86	864.86	733.60	733.60
<b>Financial assets measured at amortised cost</b>					
Other financial assets	3	24.59	24.59	23.45	23.45
<b>Current</b>					
Trade receivables	3	9,013.05	9,013.05	5,798.65	5,798.65
Cash and cash equivalents	3	33.85	33.85	19.56	19.56
Other bank balances	3	85.71	85.71	77.81	77.81
Loans	3	32.11	32.11	76.00	76.00
Other financial assets	3	238.52	238.52	323.08	323.08
<b>Total</b>		<b>10,292.69</b>	<b>10,292.69</b>	<b>7,052.15</b>	<b>7,052.15</b>

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Particulars	Level	31 March 2021		31 March 2020	
		Carrying amount	Fair value*	Carrying amount	Fair value*
<b>Financial liabilities</b>					
<b>Measured at amortised cost</b>					
<b>Non-current</b>					
Borrowings	3				
- Banks		1,640.81	1,640.81	2,468.60	2,468.60
- Sales tax deferment loan		68.31	59.78	96.69	79.53
<b>Current</b>					
Borrowings	3	8,225.18	8,225.18	8,146.00	8,146.00
Trade payables	3	3,223.33	3,223.33	1,803.17	1,803.17
Other financial liabilities	3	2,840.80	2,840.80	2,242.20	2,242.20
<b>Total</b>		<b>15,998.43</b>	<b>15,989.90</b>	<b>14,756.66</b>	<b>14,739.50</b>

\*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

#### 40. Financial risk management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

##### (A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving

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foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at 31 March, 2021 and 31 March, 2020.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2021 and 31 March, 2020.

### (i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/other payables, trade/other receivables and derivative assets/liabilities. The risks primarily relate to fluctuations in US Dollar, AED against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and AED exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

### (ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

Particulars	Foreign currency exposure			
	As at 31 March, 2021		As at 31 March, 2020	
	AED	USD	AED	USD
Loans and advances	21,087	-	24,44,849	-
Trade receivables	4,21,345	80,291	7,45,416	(7,443)
Trade payables	-	2,73,069	-	2,95,882
<b>Net exposure to foreign currency risk</b>	<b>4,42,432</b>	<b>(1,92,778)</b>	<b>31,90,265</b>	<b>(3,03,325)</b>

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
<b>Change in AED</b>				
1% increase	0.88	6.55	0.66	4.90
1% decrease	(0.88)	(6.55)	(0.66)	(4.90)
<b>Change in USD</b>				
1% increase	(1.41)	(2.29)	(1.06)	(1.71)
1% decrease	1.41	2.29	1.06	1.71

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and AED, where the functional currency of the entity is a currency other than US dollars and AED.

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has

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certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
<b>Change in interest rate</b>				
increase by 100 basis points	(92.16)	(109.62)	(68.97)	(82.03)
decrease by 100 basis points	92.16	109.62	68.97	82.03
The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.				

**(B) Credit Risk**

Financial assets of the Company include trade receivables, loans to wholly owned subsidiary, employee advances, security deposits held with government authorities and bank deposits which represents Company's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. With respect to other financial assets viz., loans & advances, deposits with government and banks, the credit risk is insignificant since the loans & advances are given to its wholly owned subsidiary and employees only and deposits are held with government bodies and reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

Credit risk on trade receivables and other financial assets is evaluated as follows:

**a) Expected credit loss for trade receivable under simplified approach:**

Particulars	31 March, 2021	31 March, 2020
Gross carrying amount	9,060.15	5,893.26
Expected credit losses (Loss allowance provision)	(47.10)	(94.61)
<b>Carrying amount of trade receivables</b>	<b>9,013.05</b>	<b>5,798.65</b>

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### b) Expected credit loss for financial assets where general model is applied

The financial assets which are exposed to credit are loan to Wholly owned subsidiary company and employee advances.

Particulars	31 March, 2021	31 March, 2020
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
<b>Gross carrying amount</b>		
Loans	540.03	442.93
Employee advances	32.11	28.84
	<b>572.14</b>	<b>471.77</b>
Expected credit losses	(540.03)	(395.77)
<b>Net carrying amount</b>		
Loans	-	47.16
Employee advances	32.11	28.84
<b>Total</b>	<b>32.11</b>	<b>76.00</b>

### (c) Reconciliation of loss allowance provision on trade receivables

Particulars	2020-21	2019-20
<b>Loss allowance at the beginning of the year</b>	<b>94.61</b>	<b>198.47</b>
Changes in loss allowance during the year	(47.51)	(103.86)
<b>Loss allowance at the end of the year</b>	<b>47.10</b>	<b>94.61</b>

### (d) Significant estimates and judgements

#### Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and Company's ability to meet obligations when due and to close out market positions. The Company's treasury maintains flexibility in funding by maintaining deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

#### (i) Financing arrangements:

The Company had access to the following undrawn borrowing facilities at the end of the reporting period

Particulars	As at	
	31 March, 2021	31 March, 2020
Expiring within one year (bank overdraft and other facilities)	288.71	359.12

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## (ii) Maturities of Financial liabilities

Contractual maturities of financial liabilities as at :

Particulars	31 March, 2021		31 March, 2020	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	8,225.18	1,661.51	8,146.00	2,518.24
Trade payables	3,223.33	-	1,803.17	-
Other financial liabilities	2,840.80	-	2,242.20	-
<b>Total</b>	<b>14,289.31</b>	<b>1,661.51</b>	<b>12,191.37</b>	<b>2,518.24</b>

(iii) Management expects finance costs for the year ending 31 March, 2022 to be ₹988.88 lakhs (P.Y 1071.35 lakhs).

## 41. Capital management

## A. Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	31 March, 2021	31 March, 2020
<b>Borrowings</b>		
Current	8,225.18	8,146.00
Non current	1,661.51	2,518.24
Current maturities of non- current borrowings	927.63	1,105.60
Sales tax deferment loan	8.53	17.16
<b>Debt</b>	<b>10,822.85</b>	<b>11,787.00</b>
<b>Equity</b>		
Equity share capital	1,395.52	1,386.30
Other equity	24,188.12	18,324.46
<b>Total capital</b>	<b>25,583.64</b>	<b>19,710.76</b>
<b>Gearing ratio in % (Debt/capital)</b>	<b>42.30%</b>	<b>59.80%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2021 and 31 March, 2020.

## NOTES TO THE FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### B. Dividends

Particulars	31 March, 2021	31 March, 2020
<b>Dividends recognised</b>		
Final dividend for the year ended 31 March, 2019 of ₹2 per fully paid share	-	553.82
Interim dividend for the year ended 31 March, 2019 of ₹2 per fully paid share		553.82
Interim dividend for the year ended 31 March, 2021 of ₹3 (31 March, 2020 of ₹5) per fully paid share	837.16	1,386.30
Dividend distribution tax on the above	-	512.64
<b>Dividends not recognised</b>		
For the year ended the directors have recommended the payment of final dividend of ₹4 per fully paid up equity share. This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting.	1,116.42	-

**42. Impact of Covid-19:** The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

**43. Code on Social Security:** The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**44.** Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date

For **M.Anandam & Co.,**

Chartered Accountants

(Firm Registration Number: 000125S)

Sd/-

**B V Suresh Kumar**

Partner

Membership No. 212187

Place : Hyderabad

Date : 26 May, 2021

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**

Chairman & Managing Director

DIN: 00649702

Sd/-

**A. Seshu Kumari**

Chief Financial Officer

Sd/-

**A. Subramanyam**

Deputy Managing Director

DIN: 00654046

Sd/-

**Thakur Vishal Singh**

Company Secretary

M.No.A41956



## INDEPENDENT AUDITORS' REPORT

### To the Members of Mold-Tek Packaging Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of **Mold-Tek Packaging Limited** (hereinafter referred to as “the Holding Company”) and its wholly owned subsidiary Mold-Tek Packaging FZE, UAE, (the Holding Company and its wholly owned subsidiary together referred to as ‘the Group’) which comprise the Consolidated Balance Sheet as at 31 March, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2021, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraphs (a) and (b) of other matters section below, is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue Recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as “Revenue”) is recognised when the Group performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition is when the control over goods is transferred to the customers, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before the control over goods is transferred.</p> <p>Refer Note 2 to the consolidated financial statements – Significant Accounting Policies.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of tests of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of Group's revenue recognition in line with Ind AS 115 – Revenue from Contracts with Customers.</li> <li>Evaluating the design and implementation of Group's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut off the year end.</li> </ul> <p>Testing the supporting documentation for sales transactions recorded during the period closer to the year-end and subsequent to the year-end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</p>



## Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information included in the annual report does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of 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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

#### **Other matters**

- a) We did not audit the financial statements in respect of the wholly owned subsidiary whose financial statements reflect total assets of ₹9.18 lakhs as at 31 March, 2021, total revenue of ₹591.61 lakhs and net cash outflow amounting to ₹7.98 lakhs for the year ended on that date as considered in the consolidated financial statements, which have been audited by other independent auditor up to the period ended 31 December, 2020 and are unaudited for the period from 1 January, 2021 to 31 March, 2021. These financial statements have been audited for the period ended 31 December, 2020 since the wholly owned subsidiary follows a different accounting period from that of the Holding Company. Unaudited financial statements for the period from 1 January, 2021 to 31 March, 2021 have been furnished to us by the management and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of the wholly owned subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid wholly owned subsidiary is based solely on the report of the other auditor/unaudited financial statements/ financial information as the case may be. In our opinion and according to the information and explanations given to us by the management, these unaudited financial statements / financial information are not material to the Group.
- b) The financial statements of the wholly owned subsidiary, located outside India, have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Management has converted the financial statements from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary is based on the report of other auditor and the conversion adjustments prepared by the Management and audited by us. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of subsidiary, as referred to in 'Other Matters' paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and returns and reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements (Refer Note 31 of the consolidated financial statements);
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm's Registration No. 000125S)

Sd/-

**B.V.Suresh Kumar**

Partner

Membership No. 212187

UDIN: 21212187AAAAES6085

Place: Hyderabad  
Date: 26 May, 2021

## **Annexure - A to the Independent Auditors' Report**

### **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Mold-Tek Packaging Limited** (“the Holding Company”) as of 31 March, 2021 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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

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

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm's Registration No. 000125S)

Sd/-

**B.V.Suresh Kumar**  
Partner

Place: Hyderabad  
Date: 26 May, 2021

Membership No. 212187  
UDIN: **21212187AAAAES6085**

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4.1	23,526.54	19,836.33
(b) Capital work-in-progress	4.2	1,130.20	1,153.26
(c) Investment property	4.3	5.10	5.23
(d) Intangible assets	4.4	60.18	64.12
(e) Intangible assets under development	4.5	41.76	21.24
(f) Right-of-use assets	4.6	334.84	338.37
(g) Financial assets			
(i) Investments	5.1	864.86	733.60
(ii) Other financial assets	5.2	24.59	23.45
(h) Other non-current assets	6	629.27	1,325.43
<b>Current assets</b>			
(a) Inventories	7	7,082.02	4,999.57
(b) Financial assets			
(i) Trade receivables	8.1	9,013.05	5,890.59
(ii) Cash and cash equivalents	8.2	43.03	36.72
(iii) Bank balances other than (ii) above	8.3	85.71	77.81
(iv) Loans	8.4	32.11	28.85
(v) Other financial assets	8.5	234.48	307.40
(c) Current tax assets (net)	9	122.50	131.92
(d) Other current assets	10	418.40	1,356.29
<b>TOTAL ASSETS</b>		<b>43,648.64</b>	<b>36,330.18</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	1,395.52	1,386.30
(b) Other equity	12	24,200.10	18,359.06
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
Borrowings	13	1,661.51	2,518.24
(b) Provisions	14	348.63	261.74
(c) Deferred tax liabilities (net)	15	1,204.86	1,161.37
(d) Other non-current liabilities	16	2.59	8.53
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	17.1	8,225.18	8,146.00
(ii) Trade payables	17.2		
A. Dues to micro and small enterprises		37.70	10.57
B. Dues to creditors other than micro and small enterprises		3,185.63	1,794.38
(iii) Other financial liabilities	17.3	2,845.78	2,243.22
(b) Current tax liabilities (net)	18	87.04	-
(c) Other current liabilities	19	362.97	390.52
(d) Provisions	20	91.13	50.25
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,648.64</b>	<b>36,330.18</b>
<b>Summary of significant accounting policies</b>	<b>2</b>		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date  
For **M.Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

Sd/-

**B V Suresh Kumar**  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-

**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-

**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-

**A. Seshu Kumari**  
Chief Financial Officer

Sd/-

**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Note	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>I. Income</b>			
Revenue from operations	23	47,892.54	43,820.23
Other income	24	88.50	115.92
<b>II. Total income</b>		<b>47,981.04</b>	<b>43,936.15</b>
<b>III. Expenses</b>			
Cost of materials consumed	25	27,776.78	24,967.44
Changes in inventories of finished goods and work-in-progress	26	(536.70)	80.60
Employee benefits expense	27	3,289.34	3,148.42
Finance costs	28	994.43	1,039.81
Depreciation and amortization expense	29	2,150.48	1,921.59
Other expenses	30	7,913.57	7,945.27
<b>Total expenses</b>		<b>41,587.90</b>	<b>39,103.13</b>
<b>IV. Profit before tax (II - III)</b>		<b>6,393.14</b>	<b>4,833.02</b>
<b>V. Tax expense:</b>			
(1) Current tax		1,564.18	1,216.74
(2) Earlier year's taxes		(17.46)	1.50
(3) Deferred tax		50.80	(128.97)
<b>VI. Profit for the period (IV-V)</b>		<b>4,795.62</b>	<b>3,743.75</b>
<b>VII. Other comprehensive income</b>			
a) Items that will not be reclassified to profit or loss			
i) Remeasurement of defined benefit plans		(29.05)	(62.42)
ii) Fair value changes in equity instruments		131.26	(238.18)
iii) Income tax relating to items (i) & (ii) above		7.31	15.71
b) Items that will be reclassified to profit or loss			
i) Exchange differences in translating the financial statements of a foreign operation		(10.75)	3.29
<b>Other comprehensive income (net of tax )</b>		<b>98.77</b>	<b>(281.60)</b>
<b>VIII. Total comprehensive income for the year</b>		<b>4,894.39</b>	<b>3,462.15</b>
Profit for the year			
Attributable to:			
Owners of the parent		<b>4,795.62</b>	<b>3,743.75</b>
Non-controlling interests		-	-
Total comprehensive income for the year			
Attributable to:			
Owners of the parent		<b>4,894.39</b>	<b>3,462.15</b>
Non-controlling interests		-	-
<b>IX. Earnings per equity share (Face Value ₹5 each)</b>			
(1) Basic	35	16.82	12.96
(2) Diluted	35	16.14	12.96
<b>Summary of significant accounting policies</b>	2		
<b>The accompanying notes are an integral part of the financial statements.</b>			

As per our report of even date  
For **M.Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

Sd/-  
**B V Suresh Kumar**  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-  
**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-  
**A. Seshu Kumari**  
Chief Financial Officer

Sd/-  
**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-  
**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021**

All amounts in ₹ lakhs, unless otherwise stated

**a. Equity share capital**

Particulars	Note	As at 31 March, 2021	As at 31 March, 2020
<b>Balance at the beginning of the year</b>	11	<b>1,386.30</b>	<b>1,384.55</b>
Add: Changes in equity share capital during the year		9.22	1.75
<b>Balance at the end of the year</b>		<b>1,395.52</b>	<b>1,386.30</b>

**b. Other equity**

Particulars	Note	Reserves and Surplus				Exchange differences in translating the financial statements of foreign operations	Money received against share warrants	Other Comprehensive Income	Total
		Securities Premium	Capital Reserve	General Reserve	Share options outstanding account	Retained Earnings			
<b>Balance as at 1 April, 2019</b>		<b>7,480.70</b>	<b>57.15</b>	<b>1,914.39</b>	-	<b>7,692.06</b>	-	<b>655.46</b>	<b>17,781.98</b>
Profit for the year	12	-	-	-	-	3,743.75	-	-	3,743.75
Dividends (including corporate dividend tax)		-	-	-	-	(3,006.58)	-	-	(3,006.58)
Share-based payments to employees		-	-	-	47.48	-	-	-	47.48
Exercise of employee stock options		15.11	-	-	(15.11)	-	-	-	-
Shares issued on exercise of employee stock options		74.03	-	-	-	-	-	-	74.03
Other comprehensive income		-	-	-	-	(46.71)	-	(238.18)	(281.60)
<b>Balance as at 31 March, 2020</b>		<b>7,569.84</b>	<b>57.15</b>	<b>1,914.39</b>	<b>32.37</b>	<b>8,382.52</b>	-	<b>417.28</b>	<b>18,359.06</b>
Profit for the year		-	-	-	-	4,795.62	-	-	4,795.62
Dividends		-	-	-	-	(837.16)	-	-	(837.16)
Issue of partly paid up right equity shares		242.96	-	-	-	-	-	-	242.96
Issue of right equity shares upon conversion of share warrants		9.12	-	-	-	-	-	-	9.12
Share warrants application money		-	-	-	-	-	1,533.79	-	1,533.79
Rights issue expenses		(104.99)	-	-	-	-	-	-	(104.99)
Share-based payments to employees		-	-	-	17.35	-	-	-	17.35
Exercise of employee stock options		17.64	-	-	(17.64)	-	-	-	-
Shares issued on exercise of employee stock options		85.58	-	-	-	-	-	-	85.58
Other comprehensive income		-	-	-	-	(21.74)	-	131.26	98.77
<b>Balance as at 31 March, 2021</b>		<b>7,820.15</b>	<b>57.15</b>	<b>1,914.39</b>	<b>32.08</b>	<b>12,319.24</b>	<b>1,533.79</b>	<b>548.54</b>	<b>24,200.10</b>

For and on behalf of Board

Sd/-  
**B V Suresh Kumar**  
 Partner  
 Membership No. 212187  
 Place : Hyderabad  
 Date : 26 May, 2021

Sd/-  
**J. Lakshmana Rao**  
 Chairman & Managing Director  
 DIN: 00649702

Sd/-  
**A. Subramanyam**  
 Deputy Managing Director  
 DIN: 00654046

Sd/-  
**Thakur Vishal Singh**  
 Company Secretary  
 M.No.A41956



## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021

All amounts in ₹ lakhs, unless otherwise stated

Particulars	31 March, 2021	31 March, 2020
<b>Cash flows from operating activities</b>		
Profit before tax	6,393.14	4,833.02
<b>Adjustments for:</b>		
Depreciation and amortisation expense	2,189.05	1,958.28
Loss on disposal of property, plant and equipment (net)	21.51	12.52
Provision for bad and doubtful debts (net of reversals)	(0.57)	30.35
Bad debts written off	16.57	-
Fair value adjustments and translation differences	(9.24)	5.30
Finance costs	994.43	1,039.81
Dividend income	(12.70)	(61.40)
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(3,138.46)	1,116.05
(Increase)/Decrease in financial assets other than trade receivables	60.64	(45.86)
(Increase)/Decrease in other assets	1,643.47	(1,006.65)
(Increase)/Decrease in inventories	(2,082.45)	(405.90)
Increase/(Decrease) in trade payables	1,418.39	(15.52)
Increase/(Decrease) in other financial liabilities	735.87	(284.88)
Increase/(Decrease) in provisions	98.70	(110.17)
Increase/(Decrease) in other liabilities	12.09	181.33
<b>Cash generated from operations</b>	<b>8,340.44</b>	<b>7,246.28</b>
Income taxes paid	(1,496.91)	(1,253.05)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>6,843.53</b>	<b>5,993.23</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipment and intangible assets	(5,947.69)	(4,100.08)
(Increase)/Decrease in capital work-in-progress and intangible assets under development	2.54	448.92
Dividend income	12.70	61.40
Proceeds from sale of property, plant and equipment	54.51	1,008.88
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(5,877.94)</b>	<b>(2,580.88)</b>
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings (refer note 21)	70.00	2,080.93
Repayment of non-current borrowings (refer note 21)	(1,114.84)	(1,306.87)
Proceeds/(repayment) from current borrowings (refer note 21)	79.18	(251.84)
Dividend paid including corporate dividend tax	(837.16)	(3,006.58)
Increase in securities premium	250.31	89.13
Proceeds from issue of shares	9.22	1.75
Money received against share warrants	1,533.78	-
Interest paid	(949.77)	(999.97)
<b>Net cash inflow (outflow) from financing activities</b>	<b>(959.28)</b>	<b>(3,393.45)</b>
<b>Net increase (Decrease) in cash and cash equivalents</b>	<b>6.31</b>	<b>18.90</b>
Cash and cash equivalents at the beginning of the year	36.72	17.82
<b>Cash and cash equivalents at the end of the year</b>	<b>43.03</b>	<b>36.72</b>

Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **M.Anandam & Co.,**

Chartered Accountants

(Firm Registration Number: 000125S)

Sd/-  
**B V Suresh Kumar**

Partner

Membership No. 212187

Place : Hyderabad

Date : 26 May, 2021

For and on behalf of Board

Sd/-  
**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-  
**A. Seshu Kumari**  
Chief Financial Officer

Sd/-  
**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-  
**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **1 Group information:**

Mold-Tek Packaging Limited ('the Parent') is a public limited Group incorporated in India having its registered office at Hyderabad, Telangana, India. The Group is involved in the manufacturing of injection-molded containers. Mold-Tek Packaging FZE is the wholly owned subsidiary incorporated in UAE (together referred to as Group).

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

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **a) Statement of compliance:**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017, the relevant provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

#### **b) Basis of preparation:**

The Consolidated Financial Statements (CFS) include the financial statements of the Group and its wholly owned subsidiary. The assets, liabilities, income and expenses of the wholly owned subsidiary is aggregated and consolidated line by line. Profit or loss and each component of other comprehensive income are attributed to the owners. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values as per Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### **c) Revenue recognition:**

#### **i) Revenue from contract with customers**

Revenue is recognised when the performance obligations have been satisfied, which is once control of the goods is transferred from the Group to the customer. Revenue related to the sale of goods is recognised when the product is delivered to the destination specified by the customer, and the customer has gained control through their ability to direct the use of and obtain substantially all the benefits from the asset. Revenue is measured based on consideration specified in the contract with a customer which is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates and excludes amounts collected on behalf of third parties.

#### **ii) Other income**

Dividend income is recognised when the right to receive the income is established.

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

Rental income from investment properties is recognised on a straight line basis over the term of the relevant leases.

Export benefit under the duty free credit entitlements is recognized in the statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme in respect of exports made and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

Sales tax incentives are recognized in the statement of profit and loss, when right to receive such entitlement is established as per terms of the relevant scheme and where there is no significant uncertainty regarding compliance with the terms and conditions of such scheme.

### **d) Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. Other borrowings costs are expensed in the period in which they are incurred.

### e) Employee benefits:

#### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss. The gratuity liability is covered through a recognized Gratuity Fund managed by Life Insurance Corporation of India and the contributions made under the scheme are charged to statement of profit and loss.

### (iv) Defined contribution plans

The Group pays provident fund contributions to publicly administered funds as per local regulations wherever applicable. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **(v) Bonus plans**

The Group recognizes a liability and an expense for bonuses wherever applicable. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **f) Income taxes**

Tax expense for the year comprises current and deferred tax.

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax relating to items recognized directly in equity

or other comprehensive income is recognised in equity or other comprehensive income and not in the statement of profit and loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they are related to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### **g) Property, Plant and Equipment (PPE):**

PPE are carried at cost less accumulated depreciation and impairment losses, if any. The cost of PPE comprises of purchase price, applicable duties and taxes net of input tax credit, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets, upto the date the asset is ready for its intended use. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of PPE comprises major components having different useful lives, these components are accounted for as separate items.

Leasehold improvements are stated at cost including taxes, freight and other incidental expenses incurred, net of input tax credits availed. The depreciation is provided over the life estimated by the management.

Self constructed assets (Moulds): The Group transfers all the directly attributable expenditure incurred towards construction of moulds including depreciation on actual cost basis.

PPE retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### h) **Expenditure during construction period and intangible assets under development:**

Expenditure during construction period (including finance cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under capital work-in-progress and the same is allocated to the respective PPE on the completion of their construction. Intangible Assets under development includes the expenditure incurred for acquisition of intangible assets.

### i) **Depreciation:**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on the straight line method over the useful lives as prescribed in Schedule II to the Act.

### j) **Intangible assets and amortization:**

Intangible assets acquired separately are measured on initial recognition cost and are amortized on straight line method based on the estimated useful lives.

The amortization period and amortization method are reviewed at each financial year end.

Computer Software is amortized over a period of five years.

### k) **Investment property:**

Investment property is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost model which is in accordance with Ind AS 40. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognised. Depreciation on building is provided over its useful life of 30 years using the straight line method.

### l) **Impairment of assets:**

Intangible assets and property, plant and equipment: Intangible assets and property, plant

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

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

### m) **Inventories:**

Inventories includes Raw materials, Work-in-progress, Finished goods, Stores & Spares, Packing materials and Other consumables. These are valued at lower of cost and net realizable value (NRV). However, raw materials are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Further, cost is determined on weighted average basis.

#### **Materials in transit**

Valuation of inventories of materials in transit is done at cost.

#### **Work-in-Progress (WIP) and Finished goods**

Valued at lower of cost and NRV. Cost of finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### **n) Provisions, contingent liabilities and contingent assets :**

The Group recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflect current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realised.

### **o) Financial instruments:**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **Financial assets**

#### **(i) Financial assets carried at amortised cost**

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

#### **(ii) Financial assets at fair value through other comprehensive income**

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

#### **(iii) Financial assets at fair value through profit and loss**

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

#### **(iv) The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

### Financial liabilities and equity instruments

#### 1. Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### 2. Equity instruments

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

#### 3. Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and unsecured loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

#### 4. Derecognition of financial instruments

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

#### 5. Fair value of financial instruments

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market

conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may or may not be realized.

#### 6. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

#### p) Earnings per share :

The basic earnings per share is computed by dividing the profit/(loss) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, profit/(loss) for the year attributable to the equity shareholders and the weighted average number of the equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### q) Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### r) Transactions in foreign currencies

The presentation currency of the Group is Indian Rupee.

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

### s) **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### t) **Government grants**

Grants from the government are recognised at fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected lives of the related assets and presented within other income.

The benefit of a government loan at below current market rate of interest is treated as a government grant.

### u) **Leases**

#### **As a lessee:**

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (1) The contract involves the use of an identified asset;
- (2) The Group has substantially all the economic benefits from use of the asset through the period of the lease and
- (3) The Group has the right to direct the use of the asset.

The Group recognizes a Right-Of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 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. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the balance lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset shall be separately presented in the balance sheet and lease payments shall be classified as financing cash flows.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### As Lessor:

A lease for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are utilised.

### v) Employee share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### w) Dividend distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

### x) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### y) Standards issued but not yet effective

There is no such notification which would have been applicable from 1 April, 2021.

## 3 Use of estimates and critical accounting judgements:

In preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**4.1(a) Property, Plant and Equipment**

Particulars	Gross carrying amount					Accumulated depreciation			Net carrying amount
	As at 1 April, 2020	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2021	For the Year disposals	On Adjust- ment	As at 31 March, 2021
Freehold land	1,097.92	519.73	-	-	-	1,617.65	-	-	1,617.65
Buildings	5,527.51	448.92	-	-	-	5,976.43	186.82	-	6,163.25
Plant and equipment	10,893.83	2,809.28	35.07	-	-	13,668.04	1,154.43	15.51	14,827.82
Moulds	5,117.77	1,664.88	-	-	-	6,782.65	526.11	-	7,308.76
Electrical installations and equipment	803.67	80.19	-	-	-	883.86	81.91	-	965.77
Works equipment and instruments	587.35	112.09	-	-	-	699.44	65.83	-	765.27
Office equipment	107.49	22.64	1.37	-	-	128.76	19.40	1.29	149.45
Computers and data processing units	80.66	33.24	-	-	-	113.90	19.59	-	133.49
Furniture and fittings	483.40	85.33	-	-	-	568.73	48.70	-	617.43
Vehicles	559.08	157.72	89.39	-	(0.45)	626.96	64.73	(0.19)	691.50
<b>TOTAL</b>	<b>25,258.68</b>	<b>5,934.02</b>	<b>125.83</b>	<b>-</b>	<b>(0.45)</b>	<b>31,066.42</b>	<b>2,167.52</b>	<b>49.80</b>	<b>33,273.72</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 4.1(b) Property, Plant and Equipment

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount	
	As at 1 April, 2019	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2020	As at 1 April, 2019	For the Year	On disposals	Adjustment	As at 31 March, 2020	As at 31 March, 2020
Freehold land	1,097.92	-	-	-	-	1,097.92	-	-	-	-	-	1,097.92
Buildings	5,280.46	247.05	-	-	-	5,527.51	298.86	179.50	-	-	478.36	5,049.15
Plant and equipment	9,601.72	1,842.92	685.17	(83.80)	50.56	10,893.83	2,044.05	1,025.19	102.88	6.94	2,973.30	7,920.53
Moulds	4,110.72	1,438.80	434.92	23.97	27.14	5,117.77	899.46	458.77	46.31	3.37	1,315.29	3,802.48
Electrical installations and equipment	788.03	99.96	107.69	(15.40)	7.97	803.67	139.29	80.14	26.90	1.64	194.17	609.50
Works equipment and instruments	527.21	77.40	34.26	(14.69)	2.31	587.35	70.00	60.02	10.20	0.42	120.24	467.11
Office equipment	96.34	42.64	38.61	(5.84)	1.28	107.49	43.69	17.64	26.74	0.50	35.09	72.40
Computers and data processing units	58.07	28.00	4.44	1.24	0.27	80.66	29.44	15.33	2.74	0.19	42.22	38.44
Furniture and fittings	384.52	103.09	11.10	(6.06)	0.83	483.40	62.62	45.64	2.37	0.15	106.04	377.36
Vehicles	479.33	95.17	18.12	-	2.70	559.08	104.62	58.40	6.23	0.85	157.64	401.44
Leasehold improvements	22.87	-	24.09	-	1.21	-	9.65	2.42	12.44	0.37	-	-
TOTAL	22,447.19	3,975.03	1,358.40	(100.58)	94.27	25,258.68	3,701.68	1,943.05	236.81	14.43	5,422.35	19,836.33

### 4.2(a) Capital work-in-progress as at 31 March, 2021: ₹1,130.20 lakhs

Capital work-in-progress includes buildings of ₹253.67 lakhs, plant and equipment of ₹158.18 lakhs, moulds of ₹686.19 lakhs and others of ₹32.16 lakhs.

### 4.2(b) Capital work-in-progress as at 31 March, 2020: ₹1,153.26 lakhs

Capital work-in-progress includes buildings of ₹164.02 lakhs, plant and equipment of ₹116.17 lakhs and moulds of ₹873.07 lakhs.

All amounts in ₹ lakhs, unless otherwise stated

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****4.3(a) Investment Property**

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount	
	As at 1 April, 2020	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2021	As at 1 April, 2020	For the Year	On disposals	Adjustment	As at 31 March, 2021	As at 31 March, 2021
Freehold land	4.12	-	-	-	-	4.12	-	-	-	-	-	4.12
Buildings	1.63	-	-	-	-	1.63	0.52	0.13	-	-	0.65	0.98
TOTAL	5.75	-	-	-	-	5.75	0.52	0.13	-	-	0.65	5.10

**4.3(b) Investment Property**

Particulars	Gross carrying amount					Accumulated depreciation				Net carrying amount	
	As at 1 April, 2019	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2020	As at 1 April, 2019	For the Year	On disposals	Adjustment	As at 31 March, 2020
Freehold land	4.12	-	-	-	-	4.12	-	-	-	-	4.12
Buildings	1.63	-	-	-	-	1.63	0.39	0.13	-	-	1.11
TOTAL	5.75	-	-	-	-	5.75	0.39	0.13	-	-	5.23

**4.3(d) Disclosures - Ind AS 40**

Particulars	2020-21	2019-20
Rental income from investment property	4.51	2.06
Direct operating expenses (including repairs and maintenance)	-	0.76
<b>Income from investment property (net)</b>	<b>4.51</b>	<b>1.30</b>
Fair value of the investment property as at 31 March, 2021 ₹213.38 lakhs, (2020 - ₹ 213.38 lakhs)		

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 4.4(a) Intangible assets

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount
	As at 1 April, 2020	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2021	As at 31 March, 2021
Computer software	111.04	13.92	-	-	-	124.96	60.18
<b>TOTAL</b>	<b>111.04</b>	<b>13.92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124.96</b>	<b>60.18</b>

### 4.4(b) Intangible assets

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount
	As at 1 April, 2019	Additions	Deletions	Eliminations	Adjustments	As at 31 March, 2020	As at 31 March, 2020
Computer software	66.54	45.17	0.73	-	0.06	111.04	64.12
<b>TOTAL</b>	<b>66.54</b>	<b>45.17</b>	<b>0.73</b>	<b>-</b>	<b>0.06</b>	<b>111.04</b>	<b>64.12</b>

### 4.5(a) Intangible asset under development as at 31 March, 2021: ₹41.76 lakhs

Intangible asset under development represents amount paid towards installation and implementation of ERP software.

### 4.5(b) Intangible asset under development as at 31 March, 2020: ₹21.24 lakhs

Intangible asset under development represents amount paid towards registration of patents.

### 4.6 Right-of-use assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	338.37	341.90
Add: Additions during the year	-	-
Less: Amortisation of Right-of-use assets	(3.53)	(3.53)
<b>Net carrying amount</b>	<b>334.84</b>	<b>338.37</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

## 5.1. Investments

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Designated at Fair Value through Other Comprehensive Income (FVOCI)</b>		
<b>Investments in equity instruments (quoted - fully paid up)</b>		
Mold-Tek Technologies Limited	864.86	733.60
21,17,165 (2020-21,17,165) shares of ₹2 each		
<b>Total</b>	<b>864.86</b>	<b>733.60</b>
Aggregate amount of quoted investments	864.86	733.60
Aggregate amount of impairment in value of investments	-	-

## 5.2. Other financial assets (non-current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Earmarked balances</b>		
Margin money deposits with banks against guarantees	24.59	23.45
<b>Total</b>	<b>24.59</b>	<b>23.45</b>

## 6. Other non-current assets

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>		
Capital advances	305.50	1,095.57
Deposits with government and others	323.77	229.86
<b>Total</b>	<b>629.27</b>	<b>1,325.43</b>

## 7. Inventories

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>(Valued at lower of cost and net realizable value)</b>		
Raw material	3,368.77	1,886.17
Work-in-progress	818.72	881.84
Finished goods	1,317.40	717.58
{including material in transit of ₹273.94 lakhs (2020 - ₹36.06 lakhs)}		
Packing Materials	63.30	63.59
Stores & spares	83.18	85.61
Consumables	1,430.65	1,364.78
<b>Total</b>	<b>7,082.02</b>	<b>4,999.57</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 8.1. Trade receivables

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>	9,060.15	5,971.25
Less: Allowance for expected credit loss	(47.10)	(80.66)
<b>Total</b>	<b>9,013.05</b>	<b>5,890.59</b>

### 8.2. Cash and Cash equivalents

Particulars	As at 31 March, 2021	As at 31 March, 2020
Balances with banks		
in current accounts	29.69	30.91
Cash on hand	13.34	5.81
<b>Total</b>	<b>43.03</b>	<b>36.72</b>

### 8.3. Bank balances other than (Cash and Cash equivalents) above

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Ear marked balances</b>		
Unpaid dividend accounts	75.26	77.81
Rights issue warrants money	10.45	-
<b>Total</b>	<b>85.71</b>	<b>77.81</b>

### 8.4. Loans (current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Unsecured, considered good</b>		
Employee advances	32.11	28.85
<b>Total</b>	<b>32.11</b>	<b>28.85</b>

### 8.5. Other financial assets (current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Sales tax incentive receivable*	225.88	300.63
Export benefits receivables**	8.60	6.77
<b>Total</b>	<b>234.48</b>	<b>307.40</b>

\*During the year, the Group has received ₹150.02 lakhs against sales tax incentive from Maharashtra state government on account of “Package Scheme of Incentives 2008 & 2013”, pertaining to financial years 2017-18 & 2018-19. An amount of ₹75.27 lakhs (P.Y ₹93.53 lakhs) has been considered as incentive receivable for financial year 2020-21.

\*\*During the year, the Group has received ₹1.46 lakhs pertaining to financial year 2018-19 and ₹9.09 lakhs pertaining to financial year 2019-20 against export incentive under “Merchandise Exports from India Scheme.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**9. Current tax assets/(liabilities) (net)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	131.92	136.01
Add: Excess tax provision written back	17.46	2.40
Add: Advance tax and TDS of current year	-	1,253.05
Less: Provision for current tax	-	(1,216.74)
Less: Tax refunds	(26.88)	(42.80)
<b>Total</b>	<b>122.50</b>	<b>131.92</b>

**10. Other current assets**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Prepaid expenses	83.29	79.09
Supplier advances	187.19	1,083.17
Advance for CSR expenses	6.42	15.00
Advances for expenses to employees	2.30	4.47
Deposit with customs, GST input tax credit & Value added tax credit	139.20	174.56
<b>Total</b>	<b>418.40</b>	<b>1,356.29</b>

**11. Equity share capital**

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Authorized:</b>		
4,00,00,000 (P.Y. 2,90,00,000) equity shares of ₹5 each	2,000.00	1,450.00
<b>Total</b>	<b>2,000.00</b>	<b>1,450.00</b>
<b>Issued, Subscribed &amp; Paid-Up Capital:</b>		
2,77,71,621 (P.Y. 2,77,26,027) equity shares of ₹5 each fully paid up	1,388.58	1,386.30
5,55,330 (P.Y. Nil) equity shares of ₹5 each ( ₹1.25 partly paid up)	6.94	-
<b>Total</b>	<b>1,395.52</b>	<b>1,386.30</b>

- 79,95,776 equity shares out of the issued, subscribed and paid up share capital were allotted in the financial year 2008-09 pursuant to the Scheme of arrangement without payments being received in cash.
- 46,625 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 6 July, 2011 by way of Employee Stock Option Scheme.
- 12,40,000 equity shares of ₹10 each issued at a premium of ₹30 per share on 7 September, 2011 by way of preferential offer.
- 9,125 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 19 December, 2011 by way of Employee Stock Option Scheme.
- 19,25,000 equity shares of ₹10 each issued at a premium of ₹35.80 per share on 4 February, 2012 by way of preferential offer.
- 37,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 5 July, 2012 by way of Employee Stock Option Scheme.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

- g) 22,950 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 28 June, 2013 by way of Employee Stock Option Scheme.
- h) 25,100 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 13 June, 2014 by way of Employee Stock Option Scheme.
- i) 39,800 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 25 July, 2014 by way of Employee Stock Option Scheme.
- j) 24,98,350 equity shares of ₹10 each issued at a premium of ₹210.17 per share on 3 February, 2015 by way of Qualified institutional placement.
- k) 5,000 equity shares of ₹10 each issued at a premium of ₹52.95 per share on 9 April, 2015 by way of Employee Stock Option Scheme.
- l) Shareholders on 3 February, 2016 approved the share split of ₹10 each, fully paid up into 2 (Two) equity shares of ₹5 each fully paid up. The Board of Directors fixed the record date as 18 February, 2016. On 17 February, 2016 the Group has sub-divided the existing fully paid Equity Shares of 1,38,45,526 with face of ₹10 each into 2,76,91,052 fully paid up shares with face value of ₹5 each.
- m) 23,325 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 18 October, 2019 by way of Employee Stock Option Scheme.
- n) 11,650 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 27 October, 2019 by way of Employee Stock Option Scheme.
- o) 6,690 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 13 August, 2020 by way of Employee Stock Option Scheme.
- p) 33,810 equity shares of ₹5 each issued at a premium of ₹254.85 per share on 3 October, 2020 by way of Employee Stock Option Scheme.
- q) 5,55,330 partly paid up right equity shares of ₹1.25 each issued at a premium of ₹43.75 per share on 18 November, 2020 by way of Rights issue.
- r) 5,094 equity shares of ₹ 5 each issued at a premium of ₹179 per share on 15 March, 2021 upon conversion of share warrants to equity shares. However, listing formalities for the same are completed in the month of April, 2021.

### (A) Movement in equity share capital:

Particulars	Number of shares	Amount
<b>Balance at 01 April, 2019</b>	<b>2,76,91,052</b>	<b>1,384.55</b>
Movement during the year	34,975	1.75
<b>Balance at 31 March, 2020</b>	<b>2,77,26,027</b>	<b>1,386.30</b>
Movement during the year	6,00,924	9.22
<b>Balance at 31 March, 2021</b>	<b>2,83,26,951</b>	<b>1,395.52</b>

### (B) Details of shareholders holding more than 5% shares in the Group

Name of the shareholder	As at 31 March, 2021		As at 31 March, 2020	
	No. of Shares	% holding	No. of Shares	% holding
J. Lakshmana Rao	26,36,553	9.31	25,55,445	9.22
DSP Blackrock small cap fund	18,44,815	6.51	18,08,643	6.52
A. Subramanyam	16,65,706	5.88	20,29,124	7.32
J. Sudha Rani	15,76,218	5.57	15,06,194	5.43

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**(C) MTPL Employee Stock Option Scheme**

The Group has granted 2,02,000 Options to employees on 4 June, 2010 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹26 per option.

The Group has granted 95,100 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹208 per option.

The Group has granted 54,900 Options to employees on 20 July, 2018 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹234 per option.

The Group has granted 1,50,000 Options to employees on 23 December, 2020 under the Employees Stock Option scheme, in accordance with the guidelines issued by Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, at ₹245.75 and ₹259.40 per option for 94,150 & 55,850 options respectively.

Pursuant to the shareholders approval dated 3 February, 2016, the Group's equity shares of ₹10 each were split into equity shares of ₹5 each fully paid up and consequently the above options with face value of ₹10 each were converted to face value of ₹5 each.

Particulars	As at 31 March	
	2021	2020
Options outstanding	1,12,500	1,50,000
Add: Granted	1,50,000	-
Less: Exercised	40,500	34,975
Less: Forfeited/Lapsed	-	2,525
<b>Closing balance</b>	<b>2,22,000</b>	<b>1,12,500</b>

**(D) Rights issue**

During the year, under Rights issue, the Group has issued 5,55,330 equity shares of Face value of ₹5 each ('Rights Equity Shares') and 33,31,980 detachable Share warrants of face value of ₹5 each to the Eligible Equity Shareholders at an issue price of ₹180 per Rights Equity Share (premium of ₹175 per Rights Equity Share) and ₹184 per Share warrant. On application, the Group has received an amount of ₹45 per Rights Equity Share (₹1.25 towards face value and ₹ 43.75 towards premium) and ₹46 per Share warrant. The balance amount is receivable on call to be made by the Group and on exercise of warrants by the Share warrant holders of the Group.

**(E) Terms/Rights attached to equity shares**

The Group has only one class of equity shares having a face value of ₹5 each. Each holder of equity share is entitled to one vote per share. The Group declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Group, the equity shareholders will be entitled to receive remaining assets of the group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 12. Other equity

Particulars	As at 31 March, 2021	As at 31 March, 2020
Reserves and surplus		
Securities premium	7,820.15	7,569.84
Capital reserve	57.15	57.15
General reserve	1,914.39	1,914.39
Share options outstanding account	32.08	32.37
Retained earnings	12,319.24	8,382.52
Money received against share warrants	1,533.79	-
Exchange differences in translating the financial statements of foreign operations	(25.24)	(14.49)
Equity Instruments through other comprehensive income	548.54	417.28
<b>Total</b>	<b>24,200.10</b>	<b>18,359.06</b>

#### (i) Securities premium

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	7,569.84	7,480.70
Movement during the year	250.31	89.14
<b>Closing balance</b>	<b>7,820.15</b>	<b>7,569.84</b>

#### (ii) Capital reserve

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	57.15	57.15
Movement during the year	-	-
<b>Closing balance</b>	<b>57.15</b>	<b>57.15</b>

#### (iii) General reserve

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	1,914.39	1,914.39
Movement during the year	-	-
<b>Closing balance</b>	<b>1,914.39</b>	<b>1,914.39</b>

#### (iv) Share options outstanding account

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	32.37	-
Add: On account of Share-based payments to employees	17.35	47.48
Less: On account of exercise of employee stock options	(17.64)	(15.11)
<b>Closing balance</b>	<b>32.08</b>	<b>32.37</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

**(v) Retained earnings**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	8,382.52	7,692.06
Add: Profit for the year	4,795.62	3,743.75
Less: Dividends including tax	(837.16)	(3,006.58)
Less: Remeasurement of defined benefit plan (net of tax) (OCI)	(21.74)	(46.71)
<b>Closing balance</b>	<b>12,319.24</b>	<b>8,382.52</b>

**(vi) Exchange differences in translating the financial statements of foreign operations**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	(14.49)	(17.78)
Exchange differences in translating the financial statements of foreign operations	(10.75)	3.29
<b>Closing balance</b>	<b>(25.24)</b>	<b>(14.49)</b>

**(vii) Equity Instruments through Other Comprehensive Income**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	417.28	655.46
Less: Net changes in fair value of financial instruments	131.26	(238.18)
<b>Closing balance</b>	<b>548.54</b>	<b>417.28</b>

**Nature and purpose of other reserves**
**(i) Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act.

**(ii) Capital reserve**

Capital reserve arose on account of amalgamation, transfer of amounts related to forfeited shares amount, state subsidy and others. The reserve is utilised in accordance with the provisions of the Companies Act.

**(iii) General reserve**

General reserve is used for strengthening the financial position and meeting future contingencies and losses.

**(iv) Share options outstanding account**

The reserve represents the excess of the fair value of the options on the grant date over the exercise price which is accumulated by the Group in respect of all options that have been granted. The Group transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such options.

**(v) Retained earnings**

This Reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**(vi) Exchange differences in translating the financial statements of foreign operations**

This reserve represents the cumulative gains/loss (net) arising on fair valuation of equity instruments, net of amounts reclassified, if any, to retained earnings when those instruments are disposed off.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### (vii) Equity Instruments through other comprehensive income

This reserve represents the cumulative gains (net) arising on fair valuation of equity instruments, net of amounts reclassified, if any, to retained earnings when those instruments are disposed off.

### 13. Borrowings (non-current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>a) Secured loans</b>		
Term loans		
From banks	1,556.40	2,259.10
From others	84.41	209.50
<b>b) Unsecured loans</b>		
Deferred payment liabilities- Sales tax deferment loan	20.70	49.64
<b>Total</b>	<b>1,661.51</b>	<b>2,518.24</b>

#### a) Secured loans

The following assets of the Company are given as security:

- # Citicorp Finance (India) Limited has first exclusive charge by way of equitable mortgage on the factory land and buildings situated at Plot no.94, KIADB-Adakanhallu Industrial Area, Chikkaiahnachatra Hobli, Nanjangud Taluk, Mysore district, Karnataka belonging to the Group.
- # Citicorp Finance (India) Limited has first exclusive charge on plant & equipment and other properties at Mysore Unit.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and buildings situated at Plot no.2A, in Survey no. 251P, 255P, 256P, 261P, IC-PUDI village, Rambilli Mandal, Visakhapatnam district, belonging to the Group.
- # Citi Bank has first exclusive charge on plant & equipment and other properties at Pudi (Visakhapatnam) Unit.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Daman plant located at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Satara plant located at Survey no.82/2A, Gate no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank has first exclusive charge on plant & equipment and other properties of Hyderabad unit located at Annaram Village, near air force academy, Medak District, Telangana State.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.82/2A, Gate no.656, Mhavashi Village, Dhawad wadi, Khandala Taluq, Pune, Satara District.
- # Citi Bank has first exclusive charge by way of equitable mortgage on the factory land and building situated at Survey no.160/A, 161/1 & 161/5, Bhimpore Village, Nani Daman, Daman District.
- # Personal guarantees of J. Lakshmana Rao, A. Subramanyam and P. Venkateswara Rao directors of the Group.
- # In case of vehicle loans obtained from banks and financial institutions, vehicles are offered as security.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**Repayment schedule (Other than Vehicle loans):**

Bank/Financial institution	Rate of interest	FY 2021-22	FY 2022-23	FY 2023-24
Citicorp Finance (India) Limited	8.73%	166.67	-	-
Citi Bank N.A	7.41%	222.22	222.22	222.22
Citi Bank N.A	8.85%	443.38	443.38	443.38
<b>Total</b>		<b>832.26</b>	<b>665.60</b>	<b>665.60</b>

**Repayment schedule (Vehicle loans):**

Bank/Financial Institutions	Rate of interest	FY 2020-21	FY 2021-22	FY 2022-23
ICICI Bank Ltd	9.35%	1.94	-	-
ICICI Bank Ltd	8.55%	1.70	-	-
ICICI Bank Ltd	9.71%	2.70	0.48	-
ICICI Bank Ltd	9.00%	4.85	3.04	-
HDFC Bank Ltd	9.01%	16.10	-	-
Yes Bank Ltd	8.65%	0.57	-	-
Daimler Financial Services India Pvt Ltd	8.41%	6.72	36.11	-
Toyota Financial Services India Limited	7.30%	21.70	23.30	25.00
<b>Total</b>		<b>56.28</b>	<b>62.93</b>	<b>25.00</b>

**b) Unsecured loans**

The Govt. of Andhra Pradesh has extended to the Group, the incentive of sales tax deferral scheme pursuant to which the sales tax payment attributable to the sales effected out of production is deferred (interest-free) for a period of 14 years. The Group has availed this scheme for production facility of its 2nd expansion at Annaram unit for ₹751.37 lakhs and production facility at Dommarapochampally unit for ₹421.91 lakhs. The Group has been repaying installments of the deferred sales tax in accordance with the scheme. The total sales tax deferral amount as on 31 March, 2021 stands at ₹68.31 lakhs (31 March, 2020 ₹96.69 lakhs).

Sales tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an expense. Accordingly, an amount of ₹1.51 lakhs (31 March, 2020: ₹2.01 lakhs) has been recognized as an expense. Every year, change in fair value is accounted for as an interest expense.

**Repayment schedule:**

Particulars	FY 2021-22	FY 2022-23
<b>Sales tax deferment loan</b>		
Value added tax	32.23	24.59
Central sales tax	6.85	7.34
<b>Total</b>	<b>39.08</b>	<b>31.93</b>

**14. Provisions (non-current)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>For employee benefits</b>		
Leave encashment	85.91	48.52
Gratuity	262.72	213.22
<b>Total</b>	<b>348.63</b>	<b>261.74</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 15. Deferred tax liabilities (net)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>a) Deferred tax assets</b>		
Expenses allowable on payment basis	101.52	89.71
<b>b) Deferred tax liabilities</b>		
Depreciation and amortisation	1,306.38	1,251.08
<b>Deferred tax liabilities (net)</b>	<b>1,204.86</b>	<b>1,161.37</b>

### Movement in deferred tax liabilities (net)

Particulars	WDV of depreciable PPE/Investment properties/intangible assets	Expenses allowable on payment basis	Total
<b>As at 1 April, 2020</b>	1,251.08	(89.71)	1,161.37
<b>(Charged)/Credited</b>	-	-	
to statement of profit and loss	55.30	(4.50)	50.80
to other comprehensive income	-	(7.31)	(7.31)
<b>As at 31 March, 2021</b>	<b>1,306.38</b>	<b>(101.52)</b>	<b>1,204.86</b>

### 16. Other non-current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Deferred income - Sales tax deferment loan	2.59	8.53
<b>Total</b>	<b>2.59</b>	<b>8.53</b>

### 17.1. Borrowings (Current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Secured loans</b>		
<b>Loans repayable on demand</b>		
Working capital loans from banks	8,225.18	8,146.00
<b>Total</b>	<b>8,225.18</b>	<b>8,146.00</b>

- a) The Group has availed fund based working capital requirements from multiple banks viz., ICICI Bank Ltd, Citi Bank N.A, and HSBC Ltd. Cash credit limits utilised as at the year end along with total working capital limits sanctioned by the participating banks are given below:

Bank	Nature of Borrowing	Limits as at 31st March		Balances as on 31 <sup>st</sup> March	
		2021	2020	2021	2020
ICICI Bank Ltd	CC*	1,500.00	1,500.00	1,395.36	1,373.70
HSBC Ltd	CC*	4,000.00	4,000.00	3,887.38	3,787.51
HSBC Ltd	Credit card	10.00	10.00	7.48	5.12
CITI Bank N.A	CC*	3,000.00	3,000.00	2,928.55	2,979.67
<b>Total</b>		<b>8,510.00</b>	<b>8,510.00</b>	<b>8,218.77</b>	<b>8,146.00</b>

\*CC-Cash Credit

\*\* BG-Bank Guarantee

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**Working capital facilities from the banks are secured by hypothecation by way of first charge on the following assets of the Group:**

- i) First Pari passu charge to the above four banks by way of hypothecation of the borrower's entire current assets which inter-alia include stocks of raw material, work in process, finished goods, consumable stores & spares and such other movables including Book debts, outstanding monies, receivables both present and future of such form satisfactory to the bank.
- ii) First Pari passu charge to the above banks by way of hypothecation of the borrower's movable properties of the Group (Except those specifically charged to term loan lenders).
- iii) First Pari passu charge to the above banks by way of equitable mortgage on the following immovable properties of the Group:-
  - I. First Charge by way of equitable mortgage of land measuring 6.5125 acres and building in Sy.No 54,55/A,70, 71&72 of Annaram Village Near Air Force Academy, Jinnaram Mandal, Medak District, Telangana belonging to the Group.
  - II. First Charge by way of equitable mortgage of land Measuring 6413 Sq. Yards and building in Sy.No. 164 part, Dammarapochampally Village, Qutubullapur, R R District, Telangana belonging to the Group.
  - III. First charge by way of equitable mortgage of land measuring 1066.63 Sq. Yards and buildings in Plot No. D-177 phase III, IDA, Jeedimetla, Qutballapur Mandal, R.R. District. Telangana belonging to the Group.
  - IV. First charge by way of equitable mortgage of ground floor, cellar area of building bearing Municipal No. 8-2-293/82/A/700&700/1 on Plot No. 700 forming part of S.Y. No. 120 (New) of Shaikpet Village and S.Y. No 102/1 of Hakim pet Village admeasuring 3653 SFT of the office space presently occupied by the vendee 50% or 930 SFT of reception area of 1860 SFT all in relevance to the ground Floor 400 Sq.Yards out of 1955 Sq.Yds situated within the approved layout of the Jubilee Hills Co-operative House Building Ltd at Road No. 36, Jubilee hills, belonging to the Group.
  - V. First charge by way of equitable mortgage of land and buildings in Shed No. D-17 & D-18, phase III, IDA, Jeedimetla, Qutballapur Mandal, Medchal District. Telangana belonging to the Group.
  - VI) Personal guarantees of J. Lakshmana Rao, A. Subramanyam, P.Venkateswara Rao and J. Mythreyi, directors of the Group.

**17.2. Trade payables**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Dues to micro enterprises and small enterprises (refer note below)	37.70	10.57
Dues to creditors other than micro enterprises and small enterprises	3,185.63	1,794.38
<b>Total</b>	<b>3,223.33</b>	<b>1,804.95</b>

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	As at 31 March, 2021	As at 31 March, 2020
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		
Principal amount due to micro and small enterprises	37.70	10.57
Interest due on above	-	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the year	-	-



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	As at 31 March, 2021	As at 31 March, 2020
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of the each accounting year	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Group.

### 17.3. Other financial liabilities (current)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Current maturities of long term debts (refer note 13)	927.63	1,105.60
Interest accrued but not due	44.66	39.84
Unpaid dividend	75.26	77.81
Employee benefits payable	389.57	285.69
Outstanding expenses payable	392.86	308.43
Expenses payable to related parties (refer note 33)	48.20	32.16
CSR expenses payable *	153.57	5.57
Capital creditors	779.25	356.93
Security deposits	34.78	29.72
Others	-	1.47
<b>Total</b>	<b>2,845.78</b>	<b>2,243.22</b>

\* includes an amount of ₹147.17 lakhs pertaining to ongoing projects as at 31 March, 2021, recognised as liability and transferred to a special account pursuant to the amended provisions of section 135 of the Companies Act, 2013.

### 18. Current tax liabilities (net)

Particulars	As at 31 March, 2021	As at 31 March, 2020
Provision for income tax	1,583.95	-
Less: Advance tax and TDS of current year	(1,496.91)	-
<b>Total</b>	<b>87.04</b>	<b>-</b>

### 19. Other current liabilities

Particulars	As at 31 March, 2021	As at 31 March, 2020
Advances from customers	186.23	159.06
Deferred revenue grant - Sales tax deferment loan	5.94	8.63
Statutory dues payable	170.80	222.83
<b>Total</b>	<b>362.97</b>	<b>390.52</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**20. Provisions (Current)**

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>For employee benefits</b>		
Leave encashment	41.04	20.56
Gratuity	50.09	29.69
<b>Total</b>	<b>91.13</b>	<b>50.25</b>

**21. Net debt reconciliation**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Opening balance	11,787.00	11,262.77
Add:- Proceeds from non-current borrowings	70.00	2,080.93
Less:- Repayment of non-current borrowings	(1,114.84)	(1,306.87)
Proceeds/ (repayment) from current borrowings	79.18	(251.84)
Fair value adjustment	1.51	2.01
<b>Closing balance of borrowings</b>	<b>10,822.85</b>	<b>11,787.00</b>

**22. Employee benefits****(i) Leave obligations**

The leave obligation covers the Group's liability for earned leave which is unfunded.

**(ii) Defined contribution plan**

The Group has defined contribution plan namely Provident fund. Contributions are made to provident fund at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Group is limited to the amount contributed and it has neither any further contractual nor any constructive obligation. The expense recognised during the year towards defined contributions plan is as follows:

Particulars	31 March, 2021	31 March, 2020
Group's contribution to provident fund	103.50	103.88

**(iii) Post-employment obligations****a) Gratuity**

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan:

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Change in defined benefit obligations:</b>		
Obligation at the beginning of the year	483.91	398.18
Current service cost	48.98	49.34
Interest cost	33.12	30.93
Remeasurement (gains)/losses	42.49	59.69
Past service cost	-	-
Benefits paid	(10.86)	(54.23)
<b>Obligation at the end of the year</b>	<b>597.64</b>	<b>483.91</b>
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	241.00	212.95
Investment income	16.49	16.54
Employer's contributions	24.76	24.50
Benefits paid	(10.86)	(10.27)
Return on plan assets , excluding amount recognised in net interest expense	13.44	(2.72)
<b>Fair value of plan assets at the end of the year</b>	<b>284.83</b>	<b>241.00</b>
<b>Expenses recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service costs	48.98	49.34
Past service cost	-	-
Net interest expenses	16.63	14.39
	<b>65.61</b>	<b>63.73</b>
<b>Other comprehensive income:</b>		
Actuarial (gains)/losses	42.49	59.69
Return on plan assets, excluding amount recognised in net interest expense	(13.44)	2.73
Re-measurement (or actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
	<b>29.05</b>	<b>62.42</b>
<b>Expenses recognised in the statement of profit and loss</b>	<b>94.66</b>	<b>126.15</b>

Amounts recognised in the balance sheet consists of:

Particulars	As at 31 March, 2021	As at 31 March, 2020
Fair value of plan assets at the end of the year	284.83	241.00
Present value of obligation at the end of the year	597.64	483.91
Recognised as		
Retirement benefit liability - Non-current	262.72	213.22
- Current	50.09	29.69

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### Fair value of plan assets --- 100% with LIC of India

Expected contributions to post- employment benefit plans of gratuity for the year ending 31 March, 2022 are ₹ 50.09 lakhs.

### iv) Significant estimates and sensitivity analysis

The sensitivity of the defined benefit obligation to changes in key assumptions is:

Particulars	Key assumptions		Defined benefit obligation					
	31 March, 2021	31 March, 2020	Increase in assumption by			Decrease in assumption by		
			Rate	31 March, 2021	31 March, 2020	Rate	31 March, 2021	31 March, 2020
Discount rate	6.85%	6.85%	1%	525.20	424.82	1%	685.61	555.64
Salary growth rate	7.50%	7.00%	1%	675.51	550.43	1%	528.69	427.06
Attrition rate	1%/2%/3%	1%/2%/3%	0.5%/1%/1.5%	593.81	482.74	0.5%/1%/1.5%	601.90	485.17

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### v) Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

#### Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

#### Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

#### Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

## 23. Revenue from operations

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Revenue from contracts with customers</b>		
Sale of products	47,772.14	43,692.90
<b>Other operating revenue</b>		
Export incentives	12.38	-
Sales tax incentives	75.27	80.94
Sale of scrap	32.75	46.39
<b>Total</b>	<b>47,892.54</b>	<b>43,820.23</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 24. Other income

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Rental income from investment property	4.51	2.06
Dividend income	12.70	61.40
Amortisation of deferred government grant	8.63	17.49
Interest income	15.35	34.97
Foreign exchange fluctuation gain (net)	22.55	-
Provision no longer required	24.76	-
<b>Total</b>	<b>88.50</b>	<b>115.92</b>

### 25. Cost of materials consumed

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Raw material	23,499.50	20,390.73
Pigments	789.56	751.29
Handles	929.19	917.64
Printing material	2,294.14	2,653.88
Other consumables	264.39	253.90
<b>Total</b>	<b>27,776.78</b>	<b>24,967.44</b>

### 26. Changes in inventories of finished goods and work-in-progress

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Opening inventories</b>		
Finished goods	717.58	872.91
Work-in-progress	881.84	807.11
<b>(A)</b>	<b>1,599.42</b>	<b>1,680.02</b>
<b>Closing inventories</b>		
Finished goods	1,317.40	717.58
Work-in-progress	818.72	881.84
<b>(B)</b>	<b>2,136.12</b>	<b>1,599.42</b>
<b>Total (A-B)</b>	<b>(536.70)</b>	<b>80.60</b>

### 27. Employee benefits expense

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Salaries, wages and bonus	2,853.78	2,707.66
Contribution to provident and other funds	113.72	116.71
Gratuity expense	74.79	71.32
Leave encashment expense	59.90	6.75
Staff welfare expenses	169.80	198.49
Share-based payments to employees	17.35	47.49
<b>Total</b>	<b>3,289.34</b>	<b>3,148.42</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**28. Finance costs**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Interest on borrowings	971.54	1,038.98
Interest on short-fall in payment of advance tax	19.77	-
Other borrowing costs	3.12	0.83
<b>Total</b>	<b>994.43</b>	<b>1,039.81</b>

**29. Depreciation and amortization expense**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Depreciation on property, plant and equipment	2,167.55	1,941.86
Depreciation on investment property	0.13	0.13
Amortisation of intangible assets	17.86	11.57
Amortisation of right-of-use assets	3.53	3.53
Less: Capitalized	(38.59)	(35.50)
<b>Total</b>	<b>2,150.48</b>	<b>1,921.59</b>

**30. Other expenses**

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Power and fuel	1,673.05	1,600.77
Packing materials	654.30	704.36
Repairs and maintenance		
Buildings	53.30	73.87
Plant and equipment	283.19	310.93
Moulds	133.56	180.16
Others	155.72	160.73
Insurance	92.13	50.21
Rates and taxes	185.56	148.62
Rent	126.31	189.55
Contract labour and job work charges	2,089.30	2,074.90
Travelling and conveyance	84.69	225.92
Communication expenses	45.06	51.15
Printing and stationery	25.71	28.99
Professional and consultancy charges	94.48	101.25
Freight outward	1,765.20	1,741.37
Advertisement expenses	2.35	2.45
Sales Promotion Expenses	42.02	76.15
Payments to auditors (refer note 30(a) below)	11.48	11.40
Net Loss on disposal of property, plant and equipment	21.51	12.52
Property, plant, equipment written off	-	29.33

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Directors' sitting fee	7.00	4.00
Provision for bad and doubtful debts (net of reversals)	(0.57)	30.35
Bad debts written off	16.57	-
Foreign exchange fluctuation loss (net)	-	5.67
Corporate social responsibility expenditure (refer note 30(b) below)	220.62	75.88
Provision for capital advances	58.00	-
Intangible assets under development written off	21.24	-
Bank charges	10.29	5.36
Miscellaneous expenses	41.50	49.38
<b>Total</b>	<b>7,913.57</b>	<b>7,945.27</b>

### 30(a) Payment to Auditors:

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
<b>Statutory auditors</b>		
-Statutory audit fee	8.50	8.50
-For other services (including fee for quarterly reviews)	2.50	2.50
-Certification charges	0.48	0.40
<b>Total</b>	<b>11.48</b>	<b>11.40</b>

**Note:** An amount of ₹4 lakhs paid to the auditors towards Rights issue certification charges is adjusted against securities premium.

### 30(b) Corporate social responsibility expenditure:

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Amount required to be spent as per Section 135 of the Act	101.32	93.95
Amount spent during the year on :		
1. Construction/ acquisition of any assets	25.00	27.29
2. On purposes other than (1) above	42.05	48.59

### 31. Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit before income tax expense	6,512.76	5,194.35
Tax at the Indian tax rate of 25.168%	1,639.13	1,307.32
Effect of non-deductible expense	55.53	579.37
Effect of allowances for tax purpose	(130.48)	(669.95)
Effect of deferred tax	50.80	(128.97)
<b>Tax expense</b>	<b>1,614.98</b>	<b>1,087.77</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**32. Contingent liabilities**

Particulars	31 March, 2021	31 March, 2020
Income tax	95.55	105.83
VAT/CST*	1.53	9.09
<b>Total</b>	<b>97.08</b>	<b>114.92</b>

\*Includes ₹85.27 lakhs (2020 - ₹41.58 lakhs) paid under protest by way of adjustment against refunds.

**33. Commitments****Capital commitments**

Capital expenditure contracted for, but not recognised as liabilities is as follows:

Particulars	31 March, 2021	31 March, 2020
Property, Plant and Equipment	1,602.00	574.00
<b>Total</b>	<b>1,602.00</b>	<b>574.00</b>

**34. Related party transactions****Names of related parties and nature of relationships:**

Names of the related parties	Nature of relationship
<b>i) Key Management Personnel (KMP):</b>	
J. Lakshmana Rao	Chairman & Managing Director
A. Subramanyam	Deputy Managing Director
P. Venkateswara Rao	Deputy Managing Director
M. Srinivas	Whole-time Director
A. Seshu Kumari	Chief Financial Officer
Thakur Vishal Singh	Company Secretary
<b>ii) Non-whole-time Directors</b>	
J. Mytraeyi	Director
Kotagiri Venkata Appa Rao	Director
T.Venkateswara Rao	Director
Immaneni Eswara Rao	Director
Dhanraj Tirumala	Director
Madhuri Venkata Ramani Viswanadham	Director
B. Ramakrishna	Director (till 29 August, 2020)
Vasu Prakash Chitturi	Director
<b>iii) Relatives of key managerial personnel:</b>	
J. Navya Mythri	Assistant Finance Controller
J. Rana Pratap	Vice President of New Business Development
S. Kavya	Chief Manager of New Business Development
A. Durga Sundeep	Vice President of New Business Development
J. Sathya Sravya	Management Trainee (w.ef 1st December, 2020)
J.Sudha Rani	Spouse of Chairman & Managing Director
P.S.N.Vamsi Prasad	Son-in-law of Chairman & Managing Director



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Names of the related parties	Nature of relationship
J.Bhujanga Rao	Brother of Chairman & Managing Director
N. Padmavathi	Sister of Chairman & Managing Director
A.Lakshmi Mythri	Daughter of A. Subramanyam
Jandhyala V.S.N. Krishna	Son-in-law of A. Subramanyam
Y.Manasa	Daughter-in-law of A. Subramanyam
P.Sai Lakshmi	Spouse of P. Venkateswara Rao
P.Appa Rao	Brother of P. Venkateswara Rao
M.Hyma	Spouse of M. Srinivas
M.Koteshwara Rao	Brother of M. Srinivas
K.Srinivasa Vengala Rao	Son of Kotagiri Venkata Appa Rao
T.Vimala	Spouse of T.Venkateswara Rao
<b>iv) Enterprises in which key managerial personnel and/or their relatives have control:</b>	
Mold-Tek Technologies Limited	
Friends Packaging Industries	
Capricorn Industries	
Dynamic Metal Industries Pvt Ltd	
Sri Kanaka Durga Mini Transport	
J.S. Sundaram & Co	

All amounts in ₹ lakhs, unless otherwise stated

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Details of transactions during the year where related party relationship existed:**

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel		Key Management Personnel	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>Purchases</b>						
Friends Packaging Industries	313.12	278.05	-	-	-	-
Capricorn Industries	335.51	317.21	-	-	-	-
Dynamic Metal Industries Pvt Ltd	208.48	146.97	-	-	-	-
<b>Services received</b>						
J.S. Sundaram & Co	48.74	42.01	-	-	-	-
Sri Kanaka Durga Mini Transport	70.41	53.03	-	-	-	-
<b>Remuneration</b>						
J. Lakshmana Rao	-	-	-	-	168.44	142.70
A. Subramanyam	-	-	-	-	199.32	194.88
P. Venkateswara Rao	-	-	-	-	137.29	137.28
M. Srinivas	-	-	-	-	76.19	86.14
A. Seshu Kumari	-	-	-	-	42.85	43.65
Thakur Vishal Singh	-	-	-	-	7.45	6.44
<b>Dividend</b>						
Mold-Tek Technologies Limited	0.80	-	-	-	-	-
J. Lakshmana Rao	-	-	-	-	77.27	229.99
A. Subramanyam	-	-	-	-	61.15	182.62
P. Venkateswara Rao	-	-	-	-	7.11	21.14
A. Seshu Kumari	-	-	-	-	14.93	44.46
M. Srinivas	-	-	-	-	14.09	39.33
J. Navya Mythri	-	-	4.19	12.44	-	-
J. Rana Pratap	-	-	4.59	13.13	-	-
S. Kavya	-	-	2.97	9.00	-	-
J. Mytraeyi	-	-	2.60	7.80	-	-
A. Durga Sundeeep	-	-	6.01	21.40	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel		Key Management Personnel	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
J. Sathya Sravya	-	-	5.02	12.97	-	-
J.Sudha Rani	-	-	46.15	132.30	-	-
P.S.N.Vamsi Prasad	-	-	0.60	1.80	-	-
J.Bhujanga Rao	-	-	5.55	16.55	-	-
N. Padmavathi	-	-	10.32	35.72	-	-
A.Lakshmi Mythri	-	-	7.27	21.60	-	-
Jandhyala V.S.N. Krishna	-	-	1.38	3.91	-	-
Y.Manasa	-	-	2.83	8.10	-	-
P.Sai Lakshmi	-	-	4.85	14.49	-	-
P.Appa Rao	-	-	0.01	0.03	-	-
M.Hyma	-	-	0.83	2.49	-	-
M.Koteshwara Rao	-	-	-	2.72	-	-
K.Srinivasa Vengala Rao	-	-	0.57	1.67	-	-
T.Vimala	-	-	0.66	4.57	-	-
Kotagiri Venkata Appa Rao	-	-	-	-	0.01	0.02
T.Venkateswara Rao	-	-	-	-	0.60	1.80
Immaneni Eswara Rao	-	-	-	-	0.23	0.77
<b>Salaries</b>						
J. Navya Mythri	-	-	19.81	19.89	-	-
J. Rana Pratap	-	-	48.49	48.10	-	-
S. Kavya	-	-	26.97	24.58	-	-
A. Durga Sundeeep	-	-	41.03	18.54	-	-
J. Sathya Sravya	-	-	2.61	-	-	-
<b>Sitting fee</b>						
J. Mytraeyi	-	-	0.40	0.60	-	-
Kotagiri Venkata Appa Rao	-	-	0.60	0.60	-	-
T.Venkateswara Rao	-	-	1.40	1.40	-	-
Immaneni Eswara Rao	-	-	1.40	1.40	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Particulars	Enterprises in which key managerial personnel and/or their relatives have control		Relatives of key managerial personnel		Key Management Personnel	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Dhanraj Tirumala	-	-	1.20	0.20	-	-
Madhuri Venkata Ramani Viswanadham	-	-	1.40	-	-	-
B. Ramakrishna	-	-	0.60	-	-	-
Vasu Prakash Chitturi	-	-	-	(0.20)	-	-
<b>Rent</b>						
A. Subramanyam	-	-	-	-	26.03	-
P. Venkateswara Rao	-	-	-	-	26.03	-
M. Srinivas	-	-	-	-	9.40	-
<b>Rent received</b>						
Friends Packaging Industries	4.51	2.06	-	-	-	-
<b>Dividend received</b>						
Mold-Tek Technologies Limited	12.70	61.40	-	-	-	-
<b>Personal guarantee given to Bank</b>						
J. Lakshmana Rao	-	-	-	-	5,609.00	5,609.00
A. Subramanyam	-	-	-	-	4,746.00	4,746.00
P. Venkateswara Rao	-	-	-	-	655.70	655.70
<b>Other transactions</b>						
Mold-Tek Technologies Limited	16.04	19.15	-	-	-	-
<b>Outstanding payable/(receivable) as at 31 March, 2021</b>						
<b>Trade payables</b>						
Friends Packaging Industries	62.42	41.54	-	-	-	-
Capricorn Industries	29.67	5.38	-	-	-	-
Dynamic Metal Industries Pvt Ltd	6.59	9.65	-	-	-	-
J.S. Sundaram & Co	5.58	6.31	-	-	-	-
Sri Kanaka Durga Mini Transport	7.45	(1.30)	-	-	-	-
<b>Other financial liabilities (current)</b>						
Mold-Tek Technologies Limited	48.20	32.16	-	-	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 35. Earnings per share (EPS)

Particulars	Year ended 31 March, 2021	Year ended 31 March, 2020
Profit after tax	4,795.62	3,743.75
Weighted average number of equity shares used in calculating Basic EPS	285.12	288.84
Weighted average number of equity shares used in calculating Diluted EPS	297.08	288.84
Face value per share (₹)	5.00	5.00
Basic Earnings per Share (BEPS) (₹)	16.82	12.96
Diluted Earnings per Share (DEPS) (₹)	16.14	12.96

### 36. Segment Information

- a) The Group's Chairman & Managing Director, Deputy Managing Directors and Chief Financial Officer examine the Group's performance from a product prospective and have identified one operating segment viz Packaging containers. Hence segment reporting is not given.

b) **Information about products:**

Revenue from external customers - Sale of packaging containers ₹47,772.14 lakhs (P.Y ₹43,692.89 lakhs)

The Group has made external sales to the following customers meeting the criteria of 10% or more of the Group revenue

Customer 1 - ₹18,370.96 lakhs.

### 37. Share based payments (Ind AS 102)

The Group has granted 7,04,000 options to its eligible employees in various ESOS Schemes, details are as under:

**(A) Employee Stock Option Scheme:**

Particulars	MTPL Employees Stock Option Scheme	MTPL Employees Stock Option Scheme-2016			
Number of options	4,04,000	95,100	54,900	94,150	55,850
Vesting plan - Category A	Year I - 50%; Year II - 25%; Year III - 25%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%	Year I - 25%; Year II - 30%; Year III - 45%
Vesting plan - Category B	Year I - 25%; Year II - 35%; Year III - 40%	-	-	-	-
Vesting plan - Category C	Year I - 30%; Year II - 30%; Year III - 40%	-	-	-	-
Vesting period	5 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant	3 years from date of grant
Grant date	9 February, 2010	20 July 2018	20 July 2018	23 December 2020	23 December 2020
Exercise price (₹ per share)	13	208	234	245.75	259.4
Fair value on the date of grant of option (₹ per share)	31.48	259.85	259.85	273.05	273.05
Method of settlement	Equity	Equity	Equity	Equity	Equity

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**(B) Movement of options granted along with Weighted Average Exercise Price (WAEP):**

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	WAEP(₹)	Number	WAEP(₹)
Outstanding at the beginning of the year	1,12,500	2,49,72,929	1,50,000	3,26,27,400
Granted during the year	1,50,000	3,76,24,853	-	-
Exercised during the year	40,500	87,60,180	34,975	75,77,500
Forfeited during the year	-	-	2,525	76,971
Outstanding at the end of the year	2,22,000	5,38,37,602	1,12,500	2,49,72,929
Options exercisable at the end of the year	-	-	-	-

The weighted average share price at the date of exercise for options was ₹289.22 per share (31 March, 2020 ₹314.20 per share). For options outstanding at the end of the year, remaining contractual life is 4 months and 2 years 9 months respectively (31 March, 2020 : 1 Year 4 months).

**(C) Details of the liabilities arising from the Share based payments are as follows:**

Particulars	As at 31 March, 2021	As at 31 March, 2020
Total carrying amount	32.37	32.08

**38. Additional information, as required under schedule III to the Companies act, 2013, of enterprise consolidated as subsidiary:**

Name of the Enterprise	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹lakhs	As % of consolidated profit or loss	₹lakhs	As % of consolidated other comprehensive income	₹lakhs	As % of consolidated total comprehensive income	₹lakhs
<b>Parent</b>								
Mold-Tek Packaging Limited	99.95	25583.64	100.25	4807.49	110.89	109.52	100.46	4917.02
<b>Subsidiary</b>								
<b>Foreign</b>								
Mold-Tek Packaging FZE	0.05	11.98	(0.25)	(11.87)	(10.89)	(10.75)	(0.46)	(22.63)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 39. Financial instruments and risk management

#### Fair values

- The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

#### (i) Categories of financial instruments

Particulars	Level	31 March, 2021		31 March, 2020	
		Carrying amount	Fair value*	Carrying amount	Fair value*
<b>Financial assets measured at fair value through other comprehensive income</b>					
Investments	1	864.86	864.86	733.60	733.60
<b>Other financial assets</b>	<b>3</b>	<b>24.59</b>	<b>24.59</b>	<b>23.45</b>	<b>23.45</b>
<b>Current</b>					
Trade receivables	3	9,013.05	9,013.05	5,890.59	5,890.59
Cash and cash equivalents	3	43.03	43.03	36.72	36.72
Other bank balances	3	85.71	85.71	77.81	77.81
Loans	3	32.11	32.11	28.85	28.85
Other financial assets	3	234.48	234.48	307.40	307.40
<b>Total</b>		<b>9,432.97</b>	<b>9,432.97</b>	<b>6,364.82</b>	<b>6,364.82</b>
<b>Financial liabilities</b>					
<b>Measured at amortised cost</b>					
<b>Non-current</b>					
Borrowings	3				
- Banks		1,640.81	1,640.81	2,468.60	2,468.60
- Sales tax deferment loan		68.31	59.78	96.69	79.53
<b>Current</b>					
Borrowings	3	8,225.18	8,225.18	8,146.00	8,146.00
Trade payables	3	3,223.33	3,223.33	1,804.95	1,804.95
Other financial liabilities	3	2,845.78	2,845.78	2,243.22	2,243.22
<b>Total</b>		<b>16,003.41</b>	<b>15,994.88</b>	<b>14,759.46</b>	<b>14,742.30</b>

\*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Group has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

### 40. Financial risk management

The Group is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

#### (A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at 31 March, 2021 and 31 March, 2020. The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March, 2021 and 31 March, 2020.

##### (i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/ other payables, trade/other receivables and derivative assets/liabilities. The risks primarily relate to fluctuations in US Dollar, AED against the functional currencies of the Group. The Group's exposure to foreign currency changes for all other currencies is not material. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in US dollars and AED exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### (ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and from foreign forward exchange contracts:

Foreign currency exposure				
Particulars	As at 31 March, 2021		As at 31 March, 2020	
	AED	USD	AED	USD
Loans and advances	21,087	-	2,444,849	-
Trade receivables	421,345	80,291	745,416	(7,443)
Trade payables	-	273,069	-	295,882
<b>Net exposure to foreign currency risk</b>	<b>442,432</b>	<b>(192,778)</b>	<b>3,190,265</b>	<b>(303,325)</b>

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
<b>Change in AED</b>				
1% increase	0.88	6.55	0.66	4.90
1% decrease	(0.88)	(6.55)	(0.66)	(4.90)
<b>Change in USD</b>				
1% increase	(1.41)	(2.29)	(1.06)	(1.71)
1% decrease	1.41	2.29	1.06	1.71

The movement in the pre-tax effect is a result of a change in the fair value of monetary assets and liabilities denominated in US dollars and AED, where the functional currency of the entity is a currency other than US dollars and AED.

### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. As the Group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Group has no significant interest bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/(decrease) in profit before tax		Increase/(decrease) in other components of equity	
	31 March, 2021	31 March, 2020	31 March, 2021	31 March, 2020
Change in interest rate				
increase by 100 basis points	(92.16)	(109.62)	(68.97)	(82.03)
decrease by 100 basis points	92.16	109.62	68.97	82.03

The assumed increase/decrease in interest rate for sensitivity analysis is based on the currently observable market environment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

**(B) Credit Risk**

Financial assets of the Group include trade receivables, loans to wholly owned subsidiary, employee advances, security deposits held with government authorities and bank deposits which represent Group's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Group has a procedure in place aiming to minimise collection losses. Credit control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. With respect to other financial assets viz., loans & advances, deposits with government and banks, the credit risk is insignificant since the loans & advances are given to its wholly owned subsidiary and employees only and deposits are held with government bodies and reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

Credit risk on trade receivables and other financial assets is evaluated as follows:

**a) Expected credit loss for trade receivable under simplified approach:**

Particulars	31 March, 2021	31 March, 2020
Gross carrying amount	9,060.15	5,971.25
Expected credit losses (Loss allowance provision)	(47.10)	(80.66)
<b>Carrying amount of trade receivables</b>	<b>9,013.05</b>	<b>5,890.59</b>

**b) Expected credit loss for financial assets where general model is applied**

The financial assets which are exposed to credit are loan to Wholly owned subsidiary Group and employee advances.

Particulars	31 March, 2021	31 March, 2020
Asset group	Estimated gross carrying amount at default	Estimated gross carrying amount at default
<b>Gross carrying amount</b>		
Loans	-	-
Employee advances	32.11	28.85
	<b>32.11</b>	<b>28.85</b>
Expected credit losses	-	-
<b>Net carrying amount</b>		
Loans	-	-
Employee advances	32.11	28.85
<b>Total</b>	<b>32.11</b>	<b>28.85</b>

**Reconciliation of loss allowance provision**

Particulars	2020-21	2019-20
<b>loss allowance at the beginning of the year</b>	<b>80.66</b>	<b>75.75</b>
Changes in loss allowance during the year	(33.56)	4.91
<b>Loss allowance at the end of the year</b>	<b>47.10</b>	<b>80.66</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### (c) Significant estimates and judgements

#### Impairment of financial assets:

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

### (C) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and Group's ability to meet obligations when due and to close out market positions. The Group's treasury maintains flexibility in funding by maintaining deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

#### (i) Financing arrangements:

The Group had access to the following undrawn borrowing facilities at the end of the reporting period

Particulars	As at	
	31 March, 2021	31 March, 2020
Expiring within one year (bank overdraft and other facilities)	288.71	359.12

#### (ii) Maturities of Financial liabilities

##### Contractual maturities of financial liabilities as at:

Particulars	31 March, 2021		31 March, 2020	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Borrowings	8,225.18	1,661.51	8,146.00	2,518.24
Trade payables	3,223.33	-	1,804.95	-
Other financial liabilities	2,845.78	-	2,243.22	-
<b>Total</b>	<b>14,294.29</b>	<b>1,661.51</b>	<b>12,194.17</b>	<b>2,518.24</b>

(iii) Management expects finance costs for the year ending 31 March, 2022 to be ₹988.88 lakhs (P.Y 1071.35 lakhs).

## 41. Capital management

### A. Capital management and Gearing Ratio

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is debt divided by total capital. The Group includes within debt, interest bearing loans and borrowings.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

All amounts in ₹ lakhs, unless otherwise stated

Particulars	31 March, 2021	31 March, 2020
<b>Borrowings</b>		
Current	8,225.18	8,146.00
Non current	1,661.51	2,518.24
Current maturities of non- current borrowings	927.63	1,105.60
Sales tax deferment loan	8.53	17.16
<b>Total Debt</b>	<b>10,822.85</b>	<b>11,787.00</b>
<b>Equity</b>		
Equity share capital	1,395.52	1,386.30
Other equity	24,200.10	18,359.06
<b>Total Equity</b>	<b>25,595.62</b>	<b>19,745.36</b>
<b>Gearing ratio in % (Debt/Equity)</b>	<b>42.28%</b>	<b>59.70%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March, 2021 and 31 March, 2020.

**B. Dividends**

Particulars	31 March, 2021	31 March, 2020
<b>Dividends recognised</b>		
Final dividend for the year ended 31 March, 2019 of ₹2 per fully paid share	-	553.82
Interim dividend for the year ended 31 March, 2019 of ₹2 per fully paid share	-	553.82
Interim dividend for the year ended 31 March, 2021 of ₹3 (31 March, 2020 of ₹5) per fully paid share	837.16	-
Dividend distribution tax on the above	-	512.64
<b>Dividends not recognised</b>		
For the year ended the directors have recommended the payment of final dividend of ₹4 per fully paid up equity share. This proposed dividend is subject to the approval of share holders in the ensuing annual general meeting.	1,116.42	-

**42. Impact of Covid-19:**

The Group has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

All amounts in ₹ lakhs, unless otherwise stated

### 43. Code on Social Security:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the holding Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The holding Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

### 44. Previous year figures have been regrouped/rearranged wherever necessary.

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **M.Anandam & Co.,**  
Chartered Accountants  
(Firm Registration Number: 000125S)

Sd/-  
**B V Suresh Kumar**  
Partner  
Membership No. 212187

Place : Hyderabad  
Date : 26 May, 2021

For and on behalf of Board

Sd/-  
**J. Lakshmana Rao**  
Chairman & Managing Director  
DIN: 00649702

Sd/-  
**A. Seshu Kumari**  
Chief Financial Officer

Sd/-  
**A. Subramanyam**  
Deputy Managing Director  
DIN: 00654046

Sd/-  
**Thakur Vishal Singh**  
Company Secretary  
M.No.A41956

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## Expansion of New block @ Unit-1 For Pumps ProjectPlant / Food Packaging-JPK-2B



## Mysore Plant Expansion



## Vizag Plant Expansion





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